

COST ALLOCATION AND RATE DESIGN PREFACE

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1. The purpose of this evidence is to provide a description of the approach and steps used to develop the evidence for cost allocation and rate design in this Application. This preface is prepared to provide an overview of the interdependent nature of Exhibit 7 and Exhibit 8, Tab 1 and Tab 2 that arises from the proposal for rate harmonization.

2. This evidence is organized as follows:
 1. Rates Harmonization Process
 2. Rate Zone and Rate Class Harmonization
 3. Implementation Plan
 4. Bill Impacts

1. Rates Harmonization Process

3. In the MAADs Decision, the OEB required Enbridge Gas to file a proposal for rate harmonization in its next rebasing application.¹ The OEB noted that it is not a requirement to harmonize rates but a requirement to file a proposal about harmonization.² The OEB also requires utilities that have merged or amalgamated to file a rate harmonization plan subject to established cost allocation and rate design principles, which must include an implementation plan and an impact analysis.³

¹ EB-2017-0306/EB-2017-0307, Decision and Order, August 30, 2018, p.43.

² Ibid.

³ Filing Requirements for Natural Gas Rate Applications, February 16, 2017, p.36.

4. In support of this directive and to recognize the amalgamation of EGD and Union, Enbridge Gas began work assessing a proposal for rate harmonization early in the deferred rebasing term. The goal of this initial work was to assess end state harmonization proposals for Enbridge Gas as presented in this Application, including the following components:
 - Review and assess the in-franchise and ex-franchise services across the three rate zones for harmonization. The service proposals are provided at Exhibit 8, Tab 4;
 - Identify and evaluate rate zone alternatives for harmonization, as described further in Section 2; and
 - Establish harmonized rate classes and rate design. A summary of the harmonized rate classes is provided in Section 2.

5. Enbridge Gas also began an initiative to develop a harmonized cost allocation model to support the rate design process, recognizing that both EGD and Union had approved cost allocation studies that were based on sound cost allocation principles and long-standing methodologies. Enbridge Gas established guidelines and cost allocation principles to support the harmonized cost allocation study, recognizing that in some cases Enbridge Gas was limited by the availability of common information for the amalgamated utility. A description of the proposed cost allocation study is provided at Exhibit 7, Tab 2, Schedule 1 and Exhibit 7, Tab 3, Schedule.

6. Other harmonization proposals in Exhibit 8 and Exhibit 9, also support the rate harmonization plan, including harmonized miscellaneous service charges, harmonized terms and conditions of service, and harmonized deferral and variance accounts.

7. Based on the assessment of the rate harmonization and resulting customer bill impacts, Enbridge Gas is proposing to implement the proposed rate harmonization plan as part of this Application.

2. Rate Zone and Rate Class Harmonization

8. As part of the rate harmonization plan, Enbridge Gas proposes to harmonize the rate zones and rate classes for the amalgamated utility. Please see Exhibit 8, Tab 2, Schedule 1 for the rate harmonization plan.

2.1. Rate Zone Harmonization

9. Enbridge Gas is proposing to harmonize the EGD and Union rate zones into one rate zone. The harmonization of rate zones allows Enbridge Gas to align, simplify and enhance rates and services to continue to meet customers' needs. Enbridge Gas used a multi-step approach to assess the rate zone alternatives for the amalgamated utility. Enbridge Gas weighed the benefits and challenges of each alternative and assessed the resulting impacts to customers. The Company also sought feedback from customers on rate zone preferences through the customer engagement process.
10. Enbridge Gas prepared the 2024 Cost Allocation Study based on one rate zone for all costs and rate classes with the exception of transportation service options that provide regional transportation service, which is described at Exhibit 7, Tab 1, Schedule 1. A one rate zone approach to the cost allocation study allows for consistent pricing of like services across rate classes and geographic regions and recognizes that many aspects of the 2024 Test Year revenue requirement no longer represent either EGD or Union rate zones on a stand-alone basis.
11. Please see Exhibit 7, Tab 1, Schedules 1 to 4 for a description of the approach used for cost allocation, a description of the cost allocation methodology and a

description of the proposed changes. Please also see Exhibit 7, Tab 2, Schedule 1 for the 2024 Cost Allocation Study for the current rate classes.

2.2. Rate Class Harmonization

12. As part of the rate harmonization plan, Enbridge Gas is also proposing to harmonize the rate classes for the amalgamated utility, which will simplify the total number of rate classes from the current 42 rate classes to a total of 16 rate classes. The proposal also ensures customers in the same rate class are paying common rates for the same service. A summary of the mapping of current rate classes for each rate zone to the harmonized rate classes is provided at Exhibit 8, Tab 2, Schedule 1, Attachment 2.
13. To support the rate design for the harmonized rate classes, Enbridge Gas prepared a second cost allocation study for the 2024 Test Year using the harmonized rate class proposal. This cost allocation study is a fully integrated and comprehensive study that includes all proposed harmonized rate classes using the same cost allocation methodologies as the cost allocation study to support the current rate classes.
14. Please see Exhibit 7, Tab 3, Schedule 1 for the 2024 Cost Allocation Study for the proposed harmonized rate classes.

3. Implementation Plan

15. Following the review of service and rate harmonization proposals, Enbridge Gas developed a rate implementation plan. The rate implementation plan recognizes that a phase-in approach is required to provide sufficient time to make changes to the business applications and to notify customers. As such, Enbridge Gas is proposing to implement the service and rate harmonization proposals in three stages, defined by implementation date, as follows:

- a) The first implementation date is January 1, 2024, to coincide with the rate approvals for the 2024 Test Year as part of this Application;
- b) The second implementation date is April 1, 2025, for the harmonized general service rate classes including the rate design changes for these rate classes; and
- c) The third implementation date is April 1, 2026, for the harmonized contract rate classes and the harmonized services for contract customers.

16. As part of this Application, Enbridge Gas is requesting approval of proposed rates set for the current rate classes and harmonized rate classes, both of which are supported by a cost allocation study based on the 2024 Test Year. Subject to OEB approval in this Application, rates effective January 1, 2024, will be the proposed rates for the current rate classes. The proposed rates for the harmonized rate classes will be implemented on April 1, 2025, for the general service rate classes and April 1, 2026, for contract rate classes per the rate implementation plan. The proposed rates in this Application for the current rate classes and harmonized rate classes will be updated in accordance with the approved incentive rate-setting mechanism (IRM) adjustments beginning in 2025. The rates for the current rate classes, subject to the annual IRM adjustments, will continue for each year until the implementation date of the harmonized rate classes. The rates for the harmonized rate classes will reflect the IRM adjustments for each year following 2024 until the date of implementation. The proposed IRM, including the annual adjustments and annual adjustment process, is provided at Exhibit 10, Tab 1, Schedule 1.

17. The rate design evidence includes proposals that are effective January 1, 2024, and other proposals that are effective post January 1, 2024. To assist with identifying the proposals based on implementation date, a summary of rate design proposals is provided at Exhibit 8, Tab 1, Schedule 2, Attachments 2 to 3. In

addition to the summary of proposals, Enbridge Gas has also provided supporting evidence, as described in the following sections.

3.1. Proposals Effective January 1, 2024

18. For the proposed rates for the 2024 Test Year Forecast for the current rate classes, the following supporting evidence is provided:

- Proposed rates for the 2024 Test Year and supporting working papers are provided at Exhibit 8, Tab 2, Schedule 8;
- A summary of the rate design proposals, revenue-to-cost ratios and customer-related costs for 2024 are provided at Exhibit 8, Tab 1; and
- A combined rate handbook reflecting a harmonized approach to the rate schedules of the current rate classes is provided at Exhibit 8, Tab 2, Schedule 7, Attachment 1.

3.2. Proposals Effective After January 1, 2024

19. For the proposed rates post 2024 for the harmonized rate classes, the following supporting evidence is provided:

- The proposed rates for the 2024 Test Year Forecast for the harmonized rate classes are provided at Exhibit 8, Tab 2, Schedule 9;
- A summary of the rate design proposals, revenue-to-cost ratios and customer-related costs for post 2024 are provided at Exhibit 8, Tab 1; and
- A harmonized rate handbook reflecting the rate schedules of the harmonized rate classes is provided at Exhibit 8, Tab 2, Schedule 7, Attachment 2.

4. Bill Impacts

20. Customer bill impacts effective January 1, 2024, incorporate impacts related to:

- Setting rates based on the 2024 Cost of Service after 10 years of incentive regulation;
- The recovery of the proposed delivery and gas supply revenue deficiency;

- Introducing a harmonized cost allocation study; and
- Introducing rate design proposals.

21. In addition to the revenue deficiency recovery, the bill impacts reflect the rebasing of rates based on the cost of service and the Company's transition from EGD and Union operating as stand-alone companies to Enbridge Gas operating as one amalgamated utility.

22. Customer bill impacts upon transition to harmonized rate classes, effective April 1, 2025, for general service rate classes and April 1, 2026, for contract rate classes, incorporate the impacts of introducing the proposed new harmonized rate classes and rate design proposals.

23. Enbridge Gas is proposing a rate mitigation plan to help manage total bill impacts and reduce volatility for customers over the transition period from the current rate classes to the harmonized rate classes. A description of the bill impacts and rate mitigation plan is provided at Exhibit 8, Tab 2, Schedule 6.

COST ALLOCATION OVERVIEW
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1. The purpose of this evidence is to request OEB approval of two cost allocation studies for the 2024 Test Year to support the rate design for the current rate classes and the harmonized services and rate class proposals for implementation post 2024. Both cost allocation studies have been prepared using an integrated approach and reflect the harmonization of the allocation methodologies. The primary use of the cost allocation studies is to support the rate design process for both current rate classes and the proposed harmonized rate classes.
2. The first Cost Allocation Study allocates the 2024 Test Year revenue requirement, net of other revenue, to current rate classes and supports the proposed rates effective January 1, 2024. The second Cost Allocation Study allocates the same 2024 Test Year net revenue requirement to the proposed harmonized rate classes. For the purposes of evidence in this Application, Enbridge Gas may refer to the two cost allocation studies collectively as the Cost Allocation Study or the 2024 Cost Allocation Study unless otherwise specified.
3. The harmonized rate classes are planned for implementation April 1, 2025, for the general service rate classes and April 1, 2026, for the contract rate classes. Upon implementation, the 2024 rates for the harmonized rate classes will be updated for any approved incentive rate-setting mechanism (IRM) adjustments from 2024 to the implementation date. The proposed IRM is provided at Exhibit 10, Tab 1, Schedule 1.

4. The Cost Allocation Study for the 2024 Test Year is the first study prepared by Enbridge Gas since the MAADs Decision.¹ The 2024 Cost Allocation Study is a fully integrated and comprehensive study that includes all current approved rate classes in the EGD and Union rate zones.

5. The 2024 Cost Allocation Study and supporting schedules in Exhibit 7 are organized as follows:

Exhibit 7, Tab 1, Schedule 1	Cost Allocation Overview
Exhibit 7, Tab 1, Schedule 2	Description of Cost Allocation Methodology
Exhibit 7, Tab 1, Schedule 3	Comparison of Cost Allocation Methodologies
Exhibit 7, Tab 1, Schedule 4	Other Cost Allocation Proposals and Directives
Exhibit 7, Tab 2, Schedule 1	2024 Cost Allocation Study – Current Rate Classes
Exhibit 7, Tab 3, Schedule 1	2024 Cost Allocation Study – Harmonized Rate Classes

6. In accordance with the OEB's Filing Requirements for Natural Gas Rate Applications², Enbridge Gas has prepared illustrative step-by-step schedules explaining the approach used to prepare the Cost Allocation Study, which is provided at Exhibit 7, Tab 1, Schedule 2. A comparison of the proposed cost allocation methodologies to the current approved cost allocation methodologies for the EGD and Union rate zones is provided at Exhibit 7, Tab 1, Schedule 3.

7. Enbridge Gas has also prepared a detailed explanation of proposed changes to existing cost allocation methodologies at Exhibit 7, Tab 1, Schedule 4. The proposed changes are in response to prior OEB directives and other Enbridge Gas commitments, as well as proposed changes to the allocation of Dawn Parkway

¹ EB-2017-0306/EB-2017-0307.

² Filing Requirements for Natural Gas Rate Applications, February 16, 2017, pp.34-35.

demand costs and the Demand Side Management (DSM) budget. The prior directives and commitments are related to:

- The cost allocation of major capital projects, including the Panhandle System and St. Clair System, Parkway Station, and Dawn Station, that were implemented during Union's 2014 to 2018 IR term;
- The Hagar Liquefaction Service; and
- The allocation of Distribution Maintenance – Equipment on Customer Premises O&M expenses.

8. Outcomes of the 2024 Cost Allocation Study and rate design process are provided at Exhibit 8, Tab 1, including revenue-to-cost ratios (Schedule 3) and a comparison of the allocated customer-related costs per customer per month by rate class to the level of the proposed fixed monthly customer charges (Schedule 4). The 2024 Cost Allocation Study based on current rate classes is provided at Exhibit 7, Tab 2, Schedule 1, and the Cost Allocation Study based on harmonized rate classes is provided at Exhibit 7, Tab 3, Schedule 1.

9. This evidence also describes the approach used to prepare the cost allocation study, including guiding principles and a description of the approach to rate zones for cost allocation. The following sections of evidence are organized as follows:

1. Cost Allocation Study Approach and Guiding Principles
2. Approach to Rate Zones for Cost Allocation
3. Adjusted Revenue Requirement and Revenue Deficiency

1. Cost Allocation Study Approach and Guiding Principles

10. In preparing the Cost Allocation Study for the 2024 Test Year, Enbridge Gas reviewed the EGD and Union cost allocation studies that were last approved by the

OEB in each Company's respective 2013 Cost of Service proceedings³. The cost allocation studies were based on sound cost allocation principles and long-standing methodologies that categorized and allocated costs based on EGD and Union's system operations and customer rate classes. Enbridge Gas has reviewed each of the methodologies and to the extent possible, incorporated those same principles and approaches into the integrated cost allocation study for the amalgamated utility. Please see Exhibit 7, Tab 1, Schedule 3 for a comparison of the EGD and Union OEB-approved cost allocation methodologies.

11. In addition to a review of the past cost allocation approaches of EGD and Union, Enbridge Gas used the following guidelines and cost allocation principles to derive the proposed cost allocation methodologies for the 2024 Cost Allocation Study:

- Cost causation – Cost allocation methodologies are used to establish cost relationships and reflect relative costs rather than a precise measurement of costs. The goal is to reflect a fair and reasonable apportionment of costs to provide service to customers;
- Simplification – The cost allocation study should be relatively simple and easy to understand to ensure proper interpretation and ease of administration. Complex methodologies, in terms of both content and number of allocation factors, require additional time and effort from all parties and are difficult to review and understand. The use of direct assignments or the calculation of customized factors, which can be overly detailed for small cost categories, should be kept to a minimum;
- Consistency – Costs with similar attributes should be categorized and allocated in the same manner to ensure the cost responsibility for like customers and services is consistent;

³ EB-2011-0354 for EGD and EB-2011-0210 for Union.

- Judgement – The use of judgement is required in apportioning costs to the various functions and their classifications. The judgement is based on the specific knowledge of how Enbridge Gas operates its system; and
- Stability – The cost allocation study should provide a consistent allocation of costs for each rate class, such that the rates are reasonably stable and predictable over time. Consistent year-over-year relationships between costs and revenues is important for rate design and customer impacts, rather than the absolute level of allocated costs.

12. Enbridge Gas also considered the availability of common data for the amalgamated utility as a factor when proposing cost allocation methodologies for the Cost Allocation Study. The EGD and Union cost allocation studies were underpinned with customer information, system operations detail, and financial data from different IT systems. At times, Enbridge Gas was limited in proposing cost allocation methodologies based on information that was common and available for the amalgamated utility.

2. Approach to Rate Zones for Cost Allocation

13. The 2024 Cost Allocation Study is prepared based on one rate zone for all costs and rate classes with the exception of transportation service options that provide regional transportation service, such as ex-franchise transportation service options and transportation services for semi-unbundled and unbundled customers. A one rate zone approach to the Cost Allocation Study allows for consistent pricing of like services across rate classes and geographic regions.
14. As a result of the integration efforts of the Company, many aspects of the 2024 Test Year revenue requirement no longer represent either EGD or Union rate zones on a stand-alone basis. Accordingly, the proposed allocation of costs to rate

classes is based on the average embedded costs of the Company's integrated system of gas supply, storage, transportation, and distribution facilities to deliver gas to customers in different geographical regions of Ontario. This approach is consistent with the Cost Allocation Study of the EGD rate zone, which used a uniform system of rates throughout its franchise area. For example, customers in a given rate class for the EGD rate zone that are located in St. Catharines are subject to the same charges as customers in the same rate class located in Ottawa. The rate zone alternatives and the proposal to introduce one rate zone for recovery of gas supply, storage, transportation and distribution costs are provided at Exhibit 8, Tab 2, Schedule 1.

15. In addition to ex-franchise services that are based on the transportation costs to provide point-to-point transportation services, semi-unbundled and unbundled services are based on the transportation costs to provide transportation services to these customers. Enbridge Gas has allocated transportation costs for semi-unbundled and unbundled services to support the proposed rate design, which includes separate charges for the transportation service. For example, customers located in the South service area do not have the ability to contract separately for upstream transportation services to Enbridge Gas's distribution facilities due to the integrated nature of distribution and transportation facilities in the South service area. The South service area is directly connected to Dawn storage and served through the Dawn Parkway, Panhandle and St. Clair Systems. As such, Enbridge Gas has allocated transportation costs to rate classes based on the average cost of transportation necessary to serve the South service area. These costs will be used to support the proposed rate design that incorporates a transportation charge for the South service area. A description of the proposed service areas is provided at

Exhibit 8, Tab 2, Schedule 1. The proposed rate design for semi-unbundled and unbundled services is provided at Exhibit 8, Tab 2, Schedule 4.

16. Introducing an integrated Cost Allocation Study creates one-time impacts to customers as the Company transitions from the cost allocation study results for EGD and Union operating as stand-alone companies to the Cost Allocation Study results of Enbridge Gas operating as one amalgamated utility. To help manage this transition, and other impacts as a result of proposals in this Application, Enbridge Gas is proposing a rate mitigation plan that considers all rate impacts to customers resulting from proposals in this Application. The rate mitigation plan is provided at Exhibit 8, Tab 2, Schedule 6.

3. Adjusted Revenue Requirement and Revenue Deficiency

17. Enbridge Gas has prepared a reconciliation of the revenue requirement and revenue deficiency for the 2024 Test Year. The reconciliation compares the adjusted revenue requirement and revenue deficiency for the 2024 Test Year used to prepare the Cost Allocation Study and rate design to the revenue requirement and revenue deficiency provided at Exhibit 6, Tab 1, Schedule 2, Attachment 1.

18. This evidence includes two types of adjustments:

- a) The first is to reclassify revenue and cost components to align with the cost allocation and rate design process. These adjustments do not result in a change to the total revenue deficiency; and
- b) The second is to update the revenue requirement to reflect revenue and cost adjustments made as part of the cost allocation and rate design process. These adjustments have resulted in a net decrease to the total revenue deficiency.

19. The reconciliation and 2024 Test Year adjusted revenue requirement is provided at Attachment 1.

3.1. Reclassified Revenue and Cost Components

20. Enbridge Gas reclassified revenue and cost components of the revenue requirement to align with the cost allocation and rate design process. These adjustments include:

- Reclassifying \$25.3 million of customer supplied fuel (CSF) from cost of gas to distribution and transportation revenue;
- Reclassifying \$15.3 million of gas supply optimization revenue from transportation revenue to other revenue; and
- Reclassifying \$6.0 million of community expansion system expansion surcharge (SES) and temporary connection surcharge (TCS) revenue and renewable natural gas (RNG) station charge revenue from distribution and transportation revenue to other revenue.

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21. The reclassification of CSF from cost of gas to distribution and transportation revenue is to recognize that CSF revenue is netted from the compressor fuel and UFG gas cost expense in the 2024 Test Year Forecast. To ensure all compressor fuel costs are included in the Cost Allocation Study, the Cost Allocation Study does not net CSF revenue and gas cost expense when allocating the total revenue requirement to rate classes. Accordingly, a reclassification of CSF revenue to gas sales revenue is necessary to arrive at the total revenue requirement for cost allocation purposes.

22. The reclassification of gas supply optimization revenue, community expansion SES and TCS revenue and RNG station charge revenue to other revenue is necessary

because the Company allocates other revenue in the Cost Allocation Study as a reduction to the allocation of revenue requirement. Other revenue reduces the allocated revenue requirement and the net revenue requirement is used for the rate design process. As such, by including gas supply optimization revenue, community expansion SES and TCS revenue and RNG station charge revenue in other revenue, the net revenue requirement in the Cost Allocation Study reflects the amount to be recovered in base rates for the 2024 Test Year.

3.2. Adjustments to Revenue Deficiency

23. In addition to the reclassified revenue and cost components, Enbridge Gas updated the revenue deficiency to reflect revenue and cost adjustments not captured in the revenue deficiency provided at Exhibit 6, Tab 1, Schedule 2, Attachment 1. These adjustments include:

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- Increasing the non-utility cross charge revenue by \$0.5 million;
- Decreasing the transportation fuel costs by \$2.1 million; and
- Increasing the market-based storage fuel costs by \$0.7 million.

24. The net impact of the adjustments to the revenue requirement is a decrease in the revenue deficiency of \$1.9 million, from a deficiency of \$294.1 million to \$292.2 million, as provided at Table 1. Of the \$1.9 million net adjustment, \$0.5 million is a decrease to the delivery deficiency, from \$270.9 million to \$270.4 million, and \$1.4 million is a decrease to the gas supply deficiency, from \$23.2 million to \$21.8 million.

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Table 1
Restatement of Enbridge Gas's 2024 Revenue Deficiency

Line No.	Particulars (\$ millions)	Total	
		(a)	
	<u>Exhibit 6, Tab 1, Schedule 2</u>		
1	2024 Revenue at Existing Rates	6,080.6	/u
2	2024 Revenue Requirement	<u>6,374.7</u>	/u
3	Revenue Deficiency	<u>(294.1)</u>	/u
	<u>Exhibit 7 Adjustments (1)(2)</u>		
4	Increase in non-utility cross charge revenue	0.5	
5	Parkway Delivery Commitment Incentive cost	-	/u
6	Decrease in transportation fuel costs	2.1	
7	Increase in market-based storage fuel cost	<u>(0.7)</u>	
8	Adjusted Revenue Deficiency	<u><u>(292.2)</u></u>	/u

Notes:

- (1) Positive adjustments decrease the revenue deficiency and negative adjustments add to the revenue deficiency.
- (2) Adjustment to the non-utility cross charge impacts delivery deficiency and adjustments to transportation and market-based storage fuel costs impacts gas cost deficiency. /u

25. A description of each of the adjustments to the revenue deficiency is provided below.

Increase in Non-Utility Cross Charge Revenue

26. Enbridge Gas is decreasing the revenue deficiency by \$0.5 million through an increase in the non-utility cross charge revenue. The non-utility cross charge revenue of \$0.8 million provided at Exhibit 3, Tab 4, Schedule 1, Attachment 2, page 5, column (b), line 21, is understated by \$0.5 million as a result of an update in the non-utility cross charge revenue. The adjusted non-utility revenue cross charge revenue is \$1.2 million as provided at Exhibit 8, Tab 2, Schedule 8, Attachment 17, page 1. /u

Parkway Delivery Commitment Incentive (PDCI) Costs

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27. There is no change to the revenue deficiency for the PDCI costs of \$17.6 million, as provided at Exhibit 4, Tab 7, Schedule 1.

28. Included in the 2024 Test Year revenue requirement provided at Exhibit 6, Tab 1, Schedule 2 is \$17.6 million associated with the 2024 forecast cost of PDCI payments to direct purchase customers. The \$17.6 million is calculated based on the annual forecast PDO of 261 TJ/d and the current PDCI unit rate credit of \$0.173/GJ and 26 TJ/d for the market-based alternative with a cost of \$0.110/GJ. The 2024 PDCI unit rate credit has not changed from the \$0.173/GJ, as provided at Exhibit 8, Tab 2, Schedule 8, Attachment 6.

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29. The cost of PDCI payments will be updated in the final rate order to reflect a PDCI unit rate that includes the fuel cost from the October 2023 QRAM. Please see Exhibit 4, Tab 7, Schedule 1, Attachment 1 for the proposed PDO Framework that discusses the derivation of the PDCI unit rate credit.

Decrease in Transportation Fuel Costs

30. Enbridge Gas is reducing the revenue deficiency by \$2.1 million to update the forecast of transportation fuel of \$26.0 million as provided at Exhibit 4, Tab 2, Schedule 1, Attachment 1, page 4, line 10 to \$23.9 million. The adjustment of \$2.1 million is made up of two components: \$0.2 million related to updating the fuel cost to reflect the Dawn or Empress forecast supply price and \$1.9 million to reduce transportation fuel costs for transportation paths that are only used in the provision of sales service.

31. Included in the revenue requirement was \$26 million associated with the 2024 forecast cost of transportation fuel calculated based on the cost of fuel for each transportation contract. Enbridge Gas has updated the transportation fuel forecast for each transportation contract to reflect either the Dawn or Empress⁴ forecast supply price resulting in a decrease of \$0.2 million. This approach will allow for straightforward updates to transportation fuel costs in the Quarterly Rate Adjustment Mechanism (QRAM) applications to reflect the changing market price for commodity fuel. Variances between the actual fuel costs and those included in rates will continue to flow through the gas cost deferral accounts.

32. Included in the \$26 million forecast of transportation fuel was \$1.9 million related to transportation paths that are only used in the provision of sales service. This fuel cost has been removed from the transportation fuel cost forecast.

Increase in Market-Based Storage Fuel Cost

33. Enbridge Gas is increasing the revenue deficiency by \$0.7 million to update the market-based storage costs from \$13.2 million as provided at Exhibit 4, Tab 2, Schedule 1, Attachment 1, page 4, line 14 to \$13.9 million. The adjustment of \$0.7 million is to include the market-based storage fuel costs in the total cost of market-based storage as the fuel costs were not included in the 2024 Test Year Forecast revenue requirement provided at Exhibit 6, Tab 1, Schedule 2.

⁴ Dawn or Empress based on the requirement by transportation contract.

DESCRIPTION OF COST ALLOCATION METHODOLOGY

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1. The purpose of this evidence is to provide a description of Enbridge Gas's cost allocation methodology used to prepare the Cost Allocation Study for the 2024 Test Year. The objective of the cost allocation process is to allocate the utility test year revenue requirement¹ to customer rate classes using the cost allocation study approach discussed below and the guiding principles provided at Exhibit 7, Tab 1, Schedule 1. The Cost Allocation Study provides an indication of cost responsibility by customer rate class at a specific point in time and should not be viewed as a precise measurement of the actual cost to serve a particular rate class, much less a particular customer. The Cost Allocation Study results are primarily used to support the rate design process.

2. Enbridge Gas used the industry standard three-step approach of functionalization, classification, and allocation to prepare the Cost Allocation Study. These three steps recognize the way a utility provides service and assigns cost responsibility to customer rate classes in a manner representative of how the costs are incurred. The following is a summary of the three steps:
 1. Functionalization – Costs are apportioned to each of the four natural gas utility functions of gas supply, storage, transmission and distribution;
 2. Classification – Costs are apportioned to each classification category of demand, commodity and customer based on the nature of the cost; and

¹ Enbridge Gas uses the net revenue requirement in the cost allocation study to support the rate design process. The net revenue requirement is the 2024 Test Year adjusted revenue requirement less other revenue.

3. Allocation – Costs are apportioned to customer rate class for each function and classification category.

3. A summary of the proposed Cost Allocation Study structure, including the functionalization and classification of costs, is illustrated in Figure 1.

Figure 1: Summary of the Cost Allocation Study

FUNCTIONALIZATION			
Gas Supply	Storage	Transmission	Distribution
CLASSIFICATION	CLASSIFICATION	CLASSIFICATION	CLASSIFICATION
<ul style="list-style-type: none"> Gas Supply Commodity Load Balancing <ul style="list-style-type: none"> Transportation Demand Commodity Transportation <ul style="list-style-type: none"> Demand Commodity Admin 	<ul style="list-style-type: none"> Storage Demand <ul style="list-style-type: none"> Deliverability Space Operational Contingency Storage Commodity 	<ul style="list-style-type: none"> Transmission Demand <ul style="list-style-type: none"> Dawn Station Kirkwall Station Parkway Station Dawn Parkway Albion Panhandle/ St. Clair Transmission Commodity 	<ul style="list-style-type: none"> Distribution Demand <ul style="list-style-type: none"> High Pressure >4" High Pressure ≤4" Low Pressure Specific Allocation Distribution Customer <ul style="list-style-type: none"> Mains Services Meters Stations Specific Allocation Distribution Commodity

4. Enbridge Gas has reviewed the cost allocation methodologies previously used by EGD and Union and to the extent possible, incorporated those same principles and approaches into the integrated Cost Allocation Study for the amalgamated utility. A comparison of the current OEB-approved cost allocation methodologies of EGD and Union and the proposed methodologies described below are provided at Exhibit 7, Tab 1, Schedule 3. Proposed changes to the current OEB-approved cost allocation methodologies are provided at Exhibit 7, Tab 1, Schedule 4.

1. Functionalization

5. The first step of the cost allocation process is to apportion costs to the four natural gas utility functions of:
 - a) Gas Supply;
 - b) Storage;
 - c) Transmission; and
 - d) Distribution.

6. These functions are required to supply, store and move gas to the market. The four utility functions also represent the service options provided by Enbridge Gas to customers.

7. The gas supply function includes gas supply commodity, third-party transportation, load balancing and peaking supply costs. The gas supply function also includes administration costs for sales, direct purchase (DP) and Distributor Consolidated Billing (DCB) services.

8. For the storage, transmission and distribution functions, a majority of costs are directly assigned to a functional area to reflect the Utility's plant investment, related depreciation, and operating costs to provide each of these services to customers. The direct cost of these functions can be obtained from the accounts maintained using the OEB's Uniform System of Accounts for Gas Utilities.²

9. Within the plant investment accounts, Enbridge Gas records Dawn facility assets as storage, regardless of the use of the asset. However, the Cost Allocation Study recognizes that certain assets of the Dawn facility have been installed for

² Ontario Energy Board Uniform System of Accounts for Class A Gas Utilities, Part I, April 1, 1996.
<https://www.oeb.ca/documents/GasUSO.htm>

transmission purposes. Accordingly, costs of the Dawn facility are categorized as a) storage, b) transmission or c) both storage and transmission in the Cost Allocation Study based on OEB-approved methodologies.

- a) Storage – Assets of the Dawn facilities used solely for the provision of storage services are directly assigned to the storage function. Storage assets include storage lines, storage wells, outboard storage compression and dehydration assets. The Tecumseh Storage facility is also used solely to provide storage service and is directly assigned to the storage function;
- b) Transmission – Assets of the Dawn facilities used solely for the provision of transmission services are directly assigned to the transmission function. Transmission assets include Dawn Plant E and Plant H compressor stations, certain measuring and regulating equipment to measure transportation volumes, among others; and
- c) Both Storage and Transmission – There are some assets of the Dawn facilities that are used to support both storage and transmission services. These assets include the remaining i. compression facilities, and related structures and improvement and land facilities, and ii. measuring and regulating at the Dawn facilities;
 - i. Dawn Compression and Related Facilities – Enbridge Gas uses a horsepower allocation methodology to functionalize compression-related costs between storage and transmission functions based on the amount of compression horsepower required to provide storage and transmission services on design day.
 - ii. Dawn Measuring and Regulating – Enbridge Gas functionalizes measuring and regulating related costs between the storage and transmission functions based on the forecasted annual storage and transmission activity at Dawn.

10. Within the plant investment accounts, transmission costs are categorized based on use of the asset. For the purposes of the cost allocation study, transmission assets are limited to those that can provide cross franchise transportation service. Enbridge Gas's transmission systems include Dawn Parkway, Albion, Panhandle and St. Clair.

- a) The Dawn Parkway System provides transportation service between the Dawn Hub and the Parkway Compressor Station (Parkway Station), located in Mississauga. Certain station assets are categorized separately from the Dawn Parkway System for cost allocation purposes, namely Dawn Station, Kirkwall Station and Parkway Station;
- b) The Albion System provides transportation service from the Parkway Station to Albion King's North on the Albion pipeline;
- c) The Panhandle System provides transportation service between Dawn and the Ojibway valve site in Windsor on the Panhandle pipeline; and
- d) The St. Clair System provides transportation service between Dawn and the St. Clair and Bluewater river crossings on the St. Clair Pipeline and river crossing contracted capacity.

11. Distribution assets are used to serve end-use customers located in Ontario. Included in the distribution function are third-party transportation contracts that provide a system benefit to all customers and are required to serve in-franchise demands, regardless of the upstream transportation supply arrangements. The costs of these third-party transportation contracts are functionalized as distribution as these costs are incurred to provide in-franchise distribution service.

12. Certain costs are categorized to a function based on operating details and Enbridge Gas's knowledge of its system. These costs include linepack, property tax, general

operating and engineering expenses, compressor fuel, unaccounted for gas (UFG), and company-use gas.

13. There are also indirect costs, such as general plant, administrative and general O&M expenses, employee benefits and other working capital costs. These indirect costs are categorized in all steps of the cost allocation study in proportion to other related cost items to recognize these costs vary based on other expenses, such as the level of net plant or O&M expenses. For example, general plant is allocated based on a 50/50 weighting of net plant and O&M expense, administrative and general O&M expenses are allocated in proportion to O&M expense, employee benefits are allocated in proportion to the labour component of the O&M expense and working capital costs are allocated in proportion to net plant with the exception of gas in storage and balancing gas which is allocated to the storage function.
14. Finally, Enbridge Gas categorizes other revenue to a function based on the nature of the other revenue components. Other revenue reduces the revenue requirement in the cost allocation study that is used in the rate design process.
15. The functionalization of costs is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 3. A description of the functionalization factors is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 11.

2. Classification

16. The second step of the cost allocation process categorizes functionalized assets and operating costs into classifications according to cost incurrence. The three main classifications are demand, commodity, and customer. The following is a summary of the three classifications:

- a) Demand costs, also known as capacity-related costs, are costs that vary with the usage of the system on design day;
- b) Commodity costs are costs that are typically variable in nature and vary with the volume of gas consumed; and
- c) Customer costs are costs that are incurred by virtue of a customer taking service and do not vary with either the usage of the system on design day or the level of gas consumed.

17. This section of evidence is organized by each of the four functions as follows:

- 2.1 Gas Supply Classification
- 2.2 Storage Classification
- 2.3 Transmission Classification
- 2.4 Distribution Classification

2.1. Gas Supply Classification

18. Gas supply costs are classified as gas supply commodity, load balancing transport, load balancing commodity, transportation demand, transportation commodity and admin.

19. Costs related to the gas supply commodity procured by the Utility for sales service customers are classified as gas supply commodity. The gas supply commodity costs also include third-party transportation costs to transport the gas supply commodity for sales service customers to a gas supply point of receipt, such as Empress, Dawn, Parkway, Kirkwall, Niagara or Chippawa.

20. Third-party demand costs to transport gas to the delivery area from a gas supply point of receipt to meet average annual demands are categorized as transportation demand. The transportation demand costs are driven by the need to meet average

annual demands for both sales service and bundled DP customers.³ For cost allocation purposes, Enbridge Gas assumes long-haul transportation contracts are used to serve average annual demands in each respective delivery area, with any remaining average annual demands met through the use of short-haul transportation contracts.

21. Load balancing costs are categorized into transportation and commodity. Load balancing transportation includes third-party transportation demand costs, incremental to the transportation required to meet the average annual demands, that are required to meet design day demand. Load balancing commodity includes gas supply load balancing costs to meet above average day demands. These costs are incurred by contracting for peaking services and purchasing incremental gas supply over the winter period to meet seasonal and design day demands for all customers. The incremental gas supply costs incurred for load balancing in 2024 are provided at Exhibit 4, Tab 2, Schedule 1, Attachment 1, page 5.

22. Enbridge Gas optimizes third-party transportation assets by offering short-term services, such as transportation and exchange services, when the assets are not required to meet customer demands. Other revenue in the gas supply function includes the portion of the net revenue generated from these services that is shared with ratepayers.⁴ To reflect that the optimization activity offsets the third-party transportation costs that were used to facilitate these services, the optimization credit is categorized in proportion to transportation demand and load balancing transportation costs.

³ DP customers are obligated to deliver gas to Empress, Dawn, Parkway and/or Enbridge CDA.

⁴ Net gas supply optimization revenue is shared 90:10 between ratepayers and shareholders.

23. Enbridge Gas direct assigns the third-party transportation fuel costs as transportation commodity and the administrative costs for gas supply, DP and DCB services as admin. Other revenue associated with DP administration charges is also classified as admin as a reduction to the revenue requirement.
24. The classification of gas supply costs is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 4. A description of the classification factors is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 11.

2.2. Storage Classification

25. The 2024 Test Year revenue requirement includes the cost of regulated storage and excludes unregulated storage costs. Regulated storage costs are classified as storage demand and storage commodity. The storage demand costs are further classified as deliverability, space and operational contingency.
26. Storage deliverability costs are incurred to deliver gas from storage on design day. The storage deliverability costs include land, structures and improvements, measuring and regulating equipment, and compressor equipment. The storage deliverability costs also include the Hagar LNG facility, as the facility is used to meet design day demands.
27. Costs associated with land rights and wells and lines are incurred to provide both deliverability from storage on design day and to provide capacity to store gas. These costs are classified as 50% deliverability and 50% space. The storage space costs are further classified between storage space and operational contingency as Enbridge Gas manages the operational contingency storage space and its associated inventory to support the reliability and resilience of the Enbridge Gas

system. Of the total storage space, 15.6 GJ is required for operational contingency, as provided at Exhibit 4, Tab 2, Schedule 4.

28. Gas in storage and balancing gas attributed to the carrying cost of gas in inventory is classified as storage demand space and operational contingency. The amount classified as operational contingency is based on the 10.8 PJ of filled space of the total operational contingency of 15.6 PJ.
29. Market-based storage demand costs are incurred to meet the Utility's storage space and storage deliverability requirements. The market-based storage demand costs are classified in proportion to total utility storage space and deliverability net plant excluding base pressure gas and linepack.
30. Base pressure gas and gas in storage working capital are classified as storage space. The base pressure gas is a permanent investment required to operate the storage pools, while the gas in storage working capital represents the Company's regulated storage inventory.
31. Storage compressor fuel, UFG, company use gas and fuel on market-based storage contracts are classified as storage commodity, as these costs vary with storage volumes.
32. The classification of storage costs is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 5. A description of the classification factors is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 11.

2.3. Transmission Classification

33. Transmission costs are classified as transmission demand and transmission commodity. The transmission demand costs are further classified as Dawn Station, Kirkwall Station, Parkway Station, Dawn Parkway, Albion and Panhandle/St. Clair.
34. Enbridge Gas classifies Dawn Station, Kirkwall Station and Parkway Station separately from the other Dawn Parkway System costs. Dawn Station and Kirkwall Station classifications include the demand costs for measuring and regulating and mains related to the stations. Parkway Station classification includes both the compression and measuring and regulating demand costs. The remaining Dawn Parkway System demand costs, including transmission mains and compression (Dawn, Lobo and Bright), are classified as Dawn Parkway. The separate classification of the station costs allows for a consistent approach to the allocation of transmission, compression and measuring and regulating demand costs. Please see Exhibit 7, Tab 1, Schedule 4 for a description of the Parkway Station and Dawn Station cost allocation proposals.
35. The Parkway Delivery Commitment Incentive (PDCI) costs are classified as Dawn Parkway to align the recovery of the PDCI costs with the recovery of other Dawn Parkway costs. The PDCI is paid to customers with a Parkway Delivery Obligation (PDO) to recognize the incremental costs incurred by customers to deliver gas at Parkway. The PDO provides a system benefit, as the gas delivered to Parkway reduces the amount of gas that is required to be transported on the Dawn Parkway System.
36. Enbridge Gas classifies the demand costs of the Albion and Panhandle/St. Clair systems to each of the respective classifications. The direct costs of these

classifications are assigned based on the Utility's plant investment, related depreciation, and operating costs.

37. Transmission compressor fuel, UFG and company use gas are classified as transmission commodity, as these costs vary with transmission volumes.
38. The classification of transmission costs is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 6. A description of the classification factors is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 11.

2.4. Distribution Classification

39. Distribution costs are classified as distribution demand, distribution customer and distribution commodity. The distribution demand costs are further classified as high pressure >4", high pressure <=4", low pressure and demand specific allocation.⁵ The distribution customer costs are further classified as distribution mains, distribution services, distribution meters, distribution stations and customer specific allocation.
40. The distribution system provides customers access to natural gas service and capacity to meet their demand. The cost allocation classifies distribution costs based on the costs related to having the customer on the distribution system (customer-related) versus the costs related to the capacity to serve the customer's design day demand (demand-related).
- a) Distribution demand costs include the demand-related component of mains, measuring and regulating, and DSM costs; and
 - b) Distribution customer costs include the customer-related component of mains, services, compressor equipment, meters and customer stations. There are

⁵ High pressure is defined as an operational pressure of 175 psi or greater. Low pressure is defined as an operational pressure less than 175 psi.

also customer-related O&M costs that require a specific allocation, such as uncollectible accounts, distribution customer accounting and large volume customer care.

41. Distribution mains costs are classified between demand and customer using the zero-intercept methodology, which estimates the percentage of distribution infrastructure that is necessary to provide customers access to natural gas service. The mains network is sized to meet peak demand capacity on the distribution system. The system is divided into high and low pressure, with high-pressure mains categorized by pipe size of greater than 4" (>4") and less than or equal to 4" (<=4").
- a) The high-pressure mains move gas from transmission systems, such as the Dawn Parkway System or upstream transmission systems on the TransCanada Mainline, to the distribution pressure grid mains network.⁶ It is the grid network that ultimately provides customers access to natural gas service. Since the high-pressure systems feed the grid mains, they have a very limited customer component and are classified entirely as demand-related costs.
 - b) The low-pressure grid system provides access to natural gas for customers on the distribution system to meet customer demands. As a result, the low-pressure system has both a demand-related and a customer-related component. These cost components are estimated by isolating the distribution infrastructure that is needed to exist to provide customers access to natural gas service. In the 2024 Cost Allocation Study, about 34% of distribution mains are classified as customer-related and 66% are classified as demand-related.

⁶ The transmission systems also include some third-party contracts that provide transmission service to in-franchise customers on the distribution system.

42. Distribution UFG and company use gas are classified as distribution commodity, as these costs vary with distribution volumes.
43. Other revenue functionalized to distribution for customer accounting charges are classified to customer specific and community expansion temporary connection surcharge (TCS) and system expansion surcharge (SES) other revenue is classified in proportion to the revenue requirement for components that are required to be installed to connect new customers such as mains, services, meters and stations.
44. The classification of distribution costs is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 7. A description of the classification factors is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 11.

3. Allocation

45. The final step in the cost allocation process attributes the costs to rate classes for each function and classification. Allocation factors that reflect cost incurrence are used in the allocation process. For example, demand costs may be allocated using the design day demands of each rate class, customer costs may be allocated based on the number of customers in a particular rate class, and commodity costs may be allocated based on rate class consumption volumes.
46. The allocation of total costs is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 8 with the allocation of delivery costs and gas costs provided at Attachments 9 and 10, respectively. A description of the allocation factors is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 11.

47. This section of evidence is organized by each of the four functions as follows:

- 3.1 Gas Supply Allocation
- 3.2 Storage Allocation
- 3.3 Transmission Allocation
- 3.4 Distribution Allocation

3.1. Gas Supply Allocation

48. A description of the cost allocation methodology for each of the following gas supply classifications is provided in this section of evidence, as follows.

- a) Gas Supply Commodity;
- b) Load Balancing Transportation;
- c) Load Balancing Commodity;
- d) Transportation Demand;
- e) Transportation Commodity; and
- f) Admin

Gas Supply Commodity

49. Costs related to the supply of gas are allocated to rate classes in proportion to sales service volumes consistent with how these costs are incurred.

Load Balancing Transportation

50. Load balancing transportation costs are allocated to in-franchise bundled rate classes using excess peak over annual average demand, which is the difference between a rate class's demand on an average day and its demand requirements on a peak day. The load balancing transportation costs are allocated to semi-unbundled and unbundled services based on the average cost of load balancing transportation of the respective service area.

Load Balancing Commodity

51. Load balancing commodity costs are allocated to in-franchise rate classes that require storage services. Load balancing commodity costs are incurred by contracting for peaking services and purchasing incremental gas supply over the winter period to meet seasonal and design day demands for all customers. Enbridge Gas meets the storage requirements of customers through a combination of cost-based storage, market-based storage and through the load balancing gas supply purchases. As such, these costs are allocated using in-franchise bundled service requirements for delivery from storage on design day and semi-unbundled and unbundled service contracted deliverability levels.

Transportation Demand

52. Firm transportation demand costs are allocated to in-franchise bundled rate classes using average day demand for sales service and bundled DP customers. The firm transportation demand costs are allocated to semi-unbundled and unbundled services based on the average cost of transportation of the respective service area.

Transportation Commodity

53. Transportation commodity costs are related to upstream transportation fuel and are allocated to in-franchise bundled rate classes in proportion to delivery volumes. The transportation fuel costs are allocated to semi-unbundled and unbundled services based on the average cost of transportation fuel of the respective service area.

Admin

54. The admin-related costs are allocated to rate classes in proportion to in-franchise sales service volumes. Any admin-related costs for DP and DCB service are offset by other revenue.

3.2. Storage Allocation

55. A description of the cost allocation methodology for each of the following storage classifications is provided in this section of evidence, as follows.

- a) Storage Demand - Deliverability;
- b) Storage Demand - Space;
- c) Storage Demand - Operational Contingency; and
- d) Storage Commodity

56. Enbridge Gas allocates storage costs based on in-franchise demands and operational contingency requirements. In Union's Cost Allocation Study, any utility storage space that was not required to meet in-franchise utility requirements was allocated to an excess utility storage space category. With amalgamation, Enbridge Gas will operate all utility storage space as an integrated storage operation with all utility storage space being used to meet in-franchise requirements. As a result, there is no excess utility storage space in the 2024 Cost Allocation Study. Please see Exhibit 4, Tab 2, Schedule 1 for details on the Enbridge Gas storage portfolio.

Storage Demand - Deliverability

57. Storage deliverability costs are compression and compression-related costs incurred to provide delivery from storage on design day to meet customers' firm requirements. Delivery from storage on design day is the excess of customers' design day demand over design day deliveries⁷ to Enbridge Gas's system. Deliverability costs are allocated to in-franchise bundled rate classes based on requirements for delivery from storage on design day and semi-unbundled and unbundled service contracted deliverability levels.

⁷ Design day deliveries are estimated for each firm bundled rate class based on the average day for the class divided by the total average day of firm classes.

Storage Demand - Space

58. Storage space costs are attributable to the storage capacity required to meet winter demand requirements in excess of customers' winter deliveries to Enbridge Gas's system, which is referred to as aggregate excess. Storage space costs are allocated in proportion to in-franchise bundled service aggregate excess needs and semi-unbundled and unbundled service contracted storage space levels. The gas in storage cost represents the rate of return of the gas in storage working capital and is allocated in using in-franchise bundled service aggregate excess which does not include an allocation to semi-unbundled and unbundled service.

Storage Demand - Operational Contingency

59. The operational contingency space of approximately 15.6 PJ allows Enbridge Gas to meet its operational needs. Operational contingency storage space costs are allocated to in-franchise and ex-franchise customers based on how operational contingency space is used. Please see Exhibit 4, Tab 2, Schedule 4 for a description of the operational contingency components.

Storage Commodity

60. Storage commodity costs are allocated to in-franchise bundled, semi-unbundled and unbundled services using the annual volume injected and withdrawn from storage. In-franchise bundled costs are allocated to rate classes on the basis of delivery volume.

3.3. Transmission Allocation

61. A description of the cost allocation methodology for each of the following transmission classifications is provided in this section of evidence. Please see Exhibit 7, Tab 1, Schedule 4 for proposed cost allocation changes relating to certain OEB-approved Dawn Parkway allocation methodologies.

- a) Transmission Demand - Dawn Station;
- b) Transmission Demand - Kirkwall Station;
- c) Transmission Demand - Parkway Station;
- d) Transmission Demand - Dawn Parkway;
- e) Transmission Demand - Albion;
- f) Transmission Demand - Panhandle/St. Clair; and
- g) Transmission Commodity

Transmission Demand - Dawn Station

62. Dawn Station costs are allocated between in-franchise and ex-franchise rate classes based on design day demands at Dawn. In-franchise costs are allocated to in-franchise bundled rate classes in proportion to design day demands with the costs allocated to semi-unbundled and unbundled services based on the design day demands of the respective service area.

Transmission Demand - Kirkwall Station

63. Kirkwall Station costs are allocated between in-franchise and ex-franchise rate classes in proportion to bi-directional design day demands at Kirkwall. In-franchise costs are allocated to in-franchise bundled rate classes using design day demands with the costs allocated to semi-unbundled and unbundled services based on the design day demands of the respective service area.

Transmission Demand - Parkway Station

64. Parkway Station costs are allocated between in-franchise and ex-franchise rate classes based on the weighted average of measuring and regulating and compression design day demands at Parkway. In-franchise costs are allocated to in-franchise bundled rate classes in proportion to design day demands with the costs

allocated to semi-unbundled and unbundled services based on the design day demands of the respective service area.

Transmission Demand - Dawn Parkway

65. Dawn Parkway System costs are allocated between in-franchise and ex-franchise rate classes in proportion to distance-weighted design day demands, which is also referred to as commodity-kilometres. For ex-franchise rate classes, contract demands are used. For in-franchise rate classes, transmission lateral demands are used for customers served off the Dawn Parkway System. The demand at each of Enbridge Gas's Dawn Parkway transmission lateral is weighted by the distance from Dawn.

66. The in-franchise Dawn Parkway costs are allocated to in-franchise bundled rate classes in proportion to firm design day demands with the costs allocated to semi-unbundled and unbundled services based on the design day demands of the respective service area.

Transmission Demand - Albion

67. Albion System costs are allocated 60% to ex-franchise consistent with capacity made available for ex-franchise transportation customers and with the approved allocation of the Albion System.⁸ The in-franchise costs of 40% is allocated to bundled rate classes in proportion to the firm design day demands of each rate class. The allocation methodology was approved by the OEB in EGD's Application for approval of the tariff for transportation service on the Albion Pipeline.⁹

⁸ EB-2012-0451, Decision and Order, January 30, 2014, p.51.

⁹ EB-2016-0028, Decision and Rate Order, July 14, 2016.

Transmission Demand - Panhandle/St. Clair

68. Panhandle/St. Clair System costs are allocated to in-franchise bundled rate classes in proportion to design day demands with the costs allocated to semi-unbundled and unbundled services based on the design day demands of the South service area.

69. Cost allocation does not allocate costs of Panhandle/St. Clair System directly to ex-franchise rate classes. Instead, a contribution is made by ex-franchise customers through the rate design process. A description of the rate design is provided at Exhibit 8, Tab 2, Schedule 5.

Transmission Commodity

70. Transmission compressor fuel costs are allocated between in-franchise and ex-franchise rate classes based on an analysis of fuel usage. In-franchise costs are allocated to rate classes in proportion to applicable delivery volumes and ex-franchise costs are allocated based on an analysis of fuel usage by rate class. UFG costs represent the UFG allocation to ex-franchise rate classes and is allocated based on ex-franchise volumes. Company use gas is allocated in proportion to total delivery and transportation volumes.

3.4. Distribution Allocation

71. A description of the cost allocation methodology for each of the following distribution classifications is provided in this section of evidence, as follows.

- a) Distribution Demand - High Pressure >4”;
- b) Distribution Demand - High Pressure <=4”;
- c) Distribution Demand - Low Pressure;
- d) Distribution Demand Specific;
- e) Distribution Customer - Mains;
- f) Distribution Customer - Services;

- g) Distribution Customer – Meters;
- h) Distribution Customer – Stations;
- i) Distribution Customer Specific; and
- j) Distribution Commodity

Distribution Demand - High Pressure >4”

72. High-pressure mains >4” costs are allocated to firm in-franchise rate classes in proportion to total design day demands utilizing high-pressure mains greater than four inches in diameter.

Distribution Demand - High Pressure <=4”

73. High-pressure mains <=4” costs are allocated to firm in-franchise rate classes in proportion to total design day demands utilizing high-pressure mains less than or <=4” in diameter.

Distribution Demand - Low Pressure

74. Low-pressure mains costs are allocated to firm and interruptible in-franchise rate classes in proportion to total design day demands utilizing low-pressure mains. The allocation to interruptible in-franchise rate classes is in proportion to total interruptible design day demands.

Distribution Demand Specific

75. Individual DSM program costs, excluding the low-income DSM program, are allocated to in-franchise rate classes based on the forecast customer participation in each program by rate class. Low-income DSM program costs are allocated to in-franchise rate classes in proportion to forecast delivery revenues.

76. DSM administration costs specific to each individual DSM program are allocated to in-franchise rate classes in the same proportion as the allocation of individual DSM program costs, excluding low-income. Administration costs for the low-income DSM program are allocated to in-franchise rate classes in proportion to forecast delivery revenues. DSM administration costs that support the DSM portfolio and cannot be attributed to an individual DSM program are allocated in the same proportion as the allocation of total DSM program costs.

Distribution Customer - Mains

77. The customer-related portion of distribution mains costs are allocated to in-franchise rate classes in proportion to the average number of customers as the costs represent the cost of having customers attached to the system.

Distribution Customer - Services

78. Distribution services costs are allocated to in-franchise rate classes in proportion to the average number of customers as the costs represent the cost of having customers attached to the system.

Distribution Customer - Meters

79. Distribution meters costs are allocated to in-franchise rate classes in proportion to distribution meter replacement costs. Meter replacement costs represent the cost in current dollars, including labour, required to replace each meter currently installed.

Distribution Customer - Stations

80. Distribution stations costs are allocated to in-franchise rate classes in proportion to station replacement costs. Station replacement costs represent the cost in current dollars, including labour, required to replace each customer station currently installed.

Distribution Customer Specific

81. There are three categories of specific allocations for distribution customer costs, including uncollectible accounts, distribution customer accounting and large volume customer care costs. The cost allocation uses specific allocators which reflect cost causality.
82. Uncollectible accounts costs are allocated between general service and contract rate classes based on the bad debt budget details. The allocation to general service costs and contract costs is in proportion to average number of customers for each service.
83. Distribution customer accounting costs are allocated in proportion to the average number of customers. Included in distribution customer accounting costs are costs such as customer billing, accounting and bill delivery, credit and collection, meter reading, and customer contracts and orders. Certain sales and promotion costs are direct assigned to rate classes based on an analysis of costs. Other revenue for customer accounting charges is also included as an offset to distribution customer accounting costs.
84. Large volume customer care costs are allocated to contract rate classes in proportion to the average number of customers excluding general service customers. Included in large volume customer care costs are costs specific to large volume customers.

Distribution Commodity

85. Distribution commodity costs are allocated to in-franchise rate classes in proportion to delivery volumes.

COMPARISON OF COST ALLOCATION METHODOLOGIES

AMY MIKHAILA, MANAGER RATE DESIGN

GREG KAMINSKI, SPECIALIST COST ALLOCATION

BRANDON SO, SPECIALIST COST ALLOCATION

1. The purpose of this evidence is to provide a comparison of the current OEB-approved cost allocation methodologies for EGD and Union and the proposed cost allocation methodologies used to prepare the integrated Cost Allocation Study for the 2024 Test Year.
2. To prepare the 2024 Cost Allocation Study, Enbridge Gas reviewed the cost allocation methodologies for EGD and Union that were last approved by the OEB in each 2013 Cost of Service proceeding. In many cases, the utilities used similar cost allocation methodologies for similar costs, while in some cases, each utility had taken a different approach. Despite the differences, each methodology was approved by the OEB as a reasonable indication of cost responsibility. In most cases, Enbridge Gas has incorporated one of the approved cost allocation methodologies of either EGD or Union in the 2024 Cost Allocation Study.
3. A summary of the proposed cost allocation methodology compared to the OEB-approved methodologies used for the EGD and Union rate zones is provided at Attachment 1. A detailed description of the proposed 2024 cost allocation methodology is provided at Exhibit 7, Tab 1, Schedule 2. Due to the different cost allocation approaches used for the EGD and Union rate zones, it is not easy to compare approaches in a like-for-like manner. The summary provided at Attachment 1 shows similarities and differences for cost items of large magnitude

but does not provide the specific details of small, less material cost items or small exceptions to the approach.

4. In preparation of the 2024 Cost Allocation Study, Enbridge Gas recognized that in some cases similar data used in the cost allocation process was not available for the EGD and Union rate zones. The availability of similar data across the amalgamated utility limits the ability to create and compare allocators that were used for the EGD and Union rate zones.
5. Due to the different allocation approaches and the availability of information for Enbridge Gas, the Company cannot provide a complete comparison of the proposed cost allocation methodologies to the OEB-approved cost allocation methodologies for the EGD and Union rate zones in aggregate. The Company was not able to recreate two stand-alone cost allocation studies for the EGD and Union rate zones in the same format that was approved in EGD's and Union's respective 2013 Cost of Service proceedings. The proposed Cost Allocation Study and methodologies used provide an allocation of costs based on cost causation principles similar to the OEB-approved methodologies.
6. EGD and Union both approached the Cost Allocation Study using the industry standard three-step process of functionalization, classification, and allocation. While seemingly similar, EGD and Union approached each step in a different manner. A description of the approach used for each of these steps in the EGD and Union cost allocation studies is provided below.

7. This evidence is organized as follows:

1. Functionalization
2. Classification
3. Allocation

1. Functionalization

8. EGD's OEB-approved Cost Allocation Study identified and separately categorized costs for two distinct cost entities: EGD and Tecumseh Gas Storage Division. This categorization was used to separate costs between distribution and storage services to ensure there was no cross-subsidization between the two.

9. For EGD, rate base, net investment and O&M were functionalized into major areas, as follows:

- a) Gas Supply;
- b) Storage;
- c) Sales Pressure Regulators;
- d) Distribution Pressure Regulators;
- e) Services;
- f) Mains;
- g) Meters;
- h) Rental Equipment;
- i) Sales/Marketing;
- j) Customer Accounting; and
- k) Unidentifiable.

10. Certain costs were directly assigned to specific functional areas with the remaining costs apportioned using factors determined through previously conducted studies.

For Tecumseh Gas Storage Division, costs were either functionalized to transmission and compression or storage.

11. Union's OEB-approved Cost Allocation Study functionalized costs into four major functional areas, as follows:

- a) Purchase/Production;
- b) Storage;
- c) Transmission; and
- d) Distribution.

12. Costs were directly assigned to the functional categories where possible, and the remaining indirect costs were functionalized based on analysis of use and the Company's knowledge of its operations. Union further divided the storage function into dehydrator and excluding dehydrator at the function level and divided the transmission function into Dawn Station, Dawn-Trafalgar Easterly, Dawn-Trafalgar Westerly, Other Transmission, and Ojibway/St. Clair at the function level.

13. Enbridge Gas has prepared its 2024 Cost Allocation Study using four functions consistent with the service options provided to customers: gas supply, storage, transmission, and distribution. A detailed description of the proposed functionalization methodology is provided at Exhibit 7, Tab 1, Schedule 2, Section 1.

2. Classification

14. Both EGD and Union classified costs for each function into three main categories based on cost incurrence:

- a) Demand costs, also known as capacity-related costs, are costs that vary with the usage of the system on design day;

- b) Commodity costs are costs that are typically variable in nature and vary with the volume of gas consumed; and
- c) Customer costs are costs that are incurred by virtue of a customer taking service and do not vary with either the usage of the system on design day or the level of gas consumed.

15. The main classification categories were further sub-divided to reflect cost categories, as required. For example, storage demand was sub-divided into deliverability, space, and system integrity in the Union Cost Allocation Study and deliverability and space in the EGD Cost Allocation Study. For each function, there was a classification of costs, which is referred to as the functional classification. There were a total of 27 functional classification categories in the EGD Cost Allocation Study and 19 in the Union Cost Allocation Study.

16. Enbridge Gas has prepared its 2024 Cost Allocation Study consistent with the approach of both EGD and Union which is to classify costs for each function as demand, commodity and customer. The proposed Cost Allocation Study includes 27 functional classification categories. A detailed description of the proposed classification methodology is provided at Exhibit 7, Tab 1, Schedule 2, Section 2.

3. Allocation

17. EGD's Cost Allocation Study allocates costs assigned to each functional classification using one allocation factor reflective of the incurrence of costs. This approach resulted in less than 30 allocation factors in the EGD Cost Allocation Study.

18. Union's Cost Allocation Study allocates costs within a functional classification in various manners depending on the specific cost item. In some cases, costs within a functional classification may all be allocated using the same allocation factor while in other cases, costs within a functional classification may have multiple allocation factors depending on the cost item. This approach resulted in a high number of allocation factors relative to the EGD Cost Allocation Study, with over 100 allocation factors and almost 40 direct assignments in the Union Cost Allocation Study.

19. Enbridge Gas has prepared its 2024 Cost Allocation Study with one allocation factor reflective of the incurrence of costs for each functional classification category when possible. Where there were costs within a given functional classification that required a different allocation approach, Enbridge Gas has direct assigned certain costs. Given the varied nature of the costs in the distribution function, certain costs were classified as specific, as they required a distinct allocation specific to the cost item, such as bad debt and DSM. In total, there are 34 proposed allocation and direct assignment factors in the 2024 Cost Allocation Study. A detailed description of the proposed allocation methodology is provided at Exhibit 7, Tab 1, Schedule 2, Section 3. A list of the factor descriptions for functionalization, classification and allocation is provided at Exhibit 7, Tab 2, Schedule 1, Attachment 11.

Cost Allocation Study Methodology Comparison by Rate Zone
Gas Supply

Line No.	Enbridge Gas		EGD (b)	Union North (c)	Union South (d)
	Functional Classification	Allocation (a)			
1	Gas Supply Commodity	Allocation in proportion to sales service volumes.	Classification to Annual Commodity. Allocation in proportion to sales service volumes.	Classification to Purchase/Production System Supply Commodity. Allocation in proportion to sales service volumes.	
2	Load Balancing Transportation	Allocation to in-franchise bundled rate classes in proportion to excess peak over annual average demand. Allocation to semi-unbundled and unbundled services based on the average cost of load balancing transportation of the respective service area.	Classification to Load Balancing Peak and Load Balancing Seasonal. Allocation of Load Balancing Peak in proportion to peak day demand in excess of average winter demand. Allocation of Load Balancing Seasonal in proportion to the average winter demand in excess of the average annual demand.	N/A Load balancing costs functionalized as storage.	N/A Load balancing costs functionalized as storage.
3	Load Balancing Commodity	Allocation to in-franchise bundled rate classes in proportion to design day demands less design day deliveries. Allocation to semi-unbundled and unbundled services based on forecast contracted deliverability levels.	Classification to Load Balancing Peak and Load Balancing Seasonal. Allocation of Load Balancing Peak in proportion to peak day demand in excess of average winter demand. Allocation of Load Balancing Seasonal in proportion to the average winter demand in excess of the average annual demand.	N/A Load balancing costs functionalized as storage.	N/A Load balancing costs functionalized as storage.
4	Transportation Demand	Allocation to in-franchise bundled rate classes in proportion to average day demand for sales service and bundled DP customers. Allocation to semi-unbundled and unbundled services based on the average cost of transportation of the respective service area.	Classification to Annual Transportation. Allocation in proportion to bundled annual transportation volumes.	Classification to Purchase/Production Demand. Allocation of average day demand costs in proportion to average day sales and bundled direct purchase delivery demands. Allocation of costs in excess of average day demand in proportion to the excess of peak day over average day demands. A portion of costs directly assigned to interruptible based on winter sales volumes.	N/A Gas supply commodity based on Dawn reference price including embedded transportation.
5	Transportation Commodity	Allocation to in-franchise bundled rate classes in proportion to delivery volumes. Allocation to semi-unbundled and unbundled services based on the average cost of transportation fuel of the respective service area.	Classification to Annual Commodity. Allocation in proportion to sales service volumes.	Classification to Purchase/Production Other Supply Commodity. Allocation in proportion to sales service and bundled direct purchase delivery volumes. A portion of costs directly assigned to interruptible based on winter sales volumes.	N/A Gas supply commodity based on Dawn reference price including embedded transportation.
6	Admin	Allocation in proportion to sales service volumes.	Classification to System Gas and Number of Direct Purchase Customers. Allocation of gas supply administration costs in proportion to sales service volumes. Direct purchase administration costs direct assigned to direct purchase customers.	Classification to Purchase/Production System Supply Commodity and Purchase/Production Other Supply Commodity. Allocation of gas supply administration costs in proportion to sales service volumes. Allocation of direct purchase administration cost in proportion to the average number of direct purchase customers.	

Cost Allocation Study Methodology Comparison by Rate Zone
Storage

Line No.	Enbridge Gas		EGD (b)	Union North (c)	Union South (d)
	Functional Classification	Allocation (a)			
1	Storage Demand - Deliverability	Allocation to in-franchise bundled rate classes in proportion to design day demands less design day deliveries. Allocation to semi-unbundled and unbundled services based on forecast contracted deliverability levels.	Classification to Deliverability. Allocation in proportion to peak day demand in excess of average winter demand.	Classification to Storage Dehydrator Demand and Storage Excluding Dehydrator Deliverability. Allocation in proportion to design day demands less design day deliveries. Allocation to semi-unbundled based on forecast contracted injection/withdrawal rights.	
2	Storage Demand - Space	Allocation to in-franchise bundled rate classes in proportion to the excess of winter volumes (November to March) compared to the average annual volumes for the same period. Allocation to semi-unbundled and unbundled services based on forecast contracted storage space.	Classification to Space. Allocation in proportion to the average winter demand in excess of the average annual demand.	Classification to Storage Excluding Dehydrator Space. Allocation in proportion to the excess of winter volumes (November to March) compared to the average annual use for the same period. Allocation to semi-unbundled based on forecast contracted space.	
3	Storage Demand - Operational Contingency	Allocation in proportion to how operational contingency space is used.	N/A Operational contingency embedded in gas supply planning.	Classification to Storage Excluding Dehydrator System Integrity. Allocation in proportion to the allocated system integrity (operational contingency) inventory by component.	
4	Storage Commodity	Allocation to bundled, semi-unbundled and unbundled services based on volume injected and withdrawn from storage. Allocation to bundled rate classes in proportion to total delivery volumes.	Classification to Space. Allocation in proportion to the average winter demand in excess of the average annual demand.	Classification to Storage Dehydrator Commodity and Storage Excluding Dehydrator Commodity. Allocation of Storage Dehydrator Commodity costs in proportion to total system dehydration commodity volumes. Allocation of Storage Excluding Dehydrator Commodity costs in proportion to volumes injected and withdrawn from storage.	

Cost Allocation Study Methodology Comparison by Rate Zone
Transmission

Line No.	Enbridge Gas		EGD (b)	Union North (c)	Union South (d)
	Functional Classification	Allocation (a)			
1	Transmission Demand - Dawn Station	In-franchise and ex-franchise allocation based on the bi-directional design day demands at Dawn. Allocation to in-franchise bundled rate classes in proportion to design day demands. Allocation to semi-unbundled and unbundled services based on design day demands of the respective service area.	N/A EGD contracted for the use of Union transmission facilities through Rate M12/C1 contracts.	Classification to Dawn Station Demand. In-franchise and ex-franchise allocation based on the design day demands at Dawn requiring Dawn compression. Allocation of transportation-related demand costs in proportion to average day sales and bundled direct purchase delivery demands. Allocation of storage-related costs in excess of average day demand in proportion to the excess of peak day over average day demands. A portion of costs directly assigned to interruptible based on winter sales volumes.	Classification to Dawn Station Demand. In-franchise and ex-franchise allocation based on the design day demands at Dawn requiring Dawn compression. Allocation to in-franchise rate classes in proportion to the Dawn Parkway System design day demands.
2	Transmission Demand - Kirkwall Station	In-franchise and ex-franchise allocation based on the bi-directional design day demands at Kirkwall. Allocation to in-franchise bundled rate classes in proportion to design day demands. Allocation to semi-unbundled and unbundled services based on design day demands of the respective service area.	N/A EGD contracted for the use of Union transmission facilities through Rate M12/C1 contracts.	N/A No design day demands at Kirkwall Station.	Classification to Kirkwall Station Demand. In-franchise and ex-franchise allocation based on the bi-directional design day demands at Kirkwall Station. Allocation to in-franchise rate classes in proportion to the Dawn Parkway System design day demands.
3	Transmission Demand - Parkway Station	In-franchise and ex-franchise allocation based on the weighted average of measuring and regulating and compression design day demands at Parkway. Allocation to in-franchise bundled rate classes in proportion to design day demands. Allocation to semi-unbundled and unbundled services based on design day demands of the respective service area.	N/A EGD contracted for the use of Union transmission facilities through Rate M12/C1 contracts.	N/A Parkway Station costs included in the Dawn Parkway Easterly Demand functional classification.	N/A Parkway Station costs included in the Dawn Parkway Easterly Demand functional classification.
4	Transmission Demand - Dawn Parkway	In-franchise and ex-franchise allocation based on the distance-weighted design day demands (commodity kilometres) on the Dawn Parkway System. Allocation to in-franchise bundled rate classes in proportion to design day demands. Allocation to semi-unbundled and unbundled services based on design day demand of the respective service area.	N/A EGD contracted for the use of Union transmission facilities through Rate M12/C1 contracts.	Classification to Dawn Parkway Easterly Demand. In-franchise and ex-franchise allocation based on the distance-weighted design day demands (commodity kilometres) on the Dawn Parkway System. Allocation of transportation-related demand costs in proportion to average day sales and bundled direct purchase delivery demands. Allocation of storage-related costs in excess of average day demand in proportion to the excess of peak day over average day demands. A portion of costs directly assigned to interruptible based on winter sales volumes.	Classification to Dawn Parkway Easterly Demand. In-franchise and ex-franchise allocation based on the distance-weighted design day demands (commodity kilometres) on the Dawn Parkway System. Allocation to in-franchise rate classes in proportion to the Dawn Parkway System design day demands.

Cost Allocation Study Methodology Comparison by Rate Zone
Transmission (Continued)

Line No.	Enbridge Gas		EGD (b)	Union North (c)	Union South (d)
	Functional Classification	Allocation (a)			
5	Transmission Demand - Albion	<p>Allocation of 60% of costs to ex-franchise.</p> <p>Allocation of remaining 40% of costs to bundled in-franchise rate classes in proportion to firm design day demands.</p>	<p>Direct assignment of 60% of costs to ex-franchise Rate 332.</p> <p>Classification of remaining 40% of costs to Annual Transportation, Dawn Transportation, Deliverability and Space.</p> <p>Allocation of Annual Transportation in proportion to annual transportation volumes for bundled customers.</p> <p>Allocation of Dawn Transportation in proportion to annual transportation volumes for Dawn transportation service customers.</p> <p>Allocation of Deliverability in proportion to peak day demand in excess of average winter demand.</p> <p>Allocation of Space in proportion to average winter requirement in excess of average annual demand.</p>	<p>N/A</p> <p>Albion Pipeline provides transmission for the EGD rate zone.</p>	<p>N/A</p> <p>Albion Pipeline provides transmission for the EGD rate zone.</p>
6	Transmission Demand - Panhandle/St. Clair	<p>Allocation to in-franchise bundled rate classes in proportion to design day demands. Allocation to semi-unbundled and unbundled services based on design day demands of the respective service area.</p>	<p>N/A</p> <p>Panhandle/St. Clair System provides transmission for the Union South rate zone.</p>	<p>N/A</p> <p>Panhandle/St. Clair System provides transmission for the Union South rate zone.</p>	<p>Classification to Ojibway/St. Clair Demand.</p> <p>Allocation based on maximum system capacity. Direct assignment to ex-franchise based on contracted demands. Remaining capacity allocated to in-franchise in proportion to total of Panhandle System and St. Clair System design day demands.</p>
7	Transmission Commodity	<p>Transmission compressor fuel costs in-franchise and ex-franchise allocation based on an analysis of fuel usage.</p> <p>Allocation of transmission compressor fuel costs to in-franchise rate classes in proportion to delivery volumes. Allocation to semi-unbundled and unbundled services based on the average cost of transmission compressor fuel of the respective service area. Allocation to ex-franchise rate classes based on an analysis of fuel usage by rate class</p> <p>Allocation of transmission related UFG costs to ex-franchise rate classes in proportion to ex-franchise volumes.</p> <p>Allocation of transmission-related company use costs in proportion to total delivery and transportation volumes.</p>	<p>N/A</p> <p>EGD contracted for the use of Union transmission facilities through Rate M12/C1 contracts.</p>	<p>Classification to Dawn Station Commodity, Dawn Trafalgar Easterly Commodity, Dawn Parkway Westerly Commodity and Ojibway/St. Clair Commodity.</p> <p>Allocation to rate classes in proportion to the volumes contributing to the fuel usage.</p>	

Cost Allocation Study Methodology Comparison by Rate Zone
Distribution Demand

Line No.	Enbridge Gas		EGD (b)	Union North (c)	Union South (d)
	Functional Classification	Allocation (a)			
1	Distribution Demand - High Pressure > 4"	Allocation to firm in-franchise rate classes in proportion to total design day demands utilizing high pressure mains greater than 4" in diameter.	<p>Classification to Transmission Pressure Capacity greater than 4" in diameter.</p> <p>Allocation in proportion to the peak day demand on the transmission pressure system for mains greater than 4" in diameter.</p>	<p>Minimum plant methodology used to determine the demand-related portion of grid distribution mains.</p> <p>Classification to Distribution Demand.</p> <p>Allocation of sole use mains in proportion to the design day demands of sole use customers.</p>	<p>Minimum plant methodology used to determine the demand-related portion of distribution mains.</p> <p>Classification of other transmission mains to Other Transmission Demand. Classification of demand-related portion of distribution mains to Distribution Demand.</p> <p>Allocation of other transmission mains in proportion to total firm design day demands.</p>
2	Distribution Demand - High Pressure <= 4"	Allocation to firm in-franchise rate classes in proportion to total design day demands utilizing high pressure mains less than or equal to 4" in diameter.	<p>Classification to Transmission Pressure Capacity less than or equal to 4" in diameter.</p> <p>Allocation in proportion to the peak day demand on the transmission pressure system for mains less than or equal to 4" in diameter.</p>	<p>Allocation of joint use mains in proportion to the system peak and average day demands excluding the demands of sole use customers.</p>	<p>Allocation of demand-related portion of distribution mains in proportion to total firm and interruptible design day demands, excluding the design day demands of customers served directly off transmission mains.</p>
3	Distribution Demand - Low Pressure	<p>Zero-intercept methodology used to determine the demand-related portion of distribution mains.</p> <p>Allocation to firm and in-franchise rate classes in proportion to total design day demands utilizing low pressure mains. Allocation across interruptible rate classes is in proportion to total interruptible design day demands.</p>	<p>Zero-intercept methodology to determine the demand-related portion of distribution mains.</p> <p>Classification to Low and High Pressure Capacity.</p> <p>Allocation in proportion to the peak day demand on the low pressure system.</p>	<p>Allocation of demand-related portion of grid mains to general service rate classes in proportion to system peak and average day demands.</p>	
4	Distribution Demand Specific - DSM Program	Allocation based on the detailed DSM budget.	<p>Classification to DSM.</p> <p>Allocation based on detailed DSM budget.</p>	<p>Classification to Distribution Demand.</p> <p>Allocation based on detailed DSM budget.</p>	
5	Distribution Demand Specific - DSM Admin	Allocation based on the detailed DSM budget.	<p>Classification to DSM.</p> <p>Allocation in proportion to budgeted DSM program cost.</p>		

Cost Allocation Study Methodology Comparison by Rate Zone
Distribution Customer

Line No.	Enbridge Gas		EGD (b)	Union North (c)	Union South (d)
	Functional Classification	Allocation (a)			
1	Distribution Customer - Mains	Zero-intercept methodology used to determine the customer-related portion of distribution mains. Allocation to in-franchise rate classes in proportion to the average number of customers.	Zero-intercept methodology to determine the customer-related portion of distribution mains. Classification to Customer Plant. Allocation in proportion to the average number of customers.	Classification to Distribution Customer. The minimum plant methodology to determine the customer-related portion of grid distribution mains. Allocation to general service rate classes in proportion to the average number of customers.	Classification to Distribution Customer. The minimum plant methodology used to determine the customer-related portion of distribution mains. Allocation to in-franchise rate classes in proportion to service replacement costs.
2	Distribution Customer - Services	Allocation to in-franchise rate classes in proportion to the average number of customers.	Classification to Services. Allocation in proportion to the historical investment in services by pipe diameter and pipe length.	Classification to Distribution Customer. Allocation to rate classes in proportion to the cumulative number of services using a cascade approach based on the total service length by residential, commercial, and industrial and the number of residential, commercial, and industrial customers in each rate class.	Classification to Distribution Customer. Allocation to in-franchise rate classes in proportion to service replacement costs.
3	Distribution Customer - Meters	Allocation to in-franchise rate classes in proportion to distribution meter replacement costs.	Classification to Meters. Allocation in proportion to the historical investment in meters.	Classification to Distribution Customer. Allocation to general service rate classes based on a historical factor. Remaining allocation to contract rate classes in proportion to the average number of customers.	Classification to Distribution Customer. Allocation to in-franchise rate classes in proportion to station replacement costs including a cost for the meter.
4	Distribution Customer - Stations	Allocation to in-franchise rate classes in proportion to distribution station replacement costs.	Classification to Sales Stations. Allocation in proportion to the historical investment in customer sales stations.	Classification to Distribution Customer. Allocation in proportion to average number of customers, excluding customers that consume less than 934,000 m ³ per year.	Classification to Distribution Customer. Allocation to in-franchise rate classes in proportion to station replacement costs including a cost for the meter.
5	Distribution Customer Specific - Uncollectible Accounts	Allocation between general service and contract rate classes based on bad debt budget details. Allocation of general service and contract costs in proportion to average number of customers for each service.	Classification to Bad Debt Commodity and Bad Debt Distribution. Allocation of Bad Debt Commodity in proportion to commodity related revenues. Allocation of Bad Debt Distribution in proportion to distribution related revenues.	Classification to Purchase/Production System Supply Commodity, Purchase/Production Other Supply Commodity and Distribution Customer Allocation of Purchase/Production System Supply Commodity bad debt costs in proportion to sales service volumes. Allocation of Purchase/Production Other Supply Commodity bad debt costs in proportion to general service direct purchase volumes. Allocation of Distribution Customer bad debt costs in proportion to average number of customers.	
6	Distribution Customer Specific - Distribution Customer Accounting	Allocation to in-franchise rate classes in proportion to average number of customers. Certain sales and promotion costs are direct assigned to rate classes based on an analysis of costs.	Classification to Number of Total Customers and/or Readings Processed and/or Specific Classes. Allocation in proportion to the average number of customers. Allocation of meter readings costs in proportion to the number of meter readings per year.	Classification to Distribution Customer. Allocation in proportion to the average number of customers. Allocation of distribution supervision costs in proportion to the labour costs within the other distribution customer accounting costs.	
7	Distribution Customer Specific - Large Volume Customer Care	Allocation to contract rate classes in proportion to the average number of customers excluding general service customers.	Classification to Number of Commercial/Industrial Customers, contracts and Large Volume Customer Care. Allocation in proportion to the average number of commercial and industrial customers.	Classification to Distribution Customer. Allocation to rate classes with large industrial billing accounts based upon analysis provided by budget center managers.	
8	Distribution Commodity	Allocation in proportion to delivery volumes.	Classification to Distribution Commodity. Allocation in proportion to the annual throughput (delivery volumes) of bundled service customers.	N/A Distribution Commodity Costs classified as Transmission Commodity.	

OTHER COST ALLOCATION PROPOSALS AND DIRECTIVES

AMY MIKHAILA, MANAGER RATE DESIGN

GREG KAMINSKI, SPECIALIST COST ALLOCATION

BRANDON SO, SPECIALIST COST ALLOCATION

1. The purpose of this evidence is to provide a description of changes to existing cost allocation methodologies in response to prior OEB directives on cost allocation matters, as well as other proposed changes to the allocation of Dawn Parkway demand costs and the Demand Side Management (DSM) budget. Union had received prior OEB directives regarding cost allocation methodologies that were to be addressed in its 2019 Cost of Service proceeding. The directives were subsequently deferred to the 2024 Rebasing proceeding.
2. The proposed changes in this evidence are incorporated in the cost allocation methodology provided at Exhibit 7, Tab 1, Schedule 2 and are in addition to the required changes to the Cost Allocation Study for rate harmonization provided at Exhibit 7, Tab 1, Schedule 3.
3. Attachment 1 provides the total rate class impact of the proposed changes to cost allocation methodologies described in this evidence. The proposed cost allocation methodology changes of the Panhandle System and St. Clair System, Parkway Station, Dawn Station and Dawn Parkway and any related impacts described in this evidence are incremental to Enbridge Gas's proposal to harmonize the EGD and Union rate zones into one rate zone. The rate zone harmonization allocates the costs of the transmission system facilities across all in-franchise customers, regardless of geographic location. The proposal to harmonize to one rate zone impacts the allocation of all cost categories in the Cost Allocation Study.

Accordingly, providing the allocation impacts for one cost category, such as the Panhandle System and St. Clair System, relative to current approved methodologies, which are based on rate zones, does not accurately represent the total impact by rate class of the cost allocation proposal. As such, the cost allocation of the Panhandle System and St. Clair System, Parkway Station, Dawn Station and Dawn Parkway described in this evidence reflect Enbridge Gas's proposal for one rate zone and any proposed changes are incremental to the one rate zone proposal. A description of the approach to rate zones for cost allocation is provided at Exhibit 7, Tab 1, Schedule 1.

4. This evidence is organized as follows:

1. Major Capital Projects
2. Dawn Parkway Allocation
3. Hagar Liquefaction Service
4. Distribution Maintenance – Equipment on Customer Premises
5. DSM Budget Allocation

1. Major Capital Projects

5. In the MAADs Decision¹, the OEB ordered Enbridge Gas to file a cost allocation study in 2019 for consideration in the 2020 Rates² proceeding for the Union rate zones to take into account certain major capital projects.

¹ EB-2017-0306/EB-2017-0307, OEB Decision and Order, August 30, 2018, p.41. The OEB noted that the cost allocation take into account Panhandle Reinforcement, Dawn-Parkway expansion including Parkway West, Brantford-Kirkwall/Parkway D and the Hagar Liquefaction Plant.

² EB-2019-0194.

6. As part of the 2020 Rates³ proceeding, Enbridge Gas proposed changes to the cost allocation methodology for the Panhandle System and St. Clair System, Parkway Station and Dawn Station to account for the major capital projects that were introduced during Union's 2014 to 2018 IR term. In the 2020 Rates Decision and Order, the OEB stated that changes to the cost allocation methodology and implementation of Enbridge Gas's cost allocation shall be examined as part of the 2024 Rebasing Application.⁴

7. Consistent with the direction from the OEB, Enbridge Gas is requesting approval as part of this proceeding for the proposed cost allocation methodology changes to the Panhandle System and St. Clair System, Parkway Station and Dawn Station to account for certain major capital projects implemented during Union's 2014 to 2018 IR term.

8. This section of evidence is organized as follows:
 - 1.1 Panhandle System and St. Clair System
 - 1.2 Parkway Station
 - 1.3 Dawn Station

1.1. Panhandle System and St. Clair System

9. Enbridge Gas is proposing a change to the cost allocation methodology for the Panhandle System and St. Clair System demand costs that differs from the cost allocation methodology last approved by the OEB in Union's 2013 Cost of Service. Union had previously proposed an interim change to the cost allocation

³ EB-2019-0194.

⁴ EB-2019-0194, OEB Decision and Order, May 14, 2020, p.1.

methodology as part of the Panhandle Reinforcement Project⁵ followed by the proposed changes filed as part of the 2020 Rates⁶ proceeding. The OEB's Decision in both proceedings deferred consideration of the revised cost allocation methodology until the next cost of service or custom IR application.

10. The Panhandle System includes the transmission assets to transport natural gas between Dawn and the Ojibway Valve Site in Windsor to high pressure distribution pipelines serving customers in Southwestern Ontario. The Panhandle System is comprised of existing NPS 16, NPS 20 and NPS 36 pipelines. The St. Clair System includes the St. Clair transmission line and Enbridge Gas's contracted transportation capacity on the St. Clair Pipelines L.P. System, including the St. Clair river crossing and Bluewater Pipeline.

11. Enbridge Gas provides westerly transportation service on the Panhandle System and St. Clair System to meet Union South in-franchise demands west of Dawn. The Panhandle System also provides Rate M16 transportation to and from storage pools that are located west of Dawn. Both the Panhandle System and St. Clair System provide ex-franchise Rate C1 transportation. Rate C1 transportation includes gas supply commodity for sales service customers that transport volumes on the Panhandle System and St. Clair System to Dawn. Sales service customers are charged the firm Rate C1 transportation demand charge for transportation between Dawn and Ojibway, St. Clair or Bluewater to ensure there is no cross subsidization between sales service customers and other customers for the use of the assets. The use of the Rate C1 firm transportation demand rate to charge sales

⁵ EB-2016-0186. Interim allocation for demand costs related to the Project was proposed in proportion to the firm Union South in-franchise Panhandle System design day demands, updated to include the incremental firm Project Design Day demands.

⁶ EB-2019-0194.

service customers for transportation to Dawn was introduced as part of Union's Pre-Approval of the Cost Consequences of NEXUS Long Term Contract proceeding⁷.

Approved Cost Allocation Methodology

12. Union's 2013 OEB-approved Cost Allocation Study classified the demand-related costs for the combined Panhandle System and St. Clair System as Ojibway/St. Clair demand.

13. The OEB-approved cost allocation methodology of Ojibway/St. Clair demand costs is based on the maximum design capacity of the combined system which is determined as the Panhandle System capacity from Dawn to Ojibway (Dawn send out) plus the maximum firm import capacity at the St. Clair Pipeline and Bluewater Pipeline river crossings. The allocation of the maximum design capacity to ex-franchise Rate C1 and Rate M16 is based on firm contracted demands. The remaining capacity is allocated to Union South in-franchise rate classes in proportion to the combined Panhandle System and St. Clair System firm design day demands.

Proposed Cost Allocation Methodology

14. Enbridge Gas is proposing a change to the cost allocation methodology of the Panhandle System and St. Clair System in response to the prior OEB direction provided in Section 1 and to recognize the limitation of the current OEB-approved methodology which is based on a regional cost allocation approach. Consistent with the proposal for one rate zone, Enbridge Gas is proposing to introduce a common cost allocation across the franchise, regardless of customer location. This proposal for the cost allocation approach, including the Panhandle System and St. Clair

⁷ EB-2015-0166.

System, is different than the current approved methodology and the methodologies previously proposed that were based on a regional allocation methodology. Please see Exhibit 7, Tab 1, Schedule 1, Section 2 for a description of the approach to rate zones for cost allocation.

15. In the 2024 Cost Allocation Study, the Panhandle/St. Clair demand costs are allocated to in-franchise bundled rate classes in proportion to design day demands with the costs allocated to semi-unbundled and unbundled customers based on the design day demands of the South service area.

16. The Panhandle System and St. Clair System are westerly peaking systems serving in-franchise demands on design day. To the extent ex-franchise Rate C1 and Rate M16 customers use contracted capacity on design day, the demands would flow easterly to Dawn (counter flow).⁸ Accordingly, the proposed cost allocation methodology does not allocate costs to ex-franchise rate classes but will instead recognize the use of the Panhandle System and St. Clair System to provide ex-franchise transportation under Rate C1 and Rate M16 through the rate design process. Enbridge Gas is proposing to calculate a cost-based demand and commodity rate for these rate classes in order to provide a contribution towards the recovery of the Panhandle System and St. Clair System related transmission costs. Please see Exhibit 8, Tab 2, Schedule 5, Section 2.1 for the proposed rate design for Rate C1 on the Panhandle System and St. Clair System.

17. The proposed cost allocation methodology of the Panhandle System and St. Clair System continues to provide for cost recovery from both in-franchise rate classes

⁸ There are no ex-franchise customers currently contracted for westerly transportation from Dawn to Ojibway.

and ex-franchise rate classes. The proposed methodology also considers the system wide benefit to customers regardless of their location rather than a regional approach to allocating costs.

18. Please see Attachment 1 for the rate class impact of the proposed Panhandle System and St. Clair System cost allocation methodology that reflects the change to the cost allocation for ex-franchise rate classes. The decrease in the cost allocation to ex-franchise rate classes reflects the proposal to not allocate costs to ex-franchise rate classes through the Cost Allocation Study. The revenue generated from the rates designed for ex-franchise services that use the Panhandle System or St. Clair System partly offsets the increase in the cost allocation to in-franchise rate classes. The cost allocation impacts provided at Attachment 1 are incremental to the proposal for one rate zone.

1.2. Parkway Station

19. Enbridge Gas is proposing a change to the cost allocation methodology for Parkway Station costs that differs from the cost allocation methodology last approved by the OEB in Union's 2013 Cost of Service⁹.
20. Parkway Station is located at the eastern terminus of Enbridge Gas's Dawn Parkway System and includes a bi-directional interconnection with TransCanada as well as connection with the EGD rate zone¹⁰. The Parkway Station also includes four compressors, two of which were implemented as part of the capital pass-through projects approved during Union's 2014 to 2018 IR term. Specifically, the Parkway West Project¹¹ involved the construction of a new compressor providing

⁹ EB-2011-0210.

¹⁰ At the Parkway (Consumers) and Parkway (EGT) delivery points.

¹¹ EB-2012-0433.

loss of critical unit protection at Parkway, and the Brantford to Kirkwall/Parkway D Project¹² involved the construction of a new compressor providing additional compression at Parkway.

Approved Cost Allocation Methodology

21. In Union's 2013 OEB-approved Cost Allocation Study, Parkway Station costs were included as part of the Dawn Parkway Easterly Demand functional classification and allocated to in-franchise and ex-franchise rate classes in proportion to easterly peaking distance-weighted design day demands (also referred to as "commodity-kilometres") on the Dawn Parkway System.¹³

22. Parkway Station provides compression on design day for gas volumes moving east of Parkway for in-franchise customers in the EGD and Union North rate zones and ex-franchise Rate M12/C1 customers. Parkway Station also provides a benefit to Union South in-franchise customers through obligated deliveries at Parkway on design day, which allows for a reduced system capacity of the Dawn Parkway System. Without the Parkway obligated deliveries, the Dawn Parkway facilities would need to be larger and as a result, the in-franchise rates would be higher.

Proposed Cost Allocation Methodology

23. Enbridge Gas is proposing a change to the cost allocation methodology of the Parkway Station in response to the prior OEB direction provided in Section 1. In order to accommodate the proposed allocation methodology, Enbridge Gas separately classified the Parkway Station demand costs into a new Transmission

¹² EB-2013-0074.

¹³ EB-2011-0210.

Demand - Parkway Station functional classification in the 2024 Cost Allocation Study.

24. The proposed cost allocation methodology of the Parkway Station considers that the station is used for both measurement and compression of gas at Parkway. The gross plant costs of Parkway Station, including the measuring and regulating assets and compressor equipment, are used to determine the proportion of measurement and compression costs, respectively.
25. The allocation of Parkway Station measurement costs is based on bi-directional design day demands at Parkway. Measuring and regulating assets are used on design day to measure the volumes flowing through the Parkway Station. The allocation to ex-franchise rate classes is based on the contracted easterly and westerly design day demands utilizing the Parkway Station. For in-franchise rate classes, the Parkway Station measurement costs are allocated to in-franchise bundled rate classes in proportion to design day demands with the costs allocated to semi-unbundled and unbundled services based on the design day demands of the respective service area. Please see Exhibit 7, Tab 1, Schedule 1, Section 2 for a description of the approach to rate zones for cost allocation.
26. The allocation of Parkway Station compression costs is based on the easterly design day demands requiring compression at Parkway. Compressor equipment is used on design day to move volumes to markets east of Parkway. The allocation to ex-franchise rate classes is based on the contracted easterly design day demands requiring compression at Parkway. For in-franchise rate classes, the Parkway Station compression costs are allocated to in-franchise bundled rate classes using design day demands with the costs allocated to semi-unbundled and unbundled services based on the design day demands of the respective service area. Please

see Exhibit 7, Tab 1, Schedule 1, Section 2 for a description of the approach to rate zones for cost allocation.

27. The proposed cost allocation methodology of the Parkway Station better reflects the cost causality of the Parkway Station and is consistent with the OEB's Decision regarding the treatment of the Kirkwall Station¹⁴, which directed that the measuring and regulating assets of Kirkwall Station be allocated based on bi-directional design day demands.
28. Please see Attachment 1 for the rate class impact of the proposed Parkway Station cost allocation methodology that allocates costs based on the use of Parkway Station on design day. The proposed change results in an increase in the cost allocation to ex-franchise rate classes to recognize the greater proportionate use of Parkway Station than Dawn Parkway by ex-franchise customers. There is a corresponding decrease in the cost allocation to in-franchise rate classes. The cost allocation impacts provided at Attachment 1 are incremental to the proposal for one rate zone.

1.3. Dawn Station

29. Enbridge Gas is proposing a cost allocation methodology for certain transmission costs at Dawn that differs from the cost allocation methodology last approved by the OEB in Union's 2013 Cost of Service.¹⁵ Enbridge Gas is proposing this change to align the cost allocation methodology at Dawn Station with the proposed methodology for Parkway Station provided in Section 1.2 and the OEB-approved cost allocation methodology for Kirkwall Station¹⁶.

¹⁴ EB-2013-0365, OEB Decision and Order, August 21, 2014, pp.3-9.

¹⁵ EB-2011-0210.

¹⁶ EB-2013-0365, OEB Decision and Order, August 21, 2014, pp.3-9.

Approved Cost Allocation Methodology

30. The OEB-approved cost allocation methodology for demand costs of the Dawn Parkway System at Dawn categorizes the costs as either Dawn Parkway Easterly Demand or Dawn Station. The Dawn Parkway Easterly Demand costs included measuring and regulating costs at Dawn that were allocated to rate classes in proportion to distance-weighted design day demands on the Dawn Parkway System. The Dawn Station costs included compression costs that were allocated to rate classes in proportion to design day demands that require Dawn compression.

Proposed Cost Allocation Methodology

31. Enbridge Gas is proposing a change to the cost allocation methodology for measuring and regulating and compression transmission costs at Dawn to provide consistency in the allocation of the Dawn Parkway System.

32. Enbridge Gas is proposing to change the classification of Dawn Parkway measuring and regulating costs, including plant and O&M costs, to Dawn Station demand and allocate the costs to rate classes based on bi-directional design day demands at Dawn without a distance weighting. This proposal recognizes that measuring and regulating costs are not affected by the distance gas is transported, and therefore the use of a distance weighted methodology does not best represent cost causality. This cost allocation methodology also ensures that similar transmission measuring and regulating costs on the Dawn Parkway System (Dawn, Kirkwall and Parkway) are allocated based on bi-directional design day demands without a distance weighting.

33. Enbridge Gas is proposing to change the classification of Dawn Parkway compression costs at Dawn, including the plant and O&M costs, to Dawn Parkway

demand. This proposal better aligns cost causality by ensuring that similar transmission compression costs on the Dawn Parkway System (Dawn, Lobo and Bright) are allocated based on a distance weighted methodology. A distance weighted allocation is appropriate for compression costs at Dawn, as additional compression is required the further gas is required to travel on the Dawn Parkway System.

34. The proposed cost allocation methodology of the Dawn Station measuring and regulating and compression costs provides a consistent allocation methodology with similar Dawn Parkway transmission assets.

35. Please see Attachment 1 for the rate class impact of the proposed cost allocation methodology for the Dawn Station proposal, including the cost allocation changes to compression and measuring and regulating costs at Dawn. The proposal results in a shift of \$40 million to the Dawn Parkway function classification from the Dawn Station functional classification. The proposed change results in an increase in the cost allocation to most in-franchise rate classes to recognize the greater proportionate allocation of Dawn Parkway costs than Dawn Station costs by ex-franchise customers. There is a corresponding decrease in the cost allocation to ex-franchise rate classes and semi-unbundled rate classes. The cost allocation impacts provided at Attachment 1 are incremental to the proposal for one rate zone.

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2. Dawn Parkway Allocation

36. Enbridge Gas is proposing a change to the cost allocation methodology for Dawn Parkway transmission demand and Parkway Delivery Commitment Incentive (PDCI) costs that differs from the cost allocation methodology last approved by the

OEB in Union's 2013 Cost of Service¹⁷ and the Parkway Delivery Obligation (PDO) Settlement Framework¹⁸.

Approved Cost Allocation Methodology

37. Dawn Parkway transmission demand costs are allocated between in-franchise and ex-franchise rate classes in proportion to distance-weighted design day demands, which is also referred to as commodity-kilometres. This cost allocation methodology recognizes that the Dawn Parkway System is designed to meet easterly design day requirements and that the use of the Dawn Parkway System depends on the design day demands and the distance those design day demands are required to be transported on the Dawn Parkway System.
38. The allocation to ex-franchise rate classes is based on distance weighted contract demands. The allocation to in-franchise rate classes is based on transmission lateral demands for customers served off the Dawn Parkway System on design day. The demand at each of Enbridge Gas's Dawn Parkway transmission lateral is weighted by the distance from Dawn. Union South in-franchise customers also receive a "distance credit" as a result of the PDO, which recognizes that the design day demands supplied from Parkway are transported over a shorter distance than design day demands supplied from Dawn.
39. In accordance with the PDO Settlement Framework, Union South in-franchise customers receive a PDCI payment for any obligated Daily Contract Quantity (DCQ) deliveries at Parkway and the cost of the PDCI payment is allocated to

¹⁷ EB-2011-0210.

¹⁸ EB-2013-0365, Settlement Framework, Appendix B, June 3, 2014.

Union South in-franchise rate classes in proportion to firm design day demands on the Dawn Parkway System.

Proposed Cost Allocation Methodology

40. Enbridge Gas is proposing a change to the cost allocation methodology for Dawn Parkway transmission and PDCI costs to ensure the cost allocation reflects the use of the Dawn Parkway System and the benefit of the PDO.

41. Enbridge Gas is proposing to change the allocation of Dawn Parkway transmission demand costs to in-franchise rate classes by assuming all in-franchise design day demands are served from Dawn in the derivation of the distance weighted allocation factor. This change will increase the costs allocated to in-franchise rate classes, as the design day demands supplied from Dawn are transported over a longer distance than design day demands supplied from Parkway, which will increase the distance-weighting applied to the in-franchise design day demands. Enbridge Gas is proposing to allocate PDCI costs in proportion to the allocation of Dawn Parkway transmission demand costs, which includes an allocation of costs to both in-franchise and ex-franchise rate classes. The proposal to allocate PDCI costs to both in-franchise and ex-franchise rate classes will more than offset the increase to in-franchise rate classes from the change in the distance weighted allocation factor.

42. This proposal ensures the cost allocation of the Dawn Parkway System costs reflects the use of the Dawn Parkway System and the benefit and cost of the PDO. With the proposed changes to Dawn Station and Parkway Station described in Section 1, the distance credit benefit previously provided to Union South rate classes is no longer reflective of the PDCI costs. Based on the 2024 Cost Allocation

Study, the estimated distance credit benefit is approximately \$3 million compared to the PDCI costs of approximately \$18 million, which illustrates that the value of the PDO deliveries provided to in-franchise customers through the distance credit is not equal to the PDCI payment costs. As such, it is appropriate to remove the distance credit in the cost allocation of the Dawn Parkway System costs and allocate the PDCI costs to all customers that use the Dawn Parkway System and benefit from the PDO.

43. This proposal also maintains the intent of the PDO Settlement Framework, by recognizing that the PDO provides a system benefit to all customers that use the Dawn Parkway System. The Dawn Parkway System is physically smaller than it otherwise would be, as gas delivered to Parkway reduces the amount of gas that is required to be transported on the Dawn Parkway System. All customers benefit from the reduced Dawn Parkway System facilities through lower delivery and transportation rates. The current allocation methodology of the PDCI costs to Union South in-franchise rate classes recognized that Union South in-franchise rate classes received a reduction to the allocation of demand costs of the Dawn Parkway System for gas arriving at Parkway due to the PDO. By eliminating the distance credit to in-franchise customers, the allocation of the PDCI costs to all customers that use the Dawn Parkway System is consistent with the intent of the PDO Settlement Framework.

44. Enbridge Gas is also proposing to continue to pay the PDCI on all DCQ quantities obligated at Parkway, as required by the utility, to account for the additional costs incurred by the customer of the PDO. As part of this Application, Enbridge Gas is proposing to expand the PDO and PDCI offering to customers located in the EGD rate zone who currently are contractually obligated to deliver gas at the Enbridge

CDA.¹⁹ As provided at Exhibit 8, Tab 2, Schedule 2, Enbridge Gas is proposing to harmonize the rate design for DP customers located in the Enbridge CDA and the Union South rate zone, such that they pay common transportation rates. To recognize the system benefit of delivering gas to Parkway, these customers will receive a PDCI payment as an offset to the gas supply transportation charges.

45. A description of the PDO and PDCI changes proposed as part of this Application is provided at Exhibit 4, Tab 7, Schedule 1. Please see Attachment 1 for the rate class impact of the proposed Dawn Parkway cost allocation methodology. The proposed change results in a decrease in the cost allocation to most in-franchise rate classes and an increase in the cost allocation to ex-franchise rate classes due to the proposed allocation of PDCI costs in the same proportion as Dawn Parkway transmission demand costs. The increase in the cost allocation to semi-unbundled rate classes results from the proposal to eliminate the distance credit for the PDO in the allocation of Dawn Parkway transmission demand costs. The cost allocation impacts provided at Attachment 1 are incremental to the proposal for one rate zone.

3. Hagar Liquefaction Service

46. As part of Union's Hagar Liquefaction Service Rate proceeding²⁰, Union was directed to file a more robust and comprehensive cost allocation study that appropriately allocates costs for the new service in the 2019 Cost of Service proceeding. Subsequently, Enbridge Gas responded to the MAADs Decision to file a cost allocation study in 2019 for consideration in the 2020 Rates proceeding taking into account the Hagar Liquefaction Natural Gas facility (Hagar). In the

¹⁹ The Enbridge CDA is an interconnect between TransCanada and Enbridge Gas located at the east end of the Dawn Parkway System.

²⁰ EB-2014-0012.

OEB's Decision and Order for 2020 Rates²¹, the OEB stated that changes to the cost allocation methodology and implementation of Enbridge Gas's cost allocation shall be examined as part of its 2024 Rebasing Application.

47. Enbridge Gas has not updated the current approved cost allocation methodology for Hagar as part of this Application as there are no customers that have contracted for the interruptible liquefaction service at Hagar. Without a forecast of customers, the facility continues to be used solely to meet requirements of in-franchise customers.

48. In Union's Hagar Liquefaction Service Rate proceeding²², the OEB approved a non-utility cross charge of \$1.59/GJ. The charge was based on the forecast of customers at the time of the application. As there are no customers contracted for the liquefaction service, Enbridge Gas is not able to update the Cost Allocation Study or cross charge amount as part of this Application. Should a customer elect to contract for this service prior to the next rebasing proceeding, the non-utility cross charge would be paid by the unregulated operations to the utility for their use of regulated assets. In addition, Enbridge Gas would incorporate the interruptible liquefaction service into the Cost Allocation Study based on the forecast use of the service as part of its next rebasing proceeding.

4. Distribution Maintenance – Equipment on Customer Premises

49. In the OEB Decision for Union's 2013 Cost of Service²³, the OEB directed Union to file sufficient evidence to support the proposed change to the allocation of distribution maintenance O&M costs for equipment on customer premises.

²¹ EB-2019-0194, OEB Decision and Order, May 14, 2020.

²² Ibid.

²³ EB-2011-0210, OEB Decision and Order, October 24, 2012, p.69.

Specifically, the OEB directed Union to include a definition for this maintenance category and a delineation of what has changed since Union's 2007 Cost of Service²⁴ that would result in a change to the allocation methodology.

50. As part of Union's 2014 Rates Settlement Agreement²⁵, no parties objected to Union's response to address the OEB's directive to file sufficient evidence to support the proposed change to the allocation of distribution maintenance costs for equipment on customer premises as part of its 2019 Rebasing proceeding. In the MAAD's proceeding, this directive was deferred until this 2024 Rebasing proceeding²⁶.

51. In the 2024 Cost Allocation Study, Enbridge Gas is proposing to allocate the distribution maintenance costs associated with equipment on customer premises to in-franchise rate classes in proportion to distribution station replacement cost. This cost allocation is consistent with the allocation of customer stations costs. Enbridge Gas has confirmed these costs relate to maintenance activities at customer stations including meter maintenance, painting, as well as other general maintenance.

5. DSM Budget Allocation

52. Enbridge Gas is proposing to update the DSM budget allocation for the current rate classes from the 2024 DSM budget allocation provided in the 2022 to 2027 DSM Plan²⁷ (DSM Plan) proceeding.

53. The DSM Plan budget allocation was based on the following two components:

²⁴ EB-2005-0520.

²⁵ EB-2013-0365, Settlement Agreement, June 3, 2014, p.13.

²⁶ EB-2017-0306/EB-2017-0307.

²⁷ EB-2021-0002.

- a) The DSM budget excluding the low-income budget, which was allocated to rate classes consistent with the DSM budget allocation included in the approved rates at the time; and
- b) The DSM low-income budget, which was allocated to rate classes in proportion to distribution revenues less DSM budget costs.

54. The DSM budget allocation provided in the DSM Plan was prepared to minimize rate impacts for years prior to rebasing (2022 and 2023) while Enbridge Gas was in a price cap rate-setting IR term. Enbridge Gas recognized the appropriate application to request a change to the DSM budget allocation (for 2024 and later years) was in the context of a rebasing application where the rate impacts could be considered along with other base rate changes. As such, the DSM budget excluding the low-income budget allocation methodology was based on historical allocations to limit volatility to rates that may occur through a resetting of the DSM budget prior to rebasing. DSM deferral and variance accounts record the difference between actual and budget DSM spend and are disposed of to customers on a regular basis. The DSM budget allocation, however, does not reflect the forecast spend by rate class and as a result, large balances can accumulate in the DSM variance account on an annual basis.

55. Enbridge Gas proposes to update the allocation of the DSM budget excluding the low-income budget as part of this Application to reflect the forecast DSM budget spend by rate class for 2024. The proposed update ensures customers rates most accurately represent the expected cost to serve the customer and minimize amounts that would otherwise be recorded in DSM deferral and variance account balances on an annual basis. Enbridge Gas is not proposing a change to the allocation of the DSM low-income budget.

56. The proposed 2024 DSM budget allocation excluding the low-income budget was prepared using historical spending by program offering to estimate future DSM participation by rate class. Despite the proposed allocation using historical spend as the basis for the allocation, this approach is still reflective of the proposed 2022 to 2027 DSM Plan Program as the majority of the proposed plan offers are expected to support the same rate classes that the historical programs supported.
57. Please see Attachment 1 for the rate class impact of the DSM budget cost allocation methodology.

Total Rate Class Impacts from Proposed Cost Allocation Methodology Changes

Line No.	Particulars (\$000s)	Panhandle/ St. Clair (a)	Parkway Station (b)	Dawn Station (c)	Dawn Parkway (d)	DSM Budget (e)	Total (1) (f)	
<u>EGD Rate Zone</u>								
1	Rate 1	679	(2,147)	977	(1,215)	11,630	9,924	/u
2	Rate 6	606	(1,916)	872	(1,084)	657	(865)	/u
3	Rate 100	2	(7)	3	(4)	260	255	/u
4	Rate 110	70	(220)	100	(124)	(906)	(1,081)	/u
5	Rate 115	15	(46)	21	(26)	(850)	(887)	/u
6	Rate 125	0	0	0	(0)	0	(0)	/u
7	Rate 135	0	(1)	0	(0)	570	569	/u
8	Rate 145	0	0	0	(0)	(1,214)	(1,214)	/u
9	Rate 170	0	0	0	(0)	(2,695)	(2,695)	/u
10	Rate 200	16	(51)	23	(29)	0	(41)	/u
11	Rate 300	0	0	0	0	0	0	/u
12	Total EGD Rate Zone	1,388	(4,388)	1,996	(2,483)	7,452	3,966	/u
<u>Union North Rate Zone</u>								
13	Rate 01	125	(395)	180	(224)	(718)	(1,032)	/u
14	Rate 10	37	(117)	53	(66)	(2,524)	(2,616)	/u
15	Rate 20	8	(0)	21	(40)	(1,064)	(1,074)	/u
16	Rate 25	0	0	0	(0)	0	(0)	/u
17	Rate 100	0	0	0	(0)	(591)	(591)	/u
18	Total Union North Rate Zone	170	(512)	254	(329)	(4,897)	(5,314)	/u
<u>Union South Rate Zone</u>								
19	Rate M1	400	(1,265)	575	(716)	8,896	7,891	/u
20	Rate M2	148	(469)	213	(265)	(7,544)	(7,917)	/u
21	Rate M4	53	(167)	76	(94)	(1,298)	(1,431)	/u
22	Rate M5	0	(1)	1	(1)	(95)	(96)	/u
23	Rate M7	78	(247)	112	(140)	1,166	970	/u
24	Rate M9	6	(20)	9	(11)	0	(16)	/u
25	Rate T1	87	(196)	(20)	140	(1,136)	(1,125)	/u
26	Rate T2	1,105	(2,479)	(255)	1,767	(2,545)	(2,407)	/u
27	Rate T3	110	(246)	(25)	175	0	14	/u
28	Total Union South Rate Zone	1,988	(5,089)	685	855	(2,556)	(4,117)	/u
<u>Ex-Franchise</u>								
29	Rate 331	0	0	0	0	0	0	
30	Rate 332	0	0	0	0	0	0	
31	Rate 401	0	0	0	0	0	0	
32	Rate M12	0	9,936	(2,965)	1,919	0	8,890	/u
33	Rate M13	0	0	0	0	0	0	
34	Rate M16	(588)	0	0	0	0	(588)	/u
35	Rate M17	0	(43)	(6)	6	0	(43)	/u
36	Rate C1	(2,959)	96	35	32	0	(2,795)	/u
37	Total Ex-Franchise	(3,546)	9,989	(2,936)	1,957	0	5,465	/u
38	Total	0	0	0	0	0	0	

Note:

(1) A positive value represents an increase to the revenue requirement based on the proposed methodology.

2024 COST ALLOCATION STUDY – CURRENT RATE CLASSES

AMY MIKHAILA, MANAGER RATE DESIGN

GREG KAMINSKI, SPECIALIST COST ALLOCATION

BRANDON SO, SPECIALIST COST ALLOCATION

1. The purpose of this evidence is to provide the 2024 Cost Allocation Study based on current rate classes. The Cost Allocation Study was prepared based on the cost allocation methodology provided at Exhibit 7, Tab 1, Schedule 2.
2. The 2024 Cost Allocation Study is organized as follows:

- | | |
|--------------|---|
| Attachment 1 | <u>Revenue Requirement Summary - By Functional Classification</u>
This schedule provides a summary of the total revenue requirement by functional classification. |
| Attachment 2 | <u>Revenue Requirement Summary - By Rate Class</u>
This schedule provides a summary of the total revenue requirement by rate class. |
| Attachment 3 | <u>Cost Allocation Study Detail - Functionalization</u>
This schedule provides the Cost Allocation Study functionalization results, which allocates the 2024 revenue requirement to Gas Supply, Storage, Transmission, and Distribution. |
| Attachment 4 | <u>Cost Allocation Study Detail - Gas Supply Classification</u>
This schedule provides the cost allocation study gas supply classification results, which allocates the functionalized 2024 gas supply revenue requirement into Gas Supply Commodity, Load Balancing Transport, Load Balancing Commodity, Transportation Demand, Transportation Commodity and Admin costs. |
| Attachment 5 | <u>Cost Allocation Study Detail - Storage Classification</u>
This schedule provides the Cost Allocation Study storage classification results, which allocates the functionalized 2024 storage revenue requirement into Storage Demand and Storage Commodity costs. Storage Demand is further classified as Deliverability, Space and Operational Contingency. |

- Attachment 6 Cost Allocation Study Detail - Transmission Classification
This schedule provides the cost allocation study transmission classification results, which allocates the functionalized 2024 transmission revenue requirement into Transmission Demand and Transmission Commodity Costs. Transmission Demand is further classified as Dawn Station, Kirkwall Station, Parkway Station, Dawn Parkway, Albion, and Panhandle/St. Clair.
- Attachment 7 Cost Allocation Study Detail - Distribution Classification
This schedule provides the Cost Allocation Study distribution classification results, which allocates the functionalized 2024 revenue requirement into Distribution Demand, Distribution Customer and Distribution Commodity costs. Distribution Demand is further classified as High Pressure > 4", High Pressure <=4", Low Pressure and Specific. Distribution Customer is further classified as Distribution Mains, Distribution Services, Distribution Meters, Distribution Stations and Specific.
- Attachment 8 Cost Allocation Study Detail - Total Allocation
This schedule provides the Cost Allocation Study total allocation results, which allocates the 2024 revenue requirement to rate classes.
- Attachment 9 Cost Allocation Study Detail - Allocation of Delivery Revenue Requirement
This schedule provides the delivery cost allocation, which allocates the 2024 delivery revenue requirement to rate classes, excluding gas cost revenue requirement. The delivery costs are used to derive the delivery deficiency, provided at Exhibit 7, Tab 1, Schedule 1, Attachment 1.
- Attachment 10 Cost Allocation Study Detail - Allocation of Gas Cost Revenue Requirement
This schedule provides the gas cost allocation, which allocates the 2024 gas cost revenue requirement¹ to rate classes, excluding delivery revenue requirement. The gas costs are used to derive the gas supply deficiency, provided at Exhibit 7, Tab 1, Schedule 1, Attachment 1.
- Attachment 11 Factor Descriptions
This schedule provides a description of each factor used in the cost allocation study for functionalization, classification, and allocation.
- Attachment 12 Cost Allocation Factors
This schedule provides each factor used in the cost allocation study for functionalization, classification, and allocation. Factors noted with an INT are calculated using information contained within the Cost Allocation Study and factors noted with an EXT are calculated externally from the Cost Allocation Study.

¹ The gas costs include gas supply commodity, upstream transportation and fuel, load balancing and peaking services, market-based storage, company use costs, unaccounted for gas, and compressor fuel costs.

2024 Cost Allocation Study - Current Rate Classes
Revenue Requirement Summary by Function

Line No.	Particulars (\$000s)	Revenue Requirement	Function			
		(a) = (sum b to e)	Gas Supply (b)	Storage (c)	Transmission (d)	Distribution (e)
	Return on Rate Base					
1	Rate Base	16,281,096	-	1,414,974	2,951,364	11,914,757 /u
2	Rate of Return on Rate Base	5.870%	5.870%	5.870%	5.870%	5.870% /u
3	Total Return on Rate Base	<u>955,722</u>	<u>-</u>	<u>83,061</u>	<u>173,249</u>	<u>699,412</u> /u
4	Depreciation Expense	<u>892,000</u>	<u>-</u>	<u>35,013</u>	<u>121,559</u>	<u>735,428</u> /u
	Taxes					
5	Income Tax	121,754	-	10,582	22,071	89,101 /u
6	Property Tax	<u>127,183</u>	<u>-</u>	<u>4,388</u>	<u>26,302</u>	<u>96,493</u> /u
7	Total Taxes	<u>248,936</u>	<u>-</u>	<u>14,970</u>	<u>48,373</u>	<u>185,594</u> /u
	Operating & Maintenance Expenses					
8	Cost of Gas	3,251,888	3,112,816	34,697	64,131	40,244 /u
9	Storage	30,285	-	25,007	5,277	-
10	Transmission	12,038	-	-	12,038	-
11	Distribution	101,331	-	-	-	101,331
12	General Operating & Engineering	197,654	2,546	7,272	17,849	169,987
13	Sales Promotion & Merchandise	186,670	-	-	-	186,670 /u
14	Distribution Customer Accounting	125,998	11,447	-	-	114,551
	Administrative & General Expense					
15	Employee Benefits	176,362	2,104	10,501	12,474	151,283 /u
16	Administrative & General	<u>219,654</u>	<u>4,759</u>	<u>13,898</u>	<u>15,476</u>	<u>185,522</u> /u
17	Total Operating & Maintenance Expenses	<u>4,301,880</u>	<u>3,133,672</u>	<u>91,374</u>	<u>127,246</u>	<u>949,588</u> /u
18	Total Revenue Requirement	<u>6,398,539</u>	<u>3,133,672</u>	<u>224,418</u>	<u>470,427</u>	<u>2,570,022</u> /u
19	Other Revenue	<u>85,633</u>	<u>20,701</u>	<u>-</u>	<u>-</u>	<u>64,933</u> /u
20	Total Revenue Requirement Less Other Revenue	<u>6,312,905</u>	<u>3,112,972</u>	<u>224,418</u>	<u>470,427</u>	<u>2,505,089</u> /u

2024 Cost Allocation Study - Current Rate Classes
Gas Supply Revenue Requirement Summary by Classification

Line No.	Particulars (\$000s)	Gas Supply Classification						Admin (g)
		Gas Supply Requirement (a) = (sum b to g)	Gas Supply Commodity (b)	Load Balancing Transport (c)	Load Balancing Commodity (d)	Transportation Demand (e)	Transportation Commodity (f)	
	Return on Rate Base							
1	Rate Base	-	-	-	-	-	-	-
2	Rate of Return on Rate Base	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870% /u
3	Total Return on Rate Base	-	-	-	-	-	-	-
4	Depreciation Expense	-	-	-	-	-	-	-
	Taxes							
5	Income Tax	-	-	-	-	-	-	-
6	Property Tax	-	-	-	-	-	-	-
7	Total Taxes	-	-	-	-	-	-	-
	Operating & Maintenance Expenses							
8	Cost of Gas	3,112,816	2,728,041	175,236	23,591	162,050	23,899	-
9	Storage	-	-	-	-	-	-	-
10	Transmission	-	-	-	-	-	-	-
11	Distribution	-	-	-	-	-	-	-
12	General Operating & Engineering	2,546	-	-	-	-	-	2,546
13	Sales Promotion & Merchandise	-	-	-	-	-	-	-
14	Distribution Customer Accounting	11,447	-	-	-	-	-	11,447
	Administrative & General Expense							
15	Employee Benefits	2,104	-	-	-	-	-	2,104
16	Administrative & General	4,759	-	-	-	-	-	4,759
17	Total Operating & Maintenance Expenses	3,133,672	2,728,041	175,236	23,591	162,050	23,899	20,856
18	Total Revenue Requirement	3,133,672	2,728,041	175,236	23,591	162,050	23,899	20,856
19	Other Revenue	20,701	-	7,968	-	7,369	-	5,364
20	Total Revenue Requirement Less Other Revenue	3,112,972	2,728,041	167,268	23,591	154,682	23,899	15,492

2024 Cost Allocation Study - Current Rate Classes
Storage Revenue Requirement Summary by Classification

Line No.	Particulars (\$000s)	Storage Revenue Requirement (a) = (sum b to e)	Storage Classification			Storage Commodity (e)
			Deliverability (b)	Space (c)	Operational Contingency (d)	
	Return on Rate Base					
1	Rate Base	1,414,974	512,340	825,400	77,234	- /u
2	Rate of Return on Rate Base	5.870%	5.870%	5.870%	5.870%	5.870% /u
3	Total Return on Rate Base	<u>83,061</u>	<u>30,075</u>	<u>48,452</u>	<u>4,534</u>	<u>- /u</u>
4	Depreciation Expense	<u>35,013</u>	<u>26,128</u>	<u>8,190</u>	<u>695</u>	<u>- /u</u>
	Taxes					
5	Income Tax	10,582	3,831	6,173	578	- /u
6	Property Tax	4,388	4,323	60	5	-
7	Total Taxes	<u>14,970</u>	<u>8,154</u>	<u>6,233</u>	<u>583</u>	<u>- /u</u>
	Operating & Maintenance Expenses					
8	Cost of Gas	34,697	9,952	3,294	-	21,451
9	Storage	25,007	16,797	7,568	642	-
10	Transmission	-	-	-	-	-
11	Distribution	-	-	-	-	-
12	General Operating & Engineering	7,272	5,350	1,771	150	-
13	Sales Promotion & Merchandise	-	-	-	-	-
14	Distribution Customer Accounting Administrative & General Expense	-	-	-	-	-
15	Employee Benefits	10,501	7,366	2,890	245	- /u
16	Administrative & General	13,898	9,588	3,973	337	- /u
17	Total Operating & Maintenance Expenses	<u>91,374</u>	<u>49,053</u>	<u>19,495</u>	<u>1,375</u>	<u>21,451 /u</u>
18	Total Revenue Requirement	<u>224,418</u>	<u>113,410</u>	<u>82,371</u>	<u>7,187</u>	<u>21,451 /u</u>
19	Other Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
20	Total Revenue Requirement Less Other Revenue	<u>224,418</u>	<u>113,410</u>	<u>82,371</u>	<u>7,187</u>	<u>21,451 /u</u>

2024 Cost Allocation Study - Current Rate Classes
Transmission Revenue Requirement Summary by Classification

Line No.	Particulars (\$000s)	Transmission Revenue Requirement (a) = (sum b to h)	Transmission Classification					Transmission Commodity (h)	
			Transmission Demand						
			Dawn Station (b)	Kirkwall Station (c)	Parkway Station (d)	Dawn Parkway (e)	Albion (f)		Panhandle St. Clair (g)
	Return on Rate Base								
1	Rate Base	2,951,364	60,647	6,896	323,014	1,514,834	341,317	704,655	- /u
2	Rate of Return on Rate Base	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870% /u
3	Total Return on Rate Base	173,249	3,560	405	18,961	88,923	20,036	41,364	- /u
4	Depreciation Expense	121,559	3,615	564	16,720	71,719	8,572	20,369	- /u
	Taxes								
5	Income Tax	22,071	454	52	2,416	11,328	2,552	5,270	- /u
6	Property Tax	26,302	2,521	21	1,096	18,136	1,055	3,474	- /u
7	Total Taxes	48,373	2,974	72	3,512	29,464	3,607	8,743	- /u
	Operating & Maintenance Expenses								
8	Cost of Gas	64,132	-	-	-	17,612	-	1,285	45,234 /u
9	Storage	5,277	-	-	-	4,449	-	829	- /u
10	Transmission	12,038	914	180	2,573	6,359	85	1,926	- /u
11	Distribution	-	-	-	-	-	-	-	- /u
12	General Operating & Engineering	17,849	367	42	1,956	9,153	2,066	4,264	- /u
13	Sales Promotion & Merchandise	-	-	-	-	-	-	-	- /u
14	Distribution Customer Accounting	-	-	-	-	-	-	-	- /u
	Administrative & General Expense								
15	Employee Benefits	12,474	510	89	1,563	6,773	844	2,695	- /u
16	Administrative & General	15,476	582	101	1,979	8,685	973	3,156	- /u
17	Total Operating & Maintenance Expenses	127,246	2,374	411	8,072	53,031	3,969	14,155	45,234 /u
18	Total Revenue Requirement	470,427	12,524	1,452	47,265	243,137	36,184	84,632	45,234 /u
19	Other Revenue	-	-	-	-	-	-	-	- /u
20	Total Revenue Requirement Less Other Revenue	470,427	12,524	1,452	47,265	243,137	36,184	84,632	45,234 /u

2024 Cost Allocation Study - Current Rate Classes
Distribution Revenue Requirement Summary by Classification

Line No.	Particulars (\$000s)	Distribution Demand					Distribution Classification					Distribution Commodity (k)
		Distribution Revenue Requirement (a) = (sum b to k)	High Pressure > 4" (b)	High Pressure <= 4" (c)	Low Pressure (d)	Demand Specific Allocation (e)	Distribution Mains (f)	Distribution Services (g)	Distribution Meters (h)	Distribution Stations (i)	Customer Specific Allocation (j)	
Return on Rate Base												
1	Rate Base	11,914,757	1,544,181	295,347	3,006,507	18,190	2,126,661	3,524,068	1,014,647	323,053	62,104	- /u
2	Rate of Return on Rate Base	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870% /u
3	Total Return on Rate Base	699,412	90,645	17,337	176,486	1,068	124,838	206,868	59,561	18,964	3,646	- /u
4	Depreciation Expense	735,428	79,449	15,196	154,863	3,014	109,927	176,394	169,500	16,794	10,290	- /u
Taxes												
5	Income Tax	89,101	11,548	2,209	22,483	136	15,904	26,354	7,588	2,416	464	- /u
6	Property Tax	96,493	16,321	3,122	31,813	-	26,585	18,652	-	-	-	- /u
7	Total Taxes	185,594	27,869	5,330	54,297	136	42,488	45,006	7,588	2,416	464	- /u
Operating & Maintenance Expenses												
8	Cost of Gas	40,243	10,938	-	-	-	-	-	-	-	-	29,306
9	Storage	-	-	-	-	-	-	-	-	-	-	-
10	Transmission	-	-	-	-	-	-	-	-	-	-	-
11	Distribution	101,331	11,396	2,180	22,213	-	14,037	25,955	21,952	3,599	-	- /u
12	General Operating & Engineering	169,987	22,119	4,231	43,114	-	30,514	50,544	14,447	4,624	394	- /u
13	Sales Promotion & Merchandise	186,670	-	-	-	175,054	-	-	-	-	11,616	- /u
14	Distribution Customer Accounting	114,551	-	-	-	-	-	-	-	-	114,551	- /u
Administrative & General Expense												
15	Employee Benefits	151,283	13,013	2,489	25,365	15,490	17,029	29,201	12,447	3,028	33,220	- /u
16	Administrative & General	185,522	15,115	2,891	29,463	15,008	20,005	34,339	15,869	3,655	49,177	- /u
17	Total Operating & Maintenance Expenses	949,587	72,581	11,790	120,155	205,552	81,585	140,039	64,715	14,907	208,958	29,306 /u
18	Total Revenue Requirement	2,570,021	270,544	49,654	505,800	209,770	358,838	568,306	301,364	53,081	223,358	29,306 /u
19	Other Revenue	64,933	-	-	848	-	602	953	505	3,109	58,915	- /u
20	Total Revenue Requirement Less Other Revenue	2,505,089	270,544	49,654	504,952	209,770	358,236	567,353	300,859	49,973	164,442	29,306 /u

2024 Cost Allocation Study - Current Rate Classes
Revenue Requirement Summary by Rate Class

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Line No.	Particulars (\$000s)	Revenue Requirement (a)	EGD Rate Zone										
			Rate 1 (b)	Rate 6 (c)	Rate 100 (d)	Rate 110 (e)	Rate 115 (f)	Rate 125 (g)	Rate 135 (h)	Rate 145 (i)	Rate 170 (j)	Rate 200 (k)	Rate 300 (l)
Return on Rate Base													
1	Rate Base	16,281,096	5,973,078	2,600,252	6,927	189,674	26,129	67,097	3,237	1,838	4,429	31,702	-
2	Rate of Return on Rate Base	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%
3	Total Return on Rate Base	955,722	350,628	152,638	407	11,134	1,534	3,939	190	108	260	1,861	-
4	Depreciation Expense	892,000	343,164	138,342	347	9,048	1,226	3,468	313	93	197	1,182	-
Taxes													
5	Income Tax	121,754	44,668	19,445	52	1,418	195	502	24	14	33	237	-
6	Property Tax	127,183	46,104	20,850	55	1,563	213	672	5	3	16	231	-
7	Total Taxes	248,936	90,772	40,295	107	2,982	409	1,173	30	17	49	469	-
Operating & Maintenance Expenses													
8	Cost of Gas	3,251,888	1,152,070	739,698	3,562	38,932	5,167	787	1,538	307	4,953	32,758	-
9	Storage	30,285	8,494	7,272	22	583	55	1	0	4	18	186	-
10	Transmission	12,038	2,143	1,912	7	219	46	-	1	-	-	51	-
11	Distribution	101,331	42,060	15,519	34	868	100	508	40	15	24	63	-
12	General Operating & Engineering	197,654	77,583	30,497	81	2,166	255	960	57	22	42	272	-
13	Sales Promotion & Merchandise	186,670	71,347	30,408	297	3,380	1,057	177	1,043	318	380	43	-
14	Distribution Customer Accounting	125,998	64,842	7,436	79	2,049	105	19	197	24	56	127	-
Administrative & General Expense													
15	Employee Benefits	176,362	70,148	25,379	140	3,169	387	596	315	68	113	222	-
16	Administrative & General	219,654	89,272	30,717	152	3,437	416	689	317	70	119	297	-
17	Total Operating & Maintenance Expenses	4,301,880	1,577,958	888,839	4,374	54,804	7,587	3,738	3,508	828	5,705	34,020	-
18	Total Revenue Requirement	6,398,539	2,362,522	1,220,115	5,235	77,967	10,755	12,317	4,040	1,046	6,211	37,531	-
19	Other Revenue	85,633	40,239	9,057	25	719	163	31	36	15	128	176	-
20	Total Revenue Requirement Less Other Revenue	6,312,905	2,322,283	1,211,058	5,209	77,248	10,592	12,286	4,004	1,030	6,083	37,355	-

2024 Cost Allocation Study - Current Rate Classes
Revenue Requirement Summary by Rate Class (Continued)

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Line No.	Particulars (\$000s)	Union North Rate Zone					Union South Rate Zone								
		Rate 01 (m)	Rate 10 (n)	Rate 20 (o)	Rate 25 (p)	Rate 100 (q)	Rate M1 (r)	Rate M2 (s)	Rate M4 (F) (t)	Rate M4 (I) (u)	Rate M5 (F) (v)	Rate M5 (I) (w)	Rate M7 (F) (x)	Rate M7 (I) (y)	Rate M9 (z)
	Return on Rate Base														
1	Rate Base	1,075,879	151,755	76,027	15,946	26,234	3,507,836	622,116	151,250	38	1,731	2,116	191,432	3,099	11,718
2	Rate of Return on Rate Base	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%
3	Total Return on Rate Base	63,156	8,908	4,463	936	1,540	205,915	36,519	8,879	2	102	124	11,237	182	688
4	Depreciation Expense	62,194	7,580	3,896	827	1,428	203,629	31,563	7,496	1	102	192	8,967	123	503
	Taxes														
5	Income Tax	8,046	1,135	569	119	196	26,232	4,652	1,131	0	13	16	1,432	23	88
6	Property Tax	8,156	1,179	695	167	249	26,337	4,691	1,311	0	13	3	1,603	6	94
7	Total Taxes	16,201	2,314	1,263	286	445	52,570	9,343	2,442	0	26	19	3,035	29	182
	Operating & Maintenance Expenses														
8	Cost of Gas	218,234	42,354	9,348	1,380	1,316	717,615	173,233	24,014	3	160	1,039	23,039	1,358	4,825
9	Storage	1,575	432	145	0	2	4,994	1,709	489	0	4	0	771	13	54
10	Transmission	395	116	40	-	-	1,262	468	166	-	1	-	246	-	20
11	Distribution	7,659	877	483	118	206	25,204	3,739	719	0	12	27	809	17	35
12	General Operating & Engineering	13,911	1,762	994	231	376	45,461	7,292	1,739	0	23	40	2,020	27	110
13	Sales Promotion & Merchandise	7,141	1,583	1,418	86	896	45,155	6,749	5,862	2	47	434	3,764	395	27
14	Distribution Customer Accounting	11,169	205	306	24	57	36,425	826	1,112	-	33	143	298	21	33
	Administrative & General Expense														
15	Employee Benefits	12,140	1,373	1,004	156	340	41,060	5,772	2,674	1	43	170	2,117	88	95
16	Administrative & General	15,540	1,649	1,115	179	375	52,120	6,908	2,880	1	45	172	2,403	92	116
17	Total Operating & Maintenance Expenses	287,764	50,352	14,853	2,174	3,568	969,296	206,696	39,655	6	368	2,026	35,467	2,011	5,315
18	Total Revenue Requirement	429,316	69,154	24,475	4,223	6,982	1,431,409	284,121	58,472	10	598	2,361	58,706	2,345	6,687
19	Other Revenue	7,098	510	215	10	17	23,361	2,213	472	0	6	32	675	38	61
20	Total Revenue Requirement Less Other Revenue	422,217	68,643	24,260	4,214	6,965	1,408,048	281,908	57,999	10	592	2,329	58,031	2,307	6,626

2024 Cost Allocation Study - Current Rate Classes
 Revenue Requirement Summary by Rate Class (Continued)

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Line No.	Particulars (\$000s)	Union South Rate Zone					Ex-Franchise								
		Rate T1 (F) (aa)	Rate T1 (I) (ab)	Rate T2 (F) (ac)	Rate T2 (I) (ad)	Rate T3 (ae)	Rate 331 (af)	Rate 332 (ag)	Rate 401 (ah)	Rate C1 (F) (ai)	Rate C1 (I) (aj)	Rate M12 (ak)	Rate M13 (al)	Rate M16 (am)	Rate M17 (an)
	Return on Rate Base														
1	Rate Base	66,715	118	563,547	3,282	60,637	60	205,295	-	10,917	226	625,724	24	54	2,957
2	Rate of Return on Rate Base	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%
3	Total Return on Rate Base	3,916	7	33,081	193	3,559	4	12,051	-	641	13	36,731	1	3	174
4	Depreciation Expense	3,163	7	23,804	169	2,536	1	5,148	-	480	2	30,664	0	0	147
	Taxes														
5	Income Tax	499	1	4,214	25	453	0	1,535	-	82	2	4,679	0	0	22
6	Property Tax	550	1	4,509	35	470	0	633	-	103	0	6,630	0	0	35
7	Total Taxes	1,049	2	8,723	59	923	0	2,168	-	184	2	11,310	0	0	57
	Operating & Maintenance Expenses														
8	Cost of Gas	1,300	67	14,550	75	1,408	-	-	-	7,712	3,070	25,358	123	450	85
9	Storage	207	-	1,569	-	344	1	4	-	32	2	1,297	0	0	4
10	Transmission	83	-	1,054	-	105	-	51	-	51	-	3,592	-	-	7
11	Distribution	298	1	1,704	24	157	-	-	-	-	-	-	-	-	11
12	General Operating & Engineering	736	2	5,286	47	561	0	1,241	-	61	0	3,767	0	0	31
13	Sales Promotion & Merchandise	962	80	3,458	28	109	-	-	-	-	21	-	-	-	-
14	Distribution Customer Accounting	217	-	193	-	5	-	-	-	-	-	-	-	-	-
	Administrative & General Expense														
15	Employee Benefits	757	11	3,992	30	434	0	508	-	49	1	2,988	0	0	20
16	Administrative & General	849	11	4,697	34	528	0	586	-	63	1	3,783	0	0	23
17	Total Operating & Maintenance Expenses	5,410	172	36,503	239	3,651	1	2,390	-	7,968	3,074	40,806	123	451	181
18	Total Revenue Requirement	13,538	188	102,111	660	10,670	6	21,757	-	9,272	3,091	119,510	125	455	558
19	Other Revenue	40	0	271	1	22	-	-	-	-	-	-	-	-	-
20	Total Revenue Requirement Less Other Revenue	13,498	188	101,839	659	10,648	6	21,757	-	9,272	3,091	119,510	125	455	558

2024 Cost Allocation Study - Current Rate Classes
Functionalization

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Functionalized (d) = (a-b)	Functional Allocation Factor (e)	Gas Supply (f)	Storage (g)	Transmission (h)	Distribution (i)
<u>Gross Plant</u>										
1	Land	221,952	-		221,952	LAND	-	12,713	81,031	128,208
2	Land Rights	263,689	-		263,689	LANDRIGHTS	-	76,519	64,690	122,480 /u
3	Structures & Improvements	667,009	-		667,009	STRUC&IMP	-	83,034	211,742	372,233 /u
4	Measuring & Regulating	1,741,319	-		1,741,319	MEAS®	-	37,641	293,467	1,410,211
5	Mains	11,087,197	-		11,087,197	MAINS	-	-	2,318,862	8,768,335 /u
6	Compressor Equipment	1,766,302	-		1,766,302	COMPRESSORS	-	373,232	1,361,921	31,149 /u
7	Gas Holders Storage and Equipment	32,021	-		32,021	STORAGE	-	32,021	-	-
8	Wells and Lines	456,027	-		456,027	STORAGE	-	456,027	-	-
9	Base Pressure Gas	69,492	-		69,492	STORAGE	-	69,492	-	-
10	Services	5,590,140	-		5,590,140	DISTRIBUTION	-	-	-	5,590,140 /u
11	Meters & Regulators	1,655,519	-		1,655,519	DISTRIBUTION	-	-	-	1,655,519 /u
12	Customer Stations	169,809	-		169,809	DISTRIBUTION	-	-	-	169,809
13	Linepack	7,521	-		7,521	LINEPACK	-	499	4,522	2,500
14	Subtotal (sum lines 1 to 13)	<u>23,727,997</u>	<u>-</u>		<u>23,727,997</u>		<u>-</u>	<u>1,141,178</u>	<u>4,336,235</u>	<u>18,250,584 /u</u>
15	General Plant	1,174,974	-		1,174,974	GENPLANT	-	63,734	154,460	956,779 /u
16	Total Gross Plant (lines 14+15)	<u>24,902,972</u>	<u>-</u>		<u>24,902,972</u>		<u>-</u>	<u>1,204,913</u>	<u>4,490,695</u>	<u>19,207,364 /u</u>
<u>Accumulated Depreciation</u>										
17	Land	-	-		-		-	-	-	-
18	Land Rights	(89,063)	-		(89,063)	LANDRIGHTS_AD	-	(48,801)	(17,443)	(22,819) /u
19	Structures & Improvements	(213,039)	-		(213,039)	STRUC&IMP_AD	-	(29,423)	(77,607)	(106,009) /u
20	Measuring & Regulating	(626,809)	-		(626,809)	MEAS®_AD	-	(30,585)	(92,653)	(503,572) /u
21	Mains	(3,913,248)	-		(3,913,248)	MAINS_AD	-	-	(723,065)	(3,190,184) /u
22	Compressor Equipment	(682,850)	-		(682,850)	COMPRESSORS_AD	-	(145,035)	(530,200)	(7,615) /u
23	Gas Holders Storage and Equipment	(17,453)	-		(17,453)	STORAGE	-	(17,453)	-	-
24	Wells and Lines	(129,517)	-		(129,517)	STORAGE	-	(129,517)	-	-
25	Base Pressure Gas	-	-		-		-	-	-	-
26	Services	(2,154,595)	-		(2,154,595)	DISTRIBUTION	-	-	-	(2,154,595) /u
27	Meters & Regulators	(673,512)	-		(673,512)	DISTRIBUTION	-	-	-	(673,512) /u
28	Customer Stations	(62,258)	-		(62,258)	DISTRIBUTION	-	-	-	(62,258) /u
29	Linepack	-	-		-		-	-	-	-
30	Subtotal (sum line 17 to 29)	<u>(8,562,345)</u>	<u>-</u>		<u>(8,562,345)</u>		<u>-</u>	<u>(400,814)</u>	<u>(1,440,967)</u>	<u>(6,720,564) /u</u>
31	General Plant	(616,547)	-		(616,547)	GENPLANT	-	(33,444)	(81,050)	(502,053) /u
32	Total Accumulated Depreciation (lines 30+31)	<u>(9,178,892)</u>	<u>-</u>		<u>(9,178,892)</u>		<u>-</u>	<u>(434,257)</u>	<u>(1,522,017)</u>	<u>(7,222,618) /u</u>

2024 Cost Allocation Study - Current Rate Classes
Functionalization (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Functionalized (d) = (a-b)	Functional Allocation Factor (e)	Gas Supply (f)	Storage (g)	Transmission (h)	Distribution (i)
<u>Net Plant</u>										
33	Land	221,952	-		221,952		-	12,713	81,031	128,208
34	Land Rights	174,626	-		174,626		-	27,718	47,248	99,661 /u
35	Structures & Improvements	453,970	-		453,970		-	53,610	134,135	266,224 /u
36	Measuring & Regulating	1,114,510	-		1,114,510		-	7,056	200,814	906,639
37	Mains	7,173,949	-		7,173,949		-	-	1,595,797	5,578,152 /u
38	Compressor Equipment	1,083,452	-		1,083,452		-	228,198	831,721	23,534 /u
39	Gas Holders Storage and Equipment	14,568	-		14,568		-	14,568	-	-
40	Wells and Lines	326,510	-		326,510		-	326,510	-	-
41	Base Pressure Gas	69,492	-		69,492		-	69,492	-	-
42	Services	3,435,545	-		3,435,545		-	-	-	3,435,545 /u
43	Meters & Regulators	982,007	-		982,007		-	-	-	982,007 /u
44	Customer Stations	107,551	-		107,551		-	-	-	107,551
45	Linepack	7,521	-		7,521		-	499	4,522	2,500
46	Subtotal (sum lines 33 to 45)	15,165,652	-		15,165,652		-	740,365	2,895,268	11,530,020 /u
47	General Plant	558,427	-		558,427		-	30,291	73,410	454,726 /u
48	Total Net Plant (lines 46+47)	15,724,079	-		15,724,079		-	770,655	2,968,678	11,984,746 /u
<u>Working Capital</u>										
49	Materials and Supplies	106,990	-		106,990	NETPLANT	-	4,791	20,268	81,931 /u
50	DCB Receivable/(Payable)	(5,076)	-		(5,076)	NETPLANT	-	(227)	(962)	(3,887) /u
51	Customer Security Deposits	(60,186)	-		(60,186)	NETPLANT	-	(2,695)	(11,402)	(46,089) /u
52	Gas in Storage	648,411	-		648,411	STORAGE	-	648,411	-	-
53	Working Cash Allowance	(133,123)	-		(133,123)	NETPLANT	-	(5,961)	(25,219)	(101,943) /u
54	Subtotal (sum lines 49 to 53)	557,016	-		557,016		-	644,319	(17,314)	(69,989) /u
55	Total Rate Base (lines 48+54)	16,281,096	-		16,281,096		-	1,414,974	2,951,364	11,914,757 /u
56	Percent Return on Rate Base	5.870%	5.870%		5.870%		5.870%	5.870%	5.870%	5.870% /u
57	Return on Rate Base (line 55 x line 56)	955,722	-		955,722		-	83,061	173,249	699,412 /u
<u>Depreciation Expense</u>										
58	Storage, Transmission, and Distribution	794,045	-		794,045	DEPEXP	-	30,302	103,658	660,085 /u
59	General Plant	97,955	-		97,955	GENPLANT_DEPEXP	-	4,711	17,901	75,343 /u
60	Total Depreciation Expense	892,000	-		892,000		-	35,013	121,559	735,428 /u
<u>Income & Property Taxes</u>										
61	Income Taxes	121,754	-		121,754	RATEBASE	-	10,582	22,071	89,101 /u
62	Property Taxes	127,183	-		127,183	PROPTAX	-	4,388	26,302	96,493 /u
63	Total Taxes	248,936	-		248,936		-	14,970	48,373	185,594 /u

2024 Cost Allocation Study - Current Rate Classes
Functionalization (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Functionalized (d) = (a-b)	Functional Allocation Factor (e)	Gas Supply (f)	Storage (g)	Transmission (h)	Distribution (i)
<u>Operating & Maintenance (O&M) Expenses</u>										
Cost of Gas										
64	Gas Supply Commodity	3,112,816	-		3,112,816	GASSUPPLY	3,112,816	-	-	-
65	Compressor Fuel	35,306	-		35,306	COMPFUEL	-	8,340	26,966	-
66	Unaccounted For Gas	56,100	-		56,100	UFG	-	12,127	17,164	26,809
67	Company Use Gas	3,884	-		3,884	OWN_USE_GAS	-	282	1,104	2,498 /u
68	Market Based Storage	13,947	-		13,947	STORAGE	-	13,947	-	-
69	Parkway Delivery Commitment Incentive	17,612	-		17,612	TRANSMISSION	-	-	17,612	- /u
70	Other Transportation	12,223	-		12,223	GS_OTHERTRANS	-	-	1,285	10,938
Storage										
71	Local Storage	1,640	-		1,640	STORAGE	-	1,640	-	-
72	Supervision	17,097	-		17,097	STOR_SUPER_O&M	-	14,118	2,979	-
73	Storage Wells & Lines	1,307	-		1,307	STORAGE	-	1,307	-	-
74	Compressor	3,788	-		3,788	DAWN_COMP_O&M	-	1,490	2,298	-
75	Measuring & Regulating	418	-		418	STORAGE	-	418	-	-
76	Dehydration	192	-		192	STORAGE	-	192	-	-
77	Rents	4,026	-		4,026	STORAGE	-	4,026	-	-
78	Other Storage	1,816	-		1,816	STORAGE	-	1,816	-	-
Transmission										
79	Supervision	3,741	-		3,741	TRANSMISSION	-	-	3,741	-
80	Lines	184	-		184	TRANSMISSION	-	-	184	-
81	Compressor	5,613	-		5,613	TRANSMISSION	-	-	5,613	-
82	Measuring & Regulating	2,500	-		2,500	TRANSMISSION	-	-	2,500	-
Distribution										
83	Supervision	10,617	-		10,617	DISTRIBUTION	-	-	-	10,617
84	Meter & Regulator	22,131	-		22,131	DISTRIBUTION	-	-	-	22,131
85	Service & Equipment on Customer Premise	-	-		-	DISTRIBUTION	-	-	-	-
86	Mains & Services	59,330	-		59,330	DISTRIBUTION	-	-	-	59,330
87	Measuring & Regulating	8,901	-		8,901	DISTRIBUTION	-	-	-	8,901
88	Other Distribution	353	-		353	DISTRIBUTION	-	-	-	353
General Operating & Engineering										
89	System Operation & Engineering	197,654	2,941	DP_GS_GENOPS	194,714	GENOPS&ENG	2,546	7,272	17,849	169,987
Sales Promotion & Merchandise										
90	Sales Promotion & Supervision	11,616	-		11,616	DISTRIBUTION	-	-	-	11,616
91	Demand Side Management - Program	144,348	-		144,348	DISTRIBUTION	-	-	-	144,348 /u
92	Demand Side Management - Administration	30,707	-		30,707	DISTRIBUTION	-	-	-	30,707
Distribution Customer Accounting										
93	Supervision	4,295	1,708	DP_GS_CUSTACCT	2,586	DISTRIBUTION	1,295	-	-	2,999
94	Customer Contracts & Orders	19,535	-		19,535	DISTRIBUTION	-	-	-	19,535
95	Meter Reading	23,437	-		23,437	DISTRIBUTION	-	-	-	23,437
96	Customer Billing, Accounting and Bill Delivery	47,499	-		47,499	DISTRIBUTION	-	-	-	47,499
97	Large Volume Customer Care	3,006	-		3,006	DISTRIBUTION	-	-	-	3,006
98	Credit & Collection	6,259	-		6,259	DISTRIBUTION	-	-	-	6,259
99	Uncollectible Accounts	21,966	10,151	GS_BADDEBT	11,815	DISTRIBUTION	10,151	-	-	11,815
Administrative & General Expense										
100	Employee Benefits	176,362	2,531	DP_GS_EMPBEN	173,831	LABOUR	2,104	10,501	12,474	151,283 /u
101	Administrative & General	219,654	5,866	DP_GS_A&G	213,788	O&M	4,759	13,898	15,476	185,522 /u
102	Total O&M Expenses (sum lines 64 to 101)	<u>4,301,880</u>	<u>23,198</u>		<u>4,278,683</u>		<u>3,133,672</u>	<u>91,374</u>	<u>127,246</u>	<u>949,588</u> /u
103	Total Revenue Requirement (lines 57+60+63+102)	<u>6,398,539</u>	<u>23,198</u>		<u>6,375,341</u>		<u>3,133,672</u>	<u>224,418</u>	<u>470,427</u>	<u>2,570,022</u> /u

2024 Cost Allocation Study - Current Rate Classes
Functionalization (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Functionalized (d) = (a-b)	Functional Allocation Factor (e)	Gas Supply (f)	Storage (g)	Transmission (h)	Distribution (i)
<u>Other Revenue</u>										
104	Direct Purchase Administration	2,943	-		2,943	GASSUPPLY	2,943	-	-	-
105	DCB/ABC Fee	2,422	-		2,422	GASSUPPLY	2,422	-	-	-
106	Gas Supply Optimization	15,337	-		15,337	GASSUPPLY	15,337	-	-	-
107	Late Payment Penalties	26,871	-		26,871	DISTRIBUTION	-	-	-	26,871
108	Customer Accounting Charge	14,283	-		14,283	DISTRIBUTION	-	-	-	14,283
109	Other Income	17,762	-		17,762	DISTRIBUTION	-	-	-	17,762
110	Other Revenue Surcharges	6,017	-		6,017	DISTRIBUTION	-	-	-	6,017
111	Total Other Revenue (sum lines 104 to 110)	<u>85,633</u>	<u>-</u>		<u>85,633</u>		<u>20,701</u>	<u>-</u>	<u>-</u>	<u>64,933</u> /u
Total Revenue Requirement										
112	Less Other Revenue (line 103 - line 111)	<u>6,312,905</u>	<u>23,198</u>		<u>6,289,708</u>		<u>3,112,972</u>	<u>224,418</u>	<u>470,427</u>	<u>2,505,089</u> /u

2024 Cost Allocation Study - Current Rate Classes
Gas Supply Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Gas Supply Classification Factor (e)	Gas Supply Commodity (f)	Load Balancing Transport (g)	Load Balancing Commodity (h)	Transportation Demand (i)	Transportation Commodity (j)	Admin (k)
<u>Net Plant</u>												
33	Land	-	-	-	-	-	-	-	-	-	-	-
34	Land Rights	-	-	-	-	-	-	-	-	-	-	-
35	Structures & Improvements	-	-	-	-	-	-	-	-	-	-	-
36	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-
37	Mains	-	-	-	-	-	-	-	-	-	-	-
38	Compressor Equipment	-	-	-	-	-	-	-	-	-	-	-
39	Gas Holders Storage and Equipment	-	-	-	-	-	-	-	-	-	-	-
40	Wells and Lines	-	-	-	-	-	-	-	-	-	-	-
41	Base Pressure Gas	-	-	-	-	-	-	-	-	-	-	-
42	Services	-	-	-	-	-	-	-	-	-	-	-
43	Meters & Regulators	-	-	-	-	-	-	-	-	-	-	-
44	Customer Stations	-	-	-	-	-	-	-	-	-	-	-
45	Linepack	-	-	-	-	-	-	-	-	-	-	-
46	Subtotal (sum lines 33 to 45)	-	-	-	-	-	-	-	-	-	-	-
47	General Plant	-	-	-	-	-	-	-	-	-	-	-
48	Total Net Plant (lines 46+47)	-	-	-	-	-	-	-	-	-	-	-
<u>Working Capital</u>												
49	Materials and Supplies	-	-	-	-	-	-	-	-	-	-	-
50	DCB Receivable/(Payable)	-	-	-	-	-	-	-	-	-	-	-
51	Customer Security Deposits	-	-	-	-	-	-	-	-	-	-	-
52	Gas in Storage	-	-	-	-	-	-	-	-	-	-	-
53	Working Cash Allowance	-	-	-	-	-	-	-	-	-	-	-
54	Subtotal (sum lines 49 to 53)	-	-	-	-	-	-	-	-	-	-	-
55	Total Rate Base (lines 48+54)	-	-	-	-	-	-	-	-	-	-	-
56	Percent Return on Rate Base	5.870%	5.870%		5.870%		5.870%	5.870%	5.870%	5.870%	5.870%	5.870%
57	Return on Rate Base (line 55 x line 56)	-	-		-		-	-	-	-	-	-
<u>Depreciation Expense</u>												
58	Storage, Transmission, and Distribution	-	-	-	-	-	-	-	-	-	-	-
59	General Plant	-	-	-	-	-	-	-	-	-	-	-
60	Total Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-
<u>Income & Property Taxes</u>												
61	Income Taxes	-	-	-	-	-	-	-	-	-	-	-
62	Property Taxes	-	-	-	-	-	-	-	-	-	-	-
63	Total Taxes	-	-	-	-	-	-	-	-	-	-	-

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2024 Cost Allocation Study - Current Rate Classes
Gas Supply Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Gas Supply Classification Factor (e)	Gas Supply Commodity (f)	Load Balancing Transport (g)	Load Balancing Commodity (h)	Transportation Demand (i)	Transportation Commodity (j)	Admin (k)
<u>Operating & Maintenance (O&M) Expenses</u>												
<u>Cost of Gas</u>												
64	Gas Supply Commodity	3,112,816	-	-	3,112,816	GASSUPPLY_CLASS	2,728,041	175,236	23,591	162,050	23,899	-
65	Compressor Fuel	-	-	-	-		-	-	-	-	-	-
66	Unaccounted For Gas	-	-	-	-		-	-	-	-	-	-
67	Company Use Gas	-	-	-	-		-	-	-	-	-	-
68	Market Based Storage	-	-	-	-		-	-	-	-	-	-
69	Parkway Delivery Commitment Incentive	-	-	-	-		-	-	-	-	-	-
70	Other Transportation	-	-	-	-		-	-	-	-	-	-
<u>Storage</u>												
71	Local Storage	-	-	-	-		-	-	-	-	-	-
72	Supervision	-	-	-	-		-	-	-	-	-	-
73	Storage Wells & Lines	-	-	-	-		-	-	-	-	-	-
74	Compressor	-	-	-	-		-	-	-	-	-	-
75	Measuring & Regulating	-	-	-	-		-	-	-	-	-	-
76	Dehydration	-	-	-	-		-	-	-	-	-	-
77	Rents	-	-	-	-		-	-	-	-	-	-
78	Other Storage	-	-	-	-		-	-	-	-	-	-
<u>Transmission</u>												
79	Supervision	-	-	-	-		-	-	-	-	-	-
80	Lines	-	-	-	-		-	-	-	-	-	-
81	Compressor	-	-	-	-		-	-	-	-	-	-
82	Measuring & Regulating	-	-	-	-		-	-	-	-	-	-
<u>Distribution</u>												
83	Supervision	-	-	-	-		-	-	-	-	-	-
84	Meter & Regulator	-	-	-	-		-	-	-	-	-	-
85	Service & Equipment on Customer Premise	-	-	-	-		-	-	-	-	-	-
86	Mains & Services	-	-	-	-		-	-	-	-	-	-
87	Measuring & Regulating	-	-	-	-		-	-	-	-	-	-
88	Other Distribution	-	-	-	-		-	-	-	-	-	-
<u>General Operating & Engineering</u>												
89	System Operation & Engineering	2,546	-	-	2,546	ADMIN	-	-	-	-	-	2,546
<u>Sales Promotion & Merchandise</u>												
90	Sales Promotion & Supervision	-	-	-	-		-	-	-	-	-	-
91	Demand Side Management - Program	-	-	-	-		-	-	-	-	-	-
92	Demand Side Management - Administration	-	-	-	-		-	-	-	-	-	-
<u>Distribution Customer Accounting</u>												
93	Supervision	1,295	-	-	1,295	ADMIN	-	-	-	-	-	1,295
94	Customer Contracts & Orders	-	-	-	-		-	-	-	-	-	-
95	Meter Reading	-	-	-	-		-	-	-	-	-	-
96	Customer Billing, Accounting and Bill Delivery	-	-	-	-		-	-	-	-	-	-
97	Large Volume Customer Care	-	-	-	-		-	-	-	-	-	-
98	Credit & Collection	-	-	-	-		-	-	-	-	-	-
99	Uncollectible Accounts	10,151	-	-	10,151	ADMIN	-	-	-	-	-	10,151
<u>Administrative & General Expense</u>												
100	Employee Benefits	2,104	-	-	2,104	ADMIN	-	-	-	-	-	2,104
101	Administrative & General	4,759	-	-	4,759	ADMIN	-	-	-	-	-	4,759
102	Total O&M Expenses (sum lines 64 to 101)	<u>3,133,672</u>	<u>-</u>	<u>-</u>	<u>3,133,672</u>		<u>2,728,041</u>	<u>175,236</u>	<u>23,591</u>	<u>162,050</u>	<u>23,899</u>	<u>20,856</u>
103	Total Revenue Requirement (lines 57+60+63+102)	<u>3,133,672</u>	<u>-</u>	<u>-</u>	<u>3,133,672</u>		<u>2,728,041</u>	<u>175,236</u>	<u>23,591</u>	<u>162,050</u>	<u>23,899</u>	<u>20,856</u>

2024 Cost Allocation Study - Current Rate Classes
Gas Supply Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Gas Supply Classification Factor (e)	Gas Supply Commodity (f)	Load Balancing Transport (g)	Load Balancing Commodity (h)	Transportation Demand (i)	Transportation Commodity (j)	Admin (k)
<u>Other Revenue</u>												
104	Direct Purchase Administration	2,943	-	-	2,943	ADMIN	-	-	-	-	-	2,943
105	DCB/ABC Fee	2,422	-	-	2,422	ADMIN	-	-	-	-	-	2,422
106	Gas Supply Optimization	15,337	-	-	15,337	OPTIMIZATION	-	7,968	-	7,369	-	-
107	Late Payment Penalties	-	-	-	-	-	-	-	-	-	-	-
108	Customer Accounting Charge	-	-	-	-	-	-	-	-	-	-	-
109	Other Income	-	-	-	-	-	-	-	-	-	-	-
110	Other Revenue Surcharges	-	-	-	-	-	-	-	-	-	-	-
111	Total Other Revenue (sum lines 104 to 110)	<u>20,701</u>	<u>-</u>		<u>20,701</u>		<u>-</u>	<u>7,968</u>	<u>-</u>	<u>7,369</u>	<u>-</u>	<u>5,364</u>
	Total Revenue Requirement											
112	Less Other Revenue (line 103 - line 111)	<u>3,112,972</u>	<u>-</u>		<u>3,112,972</u>		<u>2,728,041</u>	<u>167,268</u>	<u>23,591</u>	<u>154,682</u>	<u>23,899</u>	<u>15,492</u>

2024 Cost Allocation Study - Current Rate Classes

Storage Classification

Line No.	Particulars (\$000s)	Revenue	Total	Direct	Balance	Storage	Storage Demand			Storage
		Requirement	Direct	Assignment	to be	Classification	Deliverability	Space	Operational	Commodity
		(a)	(b)	(c)	(d) = (a-b)	(e)	(f)	(g)	(h)	(i)
<u>Gross Plant</u>										
1	Land	12,713	7	LNG_LAND	12,706	DELIVERABILITY	12,713	-	-	-
2	Land Rights	76,519	-		76,519	DEL_SPACE_OPCON	38,260	35,266	2,994	-
3	Structures & Improvements	83,034	8,437	LNG_STRUCTURES	74,596	DELIVERABILITY	83,034	-	-	-
4	Measuring & Regulating	37,641	-		37,641	DELIVERABILITY	37,641	-	-	-
5	Mains	-	-		-		-	-	-	-
6	Compressor Equipment	373,232	-		373,232	DELIVERABILITY	373,232	-	-	-
7	Gas Holders Storage and Equipment	32,021	32,021	LNG_EQUIPMENT	-	DELIVERABILITY	32,021	-	-	-
8	Wells and Lines	456,027	-		456,027	DEL_SPACE_OPCON	228,013	210,172	17,842	-
9	Base Pressure Gas	69,492	-		69,492	SPACE_OPCON	-	64,055	5,438	-
10	Services	-	-		-		-	-	-	-
11	Meters & Regulators	-	-		-		-	-	-	-
12	Customer Stations	-	-		-		-	-	-	-
13	Linepack	499	-		499	DELIVERABILITY	499	-	-	-
14	Subtotal (sum lines 1 to 13)	<u>1,141,178</u>	<u>40,466</u>		<u>1,100,713</u>		<u>805,413</u>	<u>309,492</u>	<u>26,273</u>	<u>-</u>
15	General Plant	63,734	-		63,734	STOR_GENPLANT	45,433	16,870	1,432	- /u
16	Total Gross Plant (lines 14+15)	<u>1,204,913</u>	<u>40,466</u>		<u>1,164,447</u>		<u>850,845</u>	<u>326,362</u>	<u>27,705</u>	<u>- /u</u>
<u>Accumulated Depreciation</u>										
17	Land	-	-		-	DELIVERABILITY	-	-	-	-
18	Land Rights	(48,801)	-		(48,801)	DEL_SPACE_OPCON	(24,401)	(22,491)	(1,909)	-
19	Structures & Improvements	(29,423)	(3,182)	LNG_STRUCTURES_AD	(26,241)	DELIVERABILITY	(29,423)	-	-	-
20	Measuring & Regulating	(30,585)	-		(30,585)	DELIVERABILITY	(30,585)	-	-	-
21	Mains	-	-		-		-	-	-	-
22	Compressor Equipment	(145,035)	-		(145,035)	DELIVERABILITY	(145,035)	-	-	-
23	Gas Holders Storage and Equipment	(17,453)	(17,453)	LNG_EQUIPMENT_AD	-	DELIVERABILITY	(17,453)	-	-	-
24	Wells and Lines	(129,517)	-		(129,517)	DEL_SPACE_OPCON	(64,758)	(59,691)	(5,067)	-
25	Base Pressure Gas	-	-		-	SPACE_OPCON	-	-	-	-
26	Services	-	-		-		-	-	-	-
27	Meters & Regulators	-	-		-		-	-	-	-
28	Customer Stations	-	-		-		-	-	-	-
29	Linepack	-	-		-	DELIVERABILITY	-	-	-	-
30	Subtotal (sum line 17 to 29)	<u>(400,814)</u>	<u>(20,635)</u>		<u>(380,178)</u>		<u>(311,654)</u>	<u>(82,183)</u>	<u>(6,977)</u>	<u>-</u>
31	General Plant	(33,444)	-		(33,444)	STOR_GENPLANT	(23,840)	(8,852)	(751)	- /u
32	Total Accumulated Depreciation (lines 30+31)	<u>(434,257)</u>	<u>(20,635)</u>		<u>(413,622)</u>		<u>(335,494)</u>	<u>(91,035)</u>	<u>(7,728)</u>	<u>- /u</u>

2024 Cost Allocation Study - Current Rate Classes
Storage Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement	Total Direct Assignment	Direct Assignment Factor	Balance to be Classified	Storage Classification Factor	Storage Demand			Storage Commodity
		(a)	(b)	(c)	(d) = (a-b)	(e)	Deliverability (f)	Space (g)	Operational Contingency (h)	(i)
<u>Net Plant</u>										
33	Land	12,713	7		12,706		12,713	-	-	-
34	Land Rights	27,718	-		27,718		13,859	12,774	1,084	-
35	Structures & Improvements	53,610	5,255		48,356		53,610	-	-	-
36	Measuring & Regulating	7,056	-		7,056		7,056	-	-	-
37	Mains	-	-		-		-	-	-	-
38	Compressor Equipment	228,198	-		228,198		228,198	-	-	-
39	Gas Holders Storage and Equipment	14,568	14,568		-		14,568	-	-	-
40	Wells and Lines	326,510	-		326,510		163,255	150,480	12,774	-
41	Base Pressure Gas	69,492	-		69,492		-	64,055	5,438	-
42	Services	-	-		-		-	-	-	-
43	Meters & Regulators	-	-		-		-	-	-	-
44	Customer Stations	-	-		-		-	-	-	-
45	Linepack	499	-		499		499	-	-	-
46	Subtotal (sum lines 33 to 45)	<u>740,365</u>	<u>19,830</u>		<u>720,534</u>		<u>493,759</u>	<u>227,310</u>	<u>19,296</u>	<u>-</u>
47	General Plant	30,291	-		30,291		21,593	8,018	681	- /u
48	Total Net Plant (lines 46+47)	<u>770,655</u>	<u>19,830</u>		<u>750,825</u>		<u>515,351</u>	<u>235,327</u>	<u>19,977</u>	<u>- /u</u>
<u>Gross Plant</u>										
<u>Working Capital</u>										
49	Materials and Supplies	4,791	-		4,791	STOR_NETPLANT	3,525	1,167	99	- /u
50	DCB Receivable/(Payable)	(227)	-		(227)	STOR_NETPLANT	(167)	(55)	(5)	- /u
51	Customer Security Deposits	(2,695)	-		(2,695)	STOR_NETPLANT	(1,983)	(656)	(56)	- /u
52	Gas in Storage	648,411	-		648,411	GASINSTORAGE	-	591,069	57,342	-
53	Working Cash Allowance	(5,961)	-		(5,961)	STOR_NETPLANT	(4,386)	(1,452)	(123)	- /u
54	Subtotal (sum lines 49 to 53)	<u>644,319</u>	<u>-</u>		<u>644,319</u>		<u>(3,011)</u>	<u>590,073</u>	<u>57,257</u>	<u>- /u</u>
55	Total Rate Base (lines 48+54)	<u>1,414,974</u>	<u>19,830</u>		<u>1,395,144</u>		<u>512,340</u>	<u>825,400</u>	<u>77,234</u>	<u>- /u</u>
56	Percent Return on Rate Base	5.870%	5.870%		5.870%		5.870%	5.870%	5.870%	5.870% /u
57	Return on Rate Base (line 55 x line 56)	<u>83,061</u>	<u>1,164</u>		<u>81,897</u>		<u>30,075</u>	<u>48,452</u>	<u>4,534</u>	<u>- /u</u>
<u>Depreciation Expense</u>										
58	Storage, Transmission, and Distribution	30,302	-		30,302	STOR_DEPEXP	22,769	6,944	589	-
59	General Plant	4,711	-		4,711	STOR_GENPLANT	3,358	1,247	106	- /u
60	Total Depreciation Expense	<u>35,013</u>	<u>-</u>		<u>35,013</u>		<u>26,128</u>	<u>8,190</u>	<u>695</u>	<u>- /u</u>
<u>Income & Property Taxes</u>										
61	Income Taxes	10,582	-		10,582	STOR_RATEBASE	3,831	6,173	578	- /u
62	Property Taxes	4,388	-		4,388	STOR_PROPTAX	4,323	60	5	-
63	Total Taxes	<u>14,970</u>	<u>-</u>		<u>14,970</u>		<u>8,154</u>	<u>6,233</u>	<u>583</u>	<u>- /u</u>

2024 Cost Allocation Study - Current Rate Classes
Storage Classification (Continued)

Line No.	Particulars (\$000s)	Revenue	Total	Direct	Balance	Storage	Storage Demand			Storage
		Requirement	Direct	Assignment	to be	Classification	Deliverability	Space	Operational	Commodity
		(a)	(b)	(c)	(d) = (a-b)	(e)	(f)	(g)	(h)	(i)
<u>Operating & Maintenance (O&M) Expenses</u>										
Cost of Gas										
64	Gas Supply Commodity	-	-		-		-	-	-	-
65	Compressor Fuel	8,340	-		8,340	STOR_COMM	-	-	-	8,340
66	Unaccounted For Gas	12,127	-		12,127	STOR_COMM	-	-	-	12,127
67	Company Use Gas	282	-		282	STOR_COMM	-	-	-	282
68	Market Based Storage	13,947	701	MKTSTORFUEL	13,246	MKTSTOR_DEMAND	9,952	3,294	-	701
69	Parkway Delivery Commitment Incentive	-	-		-		-	-	-	-
70	Other Transportation	-	-		-		-	-	-	-
Storage										
71	Local Storage	1,640	1,640	LNG_O&M	-		1,640	-	-	-
72	Supervision	14,118	-		14,118	STOR_SUPER	9,483	4,272	363	-
73	Storage Wells & Lines	1,307	-		1,307	DEL_SPACE_OPCON	654	603	51	-
74	Compressor	1,490	-		1,490	DELIVERABILITY	1,490	-	-	-
75	Measuring & Regulating	418	-		418	DELIVERABILITY	418	-	-	-
76	Dehydration	192	-		192	DELIVERABILITY	192	-	-	-
77	Rents	4,026	-		4,026	DEL_SPACE_OPCON	2,013	1,856	158	-
78	Other Storage	1,816	-		1,816	DEL_SPACE_OPCON	908	837	71	-
Transmission										
79	Supervision	-	-		-		-	-	-	-
80	Lines	-	-		-		-	-	-	-
81	Compressor	-	-		-		-	-	-	-
82	Measuring & Regulating	-	-		-		-	-	-	-
Distribution										
83	Supervision	-	-		-		-	-	-	-
84	Meter & Regulator	-	-		-		-	-	-	-
85	Service & Equipment on Customer Premise	-	-		-		-	-	-	-
86	Mains & Services	-	-		-		-	-	-	-
87	Measuring & Regulating	-	-		-		-	-	-	-
88	Other Distribution	-	-		-		-	-	-	-
General Operating & Engineering										
89	System Operation & Engineering	7,272	-		7,272	STOR_NETPLANT	5,350	1,771	150	-
Sales Promotion & Merchandise										
90	Sales Promotion & Supervision	-	-		-		-	-	-	-
91	Demand Side Management - Program	-	-		-		-	-	-	-
92	Demand Side Management - Administration	-	-		-		-	-	-	-
Distribution Customer Accounting										
93	Supervision	-	-		-		-	-	-	-
94	Customer Contracts & Orders	-	-		-		-	-	-	-
95	Meter Reading	-	-		-		-	-	-	-
96	Customer Billing, Accounting and Bill Delivery	-	-		-		-	-	-	-
97	Large Volume Customer Care	-	-		-		-	-	-	-
98	Credit & Collection	-	-		-		-	-	-	-
99	Uncollectible Accounts	-	-		-		-	-	-	-
Administrative & General Expense										
100	Employee Benefits	10,501	-		10,501	STOR_LABOUR	7,366	2,890	245	-
101	Administrative & General	13,898	-		13,898	STOR_O&M	9,588	3,973	337	-
102	Total O&M Expenses (sum lines 64 to 101)	<u>91,374</u>	<u>2,341</u>		<u>89,033</u>		<u>49,053</u>	<u>19,495</u>	<u>1,375</u>	<u>21,451</u>
103	Total Revenue Requirement (lines 57+60+63+102)	<u>224,418</u>	<u>3,505</u>		<u>220,913</u>		<u>113,410</u>	<u>82,371</u>	<u>7,187</u>	<u>21,451</u>

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2024 Cost Allocation Study - Current Rate Classes
Storage Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Storage Classification Factor (e)	Storage Demand			Storage Commodity (i)
							Deliverability (f)	Space (g)	Operational Contingency (h)	
<u>Other Revenue</u>										
104	Direct Purchase Administration	-	-		-		-	-	-	-
105	DCB/ABC Fee	-	-		-		-	-	-	-
106	Gas Supply Optimization	-	-		-		-	-	-	-
107	Late Payment Penalties	-	-		-		-	-	-	-
108	Customer Accounting Charge	-	-		-		-	-	-	-
109	Other Income	-	-		-		-	-	-	-
110	Other Revenue Surcharges	-	-		-		-	-	-	-
111	Total Other Revenue (sum lines 104 to 110)	<u>-</u>	<u>-</u>		<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
112	Total Revenue Requirement									
	Less Other Revenue (line 103 - line 111)	<u>224,418</u>	<u>3,505</u>		<u>220,913</u>		<u>113,410</u>	<u>82,371</u>	<u>7,187</u>	<u>21,451</u> /u

2024 Cost Allocation Study - Current Rate Classes
Transmission Classification

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Transmission Classification Factor (e)	Transmission Demand						Transmission Commodity (l)
							Dawn Station (f)	Kirkwall Station (g)	Parkway Station (h)	Dawn Parkway (i)	Albion (j)	Panhandle St. Clair (k)	
<u>Gross Plant</u>													
1	Land	81,031	-	-	81,031	TRANS_LAND	4,168	-	30,938	40,451	43	5,431	-
2	Land Rights	64,690	-	-	64,690	TRANS_LANDRIGHTS	-	-	428	34,299	19,861	10,103	-
3	Structures & Improvements	211,742	-	-	211,742	TRANS_STRUC&IMP	38,228	2,160	79,367	86,946	-	5,042	-
4	Measuring & Regulating	293,467	-	-	293,467	TRANS_MEAS®	73,972	14,563	58,892	-	3,464	142,576	-
5	Mains	2,318,862	-	-	2,318,862	TRANS_MAINS	-	122	8,228	1,300,861	368,401	641,249	-
6	Compressor Equipment	1,361,921	-	-	1,361,921	TRANS_COMPRESSORS	-	-	308,461	1,038,455	-	15,004	-
7	Gas Holders Storage and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
8	Wells and Lines	-	-	-	-	-	-	-	-	-	-	-	-
9	Base Pressure Gas	-	-	-	-	-	-	-	-	-	-	-	-
10	Services	-	-	-	-	-	-	-	-	-	-	-	-
11	Meters & Regulators	-	-	-	-	-	-	-	-	-	-	-	-
12	Customer Stations	-	-	-	-	-	-	-	-	-	-	-	-
13	Linepack	4,522	-	-	4,522	TRANS_LINEPACK	-	-	41	3,728	143	610	-
14	Subtotal (sum lines 1 to 13)	4,336,235	-	-	4,336,235		116,368	16,844	486,356	2,504,739	391,912	820,017	-
15	General Plant	154,460	-	-	154,460	TRANS_GENPLANT	4,478	680	18,324	82,896	13,849	34,234	- /u
16	Total Gross Plant (lines 14+15)	4,490,695	-	-	4,490,695		120,846	17,524	504,680	2,587,635	405,761	854,250	- /u
<u>Accumulated Depreciation</u>													
17	Land	-	-	-	-	-	-	-	-	-	-	-	-
18	Land Rights	(17,443)	-	-	(17,443)	TRANS_LANDRIGHTS_AD	-	-	(81)	(14,091)	(1,505)	(1,765)	-
19	Structures & Improvements	(77,607)	-	-	(77,607)	TRANS_STRUC&IMP_AD	(23,757)	(1,069)	(24,564)	(25,315)	-	(2,901)	-
20	Measuring & Regulating	(92,653)	-	-	(92,653)	TRANS_MEAS®_AD	(33,736)	(9,154)	(18,616)	-	(458)	(30,690)	-
21	Mains	(723,065)	-	-	(723,065)	TRANS_MAINS_AD	-	(7)	(1,785)	(585,103)	(53,210)	(82,960)	-
22	Compressor Equipment	(530,200)	-	-	(530,200)	TRANS_COMPRESSORS_AD	-	-	(125,107)	(395,914)	-	(9,178)	-
23	Gas Holders Storage and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
24	Wells and Lines	-	-	-	-	-	-	-	-	-	-	-	-
25	Base Pressure Gas	-	-	-	-	-	-	-	-	-	-	-	-
26	Services	-	-	-	-	-	-	-	-	-	-	-	-
27	Meters & Regulators	-	-	-	-	-	-	-	-	-	-	-	-
28	Customer Stations	-	-	-	-	-	-	-	-	-	-	-	-
29	Linepack	-	-	-	-	-	-	-	-	-	-	-	-
30	Subtotal (sum line 17 to 29)	(1,440,967)	-	-	(1,440,967)		(57,493)	(10,230)	(170,152)	(1,020,424)	(55,172)	(127,495)	-
31	General Plant	(81,050)	-	-	(81,050)	TRANS_GENPLANT	(2,350)	(357)	(9,615)	(43,498)	(7,267)	(17,963)	- /u
32	Total Accumulated Depreciation (lines 30+31)	(1,522,017)	-	-	(1,522,017)		(59,843)	(10,587)	(179,768)	(1,063,922)	(62,439)	(145,458)	- /u

2024 Cost Allocation Study - Current Rate Classes
Transmission Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Transmission Classification Factor (e)	Transmission Demand						Transmission Commodity (l)
							Dawn Station (f)	Kirkwall Station (g)	Parkway Station (h)	Dawn Parkway (i)	Albion (j)	Panhandle St. Clair (k)	
<u>Net Plant</u>													
33	Land	81,031	-	-	81,031		4,168	-	30,938	40,451	43	5,431	-
34	Land Rights	47,248	-	-	47,248		-	-	347	20,208	18,356	8,337	-
35	Structures & Improvements	134,135	-	-	134,135		14,471	1,091	54,803	61,631	-	2,141	-
36	Measuring & Regulating	200,814	-	-	200,814		40,236	5,408	40,276	-	3,006	111,887	-
37	Mains	1,595,797	-	-	1,595,797		-	115	6,443	715,758	315,192	558,290	-
38	Compressor Equipment	831,721	-	-	831,721		-	-	183,354	642,541	-	5,826	-
39	Gas Holders Storage and Equipment	-	-	-	-		-	-	-	-	-	-	-
40	Wells and Lines	-	-	-	-		-	-	-	-	-	-	-
41	Base Pressure Gas	-	-	-	-		-	-	-	-	-	-	-
42	Services	-	-	-	-		-	-	-	-	-	-	-
43	Meters & Regulators	-	-	-	-		-	-	-	-	-	-	-
44	Customer Stations	-	-	-	-		-	-	-	-	-	-	-
45	Linepack	4,522	-	-	4,522		-	-	41	3,728	143	610	-
46	Subtotal (sum lines 33 to 45)	2,895,268	-	-	2,895,268		58,875	6,614	316,203	1,484,315	336,740	692,522	-
47	General Plant	73,410	-	-	73,410		2,128	323	8,709	39,398	6,582	16,270	- /u
48	Total Net Plant (lines 46+47)	2,968,678	-	-	2,968,678		61,003	6,937	324,912	1,523,713	343,322	708,792	- /u
<u>Working Capital</u>													
49	Materials and Supplies	20,268	-	-	20,268	TRANS_NETPLANT	417	47	2,221	10,393	2,347	4,842	- /u
50	DCB Receivable/(Payable)	(962)	-	-	(962)	TRANS_NETPLANT	(20)	(2)	(105)	(493)	(111)	(230)	- /u
51	Customer Security Deposits	(11,402)	-	-	(11,402)	TRANS_NETPLANT	(235)	(27)	(1,250)	(5,847)	(1,320)	(2,724)	- /u
52	Gas in Storage	-	-	-	-		-	-	-	-	-	-	-
53	Working Cash Allowance	(25,219)	-	-	(25,219)	TRANS_NETPLANT	(519)	(59)	(2,764)	(12,932)	(2,920)	(6,025)	- /u
54	Subtotal (sum lines 49 to 53)	(17,314)	-	-	(17,314)		(356)	(41)	(1,898)	(8,878)	(2,005)	(4,137)	- /u
55	Total Rate Base (lines 48+54)	2,951,364	-	-	2,951,364		60,647	6,896	323,014	1,514,834	341,317	704,655	- /u
56	Percent Return on Rate Base	5.870%	5.870%	-	5.870%		5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870% /u
57	Return on Rate Base (line 55 x line 56)	173,249	-	-	173,249		3,560	405	18,961	88,923	20,036	41,364	- /u
<u>Depreciation Expense</u>													
58	Storage, Transmission, and Distribution	103,658	-	-	103,658	TRANS_DEPEXP	3,096	485	14,596	62,112	6,967	16,402	- /u
59	General Plant	17,901	-	-	17,901	TRANS_GENPLANT	519	79	2,124	9,607	1,605	3,967	- /u
60	Total Depreciation Expense	121,559	-	-	121,559		3,615	564	16,720	71,719	8,572	20,369	- /u
<u>Income & Property Taxes</u>													
61	Income Taxes	22,071	-	-	22,071	TRANS_RATEBASE	454	52	2,416	11,328	2,552	5,270	- /u
62	Property Taxes	26,302	-	-	26,302	TRANS_PROPTAX	2,521	21	1,096	18,136	1,055	3,474	- /u
63	Total Taxes	48,373	-	-	48,373		2,974	72	3,512	29,464	3,607	8,743	- /u

2024 Cost Allocation Study - Current Rate Classes
Transmission Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Transmission Classification Factor (e)	Transmission Demand						Transmission Commodity (l)
							Dawn Station (f)	Kirkwall Station (g)	Parkway Station (h)	Dawn Parkway (i)	Albion (j)	Panhandle St. Clair (k)	
<u>Operating & Maintenance (O&M) Expenses</u>													
<u>Cost of Gas</u>													
64	Gas Supply Commodity	-	-	-	-	-	-	-	-	-	-	-	
65	Compressor Fuel	26,966	-	-	26,966	TRANS_COMM	-	-	-	-	-	26,966	
66	Unaccounted For Gas	17,164	-	-	17,164	TRANS_COMM	-	-	-	-	-	17,164	
67	Company Use Gas	1,104	-	-	1,104	TRANS_COMM	-	-	-	-	-	1,104 /u	
68	Market Based Storage	-	-	-	-	-	-	-	-	-	-	-	
69	Parkway Delivery Commitment Incentive	17,612	-	-	17,612	DAWNPARKWAY	-	-	-	17,612	-	- /u	
70	Other Transportation	1,285	-	-	1,285	PAN_STCLAIR	-	-	-	-	1,285	-	
<u>Storage</u>													
71	Local Storage	-	-	-	-	-	-	-	-	-	-	-	
72	Supervision	2,979	-	-	2,979	DAWN_O&M	-	-	-	2,512	-	468 /u	
73	Storage Wells & Lines	-	-	-	-	-	-	-	-	-	-	-	
74	Compressor	2,298	-	-	2,298	DAWN_O&M	-	-	-	1,937	-	361 /u	
75	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-	
76	Dehydration	-	-	-	-	-	-	-	-	-	-	-	
77	Rents	-	-	-	-	-	-	-	-	-	-	-	
78	Other Storage	-	-	-	-	-	-	-	-	-	-	-	
<u>Transmission</u>													
79	Supervision	3,741	-	-	3,741	TRANS_SUPER	284	56	800	1,976	27	598	
80	Lines	184	-	-	184	TRANS_MAINS	-	0	1	103	29	51	
81	Compressor	5,613	-	-	5,613	TRANS_COMPRESSORS	-	-	1,271	4,280	-	62	
82	Measuring & Regulating	2,500	-	-	2,500	TRANS_MEAS®	630	124	502	-	30	1,215	
<u>Distribution</u>													
83	Supervision	-	-	-	-	-	-	-	-	-	-	-	
84	Meter & Regulator	-	-	-	-	-	-	-	-	-	-	-	
85	Service & Equipment on Customer Premise	-	-	-	-	-	-	-	-	-	-	-	
86	Mains & Services	-	-	-	-	-	-	-	-	-	-	-	
87	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-	
88	Other Distribution	-	-	-	-	-	-	-	-	-	-	-	
<u>General Operating & Engineering</u>													
89	System Operation & Engineering	17,849	-	-	17,849	TRANS_NETPLANT	367	42	1,956	9,153	2,066	4,264 /u	
<u>Sales Promotion & Merchandise</u>													
90	Sales Promotion & Supervision	-	-	-	-	-	-	-	-	-	-	-	
91	Demand Side Management - Program	-	-	-	-	-	-	-	-	-	-	-	
92	Demand Side Management - Administration	-	-	-	-	-	-	-	-	-	-	-	
<u>Distribution Customer Accounting</u>													
93	Supervision	-	-	-	-	-	-	-	-	-	-	-	
94	Customer Contracts & Orders	-	-	-	-	-	-	-	-	-	-	-	
95	Meter Reading	-	-	-	-	-	-	-	-	-	-	-	
96	Customer Billing, Accounting and Bill Delivery	-	-	-	-	-	-	-	-	-	-	-	
97	Large Volume Customer Care	-	-	-	-	-	-	-	-	-	-	-	
98	Credit & Collection	-	-	-	-	-	-	-	-	-	-	-	
99	Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-	-	
<u>Administrative & General Expense</u>													
100	Employee Benefits	12,474	-	-	12,474	TRANS_LABOUR	510	89	1,563	6,773	844	2,695 /u	
101	Administrative & General	15,476	-	-	15,476	TRANS_O&M	582	101	1,979	8,685	973	3,156 /u	
102	Total O&M Expenses (sum lines 64 to 101)	<u>127,246</u>	<u>-</u>	<u>-</u>	<u>127,246</u>		<u>2,374</u>	<u>411</u>	<u>8,072</u>	<u>53,031</u>	<u>3,969</u>	<u>14,155</u> /u	
103	Total Revenue Requirement (lines 57+60+63+102)	<u>470,427</u>	<u>-</u>	<u>-</u>	<u>470,427</u>		<u>12,524</u>	<u>1,452</u>	<u>47,265</u>	<u>243,137</u>	<u>36,184</u>	<u>84,632</u> /u	

2024 Cost Allocation Study - Current Rate Classes
Transmission Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Transmission Classification Factor (e)	Transmission Demand					Transmission Commodity (l)	
							Dawn Station (f)	Kirkwall Station (g)	Parkway Station (h)	Dawn Parkway (i)	Albion (j)		Panhandle St. Clair (k)
<u>Other Revenue</u>													
104	Direct Purchase Administration	-	-		-		-	-	-	-	-	-	
105	DCB/ABC Fee	-	-		-		-	-	-	-	-	-	
106	Gas Supply Optimization	-	-		-		-	-	-	-	-	-	
107	Late Payment Penalties	-	-		-		-	-	-	-	-	-	
108	Customer Accounting Charge	-	-		-		-	-	-	-	-	-	
109	Other Income	-	-		-		-	-	-	-	-	-	
110	Other Revenue Surcharges	-	-		-		-	-	-	-	-	-	
111	Total Other Revenue (sum lines 104 to 110)	-	-		-		-	-	-	-	-	-	
	Total Revenue Requirement												
112	Less Other Revenue (line 103 - line 111)	<u>470,427</u>	-		<u>470,427</u>		<u>12,524</u>	<u>1,452</u>	<u>47,265</u>	<u>243,137</u>	<u>36,184</u>	<u>84,632</u>	<u>45,234</u> /u

2024 Cost Allocation Study - Current Rate Classes

Distribution Classification

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Distribution Classification Factor (e)	Distribution Demand				Distribution Customer					Distribution Commodity (o)
							High Pressure > 4" (f)	High Pressure <= 4" (g)	Low Pressure (h)	Demand Specific Allocation (i)	Distribution Mains (j)	Distribution Services (k)	Distribution Meters (l)	Distribution Stations (m)	Customer Specific Allocation (n)	
Gross Plant																
1	Land	128,208	-		128,208	DISTMANS&MR	28,359	5,424	55,277	-	39,148	-	-	-	-	- /u
2	Land Rights	122,480	-		122,480	DISTMANS&MR	27,092	5,182	52,807	-	37,399	-	-	-	-	- /u
3	Structures & Improvements	372,233	-		372,233	DISTMANS&MR	82,335	15,748	160,488	-	113,662	-	-	-	-	- /u
4	Measuring & Regulating	1,410,211	278,053	CUST STATIONS	1,132,159	DISTDEMAND	360,506	68,952	702,700	-	-	-	278,053	-	-	-
5	Mains	8,768,335	-		8,768,335	ZERO INT	1,829,410	349,901	3,565,892	-	3,023,132	-	-	-	-	- /u
6	Compressor Equipment	31,149	-		31,149	CUST STATIONS	-	-	-	-	-	-	31,149	-	-	- /u
7	Gas Holders Storage and Equipment	-	-		-	-	-	-	-	-	-	-	-	-	-	-
8	Wells and Lines	-	-		-	-	-	-	-	-	-	-	-	-	-	-
9	Base Pressure Gas	-	-		-	-	-	-	-	-	-	-	-	-	-	-
10	Services	5,590,140	-		5,590,140	CUST_SERVICES	-	-	-	-	5,590,140	-	-	-	-	- /u
11	Meters & Regulators	1,655,519	-		1,655,519	CUST_METERS	-	-	-	-	-	1,655,519	-	-	-	- /u
12	Customer Stations	169,809	-		169,809	CUST_STATIONS	-	-	-	-	-	-	169,809	-	-	-
13	Linepack	2,500	-		2,500	DIST_LINEPACK	1,883	360	256	-	-	-	-	-	-	-
14	Subtotal (sum lines 1 to 13)	18,250,584	278,053		17,972,532		2,329,585	445,567	4,537,421	-	3,213,341	5,590,140	1,655,519	479,011	-	- /u
15	General Plant	956,779	-		956,779	DIST_GENPLANT	100,941	19,306	196,755	38,274	137,094	230,148	81,223	22,367	130,672	- /u
16	Total Gross Plant (lines 14+15)	19,207,364	278,053		18,929,311		2,430,526	464,874	4,734,176	38,274	3,350,435	5,820,288	1,736,742	501,378	130,672	- /u
Accumulated Depreciation																
17	Land	-	-		-	DISTMANS&MR	-	-	-	-	-	-	-	-	-	-
18	Land Rights	(22,819)	-		(22,819)	DISTMANS&MR	(5,047)	(965)	(9,838)	-	(6,968)	-	-	-	-	- /u
19	Structures & Improvements	(106,009)	-		(106,009)	DISTMANS&MR	(23,449)	(4,485)	(45,706)	-	(32,370)	-	-	-	-	- /u
20	Measuring & Regulating	(503,572)	(94,807)	CUST STATIONS	(408,765)	DISTDEMAND	(130,160)	(24,895)	(253,709)	-	-	-	(94,807)	-	-	-
21	Mains	(3,190,184)	-		(3,190,184)	ZERO INT	(665,594)	(127,305)	(1,297,379)	-	(1,099,906)	-	-	-	-	- /u
22	Compressor Equipment	(7,615)	-		(7,615)	CUST_STATIONS	-	-	-	-	-	-	(7,615)	-	-	- /u
23	Gas Holders Storage and Equipment	-	-		-	-	-	-	-	-	-	-	-	-	-	-
24	Wells and Lines	-	-		-	-	-	-	-	-	-	-	-	-	-	-
25	Base Pressure Gas	-	-		-	-	-	-	-	-	-	-	-	-	-	-
26	Services	(2,154,595)	-		(2,154,595)	CUST_SERVICES	-	-	-	-	(2,154,595)	-	-	-	-	- /u
27	Meters & Regulators	(673,512)	-		(673,512)	CUST_METERS	-	-	-	-	-	(673,512)	-	-	-	- /u
28	Customer Stations	(62,258)	-		(62,258)	CUST STATIONS	-	-	-	-	-	-	(62,258)	-	-	-
29	Linepack	-	-		-	-	-	-	-	-	-	-	-	-	-	-
30	Subtotal (sum line 17 to 29)	(6,720,564)	(94,807)		(6,625,757)		(824,251)	(157,650)	(1,606,632)	-	(1,139,244)	(2,154,595)	(673,512)	(164,680)	-	- /u
31	General Plant	(502,053)	-		(502,053)	DIST_GENPLANT	(52,967)	(10,131)	(103,244)	(20,084)	(71,938)	(120,766)	(42,620)	(11,737)	(68,568)	- /u
32	Total Accumulated Depreciation (lines 30+31)	(7,222,618)	(94,807)		(7,127,811)		(877,218)	(167,781)	(1,709,876)	(20,084)	(1,211,181)	(2,275,361)	(716,132)	(176,417)	(68,568)	- /u

2024 Cost Allocation Study - Current Rate Classes
 Distribution Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Distribution Classification Factor (e)	Distribution Demand				Distribution Customer					Distribution Commodity (o)
							High Pressure > 4" (f)	High Pressure <= 4" (g)	Low Pressure (h)	Demand Specific Allocation (i)	Distribution Mains (j)	Distribution Services (k)	Distribution Meters (l)	Distribution Stations (m)	Customer Specific Allocation (n)	
Net Plant																
33	Land	128,208	-		128,208		28,359	5,424	55,277	-	39,148	-	-	-	-	/u
34	Land Rights	99,661	-		99,661		22,044	4,216	42,969	-	30,432	-	-	-	-	/u
35	Structures & Improvements	266,224	-		266,224		58,887	11,263	114,782	-	81,292	-	-	-	-	/u
36	Measuring & Regulating	906,639	-		906,639		230,346	44,057	448,991	-	-	-	183,246	-	-	/u
37	Mains	5,578,152	-		5,578,152		1,163,816	222,597	2,268,514	-	1,923,226	-	-	-	-	/u
38	Compressor Equipment	23,534	-		23,534		-	-	-	-	-	-	23,534	-	-	/u
39	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-	-	-	-	
40	Wells and Lines	-	-		-		-	-	-	-	-	-	-	-	-	
41	Base Pressure Gas	-	-		-		-	-	-	-	-	-	-	-	-	
42	Services	3,435,545	-		3,435,545		-	-	-	-	3,435,545	-	-	-	-	/u
43	Meters & Regulators	982,007	-		982,007		-	-	-	-	-	982,007	-	-	-	/u
44	Customer Stations	107,551	-		107,551		-	-	-	-	-	-	107,551	-	-	
45	Linepack	2,500	-		2,500		1,883	360	256	-	-	-	-	-	-	
46	Subtotal (sum lines 33 to 45)	11,530,020	-		11,530,020		1,505,335	287,917	2,930,788	-	2,074,098	3,435,545	982,007	314,331	-	/u
47	General Plant	454,726	-		454,726		47,974	9,176	93,511	18,190	65,156	109,382	38,602	10,630	62,104	/u
48	Total Net Plant (lines 46+47)	11,984,746	-		11,984,746		1,553,309	297,093	3,024,300	18,190	2,139,254	3,544,926	1,020,609	324,961	62,104	/u
Working Capital																
49	Materials and Supplies	81,931	-		81,931	DIST_NETPLANT	10,686	2,044	20,829	-	14,742	24,418	6,980	2,234	-	/u
50	DCB Receivable/(Payable)	(3,887)	-		(3,887)	DIST_NETPLANT	(507)	(97)	(988)	-	(699)	(1,159)	(331)	(106)	-	/u
51	Customer Security Deposits	(46,089)	-		(46,089)	DIST_NETPLANT	(6,011)	(1,150)	(11,717)	-	(8,293)	(13,736)	(3,926)	(1,257)	-	/u
52	Gas in Storage	-	-		-		-	-	-	-	-	-	-	-	-	
53	Working Cash Allowance	(101,943)	-		(101,943)	DIST_NETPLANT	(13,296)	(2,543)	(25,916)	-	(18,342)	(30,382)	(8,684)	(2,780)	-	/u
54	Subtotal (sum lines 49 to 53)	(69,989)	-		(69,989)		(9,128)	(1,746)	(17,793)	-	(12,593)	(20,859)	(5,962)	(1,908)	-	/u
55	Total Rate Base (lines 48+54)	11,914,757	-		11,914,757		1,544,181	295,347	3,006,507	18,190	2,126,661	3,524,068	1,014,647	323,053	62,104	/u
56	Percent Return on Rate Base	5.870%	5.870%		5.870%		5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	5.870%	/u
57	Return on Rate Base (line 55 x line 56)	699,412	-		699,412		90,645	17,337	176,486	1,068	124,838	206,868	59,561	18,964	3,646	/u
Depreciation Expense																
58	Storage, Transmission, and Distribution	660,085	-		660,085	DIST_DEPEXP	71,501	13,676	139,369	-	99,131	158,271	163,104	15,033	-	/u
59	General Plant	75,343	-		75,343	DIST_GENPLANT	7,949	1,520	15,494	3,014	10,796	18,123	6,396	1,761	10,290	/u
60	Total Depreciation Expense	735,428	-		735,428		79,449	15,196	154,863	3,014	109,927	176,394	169,500	16,794	10,290	/u
Income & Property Taxes																
61	Income Taxes	89,101	-		89,101	DIST_RATEBASE	11,548	2,209	22,483	136	15,904	26,354	7,588	2,416	464	/u
62	Property Taxes	96,493	-		96,493	DIST_PROPTAX	16,321	3,122	31,813	-	26,585	18,652	-	-	-	/u
63	Total Taxes	185,594	-		185,594		27,869	5,330	54,297	136	42,488	45,006	7,588	2,416	464	/u

2024 Cost Allocation Study - Current Rate Classes
 Distribution Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Distribution Classification Factor (e)	Distribution Demand				Distribution Customer					Distribution Commodity (o)
							High Pressure > 4" (f)	High Pressure <= 4" (g)	Low Pressure (h)	Demand Specific Allocation (i)	Distribution Mains (j)	Distribution Services (k)	Distribution Meters (l)	Distribution Stations (m)	Customer Specific Allocation (n)	
Operating & Maintenance (O&M) Expenses																
Cost of Gas																
64	Gas Supply Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65	Compressor Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
66	Unaccounted For Gas	26,809	-	-	26,809	DIST_COMM	-	-	-	-	-	-	-	-	-	26,809
67	Company Use Gas	2,498	-	-	2,498	DIST_COMM	-	-	-	-	-	-	-	-	-	2,498 /u
68	Market Based Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	Parkway Delivery Commitment Incentive	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70	Other Transportation	10,938	-	-	10,938	HPMAINS>4"	10,938	-	-	-	-	-	-	-	-	-
Storage																
71	Local Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
72	Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
73	Storage Wells & Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
74	Compressor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
76	Dehydration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
77	Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
78	Other Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission																
79	Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
80	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
81	Compressor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
82	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution																
83	Supervision	10,617	-	-	10,617	DIST SUPER	1,194	228	2,327	-	1,471	2,719	2,300	377	-	- /u
84	Meter & Regulator	22,131	2,479	CUST STATIONS	19,652	CUST METERS	-	-	-	-	-	-	19,652	2,479	-	-
85	Service & Equipment on Customer Premise	-	-	-	-	CUST METERS	-	-	-	-	-	-	-	-	-	-
86	Mains & Services	59,330	-	-	59,330	DIST MAINS&SERVICES	7,559	1,446	14,734	-	12,492	23,099	-	-	-	- /u
87	Measuring & Regulating	8,901	743	CUST STATIONS	8,158	DISTDEMAND	2,598	497	5,064	-	-	-	-	743	-	-
88	Other Distribution	353	-	-	353	DIST MAINS&SERVICES	45	9	88	-	74	137	-	-	-	-
General Operating & Engineering																
89	System Operation & Engineering	169,987	394	CUST_SPECIFIC	169,593	DIST_NETPLANT	22,119	4,231	43,114	-	30,514	50,544	14,447	4,624	394	- /u
Sales Promotion & Merchandise																
90	Sales Promotion & Supervision	11,616	-	-	11,616	CUST_SPECIFIC	-	-	-	-	-	-	-	-	11,616	-
91	Demand Side Management - Program	144,348	-	-	144,348	DEM_SPECIFIC	-	-	-	144,348	-	-	-	-	-	- /u
92	Demand Side Management - Administration	30,707	-	-	30,707	DEM_SPECIFIC	-	-	-	30,707	-	-	-	-	-	-
Distribution Customer Accounting																
93	Supervision	2,999	413	CUST_SPECIFIC	2,586	CUST_SPECIFIC	-	-	-	-	-	-	-	-	2,999	-
94	Customer Contracts & Orders	19,535	-	-	19,535	CUST_SPECIFIC	-	-	-	-	-	-	-	-	19,535	-
95	Meter Reading	23,437	-	-	23,437	CUST_SPECIFIC	-	-	-	-	-	-	-	-	23,437	-
96	Customer Billing, Accounting and Bill Delivery	47,499	-	-	47,499	CUST_SPECIFIC	-	-	-	-	-	-	-	-	47,499	-
97	Large Volume Customer Care	3,006	-	-	3,006	CUST_SPECIFIC	-	-	-	-	-	-	-	-	3,006	-
98	Credit & Collection	6,259	-	-	6,259	CUST_SPECIFIC	-	-	-	-	-	-	-	-	6,259	-
99	Uncollectible Accounts	11,815	-	-	11,815	CUST_SPECIFIC	-	-	-	-	-	-	-	-	11,815	-
Administrative & General Expense																
100	Employee Benefits	151,283	427	CUST_SPECIFIC	150,856	DIST_LABOUR	13,013	2,489	25,365	15,490	17,029	29,201	12,447	3,028	33,220	- /u
101	Administrative & General	185,522	1,107	CUST_SPECIFIC	184,414	DIST_O&M	15,115	2,891	29,463	15,008	20,005	34,339	15,869	3,655	49,177	- /u
102	Total O&M Expenses (sum lines 64 to 101)	<u>949,588</u>	<u>5,564</u>		<u>944,024</u>		<u>72,581</u>	<u>11,790</u>	<u>120,155</u>	<u>205,552</u>	<u>81,585</u>	<u>140,039</u>	<u>64,715</u>	<u>14,907</u>	<u>208,958</u>	<u>29,306 /u</u>
103	Total Revenue Requirement (lines 57+60+63+102)	<u>2,570,022</u>	<u>5,564</u>		<u>2,564,458</u>		<u>270,544</u>	<u>49,654</u>	<u>505,800</u>	<u>209,770</u>	<u>358,838</u>	<u>568,306</u>	<u>301,364</u>	<u>53,081</u>	<u>223,358</u>	<u>29,306 /u</u>

2024 Cost Allocation Study - Current Rate Classes

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Line No.	Particulars (\$000s)	Total Revenue Requirement		Total Direct Assignment	Direct Assignment Factor	Balance to be Allocated	Allocation Factor	EGD Rate Zone	
		(a)	(b)					(c)	(d)
<u>Total Allocation</u>									
<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	2,728,041	2,728,041	-		2,728,041	SUPPLY_VOL	1,019,990	616,434
2	Load Balancing - Transportation	175,236	167,268	-		167,268	LOAD_BALANCING	52,749	45,845
3	Load Balancing - Commodity	23,591	23,591	-		23,591	NETFROMSTOR	7,059	6,135
4	Transportation Demand	162,050	154,682	(7,369)	TRANSP_T_DEM_OPT	162,050	TRANS_DEMAND	38,538	39,989
5	Transportation Commodity	23,899	23,899	-		23,899	TRANS_FUEL	6,126	5,874
6	Admin	20,856	15,492	-		15,492	SUPPLY_VOL	5,792	3,501
7	Total Gas Supply Revenue Requirement	<u>3,133,672</u>	<u>3,112,972</u>	<u>(7,369)</u>		<u>3,120,340</u>		<u>1,130,254</u>	<u>717,778</u>
<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	113,410	113,410	-		113,410	NETFROMSTOR	33,935	29,494
9	Storage Demand - Space	82,371	82,371	39,117	GASSTORALLO	43,254	STORAGEXCESS	25,566	20,685
10	Storage Demand - Operational Contingency	7,187	7,187	-		7,187	OP_CONTINGENCY	2,046	1,807
11	Storage Commodity	21,451	21,451	-		21,451	STORCOMM	5,056	4,848
12	Total Storage Revenue Requirement	<u>224,418</u>	<u>224,418</u>	<u>39,117</u>		<u>185,301</u>		<u>66,602</u>	<u>56,834</u>
<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	12,524	12,524	-		12,524	DAWN_DEMAND	2,107	1,880
14	Transmission Demand - Kirkwall Station	1,452	1,452	-		1,452	KIRKWALL_DEMAND	60	54
15	Transmission Demand - Parkway Station	47,265	47,265	-		47,265	PKWY_DEMAND	6,928	6,182
16	Transmission Demand - Dawn Parkway	243,137	243,137	-		243,137	D-PTRANS	46,854	41,812
17	Transmission Demand - Albion	36,184	36,184	-		36,184	ALBIONTRANS	4,380	3,909
18	Transmission Demand - Panhandle St. Clair	84,632	84,632	-		84,632	PAN_STCLAIR	16,208	14,464
19	Transmission Commodity	45,234	45,234	26,966	TRANS_COMPFUEL	18,268	TRANSCOMM	2,638	2,529
20	Total Transmission Revenue Requirement	<u>470,427</u>	<u>470,427</u>	<u>26,966</u>		<u>443,461</u>		<u>79,175</u>	<u>70,831</u>
<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	270,544	270,544	-		270,544	HIGHPRESS>4	63,402	56,579
22	Distribution Demand - High Pressure <= 4"	49,654	49,654	-		49,654	HIGHPRESS<=4	15,588	13,911
23	Distribution Demand - Low Pressure	505,800	504,952	-		504,952	LOWPRESS	161,423	144,053
Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	144,348	144,348	-		144,348	DSM_PRO	56,893	23,193
25	Distribution Demand Specific - DSM Admin	65,422	65,422	-		65,422	DSM_ADM	20,277	14,531
26	Distribution Customer - Mains	358,838	358,236	-		358,236	TOTAL_CUSTOMERS	197,527	15,817
27	Distribution Customer - Services	568,306	567,353	-		567,353	TOTAL_CUSTOMERS	312,832	25,050
28	Distribution Customer - Meters	301,364	300,859	-		300,859	METERREPLCOST	130,924	46,947
29	Distribution Customer - Stations	53,081	49,973	-		49,973	STATIONREPLCOST	-	13,838
Distribution Customer- Specific									
30	Uncollectible Accounts	12,504	12,504	-		12,504	BAD_DEBT	6,195	496
31	Distribution Customer Accounting	199,129	140,214	11,616	SALESPROMO	128,598	TOTAL_CUSTOMERS	75,844	6,073
32	Large Volume Customer Care	11,724	11,724	-		11,724	CUST_EXCL_GS	-	-
33	Distribution Commodity	29,306	29,306	-		29,306	DISTCOMM	5,346	5,127
34	Total Distribution Revenue Requirement	<u>2,570,022</u>	<u>2,505,089</u>	<u>11,616</u>		<u>2,493,474</u>		<u>1,046,252</u>	<u>365,615</u>
35	Total Revenue Requirement	<u>6,398,539</u>	<u>6,312,905</u>	<u>70,329</u>		<u>6,242,576</u>		<u>2,322,283</u>	<u>1,211,058</u>

2024 Cost Allocation Study - Current Rate Classes
 Total Allocation (Continued)

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Line No.	Particulars (\$000s)	EGD Rate Zone								Union North Rate Zone					
		Rate 100 (i)	Rate 110 (j)	Rate 115 (k)	Rate 125 (l)	Rate 135 (m)	Rate 145 (n)	Rate 170 (o)	Rate 200 (p)	Rate 300 (q)	Rate 01 (r)	Rate 10 (s)	Rate 20 (t)	Rate 25 (u)	Rate 100 (v)
Gas Supply Revenue Requirement															
1	Gas Supply Commodity	3,062	21,205	343	-	911	119	1,112	29,112	-	193,220	34,151	3,243	1,183	-
2	Load Balancing - Transportation	123	3,350	124	-	-	-	-	994	-	9,458	2,674	2,095	-	-
3	Load Balancing - Commodity	16	448	17	-	-	-	-	133	-	1,266	358	105	-	-
4	Transportation Demand	210	8,381	2,921	-	403	120	2,473	1,445	-	7,804	3,137	1,816	44	-
5	Transportation Commodity	34	1,309	468	-	64	19	396	231	-	1,211	397	185	7	-
6	Admin	17	120	2	-	5	1	6	165	-	1,097	194	18	7	-
7	Total Gas Supply Revenue Requirement	3,462	34,813	3,874	-	1,384	259	3,987	32,081	-	214,057	40,910	7,463	1,241	-
Storage Revenue Requirement															
8	Storage Demand - Deliverability	79	2,155	79	-	-	-	-	639	-	6,085	1,720	505	-	-
9	Storage Demand - Space	82	1,746	225	-	-	43	193	741	-	5,083	1,263	368	-	-
10	Storage Demand - Operational Contingency	2	55	13	16	1	1	8	16	-	404	117	27	2	21
11	Storage Commodity	28	1,080	386	-	53	16	327	191	-	1,000	328	160	6	-
12	Total Storage Revenue Requirement	191	5,037	703	16	54	59	528	1,587	-	12,571	3,427	1,060	8	21
Transmission Revenue Requirement															
13	Transmission Demand - Dawn Station	7	216	45	-	1	-	-	50	-	388	114	39	-	-
14	Transmission Demand - Kirkwall Station	0	6	1	-	0	-	-	1	-	11	3	1	-	-
15	Transmission Demand - Parkway Station	22	709	149	-	2	-	-	164	-	1,275	376	174	-	-
16	Transmission Demand - Dawn Parkway	147	4,798	1,008	-	17	-	-	1,112	-	8,625	2,546	886	-	-
17	Transmission Demand - Albion	14	449	94	-	2	-	-	104	-	806	238	54	-	-
18	Transmission Demand - Panhandle St. Clair	51	1,660	349	-	6	-	-	385	-	2,984	881	200	-	-
19	Transmission Commodity	14	563	201	-	28	8	170	100	-	522	171	85	3	-
20	Total Transmission Revenue Requirement	255	8,401	1,848	-	55	8	170	1,917	-	14,611	4,330	1,439	3	-
Distribution Revenue Requirement															
21	Distribution Demand - High Pressure > 4"	200	6,492	1,364	11,133	23	-	-	1,505	-	11,671	3,482	9,148	-	4,085
22	Distribution Demand - High Pressure <= 4"	45	970	35	-	4	-	-	-	-	2,870	856	231	-	39
23	Distribution Demand - Low Pressure	339	8,306	327	-	25	51	254	-	-	29,716	8,865	322	2,653	-
Distribution Demand - Specific Allocation															
24	Distribution Demand Specific - DSM Program	185	1,665	715	139	661	233	262	34	-	5,301	1,252	931	63	717
25	Distribution Demand Specific - DSM Admin	161	1,327	606	59	585	152	189	14	-	2,120	694	691	27	314
26	Distribution Customer - Mains	1	38	2	0	4	0	1	0	-	33,783	202	6	0	1
27	Distribution Customer - Services	2	60	3	1	6	1	2	0	-	53,503	319	9	1	2
28	Distribution Customer - Meters	85	1,031	175	45	293	26	116	-	-	25,324	1,588	292	12	187
29	Distribution Customer - Stations	37	1,492	188	495	216	145	57	-	-	1,602	2,282	711	9	262
Distribution Customer- Specific															
30	Uncollectible Accounts	18	525	28	5	52	6	14	1	-	1,060	6	78	5	15
31	Distribution Customer Accounting	37	1,106	58	11	109	13	29	3	-	12,972	77	165	11	32
32	Large Volume Customer Care	163	4,843	256	47	477	58	128	12	-	-	-	722	47	140
33	Distribution Commodity	29	1,142	408	337	56	17	346	202	-	1,057	351	993	136	1,151
34	Total Distribution Revenue Requirement	1,301	28,998	4,166	12,271	2,511	704	1,397	1,771	-	180,978	19,975	14,298	2,962	6,945
35	Total Revenue Requirement	5,209	77,248	10,592	12,286	4,004	1,030	6,083	37,355	-	422,217	68,643	24,260	4,214	6,965

2024 Cost Allocation Study - Current Rate Classes
 Total Allocation (Continued)

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Line No.	Particulars (\$000s)	Union South Rate Zone													
		Rate M1 (w)	Rate M2 (x)	Rate M4 (F) (y)	Rate M4 (I) (z)	Rate M5 (F) (aa)	Rate M5 (I) (ab)	Rate M7 (F) (ac)	Rate M7 (I) (ad)	Rate M9 (ae)	Rate T1 (F) (af)	Rate T1 (I) (ag)	Rate T2 (F) (ah)	Rate T2 (I) (ai)	Rate T3 (aj)
<u>Gas Supply Revenue Requirement</u>															
1	Gas Supply Commodity	637,686	142,834	12,317	-	63	386	6,940	451	3,277	-	-	-	-	-
2	Load Balancing - Transportation	29,928	10,672	3,341	-	32	-	5,549	-	336	-	-	-	-	-
3	Load Balancing - Commodity	4,005	1,428	447	-	4	-	743	-	45	156	-	975	-	250
4	Transportation Demand	24,902	10,093	4,542	2	34	421	5,460	581	689	47	4	591	5	30
5	Transportation Commodity	3,987	1,616	727	0	5	67	874	93	110	7	1	84	1	4
6	Admin	3,621	811	70	-	0	2	39	3	19	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	704,130	167,454	21,444	2	139	877	19,605	1,128	4,476	210	5	1,650	6	284
<u>Storage Revenue Requirement</u>															
8	Storage Demand - Deliverability	19,254	6,865	2,150	-	21	-	3,570	-	216	751	-	4,687	-	1,203
9	Storage Demand - Space	16,086	4,842	995	2	4	-	1,367	142	139	295	-	1,868	-	637
10	Storage Demand - Operational Contingency	1,302	461	34	0	0	1	46	3	5	19	-	184	-	24
11	Storage Commodity	3,291	1,334	600	-	4	56	722	77	91	132	-	1,381	-	285
12	Total Storage Revenue Requirement	39,933	13,502	3,779	2	29	57	5,705	222	450	1,197	-	8,121	-	2,149
<u>Transmission Revenue Requirement</u>															
13	Transmission Demand - Dawn Station	1,241	460	164	-	1	-	242	-	20	67	-	848	-	84
14	Transmission Demand - Kirkwall Station	36	13	5	-	0	-	7	-	1	1	-	16	-	2
15	Transmission Demand - Parkway Station	4,081	1,512	538	-	5	-	796	-	65	-	-	-	-	-
16	Transmission Demand - Dawn Parkway	27,598	10,226	3,640	-	32	-	5,384	-	440	1,180	-	14,908	-	1,479
17	Transmission Demand - Albion	2,580	956	340	-	3	-	503	-	41	-	-	-	-	-
18	Transmission Demand - Panhandle St. Clair	9,547	3,537	1,259	-	11	-	1,863	-	152	2,088	-	26,373	-	2,616
19	Transmission Commodity	1,717	696	313	0	2	29	376	40	48	228	22	2,876	24	144
20	Total Transmission Revenue Requirement	46,799	17,400	6,259	0	55	29	9,172	40	766	3,565	22	45,021	24	4,324
<u>Distribution Revenue Requirement</u>															
21	Distribution Demand - High Pressure > 4"	37,344	13,837	4,926	-	43	-	7,286	-	595	2,496	-	31,532	-	3,127
22	Distribution Demand - High Pressure <= 4"	9,182	3,402	960	-	11	-	933	-	64	422	-	132	-	-
23	Distribution Demand - Low Pressure	95,081	35,230	7,769	3	86	50	6,462	93	-	2,471	18	806	551	-
Distribution Demand - Specific Allocation															
24	Distribution Demand Specific - DSM Program	36,346	5,199	3,794	2	22	271	2,602	277	14	628	60	2,778	23	89
25	Distribution Demand Specific - DSM Admin	12,908	3,264	3,148	1	14	181	2,158	230	6	455	43	1,220	10	38
26	Distribution Customer - Mains	110,077	738	21	-	1	3	5	0	0	4	-	4	-	0
27	Distribution Customer - Services	174,333	1,169	33	-	1	4	8	1	1	7	-	6	-	0
28	Distribution Customer - Meters	83,518	7,263	976	-	40	170	601	42	23	392	-	766	-	23
29	Distribution Customer - Stations	9,200	11,732	755	-	38	162	1,845	129	73	514	-	3,858	-	332
Distribution Customer- Specific															
30	Uncollectible Accounts	3,452	23	284	-	9	38	72	5	5	58	-	52	-	1
31	Distribution Customer Accounting	42,266	284	598	-	19	80	152	11	11	122	-	109	-	3
32	Large Volume Customer Care	-	-	2,620	-	82	349	664	47	47	536	-	477	-	12
33	Distribution Commodity	3,480	1,411	635	0	5	59	763	81	96	421	40	5,307	45	266
34	Total Distribution Revenue Requirement	617,187	83,552	26,517	6	368	1,366	23,550	916	935	8,526	161	47,048	629	3,891
35	Total Revenue Requirement	1,408,048	281,908	57,999	10	592	2,329	58,031	2,307	6,626	13,498	188	101,839	659	10,648

2024 Cost Allocation Study - Current Rate Classes

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Total Allocation (Continued)

Line No.	Particulars (\$000s)	Ex-Franchise							
		Rate 331 (ak)	Rate 332 (al)	Rate 401 (am)	Rate C1 (F) (an)	Rate C1 (I) (ao)	Rate M12 (ap)	Rate M13 (aq)	Rate M16 (ar)
<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	-	-	-	-	-	-	-	-
2	Load Balancing - Transportation	-	-	-	-	-	-	-	-
3	Load Balancing - Commodity	-	-	-	-	-	-	-	-
4	Transportation Demand	-	-	-	-	-	-	-	-
5	Transportation Commodity	-	-	-	-	-	-	-	-
6	Admin	-	-	-	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	-	-	-	-	-	-	-	-
<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	-	-	-	-	-	-	-	-
9	Storage Demand - Space	-	-	-	-	-	-	-	-
10	Storage Demand - Operational Contingency	6	47	-	121	21	370	2	5
11	Storage Commodity	-	-	-	-	-	-	-	-
12	Total Storage Revenue Requirement	6	47	-	121	21	370	2	5
<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	-	-	-	48	-	4,489	-	-
14	Transmission Demand - Kirkwall Station	-	-	-	-	-	1,234	-	-
15	Transmission Demand - Parkway Station	-	-	-	329	-	23,956	-	-
16	Transmission Demand - Dawn Parkway	-	-	-	1,145	-	69,086	-	213
17	Transmission Demand - Albion	-	21,710	-	-	-	-	-	-
18	Transmission Demand - Panhandle St. Clair	-	-	-	-	-	-	-	-
19	Transmission Commodity	-	-	-	7,629	3,070	20,354	123	450
20	Total Transmission Revenue Requirement	-	21,710	-	9,151	3,070	119,119	123	450
<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	-	-	-	-	-	-	-	273
22	Distribution Demand - High Pressure <= 4"	-	-	-	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-	-
Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	-	-	-	-	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-	-	-	-	-	-
26	Distribution Customer - Mains	-	-	-	-	-	-	-	-
27	Distribution Customer - Services	-	-	-	-	-	-	-	-
28	Distribution Customer - Meters	-	-	-	-	-	-	-	-
29	Distribution Customer - Stations	-	-	-	-	-	-	-	-
Distribution Customer- Specific									
30	Uncollectible Accounts	-	-	-	-	-	-	-	-
31	Distribution Customer Accounting	-	-	-	-	-	21	-	-
32	Large Volume Customer Care	-	-	-	-	-	-	-	-
33	Distribution Commodity	-	-	-	-	-	-	-	-
34	Total Distribution Revenue Requirement	-	-	-	-	-	21	-	273
35	Total Revenue Requirement	6	21,757	-	9,272	3,091	119,510	125	558

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2024 Cost Allocation Study - Current Rate Classes
Allocation of Delivery Revenue Requirement

Line No.	Particulars (\$000s)	Total Revenue Requirement		Total Direct Assignment	Direct Assignment Factor	Balance to be Allocated	Allocation Factor	EGD Rate Zone	
		(a)	Net of Other Revenue (b)					(c)	(d)
<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	-	-	-		-	SUPPLY_VOL	-	-
2	Load Balancing - Transportation	-	(7,968)	-		(7,968)	LOAD_BALANCING	(2,513)	(2,184)
3	Load Balancing - Commodity	-	-	-		-	NETFROMSTOR	-	-
4	Transportation Demand	-	(7,369)	(7,369)	TRANSPT_DEM_OPT	-	TRANS_DEMAND	(1,887)	(1,809)
5	Transportation Commodity	-	-	-		-	TRANS_FUEL	-	-
6	Admin	20,856	15,492	-		15,492	SUPPLY_VOL	5,792	3,501
7	Total Gas Supply Revenue Requirement	20,856	155	(7,369)		7,524		1,393	(493)
<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	103,457	103,457	-		103,457	NETFROMSTOR	30,957	26,906
9	Storage Demand - Space	79,077	79,077	39,117	GASSTORALLO	39,960	STORAGEXCESS	24,578	19,886
10	Storage Demand - Operational Contingency	7,187	7,187	-		7,187	OP_CONTINGENCY	2,046	1,807
11	Storage Commodity	-	-	-		-	STORCOMM	-	-
12	Total Storage Revenue Requirement	189,721	189,721	39,117		150,605		57,581	48,599
<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	12,524	12,524	-		12,524	DAWN_DEMAND	2,107	1,880
14	Transmission Demand - Kirkwall Station	1,452	1,452	-		1,452	KIRKWALL_DEMAND	60	54
15	Transmission Demand - Parkway Station	47,265	47,265	-		47,265	PKWY_DEMAND	6,928	6,182
16	Transmission Demand - Dawn Parkway	243,137	243,137	-		243,137	D-PTRANS	46,854	41,812
17	Transmission Demand - Albion	36,184	36,184	-		36,184	ALBIONTRANS	4,380	3,909
18	Transmission Demand - Panhandle St. Clair	83,347	83,347	-		83,347	PAN_STCLAIR	15,962	14,244
19	Transmission Commodity	-	-	-	TRANS_COMPFUEL	-	TRANSCOMM	-	-
20	Total Transmission Revenue Requirement	423,908	423,908	-		423,908		76,291	68,082
<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	259,607	259,607	-		259,607	HIGHPRESS>4	60,838	54,292
22	Distribution Demand - High Pressure <= 4"	49,654	49,654	-		49,654	HIGHPRESS<=4	15,588	13,911
23	Distribution Demand - Low Pressure	505,800	504,952	-		504,952	LOWPRESS	161,423	144,053
Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	144,348	144,348	-		144,348	DSM_PRO	56,893	23,193
25	Distribution Demand Specific - DSM Admin	65,422	65,422	-		65,422	DSM_ADM	20,277	14,531
26	Distribution Customer - Mains	358,838	358,236	-		358,236	TOTAL_CUSTOMERS	197,527	15,817
27	Distribution Customer - Services	568,306	567,353	-		567,353	TOTAL_CUSTOMERS	312,832	25,050
28	Distribution Customer - Meters	301,364	300,859	-		300,859	METERREPLCOST	130,924	46,947
29	Distribution Customer - Stations	53,081	49,973	-		49,973	STATIONREPLCOST	-	13,838
Distribution Customer- Specific									
30	Uncollectible Accounts	12,504	12,504	-		12,504	BAD_DEBT	6,195	496
31	Distribution Customer Accounting	199,129	140,214	11,616	SALESPROMO	128,598	TOTAL_CUSTOMERS	75,844	6,073
32	Large Volume Customer Care	11,724	11,724	-		11,724	CUST_EXCL_GS	-	-
33	Distribution Commodity	-	-	-		-		-	-
34	Total Distribution Revenue Requirement	2,529,778	2,464,845	11,616		2,453,230		1,038,342	358,201
35	Total Revenue Requirement	3,164,263	3,078,629	43,364		3,035,266		1,173,607	474,389

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2024 Cost Allocation Study - Current Rate Classes
Allocation of Delivery Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	EGD Rate Zone									Union North Rate Zone				
		Rate 100	Rate 110	Rate 115	Rate 125	Rate 135	Rate 145	Rate 170	Rate 200	Rate 300	Rate 01	Rate 10	Rate 20	Rate 25	Rate 100
		(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)
<u>Gas Supply Revenue Requirement</u>															
1	Gas Supply Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Load Balancing - Transportation	(6)	(160)	(6)	-	-	-	-	(47)	-	(451)	(127)	(100)	-	-
3	Load Balancing - Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Transportation Demand	(10)	(403)	(144)	-	(20)	(6)	(122)	(71)	-	(373)	(122)	(62)	(2)	-
5	Transportation Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Admin	17	120	2	-	5	1	6	165	-	1,097	194	18	7	-
7	Total Gas Supply Revenue Requirement	1	(442)	(148)	-	(15)	(5)	(116)	47	-	274	(56)	(144)	5	-
<u>Storage Revenue Requirement</u>															
8	Storage Demand - Deliverability	72	1,966	73	-	-	-	-	583	-	5,551	1,569	461	-	-
9	Storage Demand - Space	79	1,679	216	-	-	41	185	713	-	4,886	1,214	346	-	-
10	Storage Demand - Operational Contingency	2	55	13	16	1	1	8	16	-	404	117	27	2	21
11	Storage Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Total Storage Revenue Requirement	153	3,700	302	16	1	42	194	1,311	-	10,841	2,900	834	2	21
<u>Transmission Revenue Requirement</u>															
13	Transmission Demand - Dawn Station	7	216	45	-	1	-	-	50	-	388	114	39	-	-
14	Transmission Demand - Kirkwall Station	0	6	1	-	0	-	-	1	-	11	3	1	-	-
15	Transmission Demand - Parkway Station	22	709	149	-	2	-	-	164	-	1,275	376	174	-	-
16	Transmission Demand - Dawn Parkway	147	4,798	1,008	-	17	-	-	1,112	-	8,625	2,546	886	-	-
17	Transmission Demand - Albion	14	449	94	-	2	-	-	104	-	806	238	54	-	-
18	Transmission Demand - Panhandle St. Clair	50	1,634	343	-	6	-	-	379	-	2,938	867	197	-	-
19	Transmission Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	Total Transmission Revenue Requirement	240	7,812	1,642	-	27	-	-	1,811	-	14,044	4,146	1,351	-	-
<u>Distribution Revenue Requirement</u>															
21	Distribution Demand - High Pressure > 4"	191	6,230	1,309	10,683	22	-	-	1,444	-	11,199	3,341	8,778	-	3,920
22	Distribution Demand - High Pressure <= 4"	45	970	35	-	4	-	-	-	-	2,870	856	231	-	39
23	Distribution Demand - Low Pressure	339	8,306	327	-	25	51	254	-	-	29,716	8,865	322	2,653	-
Distribution Demand - Specific Allocation															
24	Distribution Demand Specific - DSM Program	185	1,665	715	139	661	233	262	34	-	5,301	1,252	931	63	717
25	Distribution Demand Specific - DSM Admin	161	1,327	606	59	585	152	189	14	-	2,120	694	691	27	314
26	Distribution Customer - Mains	1	38	2	0	4	0	1	0	-	33,783	202	6	0	1
27	Distribution Customer - Services	2	60	3	1	6	1	2	0	-	53,503	319	9	1	2
28	Distribution Customer - Meters	85	1,031	175	45	293	26	116	-	-	25,324	1,588	292	12	187
29	Distribution Customer - Stations	37	1,492	188	495	216	145	57	-	-	1,602	2,282	711	9	262
Distribution Customer- Specific															
30	Uncollectible Accounts	18	525	28	5	52	6	14	1	-	1,060	6	78	5	15
31	Distribution Customer Accounting	37	1,106	58	11	109	13	29	3	-	12,972	77	165	11	32
32	Large Volume Customer Care	163	4,843	256	47	477	58	128	12	-	-	-	722	47	140
33	Distribution Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	Total Distribution Revenue Requirement	1,264	27,593	3,703	11,484	2,454	687	1,051	1,508	-	179,449	19,484	12,935	2,826	5,629
35	Total Revenue Requirement	1,658	38,663	5,498	11,500	2,467	723	1,129	4,678	-	204,608	26,474	14,977	2,833	5,649

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2024 Cost Allocation Study - Current Rate Classes
Allocation of Delivery Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	Union South Rate Zone													
		Rate M1 (w)	Rate M2 (x)	Rate M4 (F) (y)	Rate M4 (I) (z)	Rate M5 (F) (aa)	Rate M5 (I) (ab)	Rate M7 (F) (ac)	Rate M7 (I) (ad)	Rate M9 (ae)	Rate T1 (F) (af)	Rate T1 (I) (ag)	Rate T2 (F) (ah)	Rate T2 (I) (ai)	Rate T3 (aj)
<u>Gas Supply Revenue Requirement</u>															
1	Gas Supply Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	
2	Load Balancing - Transportation	(1,426)	(508)	(159)	-	(2)	-	(264)	-	(16)	-	-	-	-	
3	Load Balancing - Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	
4	Transportation Demand	(1,228)	(498)	(224)	(0)	(2)	(21)	(269)	(29)	(34)	(2)	(0)	(28)	(0)	(1)
5	Transportation Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	
6	Admin	3,621	811	70	-	0	2	39	3	19	-	-	-	-	
7	Total Gas Supply Revenue Requirement	968	(195)	(313)	(0)	(3)	(19)	(494)	(26)	(31)	(2)	(0)	(28)	(0)	(1)
<u>Storage Revenue Requirement</u>															
8	Storage Demand - Deliverability	17,564	6,263	1,961	-	19	-	3,256	-	197	685	-	4,276	-	1,098
9	Storage Demand - Space	15,465	4,655	957	2	4	-	1,315	137	133	272	-	1,726	-	588
10	Storage Demand - Operational Contingency	1,302	461	34	0	0	1	46	3	5	19	-	184	-	24
11	Storage Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	
12	Total Storage Revenue Requirement	34,331	11,379	2,952	2	23	1	4,617	140	335	977	-	6,186	-	1,710
<u>Transmission Revenue Requirement</u>															
13	Transmission Demand - Dawn Station	1,241	460	164	-	1	-	242	-	20	67	-	848	-	84
14	Transmission Demand - Kirkwall Station	36	13	5	-	0	-	7	-	1	1	-	16	-	2
15	Transmission Demand - Parkway Station	4,081	1,512	538	-	5	-	796	-	65	-	-	-	-	
16	Transmission Demand - Dawn Parkway	27,598	10,226	3,640	-	32	-	5,384	-	440	1,180	-	14,908	-	1,479
17	Transmission Demand - Albion	2,580	956	340	-	3	-	503	-	41	-	-	-	-	
18	Transmission Demand - Panhandle St. Clair	9,402	3,484	1,240	-	11	-	1,834	-	150	2,056	-	25,973	-	2,576
19	Transmission Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	Total Transmission Revenue Requirement	44,937	16,650	5,927	-	52	-	8,767	-	716	3,305	-	41,745	-	4,140
<u>Distribution Revenue Requirement</u>															
21	Distribution Demand - High Pressure > 4"	35,835	13,278	4,726	-	42	-	6,991	-	571	2,396	-	30,258	-	3,001
22	Distribution Demand - High Pressure <= 4"	9,182	3,402	960	-	11	-	933	-	64	422	-	132	-	-
23	Distribution Demand - Low Pressure	95,081	35,230	7,769	3	86	50	6,462	93	-	2,471	18	806	551	-
Distribution Demand - Specific Allocation															
24	Distribution Demand Specific - DSM Program	36,346	5,199	3,794	2	22	271	2,602	277	14	628	60	2,778	23	89
25	Distribution Demand Specific - DSM Admin	12,908	3,264	3,148	1	14	181	2,158	230	6	455	43	1,220	10	38
26	Distribution Customer - Mains	110,077	738	21	-	1	3	5	0	0	4	-	4	-	0
27	Distribution Customer - Services	174,333	1,169	33	-	1	4	8	1	1	7	-	6	-	0
28	Distribution Customer - Meters	83,518	7,263	976	-	40	170	601	42	23	392	-	766	-	23
29	Distribution Customer - Stations	9,200	11,732	755	-	38	162	1,845	129	73	514	-	3,858	-	332
Distribution Customer- Specific															
30	Uncollectible Accounts	3,452	23	284	-	9	38	72	5	5	58	-	52	-	1
31	Distribution Customer Accounting	42,266	284	598	-	19	80	152	11	11	122	-	109	-	3
32	Large Volume Customer Care	-	-	2,620	-	82	349	664	47	47	536	-	477	-	12
33	Distribution Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
34	Total Distribution Revenue Requirement	612,198	81,582	25,683	5	362	1,307	22,492	835	814	8,004	121	40,466	584	3,498
35	Total Revenue Requirement	692,433	109,416	34,249	7	434	1,290	35,382	949	1,833	12,284	121	88,369	584	9,347

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2024 Cost Allocation Study - Current Rate Classes
Allocation of Delivery Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	Ex-Franchise							
		Rate 331 (ak)	Rate 332 (al)	Rate 401 (am)	Rate C1 (F) (an)	Rate C1 (I) (ao)	Rate M12 (ap)	Rate M13 (aq)	Rate M16 (ar)
<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	-	-	-	-	-	-	-	-
2	Load Balancing - Transportation	-	-	-	-	-	-	-	-
3	Load Balancing - Commodity	-	-	-	-	-	-	-	-
4	Transportation Demand	-	-	-	-	-	-	-	-
5	Transportation Commodity	-	-	-	-	-	-	-	-
6	Admin	-	-	-	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	-	-	-	-	-	-	-	-
<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	-	-	-	-	-	-	-	-
9	Storage Demand - Space	-	-	-	-	-	-	-	-
10	Storage Demand - Operational Contingency	6	47	-	121	21	370	2	5
11	Storage Commodity	-	-	-	-	-	-	-	-
12	Total Storage Revenue Requirement	6	47	-	121	21	370	2	5
<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	-	-	-	48	-	4,489	-	-
14	Transmission Demand - Kirkwall Station	-	-	-	-	-	1,234	-	-
15	Transmission Demand - Parkway Station	-	-	-	329	-	23,956	-	-
16	Transmission Demand - Dawn Parkway	-	-	-	1,145	-	69,086	-	213
17	Transmission Demand - Albion	-	21,710	-	-	-	-	-	-
18	Transmission Demand - Panhandle St. Clair	-	-	-	-	-	-	-	-
19	Transmission Commodity	-	-	-	-	-	-	-	-
20	Total Transmission Revenue Requirement	-	21,710	-	1,522	-	98,765	-	226
<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	-	-	-	-	-	-	-	262
22	Distribution Demand - High Pressure <= 4"	-	-	-	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-	-
Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	-	-	-	-	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-	-	-	-	-	-
26	Distribution Customer - Mains	-	-	-	-	-	-	-	-
27	Distribution Customer - Services	-	-	-	-	-	-	-	-
28	Distribution Customer - Meters	-	-	-	-	-	-	-	-
29	Distribution Customer - Stations	-	-	-	-	-	-	-	-
Distribution Customer- Specific									
30	Uncollectible Accounts	-	-	-	-	-	-	-	-
31	Distribution Customer Accounting	-	-	-	-	21	-	-	-
32	Large Volume Customer Care	-	-	-	-	-	-	-	-
33	Distribution Commodity	-	-	-	-	-	-	-	-
34	Total Distribution Revenue Requirement	-	-	-	-	21	-	-	262
35	Total Revenue Requirement	6	21,757	-	1,643	21	99,156	2	5

2024 Cost Allocation Study - Current Rate Classes
Allocation of Gas Cost Revenue Requirement

Line No.	Particulars (\$000s)	Total Revenue Requirement	Total Revenue Requirement Net of Other Revenue	Total Direct Assignment	Direct Assignment Factor	Balance to be Allocated	Allocation Factor	EGD Rate Zone	
		(a)	(b)	(c)	(d)	(e) = (b-c)	(f)	Rate 1 (g)	Rate 6 (h)
<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	2,728,041	2,728,041	-		2,728,041	SUPPLY_VOL	1,019,990	616,434
2	Load Balancing - Transportation	175,236	175,236	-		175,236	LOAD_BALANCING	55,261	48,029
3	Load Balancing - Commodity	23,591	23,591	-		23,591	NETFROMSTOR	7,059	6,135
4	Transportation Demand	162,050	162,050	-	TRANSPT_DEM_OPT	162,050	TRANS_DEMAND	40,425	41,798
5	Transportation Commodity	23,899	23,899	-		23,899	TRANS_FUEL	6,126	5,874
6	Admin	-	-	-		-	SUPPLY_VOL	-	-
7	Total Gas Supply Revenue Requirement	<u>3,112,816</u>	<u>3,112,816</u>	<u>-</u>		<u>3,112,816</u>		<u>1,128,861</u>	<u>718,270</u>
<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	9,952	9,952	-		9,952	NETFROMSTOR	2,978	2,588
9	Storage Demand - Space	3,294	3,294	-		3,294	STORAGEXCESS	987	799
10	Storage Demand - Operational Contingency	-	-	-		-	OP_CONTINGENCY	-	-
11	Storage Commodity	21,451	21,451	-		21,451	STORCOMM	5,056	4,848
12	Total Storage Revenue Requirement	<u>34,697</u>	<u>34,697</u>	<u>-</u>		<u>34,697</u>		<u>9,021</u>	<u>8,235</u>
<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	-	-	-		-	DAWN_DEMAND	-	-
14	Transmission Demand - Kirkwall Station	-	-	-		-	KIRKWALL_DEMAND	-	-
15	Transmission Demand - Parkway Station	-	-	-		-	PKWY_DEMAND	-	-
16	Transmission Demand - Dawn Parkway	-	-	-		-	D-PTRANS	-	-
17	Transmission Demand - Albion	-	-	-		-	ALBIONTRANS	-	-
18	Transmission Demand - Panhandle St. Clair	1,285	1,285	-		1,285	PAN_STCLAIR	246	220
19	Transmission Commodity	45,234	45,234	26,966	TRANS_COMPFUEL	18,268	TRANSCOMM	2,638	2,529 /u
20	Total Transmission Revenue Requirement	<u>46,519</u>	<u>46,519</u>	<u>26,966</u>		<u>19,553</u>		<u>2,884</u>	<u>2,749 /u</u>
<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	10,938	10,938	-		10,938	HIGHPRESS>4	2,563	2,287
22	Distribution Demand - High Pressure <= 4"	-	-	-		-	HIGHPRESS<=4	-	-
23	Distribution Demand - Low Pressure	-	-	-		-	LOWPRESS	-	-
Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	-	-	-		-	DSM_PRO	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-		-	DSM_ADM	-	-
26	Distribution Customer - Mains	-	-	-		-	TOTAL_CUSTOMERS	-	-
27	Distribution Customer - Services	-	-	-		-	TOTAL_CUSTOMERS	-	-
28	Distribution Customer - Meters	-	-	-		-	METERREPLCOST	-	-
29	Distribution Customer - Stations	-	-	-		-	STATIONREPLCOST	-	-
Distribution Customer- Specific									
30	Uncollectible Accounts	-	-	-		-	BAD_DEBT	-	-
31	Distribution Customer Accounting	-	-	-		-	TOTAL_CUSTOMERS	-	-
32	Large Volume Customer Care	-	-	-		-	CUST_EXCL_GS	-	-
33	Distribution Commodity	29,306	29,306	-		29,306		5,346	5,127
34	Total Distribution Revenue Requirement	<u>40,244</u>	<u>40,244</u>	<u>-</u>		<u>40,244</u>		<u>7,910</u>	<u>7,414 /u</u>
35	Total Revenue Requirement	<u>3,234,276</u>	<u>3,234,276</u>	<u>26,966</u>		<u>3,207,311</u>		<u>1,148,676</u>	<u>736,669</u>

2024 Cost Allocation Study - Current Rate Classes
Allocation of Gas Cost Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	EGD Rate Zone								Union North Rate Zone					
		Rate 100 (i)	Rate 110 (j)	Rate 115 (k)	Rate 125 (l)	Rate 135 (m)	Rate 145 (n)	Rate 170 (o)	Rate 200 (p)	Rate 300 (q)	Rate 01 (r)	Rate 10 (s)	Rate 20 (t)	Rate 25 (u)	Rate 100 (v)
<u>Gas Supply Revenue Requirement</u>															
1	Gas Supply Commodity	3,062	21,205	343	-	911	119	1,112	29,112	-	193,220	34,151	3,243	1,183	-
2	Load Balancing - Transportation	129	3,509	129	-	-	-	-	1,041	-	9,908	2,801	2,195	-	-
3	Load Balancing - Commodity	16	448	17	-	-	-	-	133	-	1,266	358	105	-	-
4	Transportation Demand	220	8,784	3,065	-	423	126	2,595	1,516	-	8,177	3,259	1,878	46	-
5	Transportation Commodity	34	1,309	468	-	64	19	396	231	-	1,211	397	185	7	-
6	Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	3,461	35,255	4,022	-	1,398	264	4,103	32,034	-	213,783	40,966	7,607	1,236	-
<u>Storage Revenue Requirement</u>															
8	Storage Demand - Deliverability	7	189	7	-	-	-	-	56	-	534	151	44	-	-
9	Storage Demand - Space	3	67	9	-	-	2	7	29	-	196	49	22	-	-
10	Storage Demand - Operational Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Storage Commodity	28	1,080	386	-	53	16	327	191	-	1,000	328	160	6	-
12	Total Storage Revenue Requirement	38	1,337	402	-	53	18	334	276	-	1,730	527	226	6	-
<u>Transmission Revenue Requirement</u>															
13	Transmission Demand - Dawn Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission Demand - Kirkwall Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Transmission Demand - Parkway Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Transmission Demand - Dawn Parkway	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Transmission Demand - Albion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Transmission Demand - Panhandle St. Clair	1	25	5	-	0	-	-	6	-	45	13	3	-	-
19	Transmission Commodity	14	563	201	-	28	8	170	100	-	522	171	85	3	-
20	Total Transmission Revenue Requirement	15	589	207	-	28	8	170	105	-	567	184	88	3	-
<u>Distribution Revenue Requirement</u>															
21	Distribution Demand - High Pressure > 4"	8	262	55	450	1	-	-	61	-	472	141	370	-	165
22	Distribution Demand - High Pressure <= 4"	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution Demand - Specific Allocation															
24	Distribution Demand Specific - DSM Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Distribution Customer - Mains	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Distribution Customer - Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Distribution Customer - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Distribution Customer - Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution Customer- Specific															
30	Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Distribution Customer Accounting	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Large Volume Customer Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Distribution Commodity	29	1,142	408	337	56	17	346	202	-	1,057	351	993	136	1,151
34	Total Distribution Revenue Requirement	37	1,405	463	787	57	17	346	263	-	1,529	491	1,363	136	1,316
35	Total Revenue Requirement	3,551	38,585	5,094	787	1,537	307	4,953	32,678	-	217,610	42,169	9,283	1,380	1,316

2024 Cost Allocation Study - Current Rate Classes
Allocation of Gas Cost Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	Union South Rate Zone													
		Rate M1 (w)	Rate M2 (x)	Rate M4 (F) (y)	Rate M4 (I) (z)	Rate M5 (F) (aa)	Rate M5 (I) (ab)	Rate M7 (F) (ac)	Rate M7 (I) (ad)	Rate M9 (ae)	Rate T1 (F) (af)	Rate T1 (I) (ag)	Rate T2 (F) (ah)	Rate T2 (I) (ai)	Rate T3 (aj)
<u>Gas Supply Revenue Requirement</u>															
1	Gas Supply Commodity	637,686	142,834	12,317	-	63	386	6,940	451	3,277	-	-	-	-	-
2	Load Balancing - Transportation	31,354	11,180	3,501	-	34	-	5,813	-	352	-	-	-	-	-
3	Load Balancing - Commodity	4,005	1,428	447	-	4	-	743	-	45	156	-	975	-	250
4	Transportation Demand	26,130	10,591	4,766	2	35	442	5,729	610	723	49	5	619	5	31
5	Transportation Commodity	3,987	1,616	727	0	5	67	874	93	110	7	1	84	1	4
6	Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	703,162	167,649	21,757	2	142	896	20,099	1,154	4,507	212	5	1,678	6	286
<u>Storage Revenue Requirement</u>															
8	Storage Demand - Deliverability	1,690	602	189	-	2	-	313	-	19	66	-	411	-	106
9	Storage Demand - Space	621	187	38	0	0	-	53	5	5	22	-	142	-	48
10	Storage Demand - Operational Contingency	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11	Storage Commodity	3,291	1,334	600	-	4	56	722	77	91	132	-	1,381	-	285
12	Total Storage Revenue Requirement	5,602	2,123	827	0	6	56	1,088	82	115	221	-	1,935	-	439
<u>Transmission Revenue Requirement</u>															
13	Transmission Demand - Dawn Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
14	Transmission Demand - Kirkwall Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15	Transmission Demand - Parkway Station	-	-	-	-	-	-	-	-	-	-	-	-	-	-
16	Transmission Demand - Dawn Parkway	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17	Transmission Demand - Albion	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	Transmission Demand - Panhandle St. Clair	145	54	19	-	0	-	28	-	2	32	-	401	-	40
19	Transmission Commodity	1,717	696	313	0	2	29	376	40	48	228	22	2,876	24	144
20	Total Transmission Revenue Requirement	1,862	750	332	0	2	29	405	40	50	260	22	3,276	24	184
<u>Distribution Revenue Requirement</u>															
21	Distribution Demand - High Pressure > 4"	1,510	559	199	-	2	-	295	-	24	101	-	1,275	-	126
22	Distribution Demand - High Pressure <= 4"	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution Demand - Specific Allocation															
24	Distribution Demand Specific - DSM Program	-	-	-	-	-	-	-	-	-	-	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Distribution Customer - Mains	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	Distribution Customer - Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
28	Distribution Customer - Meters	-	-	-	-	-	-	-	-	-	-	-	-	-	-
29	Distribution Customer - Stations	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution Customer- Specific															
30	Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-
31	Distribution Customer Accounting	-	-	-	-	-	-	-	-	-	-	-	-	-	-
32	Large Volume Customer Care	-	-	-	-	-	-	-	-	-	-	-	-	-	-
33	Distribution Commodity	3,480	1,410	635	0	5	59	763	81	96	421	40	5,307	45	266
34	Total Distribution Revenue Requirement	4,990	1,970	834	0	6	59	1,058	81	120	522	40	6,581	45	393
35	Total Revenue Requirement	715,615	172,492	23,751	3	157	1,039	22,649	1,358	4,793	1,215	67	13,470	75	1,301

2024 Cost Allocation Study - Current Rate Classes
Allocation of Gas Cost Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	Ex-Franchise								
		Rate 331 (ak)	Rate 332 (al)	Rate 401 (am)	Rate C1 (F) (an)	Rate C1 (I) (ao)	Rate M12 (ap)	Rate M13 (aq)	Rate M16 (ar)	
	<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	-	-	-	-	-	-	-	-	-
2	Load Balancing - Transportation	-	-	-	-	-	-	-	-	-
3	Load Balancing - Commodity	-	-	-	-	-	-	-	-	-
4	Transportation Demand	-	-	-	-	-	-	-	-	-
5	Transportation Commodity	-	-	-	-	-	-	-	-	-
6	Admin	-	-	-	-	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	-	-	-	-	-	-	-	-	-
	<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	-	-	-	-	-	-	-	-	-
9	Storage Demand - Space	-	-	-	-	-	-	-	-	-
10	Storage Demand - Operational Contingency	-	-	-	-	-	-	-	-	-
11	Storage Commodity	-	-	-	-	-	-	-	-	-
12	Total Storage Revenue Requirement	-	-	-	-	-	-	-	-	-
	<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	-	-	-	-	-	-	-	-	-
14	Transmission Demand - Kirkwall Station	-	-	-	-	-	-	-	-	-
15	Transmission Demand - Parkway Station	-	-	-	-	-	-	-	-	-
16	Transmission Demand - Dawn Parkway	-	-	-	-	-	-	-	-	-
17	Transmission Demand - Albion	-	-	-	-	-	-	-	-	-
18	Transmission Demand - Panhandle St. Clair	-	-	-	-	-	-	-	-	-
19	Transmission Commodity	-	-	-	7,629	3,070	20,354	123	450	59
20	Total Transmission Revenue Requirement	-	-	-	7,629	3,070	20,354	123	450	59
	<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	-	-	-	-	-	-	-	-	11
22	Distribution Demand - High Pressure <= 4"	-	-	-	-	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-	-	-
	Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	-	-	-	-	-	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-	-	-	-	-	-	-
26	Distribution Customer - Mains	-	-	-	-	-	-	-	-	-
27	Distribution Customer - Services	-	-	-	-	-	-	-	-	-
28	Distribution Customer - Meters	-	-	-	-	-	-	-	-	-
29	Distribution Customer - Stations	-	-	-	-	-	-	-	-	-
	Distribution Customer- Specific									
30	Uncollectible Accounts	-	-	-	-	-	-	-	-	-
31	Distribution Customer Accounting	-	-	-	-	-	-	-	-	-
32	Large Volume Customer Care	-	-	-	-	-	-	-	-	-
33	Distribution Commodity	-	-	-	-	-	-	-	-	-
34	Total Distribution Revenue Requirement	-	-	-	-	-	-	-	-	11
35	Total Revenue Requirement	-	-	-	7,629	3,070	20,354	123	450	70

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2024 COST ALLOCATION STUDY
FACTOR DESCRIPTIONS

FUNCTIONALIZATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
	<u>Direct Assignment Factors</u>	
1	DP_GS_A&G	Direct assigns administrative and general expense costs associated with the provision of sales and direct purchase services to Gas Supply.
2	DP_GS_CUSTACCT	Direct assigns distribution customer accounting costs associated with the provision of sales and direct purchase services to Gas Supply.
3	DP_GS_EMPBEN	Direct assigns employee benefits costs associated with the provision of sales and direct purchase services to Gas Supply.
4	DP_GS_GENOPS	Direct assigns general operating and engineering costs associated with the provision of sales and direct purchase services to Gas Supply.
5	GS_BADDEBT	Direct assigns bad debt costs associated with the provision of sales and direct purchase services to Gas Supply.
	<u>Allocation Factors</u>	
6	COMPFUEL	Functionalizes compressor fuel costs to Storage and Transmission based on compressor fuel budget details.
7	COMPRESSORS	Functionalizes compressor equipment costs based on plant records detail and horsepower requirements.
8	COMPRESSORS_AD	Functionalizes compressor equipment accumulated depreciation costs of compressor equipment costs based on plant records detail and horsepower requirements.
9	DAWN_COMP_O&M	Functionalizes storage compressor O&M costs to Storage and Transmission in proportion to the compressor fuel utilized at Dawn.
10	DEPEXP	Functionalizes depreciation expense costs in proportion to the functionalization of gross plant costs by asset type.
11	DISTRIBUTION	Functionalizes costs to Distribution.
12	GASSUPPLY	Functionalizes costs to Gas Supply.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
13	GENOPS&ENG	Functionalizes general operating and engineering expenses in proportion to an analysis of activities.
14	GENPLANT	Functionalizes general plant costs using a 50% weighting of net plant costs and a 50% weighting of O&M costs.
15	GENPLANT_DEPEXP	Functionalizes general plant depreciation expense costs in proportion to gross plant costs.
16	GS_OTHERTRANS	Functionalizes other transportation costs based on the nature of the transportation cost.
17	LABOUR	Functionalizes employee benefits costs in proportion to labour expense.
18	LAND	Functionalizes land costs based on plant records detail.
19	LANDRIGHTS	Functionalizes land rights costs based on plant records detail.
20	LANDRIGHTS_AD	Functionalizes land rights accumulated depreciation costs based on plant records detail.
21	LINEPACK	Functionalizes linepack gas costs in proportion to linepack volumes.
22	MAINS	Functionalizes mains costs based on plant records detail.
23	MAINS_AD	Functionalizes mains accumulated depreciation costs based on plant records detail.
24	MEAS®	Functionalizes measuring and regulating equipment costs based on plant records detail and activity at Dawn.
25	MEAS®_AD	Functionalizes measuring and regulating equipment accumulated depreciation costs based on plant records detail and activity at Dawn.
26	NETPLANT	Functionalizes working capital costs in proportion to the functionalization of net plant costs, excluding linepack and base pressure gas.
27	O&M	Functionalizes administrative and general expense costs in proportion to the functionalization of O&M expenses excluding cost of gas, Demand Side Management program related and bad debt costs.
28	OWN_USE_GAS	Functionalizes company use gas costs based on company use gas details.

<u>Line</u> <u>No.</u>	<u>Factor</u>	<u>Description</u>
29	PROPTAX	Functionalizes property tax costs in proportion to property tax expense detail.
30	RATEBASE	Functionalizes costs in proportion to total rate base.
31	STOR_SUPER_O&M	Functionalizes storage supervision costs based on functionalized storage related O&M costs.
32	STORAGE	Functionalizes costs to Storage.
33	STRUC&IMP	Functionalizes structures and improvements costs based on plant records detail.
34	STRUC&IMP_AD	Functionalizes structures and improvements accumulated depreciation costs based on plant records detail.
35	TRANSMISSION	Functionalizes costs to Transmission.
36	UFG	Functionalizes unaccounted for gas costs in proportion to volumes.

GAS SUPPLY CLASSIFICATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
1	<u>Allocation Factors</u> ADMIN	Classifies costs to Admin.
2	GASSUPPLY_CLASS	Classifies gas supply commodity and upstream transportation costs based on Gas Supply Plan details.
3	OPTIMIZATION	Classifies gas supply optimization revenue in proportion to the classification of Load Balancing Transportation and Transportation Demand total revenue requirement.

STORAGE CLASSIFICATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
	<u>Direct Assignment Factors</u>	
1	LNG_EQUIPMENT	Direct assigns gas holders and storage equipment gross plant costs associated with the Hagar LNG facility to Deliverability.
2	LNG_EQUIPMENT_AD	Direct assigns gas holders and storage accumulated depreciation costs equipment associated with the Hagar LNG facility to Deliverability.
3	LNG_LAND	Direct assigns land gross plant costs associated with the Hagar LNG facility to Deliverability.
4	LNG_O&M	Direct assigns O&M costs associated with the Hagar LNG facility to Deliverability.
5	LNG_STRUCTURES	Direct assigns structures and improvements gross plant costs associated with the Hagar LNG facility to Deliverability.
6	LNG_STRUCTURES_AD	Direct assigns structures and improvements accumulated depreciation costs associated with the Hagar LNG facility to Deliverability.
7	MKTSTORFUEL	Direct assigns the compressor fuel costs associated with market-based storage to Storage Commodity.
	<u>Allocation Factors</u>	
8	DEL_SPACE_OPCON	Classifies 50% of storage costs to Deliverability and classifies 50% of storage costs to Space and Operational Contingency. Classifies Space and Operational Contingency in proportion to utility space and operational contingency space requirements.
9	DELIVERABILITY	Classifies costs to Deliverability.
10	GASINSTORAGE	Classifies gas in storage costs to Space and Operational Contingency in proportion to the cost of gas in storage.
11	MKTSTOR_DEMAND	Classifies market-based storage demand costs in proportion to Deliverability and Space net plant excluding linepack and base pressure gas.
12	SPACE_OPCON	Classifies costs in proportion to utility space and operational contingency space requirements.
13	STOR_COMM	Classifies costs to Storage Commodity.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
14	STOR_DEPEXP	Classifies storage depreciation costs in proportion to the classification of storage gross plant costs.
15	STOR_GENPLANT	Classifies storage general plant costs in proportion to a 50% weighting of classified storage net plant costs and a 50% weighting of classified storage O&M costs.
16	STOR_LABOUR	Classifies storage employee benefits costs in proportion to storage labour expense.
17	STOR_NETPLANT	Classifies storage costs in proportion to the classification of storage net plant excluding linepack and base pressure gas.
18	STOR_O&M	Classifies storage administrative and general expense costs in proportion to the classification of storage O&M costs.
19	STOR_PROPTAX	Classifies storage property tax costs in proportion to property tax expense detail.
20	STOR_RATEBASE	Classifies storage income tax costs in proportion to the classification of storage rate base.
21	STOR_SUPER	Classifies storage supervision costs in proportion to the classification of storage O&M costs.

TRANSMISSION CLASSIFICATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
	<u>Allocation Factors</u>	
1	DAWN_O&M	Classifies transmission compressor O&M costs in proportion to the compressor fuel budget at Dawn.
2	DAWNPARKWAY	Classifies costs to Dawn Parkway.
3	PAN_STCLAIR	Classifies costs to Panhandle/St. Clair.
4	TRANS_COMM	Classifies costs to Transmission Commodity.
5	TRANS_COMPRESSORS	Classifies transmission compressor costs in proportion plant records detail.
6	TRANS_COMPRESSORS_AD	Classifies transmission compressor accumulated depreciation costs based on plant records detail.
7	TRANS_DEPEXP	Classifies transmission depreciation costs in proportion to the classification of transmission gross plant costs.
8	TRANS_GENPLANT	Classifies transmission general plant costs in proportion to a 50% weighting of classified transmission net plant costs and a 50% weighting of classified transmission O&M costs.
9	TRANS_LABOUR	Classifies transmission employee benefits costs in proportion to transmission labour expense.
10	TRANS_LAND	Classifies transmission land costs based on plant records detail.
11	TRANS_LANDRIGHTS	Classifies transmission land rights costs based on plant records detail.
12	TRANS_LANDRIGHTS_AD	Classifies transmission land rights accumulated depreciation costs based on plant records detail.
13	TRANS_LINEPACK	Classifies transmission linepack costs in proportion to transmission linepack volumes.
14	TRANS_MAINS	Classifies transmission mains costs based on plant records detail.
15	TRANS_MAINS_AD	Classifies transmission mains accumulated depreciation costs based on plant records detail.
16	TRANS_MEAS®	Classifies transmission measuring and regulating costs based on plant and records detail.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
17	TRANS_MEAS®_AD	Classifies transmission measuring and regulating accumulated depreciation costs
18	TRANS_NETPLANT	Classifies transmission costs in proportion to the classification of transmission net plant excluding linepack and base pressure gas.
19	TRANS_O&M	Classifies transmission administrative and general expense costs in proportion to the classification of transmission O&M costs.
20	TRANS_PROPTAX	Classifies transmission property tax costs in proportion to property tax expense detail.
21	TRANS_RATEBASE	Classifies transmission income tax costs in proportion to the classification of transmission rate base.
22	TRANS_STRUC&IMP	Classifies transmission structures and improvements costs based on plant records detail.
23	TRANS_STRUC&IMP_AD	Classifies transmission structures and improvements accumulated depreciation costs based on plant records detail.
24	TRANS_SUPER	Classifies transmission supervision costs in proportion to the classification of transmission related O&M expenses.

DISTRIBUTION CLASSIFICATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
1	<u>Allocation Factors</u> COMMUNITY_EXP	Classifies community expansion revenue in proportion to the classification of Low Pressure Mains, Distribution Customer Mains, Services, Meters, and Stations total revenue requirement.
2	CUST_METERS	Classifies costs to Distribution Meters.
3	CUST_SERVICES	Classifies costs to Distribution Services.
4	CUST_SPECIFIC	Classifies costs to Customer Specific Allocation.
5	CUST_STATIONS	Classifies costs to Distribution Stations.
6	DEM_SPECIFIC	Classifies costs to Demand Specific Allocation.
7	DIST_COMM	Classifies costs to Distribution Commodity.
8	DIST_DEPEXP	Classifies distribution depreciation expense costs in proportion to the classification of distribution gross plant costs.
9	DIST_GENPLANT	Classifies distribution general plant costs in proportion to a 50% weighting of classified distribution net plant costs and a 50% weighting of classified distribution O&M costs.
10	DIST_LABOUR	Classifies distribution employee benefits costs in proportion to distribution labour expense.
11	DIST_LINEPACK	Classifies distribution linepack costs in proportion to distribution linepack volumes.
12	DIST_MAINS&SERVICES	Classifies distribution costs in proportion to the classification of distribution mains and services gross plant costs.
13	DIST_NETPLANT	Classifies distribution costs in proportion to the classification of distribution net plant excluding linepack and base pressure gas.
14	DIST_O&M	Classifies distribution administrative and general expense costs in proportion to the classification of distribution O&M costs.
15	DIST_PROPTAX	Classifies distribution property tax costs in proportion to property tax expense detail.
16	DIST_RATEBASE	Classifies distribution income tax costs in proportion to the classification of distribution rate base.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
17	DIST_SUPER	Classifies distribution supervision costs in proportion to the classification of distribution related O&M costs.
18	DISTDEMAND	Classifies distribution measuring and regulating costs in proportion to the classification of demand related distribution mains costs.
19	DISTMAINS&MR	Classifies costs in proportion to the classification of distribution mains and distribution demand measuring and regulating gross plant.
20	HPMAINS>4"	Classifies distribution costs to High Pressure >4".
21	ZERO_INT	Classifies distribution mains costs between demand-related and customer-related by estimating the distribution infrastructure needed to meet the volumetric demands of various customers or to provide customers access to distribution service. Sub-classifies the demand-related mains between high pressure and low pressure.

ALLOCATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
1	<u>Direct Assignment Factors</u> GASSTORALLO	Direct assigns storage space costs to in-franchise bundled rate classes in proportion to the excess of winter volumes (November to March) compared to the average annual volumes for the same period.
2	SALESPROMO	Direct assigns sales and promotion costs to rate classes based on an analysis of costs.
3	TRANS_COMPFUEL	Direct assigns transmission compressor fuel costs between in-franchise and ex-franchise rate classes based on compressor fuel usage. Allocation to in-franchise bundled rate classes in proportion to delivery volumes and semi-unbundled and unbundled rate classes based on the average cost of transmission compressor fuel of the respective service area.
4	TRANSPT_DEM_OPT	Direct assigns transportation demand optimization revenue to in-franchise bundled rate classes in proportion to average day demand for sales service and bundled direct purchase customers. The allocation to semi-unbundled and unbundled services is based on the average cost of transportation of the respective service area.
5	<u>Allocation Factors</u> ALBIONTRANS	Allocation of 60% of costs to ex-franchise. Allocates the remaining 40% of costs to bundled in-franchise rate classes in proportion to firm design day demands.
6	BAD_DEBT	Allocates delivery-related general service bad debt expense to general service rate classes in proportion to the average number of general service customers. Allocates delivery-related in-franchise contract service bad debt expense to contract rate classes in proportion to the average number of in-franchise contract customers.
7	CUST_EXCL_GS	Allocates costs to in-franchise rate classes in proportion to the average number of customers excluding general service customers.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
8	DAWN_DEMAND	Allocates costs between in-franchise and ex-franchise rate classes based on the bi-directional firm design day demands at Dawn. Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands. The allocation to semi-unbundled and unbundled services is based on the firm design day demands of the respective service area.
9	DISTCOMM	Allocates costs to in-franchise rate classes in proportion to delivery volumes.
10	D-PTRANS	Allocates costs between in-franchise and ex-franchise rate classes based on distance-weighted firm design day demands (commodity-kilometres) on the Dawn Parkway System. Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands. The allocation to semi-unbundled and unbundled services is based on the firm design day demands of the respective service area.
11	DSM_ADM	Allocates Demand Side Management administrative related expenses to in-franchise rate classes in proportion to budgeted costs.
12	DSM_PRO	Allocates Demand Side Management program related expenses to in-franchise rate classes in proportion to budgeted costs.
13	HIGHPRESS<=4	Allocates costs to firm in-franchise rate classes in proportion to total firm design day demands utilizing high pressure mains less than or equal to 4 inches in diameter.
14	KIRKWALL_DEMAND	Allocates costs between in-franchise and ex-franchise rate classes based on bi-directional firm design day demands at Kirkwall. Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands. The allocation to semi-unbundled and unbundled services is based on the firm design day demands of the respective service area.
15	LOAD_BALANCING	Allocates load balancing transportation costs to in-franchise bundled rate classes in proportion to excess peak over annual average demand. The allocation to semi-unbundled and unbundled services is based on the average cost of load balancing transportation of the respective service area.
16	LOWPRESS	Allocates costs to firm in-franchise rate classes in proportion to total design day demands utilizing low pressure mains. Allocates costs to interruptible in-franchise rate classes in proportion to total interruptible design day demands.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
17	METERREPLCOST	Allocates costs to in-franchise rate classes in proportion to distribution meter replacement costs.
18	NETFROMSTOR	Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands over design day deliveries. The allocation to semi-unbundled and unbundled services is based on contracted deliverability levels.
19	OP_CONTINGENCY	Allocates operational contingency costs to rate classes in proportion to how operational contingency space is used.
20	PAN_STCLAIR	Allocates Panhandle System and St. Clair System costs to in-franchise bundled rate classes in proportion to firm design day demands. The allocation to semi-unbundled and unbundled services is based on the firm design day demands of the respective service area.
21	PKWY_DEMAND	Allocates costs between in-franchise and ex-franchise rate classes based on the weighted average of measuring and regulating and compression costs. Allocates measuring and regulating costs in proportion to bi-directional firm design day demands at Parkway and compression costs in proportion to firm design day demands at Parkway. Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands and semi-unbundled and unbundled services based on the firm design day demands of the respective service area.
22	STATIONREPLCOST	Allocates costs to in-franchise rate classes in proportion to distribution station replacement costs.
23	STORAGEEXCESS	Allocates costs to in-franchise bundled rate classes in proportion to the excess of winter volumes (November to March) compared to the average annual volumes for the same period. The allocation to semi-unbundled and unbundled services is based on contracted storage space.
24	STORCOMM	Allocates costs to bundled, semi-unbundled and unbundled services based on volumes injected and withdrawn from storage. The allocation to bundled rate classes is in proportion to total delivery volumes.
25	SUPPLY_VOL	Allocates costs to in-franchise rate classes in proportion to sales service volumes.
26	TOTAL_CUSTOMERS	Allocates costs to in-franchise rate classes in proportion to the average number of customers.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
27	TRANS_DEMAND	Allocates transportation demand costs to in-franchise bundled rate classes in proportion to average day demand for sales service and bundled direct purchase customers. The allocation to semi-unbundled and unbundled services is based on the average cost of transportation of the respective service area.
28	TRANS_FUEL	Allocates transportation fuel costs to in-franchise bundled rate classes in proportion to delivery volumes. The allocation to semi-unbundled and unbundled services is based on the average cost of transportation fuel of the respective service area.
29	TRANSCOMM	Allocates transmission related UFG costs to ex-franchise rate classes in proportion to ex-franchise volumes. Allocates transmission related company use gas volumes to rate classes in proportion to delivery and transportation volumes excluding unbundled.

2024 Cost Allocation Study - Current Rate Classes
Functionalization Factors

Line No.	Functionalization Factor		Total (a)	Gas Supply (b)	Storage (c)	Transmission (d)	Distribution (e)	
1	DP_GS_A&G	EXT	5,866	4,759	-	-	1,107	
2			100.00%	81.12%	0.00%	0.00%	18.88%	
3	DP_GS_CUSTACCT	EXT	1,708	1,295	-	-	413	
4			100.00%	75.83%	0.00%	0.00%	24.17%	
5	DP_GS_EMPBEN	EXT	2,531	2,104	-	-	427	
6			100.00%	83.13%	0.00%	0.00%	16.87%	
7	DP_GS_GENOPS	EXT	2,941	2,546	-	-	394	
8			100.00%	86.59%	0.00%	0.00%	13.41%	
9	GS_BADDEBT	EXT	10,151	10,151	-	-	-	
10			100.00%	100.00%	0.00%	0.00%	0.00%	
11	COMPFUEL	EXT	35,306	-	8,340	26,966	-	
12			100.00%	0.00%	23.62%	76.38%	0.00%	
13	COMPRESSORS	EXT	1,766,302	-	373,232	1,361,921	31,149	/u
14			100.00%	0.00%	21.13%	77.11%	1.76%	/u
15	COMPRESSORS_AD	EXT	(682,850)	-	(145,035)	(530,200)	(7,615)	/u
16			100.00%	0.00%	21.24%	77.65%	1.12%	/u
17	DAWN_COMP_O&M	EXT	1.00	-	0.39	0.61	-	
18			100.00%	0.00%	39.33%	60.67%	0.00%	
19	DEPEXP	EXT	794,045	-	30,302	103,658	660,085	/u
20			100.00%	0.00%	3.82%	13.05%	83.13%	/u
21	DISTRIBUTION	INT	1	-	-	-	1	
22			100.00%	0.00%	0.00%	0.00%	100.00%	
23	GASSUPPLY	INT	1	1	-	-	-	
24			100.00%	100.00%	0.00%	0.00%	0.00%	

2024 Cost Allocation Study - Current Rate Classes
Functionalization Factors (Continued)

Line No.	Functionalization Factor		Total	Gas Supply	Storage	Transmission	Distribution	
			(a)	(b)	(c)	(d)	(e)	
25	GENOPS&ENG	EXT	194,714	-	7,272	17,849	169,593	
26			100.00%	0.00%	3.73%	9.17%	87.10%	
27	GENPLANT	INT	100.00	-	5.42	13.15	81.43	/u
28			100.00%	0.00%	5.42%	13.15%	81.43%	/u
29	GENPLANT_DEPEXP	EXT	97,921	-	4,709	17,895	75,317	/u
30			100.00%	0.00%	4.81%	18.27%	76.92%	/u
31	GS_OTHERTRANS	EXT	12,225	-	-	1,286	10,940	
32			100.00%	0.00%	0.00%	10.52%	89.48%	
33	LABOUR	INT	297,584	-	17,977	21,355	258,252	/u
34			100.00%	0.00%	6.04%	7.18%	86.78%	/u
35	LAND	EXT	221,952	-	12,713	81,031	128,208	
36			100.00%	0.00%	5.73%	36.51%	57.76%	
37	LANDRIGHTS	EXT	263,689	-	76,519	64,690	122,480	/u
38			100.00%	0.00%	29.02%	24.53%	46.45%	/u
39	LANDRIGHTS_AD	EXT	(89,063)	-	(48,801)	(17,443)	(22,819)	/u
40			100.00%	0.00%	54.79%	19.58%	25.62%	/u
41	LINEPACK	EXT	48,837	-	3,243	29,361	16,233	
42			100.00%	0.00%	6.64%	60.12%	33.24%	
43	MAINS	EXT	11,087,197	-	-	2,318,862	8,768,335	/u
44			100.00%	0.00%	0.00%	20.91%	79.09%	/u
45	MAINS_AD	EXT	(3,913,248)	-	-	(723,065)	(3,190,184)	/u
46			100.00%	0.00%	0.00%	18.48%	81.52%	/u
47	MEAS®	EXT	1,741,319	-	37,641	293,467	1,410,211	
48			100.00%	0.00%	2.16%	16.85%	80.99%	

2024 Cost Allocation Study - Current Rate Classes
Functionalization Factors (Continued)

Line No.	Functionalization Factor		Total	Gas Supply	Storage	Transmission	Distribution	
			(a)	(b)	(c)	(d)	(e)	
49	MEAS®_AD	EXT	(626,809)	-	(30,585)	(92,653)	(503,572)	
50			100.00%	0.00%	4.88%	14.78%	80.34%	
51	NETPLANT	INT	15,647,066	-	700,664	2,964,156	11,982,246	/u
52			100.00%	0.00%	4.48%	18.94%	76.58%	/u
53	O&M	INT	658,078	-	42,780	47,638	567,660	/u
54			100.00%	0.00%	6.50%	7.24%	86.26%	/u
55	OWN_USE_GAS	EXT	18,720	-	1,361	5,322	12,037	/u
56			100.00%	0.00%	7.27%	28.43%	64.30%	/u
57	PROPTAX	EXT	118,389	-	4,085	24,483	89,821	
58			100.00%	0.00%	3.45%	20.68%	75.87%	
59	RATEBASE	INT	16,281,096	-	1,414,974	2,951,364	11,914,757	/u
60			100.00%	0.00%	8.69%	18.13%	73.18%	/u
61	STOR_SUPER_O&M	INT	13,187	-	10,889	2,298	-	
62			100.00%	0.00%	82.57%	17.43%	0.00%	
63	STORAGE	INT	1	-	1	-	-	
64			100.00%	0.00%	100.00%	0.00%	0.00%	
65	STRUC&IMP	EXT	667,009	-	83,034	211,742	372,233	/u
66			100.00%	0.00%	12.45%	31.75%	55.81%	/u
67	STRUC&IMP_AD	EXT	(213,039)	-	(29,423)	(77,607)	(106,009)	
68			100.00%	0.00%	13.81%	36.43%	49.76%	
69	TRANSMISSION	INT	1	-	-	1	-	
70			100.00%	0.00%	0.00%	100.00%	0.00%	
71	UFG	EXT	56,100	-	12,127	17,164	26,809	
72			100.00%	0.00%	21.62%	30.60%	47.79%	

2024 Cost Allocation Study - Current Rate Classes

Gas Supply Classification Factors

Line No.	Gas Supply Classification Factor		Total (a)	Gas Supply (b)	Load Balancing Transport (c)	Load Balancing Commodity (d)	Transportation Demand (e)	Transportation Commodity (f)	Admin (g)
1	ADMIN	INT	1	-	-	-	-	-	1
2			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
3	GASSUPPLY_CLASS	EXT	3,112,816	2,728,041	175,236	23,591	162,050	23,899	-
4			100.00%	87.64%	5.63%	0.76%	5.21%	0.77%	0.00%
5	OPTIMIZATION	INT	337,287	-	175,236	-	162,050	-	-
6			100.00%	0.00%	51.95%	0.00%	48.05%	0.00%	0.00%

2024 Cost Allocation Study - Current Rate Classes
Storage Classification Factors

Line No.	Storage Classification Factor		Total (a)	Deliverability (b)	Space (c)	Operational Contingency (d)	Storage Commodity (e)
1	LNG_EQUIPMENT	EXT	32,021	32,021	-	-	-
2			100.00%	100.00%	0.00%	0.00%	0.00%
3	LNG_EQUIPMENT_AD	EXT	(17,453)	(17,453)	-	-	-
4			100.00%	100.00%	0.00%	0.00%	0.00%
5	LNG_LAND	EXT	7	7	-	-	-
6			100.00%	100.00%	0.00%	0.00%	0.00%
7	LNG_O&M	INT	1,640	1,640	-	-	-
8			100.00%	100.00%	0.00%	0.00%	0.00%
9	LNG_STRUCTURES	EXT	8,437	8,437	-	-	-
10			100.00%	100.00%	0.00%	0.00%	0.00%
11	LNG_STRUCTURES_AD	EXT	(3,182)	(3,182)	-	-	-
12			100.00%	100.00%	0.00%	0.00%	0.00%
13	MKTSTORFUEL	EXT	701	-	-	-	701
14			100.00%	0.00%	0.00%	0.00%	100.00%
15	DEL_SPACE_OPCON	EXT	100	50.00	46.09	3.91	-
16			100.00%	50.00%	46.09%	3.91%	0.00%
17	DELIVERABILITY	INT	1	1	-	-	-
18			100.00%	100.00%	0.00%	0.00%	0.00%
19	GASINSTORAGE	EXT	648,411	-	591,069	57,342	-
20			100.00%	0.00%	91.16%	8.84%	0.00%
21	MKTSTOR_DEMAND	INT	656,514	493,259	163,255	-	-
22			100.00%	75.13%	24.87%	0.00%	0.00%

2024 Cost Allocation Study - Current Rate Classes
Storage Classification Factors (Continued)

Line No.	Storage Classification Factor		Total (a)	Deliverability (b)	Space (c)	Operational Contingency (d)	Storage Commodity (e)	
23	SPACE_OPCON	INT	100.00	-	92.18	7.82	-	
24			100.00%	0.00%	92.18%	7.82%	0.00%	
25	STOR_COMM	INT	1	-	-	-	1	
26			100.00%	0.00%	0.00%	0.00%	100.00%	
27	STOR_DEPEXP	INT	30,302	22,769	6,944	589	-	
28			100.00%	75.14%	22.91%	1.95%	0.00%	
29	STOR_GENPLANT	INT	100.00	71.28	26.47	2.25	-	/u
30			100.00%	71.28%	26.47%	2.25%	0.00%	/u
31	STOR_LABOUR	INT	17,977	12,609	4,948	420	-	/u
32			100.00%	70.14%	27.52%	2.34%	0.00%	/u
33	STOR_NETPLANT	INT	670,373	493,259	163,255	13,859	-	
34			100.00%	73.58%	24.35%	2.07%	0.00%	
35	STOR_O&M	INT	42,780	29,513	12,229	1,038	-	/u
36			100.00%	68.99%	28.59%	2.43%	0.00%	/u
37	STOR_PROPTAX	EXT	4,085	4,024	56	5	-	
38			100.00%	98.51%	1.38%	0.12%	0.00%	
39	STOR_RATEBASE	INT	1,414,974	512,340	825,400	77,234	-	/u
40			100.00%	36.21%	58.33%	5.46%	0.00%	/u
41	STOR_SUPER	INT	10,889	7,314	3,295	280	-	
42			100.00%	67.17%	30.26%	2.57%	0.00%	

2024 Cost Allocation Study - Current Rate Classes
Transmission Classification Factors

Line No.	Transmission Classification Factor		Total	Dawn Station	Kirkwall Station	Parkway Station	Dawn Parkway	Albion	Panhandle St. Clair	Transmission Commodity	
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	
1	DAWN_O&M	EXT	1.00	-	-	-	0.84	-	0.16	-	/u
2			100.00%	0.00%	0.00%	0.00%	84.30%	0.00%	15.70%	0.00%	/u
3	DAWNPARKWAY	INT	1	-	-	-	1	-	-	-	
4			100.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	
5	PAN_STCLAIR	INT	1	-	-	-	-	-	1	-	
6			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	
7	TRANS_COMM	INT	1	-	-	-	-	-	-	1	
8			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	
9	TRANS_COMPRESSORS	EXT	1,361,921	-	-	308,461	1,038,455	-	15,004	-	
10			100.00%	0.00%	0.00%	22.65%	76.25%	0.00%	1.10%	0.00%	
11	TRANS_COMPRESSORS_AD	EXT	(530,200)	-	-	(125,107)	(395,914)	-	(9,178)	-	
12			100.00%	0.00%	0.00%	23.60%	74.67%	0.00%	1.73%	0.00%	
13	TRANS_DEPEXP	EXT	103,658	3,096	485	14,596	62,112	6,967	16,402	-	/u
14			100.00%	2.99%	0.47%	14.08%	59.92%	6.72%	15.82%	0.00%	/u
15	TRANS_GENPLANT	INT	100.00	2.90	0.44	11.86	53.67	8.97	22.16	-	/u
16			100.00%	2.90%	0.44%	11.86%	53.67%	8.97%	22.16%	0.00%	/u
17	TRANS_LABOUR	INT	21,355	873	152	2,676	11,595	1,445	4,614	-	/u
18			100.00%	4.09%	0.71%	12.53%	54.30%	6.76%	21.61%	0.00%	/u
19	TRANS_LAND	EXT	81,031	4,168	-	30,938	40,451	43	5,431	-	
20			100.00%	5.14%	0.00%	38.18%	49.92%	0.05%	6.70%	0.00%	
21	TRANS_LANDRIGHTS	EXT	64,690	-	-	428	34,299	19,861	10,103	-	
22			100.00%	0.00%	0.00%	0.66%	53.02%	30.70%	15.62%	0.00%	
23	TRANS_LANDRIGHTS_AD	EXT	(17,443)	-	-	(81)	(14,091)	(1,505)	(1,765)	-	
24			100.00%	0.00%	0.00%	0.46%	80.79%	8.63%	10.12%	0.00%	

2024 Cost Allocation Study - Current Rate Classes
Transmission Classification Factors (Continued)

Line No.	Transmission Classification Factor		Total	Dawn Station	Kirkwall Station	Parkway Station	Dawn Parkway	Albion	Panhandle St. Clair	Transmission Commodity
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
25	TRANS_LINEPACK	EXT	29,361	-	-	266	24,205	926	3,963	-
26			100.00%	0.00%	0.00%	0.91%	82.44%	3.15%	13.50%	0.00%
27	TRANS_MAINS	EXT	2,318,862	-	122	8,228	1,300,861	368,401	641,249	-
28			100.00%	0.00%	0.01%	0.35%	56.10%	15.89%	27.65%	0.00%
29	TRANS_MAINS_AD	EXT	(723,065)	-	(7)	(1,785)	(585,103)	(53,210)	(82,960)	-
30			100.00%	0.00%	0.00%	0.25%	80.92%	7.36%	11.47%	0.00%
31	TRANS_MEAS®	EXT	293,467	73,972	14,563	58,892	-	3,464	142,576	-
32			100.00%	25.21%	4.96%	20.07%	0.00%	1.18%	48.58%	0.00%
33	TRANS_MEAS®_AD	EXT	(92,653)	(33,736)	(9,154)	(18,616)	-	(458)	(30,690)	-
34			100.00%	36.41%	9.88%	20.09%	0.00%	0.49%	33.12%	0.00%
35	TRANS_NETPLANT	INT	2,964,156	61,003	6,937	324,871	1,519,985	343,179	708,182	- /u
36			100.00%	2.06%	0.23%	10.96%	51.28%	11.58%	23.89%	0.00% /u
37	TRANS_O&M	INT	47,638	1,792	310	6,093	26,734	2,996	9,714	- /u
38			100.00%	3.76%	0.65%	12.79%	56.12%	6.29%	20.39%	0.00% /u
39	TRANS_PROPTAX	EXT	24,483	2,347	19	1,020	16,882	982	3,233	-
40			100.00%	9.58%	0.08%	4.17%	68.95%	4.01%	13.21%	0.00%
41	TRANS_RATEBASE	INT	2,951,364	60,647	6,896	323,014	1,514,834	341,317	704,655	- /u
42			100.00%	2.05%	0.23%	10.94%	51.33%	11.56%	23.88%	0.00% /u
43	TRANS_STRUC&IMP	EXT	211,742	38,228	2,160	79,367	86,946	-	5,042	-
44			100.00%	18.05%	1.02%	37.48%	41.06%	0.00%	2.38%	0.00%
45	TRANS_STRUC&IMP_AD	EXT	(77,607)	(23,757)	(1,069)	(24,564)	(25,315)	-	(2,901)	-
46			100.00%	30.61%	1.38%	31.65%	32.62%	0.00%	3.74%	0.00%
47	TRANS_SUPER	INT	8,297	630	124	1,774	4,383	59	1,327	-
48			100.00%	7.60%	1.50%	21.38%	52.83%	0.71%	16.00%	0.00%

2024 Cost Allocation Study - Current Rate Classes
Distribution Classification Factors (Continued)

Line No.	Distribution Classification Factor		Total	Distribution Demand				Distribution Customer					Distribution Commodity	
				High Pressure > 4"	High Pressure <= 4"	Low Pressure	Demand Specific Allocation	Distribution Mains	Distribution Services	Distribution Meters	Distribution Stations	Customer Specific Allocation		
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
23	DIST_MAINS&SERVICES	INT	14,358,475	1,829,410	349,901	3,565,892	-	3,023,132	5,590,140	-	-	-	-	/u
24			100.00%	12.74%	2.44%	24.83%	0.00%	21.05%	38.93%	0.00%	0.00%	0.00%	0.00%	/u
25	DIST_NETPLANT	INT	11,527,520	1,503,451	287,557	2,930,532	-	2,074,098	3,435,545	982,007	314,331	-	-	/u
26			100.00%	13.04%	2.49%	25.42%	0.00%	17.99%	29.80%	8.52%	2.73%	0.00%	0.00%	/u
27	DIST_O&M	INT	567,660	46,528	8,899	90,692	46,197	61,580	105,701	48,846	11,252	147,966	-	/u
28			100.00%	8.20%	1.57%	15.98%	8.14%	10.85%	18.62%	8.60%	1.98%	26.07%	0.00%	/u
29	DIST_PROPTAX	EXT	89,821	15,193	2,906	29,614	-	24,747	17,362	-	-	-	-	
30			100.00%	16.91%	3.24%	32.97%	0.00%	27.55%	19.33%	0.00%	0.00%	0.00%	0.00%	
31	DIST_RATEBASE	INT	11,914,757	1,544,181	295,347	3,006,507	18,190	2,126,661	3,524,068	1,014,647	323,053	62,104	-	/u
32			100.00%	12.96%	2.48%	25.23%	0.15%	17.85%	29.58%	8.52%	2.71%	0.52%	0.00%	/u
33	DIST_SUPER	INT	90,715	10,202	1,951	19,885	-	12,566	23,236	19,652	3,222	-	-	/u
34			100.00%	11.25%	2.15%	21.92%	0.00%	13.85%	25.61%	21.66%	3.55%	0.00%	0.00%	/u
35	DISTDEMAND	INT	5,575,565	1,775,393	339,570	3,460,602	-	-	-	-	-	-	-	
36			100.00%	31.84%	6.09%	62.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
37	DISTMAINS&MR	INT	9,900,494	2,189,916	418,853	4,268,592	-	3,023,132	-	-	-	-	-	/u
38			100.00%	22.12%	4.23%	43.11%	0.00%	30.54%	0.00%	0.00%	0.00%	0.00%	0.00%	
39	HPMAINS>4"	INT	1	1	-	-	-	-	-	-	-	-	-	
40			100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
41	ZERO_INT	EXT	8,509,433	1,775,393	339,570	3,460,602	-	2,933,868	-	-	-	-	-	
42			100.00%	20.86%	3.99%	40.67%	0.00%	34.48%	0.00%	0.00%	0.00%	0.00%	0.00%	

2024 Cost Allocation Study - Current Rate Classes
Allocation Factors (Continued)

Line No.	Allocation Factors	Total	Union North Rate Zone					Union South Rate Zone								
			Rate 01	Rate 10	Rate 20	Rate 25	Rate 100	Rate M1	Rate M2	Rate M4 (F)	Rate M4 (I)	Rate M5 (F)	Rate M5 (I)	Rate M7 (F)	Rate M7 (I)	
		(a)	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)	(x)	(y)	
1	GASSTORALLO EXT	100.00	6.40	1.59	0.22	-	-	20.27	6.10	1.25	0.00	0.00	-	1.72	0.18	
2		100%	6%	2%	0%	0%	0%	20%	6%	1%	0%	0%	0%	2%	0%	
3	SALESPROMO EXT	11,616	844	5	163	11	32	2,751	18	591	-	18	79	150	11	
4		100%	7%	0%	1%	0%	0%	24%	0%	5%	0%	0%	1%	1%	0%	
5	TRANS_COMPFUEL EXT	129,959	2,391	783	390	14	-	7,868	3,189	1,435	1	11	133	1,725	184	
6		100%	2%	1%	0%	0%	0%	6%	2%	1%	0%	0%	0%	1%	0%	
7	TRANSPT_DEM_OPT EXT	162,050	8,205	2,689	1,370	47	-	27,007	10,946	4,925	2	37	457	5,922	631	
8		100%	5%	2%	1%	0%	0%	17%	7%	3%	0%	0%	0%	4%	0%	
9	ALBIONTRANS EXT	100.00	2.23	0.66	0.15	-	-	7.13	2.64	0.94	-	0.01	-	1.39	-	
10		100%	2%	1%	0%	0%	0%	7%	3%	1%	0%	0%	0%	1%	0%	
11	BAD_DEBT EXT	11,815	1,001	6	74	5	14	3,262	22	268	-	8	36	68	5	
12		100%	8%	0%	1%	0%	0%	28%	0%	2%	0%	0%	0%	1%	0%	
13	CUST_EXCL_GS INT	1,007	-	-	62	4	12	-	-	225	-	7	30	57	4	
14		100%	0%	0%	6%	0%	1%	0%	0%	22%	0%	1%	3%	6%	0%	
15	DAWN_DEMAND EXT	221,667	6,864	2,026	689	-	-	21,964	8,138	2,897	-	25	-	4,285	-	
16		100%	3%	1%	0%	0%	0%	10%	4%	1%	0%	0%	0%	2%	0%	
17	DISTCOMM EXT	26,809	967	321	909	124	1,053	3,183	1,290	581	0	4	54	698	74	
18		100%	4%	1%	3%	0%	4%	12%	5%	2%	0%	0%	0%	3%	0%	
19	D-PTRANS EXT	41,302	1,465	433	151	-	-	4,688	1,737	618	-	5	-	915	-	
20		100%	4%	1%	0%	0%	0%	11%	4%	1%	0%	0%	0%	2%	0%	
21	DSM_ADM EXT	30,707	995	326	324	12	148	6,059	1,532	1,477	1	7	85	1,013	108 /u	
22		100%	3%	1%	1%	0%	0%	20%	5%	5%	0%	0%	0%	3%	0% /u	
23	DSM_PRO EXT	144,348	5,301	1,252	931	63	717	36,346	5,199	3,794	2	22	271	2,602	277 /u	
24		100%	4%	1%	1%	0%	0%	25%	4%	3%	0%	0%	0%	2%	0%	
25	HIGHPRESS<=4 EXT	167,984	9,708	2,896	781	-	131	31,063	11,510	3,248	-	36	-	3,155	-	
26		100%	6%	2%	0%	0%	0%	18%	7%	2%	0%	0%	0%	2%	0%	
27	HIGHPRESS>4 EXT	225,038	9,708	2,896	7,610	-	3,398	31,063	11,510	4,097	-	36	-	6,060	-	
28		100%	4%	1%	3%	0%	2%	14%	5%	2%	0%	0%	0%	3%	0%	
29	KIRKWALL_DEMAND EXT	15,671	120	35	8	-	-	384	142	51	-	0	-	75	-	
30		100%	1%	0%	0%	0%	0%	2%	1%	0%	0%	0%	0%	0%	0%	

2024 Cost Allocation Study - Current Rate Classes
Allocation Factors (Continued)

Line No.	Allocation Factors	Total	Union South Rate Zone						Ex-Franchise								
			Rate M9	Rate T1 (F)	Rate T1 (I)	Rate T2 (F)	Rate T2 (I)	Rate T3	Rate 331	Rate 332	Rate 401	Rate C1 (F)	Rate C1 (I)	Rate M12	Rate M13	Rate M16	Rate M17
		(a)	(z)	(aa)	(ab)	(ac)	(ad)	(ae)	(af)	(ag)	(ah)	(ai)	(aj)	(ak)	(al)	(am)	(an)
1	GASSTORALLO EXT	100.00	0.17	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2		100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
3	SALESPROMO EXT	11,616	11	121	-	108	-	3	-	-	-	-	-	21	-	-	-
4		100%	0%	1%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
5	TRANS_COMPFUEL EXT	129,959	218	1,050	100	13,241	111	665	-	-	-	5,006	9,141	52,705	-	821	123
6		100%	0%	1%	0%	10%	0%	1%	0%	0%	0%	4%	7%	41%	0%	1%	0%
7	TRANSP_TDEM_OPT EXT	162,050	747	49	5	619	5	31	-	-	-	-	-	-	-	-	-
8		100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
9	ALBIONTRANS EXT	100.00	0.11	-	-	-	-	-	-	60.00	-	-	-	-	-	-	-
10		100%	0%	0%	0%	0%	0%	0%	0%	60%	0%	0%	0%	0%	0%	0%	0%
11	BAD_DEBT EXT	11,815	5	55	-	49	-	1	-	-	-	-	-	-	-	-	-
12		100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
13	CUST_EXCL_GS INT	1,007	4	46	-	41	-	1	-	-	-	-	-	-	-	-	-
14		100%	0%	5%	0%	4%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
15	DAWN_DEMAND EXT	221,667	350	1,188	-	15,011	-	1,489	-	-	-	849	-	79,461	-	-	227
16		100%	0%	1%	0%	7%	0%	1%	0%	0%	0%	0%	0%	36%	0%	0%	0%
17	DISTCOMM EXT	26,809	88	385	37	4,854	41	244	-	-	-	-	-	-	-	-	-
18		100%	0%	1%	0%	18%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
19	D-PTRANS EXT	41,302	75	200	-	2,532	-	251	-	-	-	194	-	11,736	-	-	36
20		100%	0%	0%	0%	6%	0%	1%	0%	0%	0%	0%	0%	28%	0%	0%	0%
21	DSM_ADM EXT	30,707	3	214	20	573	5	18	-	-	-	-	-	-	-	-	-
22		100%	0%	1%	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
23	DSM_PRO EXT	144,348	14	628	60	2,778	23	89	-	-	-	-	-	-	-	-	-
24		100%	0%	0%	0%	2%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
25	HIGHPRESS<=4 EXT	167,984	216	1,426	-	448	-	-	-	-	-	-	-	-	-	-	-
26		100%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
27	HIGHPRESS>4 EXT	225,038	495	2,077	-	26,229	-	2,601	-	-	-	-	-	-	-	-	227
28		100%	0%	1%	0%	12%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%
29	KIRKWALL_DEMAND EXT	15,671	6	13	-	168	-	17	-	-	-	-	-	13,317	-	-	-
30		100%	0%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%	85%	0%	0%	0%

2024 Cost Allocation Study - Current Rate Classes
Allocation Factors (Continued)

Line No.	Allocation Factors	Total	EGD Rate Zone										
			Rate 1	Rate 6	Rate 100	Rate 110	Rate 115	Rate 125	Rate 135	Rate 145	Rate 170	Rate 200	Rate 300
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
31	LOAD_BALANCING	EXT	175,236	55,261	48,029	129	3,509	129	-	-	-	1,041	-
32			100%	32%	27%	0%	2%	0%	0%	0%	0%	1%	0%
33	LOWPRESS	EXT	164,969	52,737	47,062	111	2,714	107	-	8	17	83	-
34			100%	32%	29%	0%	2%	0%	0%	0%	0%	0%	0%
35	METERREPLCOST	EXT	1,397,098,621	607,972,130	218,009,367	392,767	4,788,244	811,934	209,635	1,362,403	120,634	537,236	-
36			100%	44%	16%	0%	0%	0%	0%	0%	0%	0%	0%
37	NETFROMSTOR	EXT	5,103	1,527	1,327	4	97	4	-	-	-	29	-
38			100%	30%	26%	0%	2%	0%	0%	0%	0%	1%	0%
39	OP_CONTINGENCY	EXT	399,181	113,612	100,367	107	3,080	722	874	59	44	467	869
40			100%	28%	25%	0%	1%	0%	0%	0%	0%	0%	0%
41	PAN_STCLAIR	EXT	84,168	16,119	14,385	51	1,651	347	-	6	-	383	-
42			100%	19%	17%	0%	2%	0%	0%	0%	0%	0%	0%
43	PKWY_DEMAND	EXT	100	14.66	13.08	0.05	1.50	0.32	-	0.01	-	0.35	-
44			100%	15%	13%	0%	2%	0%	0%	0%	0%	0%	0%
45	STATIONREPLCOST	EXT	525,359,911	-	145,480,281	388,582	15,686,622	1,975,321	5,200,000	2,273,903	1,523,620	598,866	-
46			100%	0%	28%	0%	3%	0%	1%	0%	0%	0%	0%
47	STORAGEEXCESS	EXT	217,749	65,278	52,816	209	4,459	574	-	-	109	492	1,893
48			100%	30%	24%	0%	2%	0%	0%	0%	0%	1%	0%
49	STORCOMM	EXT	12,127	2,858	2,741	16	611	218	-	30	9	185	108
50			100%	24%	23%	0%	5%	2%	0%	0%	0%	2%	1%
51	SUPPLY_VOL	EXT	13,147,614	4,915,774	2,970,864	14,757	102,197	1,651	-	4,392	574	5,360	140,306
52			100%	37%	23%	0%	1%	0%	0%	0%	0%	1%	0%
53	TOTAL_CUSTOMERS	EXT	3,914,691	2,158,512	172,843	14	416	22	4	41	5	11	1
54			100%	55%	4%	0%	0%	0%	0%	0%	0%	0%	0%
55	TRANS_DEMAND	EXT	162,050	40,425	41,798	220	8,784	3,065	-	423	126	2,595	1,516
56			100%	25%	26%	0%	5%	2%	0%	0%	0%	2%	1%
57	TRANS_FUEL	EXT	23,899	6,126	5,874	34	1,309	468	-	64	19	396	231
58			100%	26%	25%	0%	5%	2%	0%	0%	0%	2%	1%
59	TRANSCOMM	EXT	18,268	129	124	1	28	10	-	1	0	8	5
60			100%	1%	1%	0%	0%	0%	0%	0%	0%	0%	0%

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2024 Cost Allocation Study - Current Rate Classes
Allocation Factors (Continued)

Line No.	Allocation Factors	Total	Union South Rate Zone						Ex-Franchise									
			Rate M9	Rate T1 (F)	Rate T1 (I)	Rate T2 (F)	Rate T2 (I)	Rate T3	Rate 331	Rate 332	Rate 401	Rate C1 (F)	Rate C1 (I)	Rate M12	Rate M13	Rate M16	Rate M17	
		(a)	(z)	(aa)	(ab)	(ac)	(ad)	(ae)	(af)	(ag)	(ah)	(ai)	(aj)	(ak)	(al)	(am)	(an)	
31	LOAD_BALANCING	EXT	175,236	352	-	-	-	-	-	-	-	-	-	-	-	-	-	
32			100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
33	LOWPRESS	EXT	164,969	-	807	6	263	180	-	-	-	-	-	-	-	-	-	
34			100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
35	METERREPLCOST	EXT	1,397,098,621	108,105	1,821,597	-	3,556,429	-	104,818	-	-	-	-	-	-	-	-	
36			100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
37	NETFROMSTOR	EXT	5,103	10	34	-	211	-	54	-	-	-	-	-	-	-	-	
38			100%	0%	1%	0%	4%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	
39	OP_CONTINGENCY	EXT	399,181	260	1,034	-	10,232	-	1,327	311	2,609	-	6,746	1,168	20,541	123	278	68
40			100%	0%	0%	0%	3%	0%	0%	0%	1%	0%	2%	0%	5%	0%	0%	0%
41	PAN_STCLAIR	EXT	84,168	151	2,077	-	26,229	-	2,601	-	-	-	-	-	-	-	-	
42			100%	0%	2%	0%	31%	0%	3%	0%	0%	0%	0%	0%	0%	0%	0%	
43	PKWY_DEMAND	EXT	100	0.14	-	-	-	-	-	-	-	-	0.70	-	50.68	-	-	
44			100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%	0%	51%	0%	0%	
45	STATIONREPLCOST	EXT	525,359,911	769,125	5,404,160	-	40,562,930	-	3,494,879	-	-	-	-	-	-	-	-	
46			100%	0%	1%	0%	8%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	
47	STORAGEEXCESS	EXT	217,749	354	1,485	-	9,403	-	3,206	-	-	-	-	-	-	-	-	
48			100%	0%	1%	0%	4%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	
49	STORCOMM	EXT	12,127	51	75	-	781	-	161	-	-	-	-	-	-	-	-	
50			100%	0%	1%	0%	6%	0%	1%	0%	0%	0%	0%	0%	0%	0%	0%	
51	SUPPLY_VOL	EXT	13,147,614	15,795	-	-	-	-	-	-	-	-	-	-	-	-	-	
52			100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
53	TOTAL_CUSTOMERS	EXT	3,914,691	4	46	-	41	-	1	-	-	-	-	-	-	-	-	
54			100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
55	TRANS_DEMAND	EXT	162,050	723	49	5	619	5	31	-	-	-	-	-	-	-	-	
56			100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
57	TRANS_FUEL	EXT	23,899	110	7	1	84	1	4	-	-	-	-	-	-	-	-	
58			100%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	
59	TRANSCOMM	EXT	18,268	2	10	1	128	1	6	-	-	-	6,591	1,173	9,418	123	280	33 /u
60			100%	0%	0%	0%	1%	0%	0%	0%	0%	0%	36%	6%	52%	1%	2%	0%

2024 COST ALLOCATION STUDY – HARMONIZED RATE CLASSES

AMY MIKHAILA, MANAGER RATE DESIGN

GREG KAMINSKI, SPECIALIST COST ALLOCATION

BRANDON SO, SPECIALIST COST ALLOCATION

1. The purpose of this evidence is to provide the 2024 Cost Allocation Study based on harmonized rate classes. The Cost Allocation Study was prepared based on the cost allocation methodology provided at Exhibit 7, Tab 1, Schedule 2.
2. The Cost Allocation Study provides the total allocation of the adjusted 2024 Test Year revenue requirement to the harmonized rate classes. The functionalization and classification step of the Cost Allocation Study is the same for the current rate classes and harmonized rate classes. The allocation step has been completed using the proposed harmonized rate classes.
3. In order to prepare the Cost Allocation Study based on the harmonized rate classes, Enbridge Gas updated the 2024 customer forecast by placing customers into the proposed harmonized rate classes. This allowed Enbridge Gas to prepare a set of cost study allocation factors under the harmonized rate classes.
4. To prepare the harmonized customer forecast, customers were placed in the harmonized rate classes based on the proposed rate class applicability and the customer's parameters and service option from the 2024 Test Year Forecast. For example, a firm bundled contract service customer is placed in the corresponding firm bundled contract rate class for purposes of deriving the harmonized customer forecast. The approach to the customer forecast for the harmonized rate classes is provided at Exhibit 8, Tab 2, Schedule 1, Section 2.

5. The cost study allocation factors were then updated to reflect the forecast of customers in the harmonized rate classes. The allocation factor totals of the harmonized rate classes are equal to the allocation factor totals of the Cost Allocation Study.

6. The harmonized Cost Allocation Study is organized as follows:

- | | |
|--------------|---|
| Attachment 1 | <u>Revenue Requirement Summary - By Functional Classification</u>
This schedule provides a summary of the total revenue requirement by functional classification. This attachment is the same as that provided at Exhibit 7, Tab 2, Schedule 1, Attachment 1. |
| Attachment 2 | <u>Revenue Requirement Summary - By Rate Class</u>
This schedule provides a summary of the total revenue requirement by rate class. |
| Attachment 3 | <u>Cost Allocation Study Detail - Functionalization</u>
This schedule provides the Cost Allocation Study functionalization results, which allocates the 2024 revenue requirement to Gas Supply, Storage, Transmission, and Distribution. This attachment is the same as that provided at Exhibit 7, Tab 2, Schedule 1, Attachment 3. |
| Attachment 4 | <u>Cost Allocation Study Detail - Gas Supply Classification</u>
This schedule provides the Cost Allocation Study gas supply classification results, which allocates the functionalized 2024 gas supply revenue requirement into Gas Supply Commodity, Load Balancing Transport, Load Balancing Commodity, Transportation Demand, Transportation Commodity and Admin costs. This attachment is the same as that provided at Exhibit 7, Tab 2, Schedule 1, Attachment 4. |
| Attachment 5 | <u>Cost Allocation Study Detail - Storage Classification</u>
This schedule provides the Cost Allocation Study storage classification results, which allocates the functionalized 2024 storage revenue requirement into Storage Demand and Storage Commodity costs. Storage Demand is further classified as Deliverability, Space and Operational Contingency. This attachment is the same as that provided at Exhibit 7, Tab 2, Schedule 1, Attachment 5. |

- Attachment 6 Cost Allocation Study Detail - Transmission Classification
This schedule provides the Cost Allocation Study transmission classification results, which allocates the functionalized 2024 transmission revenue requirement into Transmission Demand and Transmission Commodity Costs. Transmission Demand is further classified as Dawn Station, Kirkwall Station, Parkway Station, Dawn Parkway, Albion, and Panhandle/St. Clair. This attachment is the same as that provided at Exhibit 7, Tab 2, Schedule 1, Attachment 6.
- Attachment 7 Cost Allocation Study Detail - Distribution Classification
This schedule provides the Cost Allocation Study distribution classification results, which allocates the functionalized 2024 revenue requirement into Distribution Demand, Distribution Customer and Distribution Commodity costs. Distribution Demand is further classified as High Pressure > 4", High Pressure <=4", Low Pressure and Specific. Distribution Customer is further classified as Distribution Mains, Distribution Services, Distribution Meters, Distribution Stations and Specific. This attachment is the same as that provided at Exhibit 7, Tab 2, Schedule 1, Attachment 7.
- Attachment 8 Cost Allocation Study Detail - Total Allocation
This schedule provides the Cost Allocation Study total allocation results, which allocates the 2024 revenue requirement to rate classes.
- Attachment 9 Cost Allocation Study Detail - Allocation of Delivery Revenue Requirement
This schedule provides the delivery allocation, which allocates the 2024 delivery revenue requirement to rate classes, excluding gas cost revenue requirement. The delivery costs are used to derive the delivery deficiency, provided at Exhibit 7, Tab 1, Schedule 1, Attachment 1.
- Attachment 10 Cost Allocation Study Detail - Allocation of Gas Cost Revenue Requirement
This schedule provides the gas cost allocation, which allocates the 2024 gas cost revenue requirement¹ to rate classes, excluding delivery revenue requirement. The gas costs are used to derive the gas supply deficiency, provided at Exhibit 7, Tab 1, Schedule 1, Attachment 1.
- Attachment 11 Factor Descriptions
This schedule provides a description of each factor used in the Cost Allocation Study for functionalization, classification, and allocation. This attachment is the same as that provided at Exhibit 7, Tab 2, Schedule 1, Attachment 11.

¹ The gas costs include gas supply commodity, upstream transportation and fuel, load balancing and peaking services, market-based storage, company use costs, unaccounted for gas, and compressor fuel costs.

Attachment 12 Cost Allocation Factors

This schedule provides each factor used in the Cost Allocation Study for functionalization, classification, and allocation. Factors noted with an INT are calculated using information contained within the Cost Allocation Study and factors noted with an EXT are calculated externally from the Cost Allocation Study.

2024 Cost Allocation Study - Harmonized Rate Classes
Revenue Requirement Summary by Function

Line No.	Particulars (\$000s)	Revenue Requirement (a) = (sum b to e)	Function			
			Gas Supply (b)	Storage (c)	Transmission (d)	Distribution (e)
	Return on Rate Base					
1	Rate Base	16,184,285	-	1,414,177	2,949,466	11,820,642
2	Rate of Return on Rate Base	5.874%	5.874%	5.874%	5.874%	5.874%
3	Total Return on Rate Base	950,736	-	83,075	173,265	694,396
4	Depreciation Expense	920,995	-	35,004	121,524	764,466
	Taxes					
5	Income Tax	120,703	-	10,547	21,997	88,158
6	Property Tax	127,183	-	4,388	26,302	96,493
7	Total Taxes	247,885	-	14,935	48,299	184,651
	Operating & Maintenance Expenses					
8	Cost of Gas	3,251,984	3,112,816	34,697	64,228	40,243
9	Storage	30,285	-	25,007	5,277	-
10	Transmission	12,038	-	-	12,038	-
11	Distribution	101,331	-	-	-	101,331
12	General Operating & Engineering	197,654	2,546	7,272	17,849	169,987
13	Sales Promotion & Merchandise	160,438	-	-	-	160,438
14	Distribution Customer Accounting	125,998	11,447	-	-	114,551
	Administrative & General Expense					
15	Employee Benefits	148,388	2,104	8,824	10,469	126,991
16	Administrative & General	219,626	4,759	13,944	15,481	185,443
17	Total Operating & Maintenance Expenses	4,247,742	3,133,672	89,744	125,341	898,985
18	Total Revenue Requirement	6,367,357	3,133,672	222,758	468,429	2,542,498
19	Other Revenue	83,284	20,701	-	-	62,584
20	Total Revenue Requirement Less Other Revenue	6,284,073	3,112,972	222,758	468,429	2,479,915

2024 Cost Allocation Study - Harmonized Rate Classes
Gas Supply Revenue Requirement Summary by Classification

Line No.	Particulars (\$000s)	Gas Supply Revenue Requirement (a) = (sum b to g)	Gas Supply Classification					Admin (g)
			Gas Supply Commodity (b)	Load Balancing Transport (c)	Load Balancing Commodity (d)	Transportation Demand (e)	Transportation Commodity (f)	
	Return on Rate Base							
1	Rate Base	-	-	-	-	-	-	-
2	Rate of Return on Rate Base	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%
3	Total Return on Rate Base	-	-	-	-	-	-	-
4	Depreciation Expense	-	-	-	-	-	-	-
	Taxes							
5	Income Tax	-	-	-	-	-	-	-
6	Property Tax	-	-	-	-	-	-	-
7	Total Taxes	-	-	-	-	-	-	-
	Operating & Maintenance Expenses							
8	Cost of Gas	3,112,816	2,728,041	175,236	23,591	162,050	23,899	-
9	Storage	-	-	-	-	-	-	-
10	Transmission	-	-	-	-	-	-	-
11	Distribution	-	-	-	-	-	-	-
12	General Operating & Engineering	2,546	-	-	-	-	-	2,546
13	Sales Promotion & Merchandise	-	-	-	-	-	-	-
14	Distribution Customer Accounting	11,447	-	-	-	-	-	11,447
	Administrative & General Expense							
15	Employee Benefits	2,104	-	-	-	-	-	2,104
16	Administrative & General	4,759	-	-	-	-	-	4,759
17	Total Operating & Maintenance Expenses	3,133,672	2,728,041	175,236	23,591	162,050	23,899	20,856
18	Total Revenue Requirement	3,133,672	2,728,041	175,236	23,591	162,050	23,899	20,856
19	Other Revenue	20,701	-	7,968	-	7,369	-	5,364
20	Total Revenue Requirement Less Other Revenue	3,112,972	2,728,041	167,268	23,591	154,682	23,899	15,492

2024 Cost Allocation Study - Harmonized Rate Classes
Storage Revenue Requirement Summary by Classification

Line No.	Particulars (\$000s)	Storage Revenue Requirement (a) = (sum b to e)	Storage Classification			Storage Commodity (e)
			Storage Demand	Operational Contingency		
			Deliverability (b)	Space (c)	(d)	
	Return on Rate Base					
1	Rate Base	1,414,177	511,764	825,195	77,217	-
2	Rate of Return on Rate Base	5.874%	5.874%	5.874%	5.874%	5.874%
3	Total Return on Rate Base	83,075	30,063	48,476	4,536	-
4	Depreciation Expense	35,004	26,120	8,189	695	-
	Taxes					
5	Income Tax	10,547	3,817	6,154	576	-
6	Property Tax	4,388	4,323	60	5	-
7	Total Taxes	14,935	8,139	6,215	581	-
	Operating & Maintenance Expenses					
8	Cost of Gas	34,697	9,952	3,294	-	21,451
9	Storage	25,007	16,797	7,568	642	-
10	Transmission	-	-	-	-	-
11	Distribution	-	-	-	-	-
12	General Operating & Engineering	7,272	5,350	1,771	150	-
13	Sales Promotion & Merchandise	-	-	-	-	-
14	Distribution Customer Accounting	-	-	-	-	-
	Administrative & General Expense					
15	Employee Benefits	8,824	6,187	2,431	206	-
16	Administrative & General	13,944	9,612	3,993	339	-
17	Total Operating & Maintenance Expenses	89,744	47,899	19,056	1,338	21,451
18	Total Revenue Requirement	222,758	112,222	81,935	7,150	21,451
19	Other Revenue	-	-	-	-	-
20	Total Revenue Requirement Less Other Revenue	222,758	112,222	81,935	7,150	21,451

2024 Cost Allocation Study - Harmonized Rate Classes
Transmission Revenue Requirement Summary by Classification

Line No.	Particulars (\$000s)	Transmission Revenue Requirement (a) = (sum b to h)	Transmission Classification					Transmission Commodity (h)	
			Transmission Demand						
			Dawn Station (b)	Kirkwall Station (c)	Parkway Station (d)	Dawn Parkway (e)	Albion (f)		Panhandle St. Clair (g)
	Return on Rate Base								
1	Rate Base	2,949,466	65,000	6,887	322,793	1,509,429	341,142	704,215	-
2	Rate of Return on Rate Base	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%
3	Total Return on Rate Base	173,265	3,818	405	18,962	88,671	20,040	41,369	-
4	Depreciation Expense	121,524	15,542	563	16,717	59,779	8,567	20,356	-
	Taxes								
5	Income Tax	21,997	485	51	2,407	11,257	2,544	5,252	-
6	Property Tax	26,302	2,521	21	1,096	18,136	1,055	3,474	-
7	Total Taxes	48,299	3,006	72	3,503	29,393	3,599	8,726	-
	Operating & Maintenance Expenses								
8	Cost of Gas	64,228	-	-	-	17,708	-	1,285	45,234
9	Storage	5,277	4,449	-	-	-	-	829	-
10	Transmission	12,038	914	180	2,573	6,359	85	1,926	-
11	Distribution	-	-	-	-	-	-	-	-
12	General Operating & Engineering	17,849	394	42	1,956	9,126	2,067	4,264	-
13	Sales Promotion & Merchandise	-	-	-	-	-	-	-	-
14	Distribution Customer Accounting	-	-	-	-	-	-	-	-
	Administrative & General Expense								
15	Employee Benefits	10,469	1,628	74	1,312	4,487	707	2,259	-
16	Administrative & General	15,481	2,505	100	1,982	6,776	970	3,148	-
17	Total Operating & Maintenance Expenses	125,341	9,890	396	7,824	44,456	3,829	13,711	45,234
18	Total Revenue Requirement	468,429	32,257	1,436	47,006	222,298	36,035	84,162	45,234
19	Other Revenue	-	-	-	-	-	-	-	-
20	Total Revenue Requirement Less Other Revenue	468,429	32,257	1,436	47,006	222,298	36,035	84,162	45,234

2024 Cost Allocation Study - Harmonized Rate Classes
Distribution Revenue Requirement Summary by Classification

Line No.	Particulars (\$000s)	Distribution Revenue Requirement (a) = (sum b to k)	Distribution Demand				Distribution Classification					Distribution Commodity (k)
			High Pressure > 4" (b)	High Pressure <= 4" (c)	Low Pressure (d)	Demand Specific Allocation (e)	Distribution Mains (f)	Distribution Services (g)	Distribution Meters (h)	Distribution Stations (i)	Customer Specific Allocation (j)	
Return on Rate Base												
1	Rate Base	11,820,642	1,527,842	292,222	2,974,659	17,373	2,098,938	3,510,146	1,015,308	323,479	60,675	-
2	Rate of Return on Rate Base	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%
3	Total Return on Rate Base	694,396	89,752	17,166	174,745	1,021	123,301	206,201	59,644	19,003	3,564	-
4	Depreciation Expense	764,466	79,508	15,207	154,977	2,974	110,012	204,874	169,721	16,807	10,386	-
Taxes												
5	Income Tax	88,158	11,395	2,179	22,185	130	15,654	26,179	7,572	2,413	453	-
6	Property Tax	96,493	16,321	3,122	31,813	-	26,585	18,652	-	-	-	-
7	Total Taxes	184,651	27,716	5,301	53,998	130	42,239	44,830	7,572	2,413	453	-
Operating & Maintenance Expenses												
8	Cost of Gas	40,243	10,938	-	-	-	-	-	-	-	-	29,306
9	Storage	-	-	-	-	-	-	-	-	-	-	-
10	Transmission	-	-	-	-	-	-	-	-	-	-	-
11	Distribution	101,331	11,399	2,180	22,219	-	14,042	25,941	21,952	3,599	-	-
12	General Operating & Engineering	169,987	22,055	4,218	42,990	-	30,351	50,738	14,573	4,667	394	-
13	Sales Promotion & Merchandise	160,438	-	-	-	148,822	-	-	-	-	11,616	-
14	Distribution Customer Accounting Administrative & General Expense	114,551	-	-	-	-	-	-	-	-	114,551	-
15	Employee Benefits	126,991	10,887	2,082	21,221	12,943	14,224	24,540	10,493	2,554	28,047	-
16	Administrative & General	185,443	15,043	2,877	29,321	14,808	19,885	34,338	15,950	3,671	49,549	-
17	Total Operating & Maintenance Expenses	898,985	70,322	11,358	115,752	176,573	78,502	135,557	62,968	14,491	204,157	29,306
18	Total Revenue Requirement	2,542,498	267,297	49,033	499,471	180,697	354,054	591,462	299,905	52,713	218,559	29,306
19	Other Revenue	62,584	-	-	833	-	590	986	500	759	58,915	-
20	Total Revenue Requirement Less Other Revenue	2,479,915	267,297	49,033	498,639	180,697	353,464	590,476	299,405	51,955	159,644	29,306

2024 Cost Allocation Study - Harmonized Rate Classes
Revenue Requirement Summary by Rate Class

Line No.	Particulars (\$000s)	Revenue Requirement (a)	In-franchise Rate Classes											
			Rate E01 (b)	Rate E02 (c)	Rate E10 (d)	Rate E20 (F) (e)	Rate E20 (I) (f)	Rate E22 (F) (g)	Rate E22 (I) (h)	Rate E24 (F) (i)	Rate E24 (I) (j)	Rate E30 (k)	Rate E34 (l)	Rate E38 (m)
	Return on Rate Base													
1	Rate Base	16,184,285	10,516,969	3,325,075	580,908	426,904	1,927	40,732	3,989	300,296	13,081	11,649	3,233	10,800
2	Rate of Return on Rate Base	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%
3	Total Return on Rate Base	950,736	617,813	195,329	34,125	25,078	113	2,393	234	17,641	768	684	190	634
4	Depreciation Expense	920,995	638,885	175,680	27,915	18,667	101	2,280	213	13,639	681	614	314	476
	Taxes													
5	Income Tax	120,703	78,436	24,798	4,332	3,184	14	304	30	2,240	98	87	24	81
6	Property Tax	127,183	81,371	25,946	4,897	3,415	20	388	42	2,666	139	31	5	66
7	Total Taxes	247,885	159,806	50,744	9,230	6,598	35	692	72	4,905	237	118	29	146
	Operating & Maintenance Expenses													
8	Cost of Gas	3,251,984	2,039,994	1,003,263	100,820	11,495	142	1,237	62	5,652	67	8,438	2,015	2,978
9	Storage	30,285	14,694	9,462	1,952	1,400	0	2	0	219	0	35	0	268
10	Transmission	12,038	3,766	2,530	713	738	-	-	-	399	-	0	1	14
11	Distribution	101,331	74,974	20,082	2,605	1,416	14	326	30	1,397	98	83	40	-
12	General Operating & Engineering	197,654	137,524	38,998	6,450	4,158	28	600	57	3,323	189	136	58	89
13	Sales Promotion & Merchandise	160,438	103,931	31,779	15,402	3,938	75	1,624	94	895	17	1,414	1,064	-
14	Distribution Customer Accounting	125,998	114,932	5,971	3,802	377	-	231	-	66	-	257	199	-
	Administrative & General Expense													
15	Employee Benefits	148,388	104,854	26,027	7,535	2,950	20	585	37	1,819	95	374	275	101
16	Administrative & General	219,626	158,705	37,248	9,670	4,064	26	740	50	2,516	130	451	323	160
17	Total Operating & Maintenance Expenses	4,247,742	2,753,376	1,175,361	148,948	30,536	306	5,344	331	16,286	596	11,188	3,974	3,611
18	Total Revenue Requirement	6,367,357	4,169,880	1,597,114	220,218	80,880	554	10,709	850	52,470	2,283	12,604	4,508	4,867
19	Other Revenue	83,284	71,355	9,307	1,933	81	1	8	1	39	4	194	28	93
20	Total Revenue Requirement Less Other Revenue	6,284,073	4,098,525	1,587,807	218,285	80,799	553	10,701	849	52,431	2,279	12,410	4,480	4,774

2024 Cost Allocation Study - Harmonized Rate Classes
Revenue Requirement Summary by Rate Class (Continued)

Line No.	Particulars (\$000s)	Wholesale Rate Classes			Ex-franchise Rate Classes			
		Rate E60 (n)	Rate E62 (o)	Rate E64 (p)	Rate E70 (q)	Rate E72 (r)	Rate E80 (s)	Rate E82 (t)
	Return on Rate Base							
1	Rate Base	1,540	43,269	60,426	843,464	-	24	-
2	Rate of Return on Rate Base	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%	5.874%
3	Total Return on Rate Base	90	2,542	3,550	49,549	-	1	-
4	Depreciation Expense	80	1,675	2,544	37,229	-	0	-
	Taxes							
5	Income Tax	11	323	451	6,291	-	0	-
6	Property Tax	16	325	470	7,384	-	0	-
7	Total Taxes	28	648	921	13,675	-	0	-
	Operating & Maintenance Expenses							
8	Cost of Gas	45	37,584	1,409	36,209	450	123	-
9	Storage	-	237	347	1,667	-	0	-
10	Transmission	-	71	105	3,701	-	-	-
11	Distribution	11	98	157	-	-	-	-
12	General Operating & Engineering	22	381	561	5,080	-	0	-
13	Sales Promotion & Merchandise	-	72	112	21	-	-	-
14	Distribution Customer Accounting	-	159	5	-	-	-	-
	Administrative & General Expense							
15	Employee Benefits	11	270	365	3,070	-	0	-
16	Administrative & General	15	412	530	4,586	-	0	-
17	Total Operating & Maintenance Expenses	104	39,284	3,591	54,334	450	123	-
18	Total Revenue Requirement	303	44,149	10,605	154,787	450	125	-
19	Other Revenue	-	233	7	-	-	-	-
20	Total Revenue Requirement Less Other Revenue	303	43,916	10,599	154,787	450	125	-

2024 Cost Allocation Study - Harmonized Rate Classes
Functionalization

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Functionalized (d) = (a-b)	Functional Allocation Factor (e)	Gas Supply (f)	Storage (g)	Transmission (h)	Distribution (i)
<u>Gross Plant</u>										
1	Land	221,952	-		221,952	LAND	-	12,713	81,031	128,208
2	Land Rights	384,349	-		384,349	LANDRIGHTS	-	76,519	64,690	243,140
3	Structures & Improvements	566,013	-		566,013	STRUC&IMP	-	83,034	211,742	271,238
4	Measuring & Regulating	1,741,319	-		1,741,319	MEAS®	-	37,641	293,467	1,410,211
5	Mains	11,100,100	-		11,100,100	MAINS	-	-	2,318,862	8,781,238
6	Compressor Equipment	1,767,062	-		1,767,062	COMPRESSORS	-	373,232	1,361,921	31,909
7	Gas Holders Storage and Equipment	32,021	-		32,021	STORAGE	-	32,021	-	-
8	Wells and Lines	456,027	-		456,027	STORAGE	-	456,027	-	-
9	Base Pressure Gas	69,492	-		69,492	STORAGE	-	69,492	-	-
10	Services	5,593,131	-		5,593,131	DISTRIBUTION	-	-	-	5,593,131
11	Meters & Regulators	1,657,237	-		1,657,237	DISTRIBUTION	-	-	-	1,657,237
12	Customer Stations	169,809	-		169,809	DISTRIBUTION	-	-	-	169,809
13	Linepack	7,521	-		7,521	LINEPACK	-	499	4,522	2,500
14	Subtotal (sum lines 1 to 13)	<u>23,766,035</u>	<u>-</u>		<u>23,766,035</u>		<u>-</u>	<u>1,141,178</u>	<u>4,336,235</u>	<u>18,288,622</u>
15	General Plant	1,156,864	-		1,156,864	GENPLANT	-	63,000	152,672	941,192
16	Total Gross Plant (lines 14+15)	<u>24,922,899</u>	<u>-</u>		<u>24,922,899</u>		<u>-</u>	<u>1,204,178</u>	<u>4,488,907</u>	<u>19,229,814</u>
<u>Accumulated Depreciation</u>										
17	Land	-	-		-		-	-	-	-
18	Land Rights	(89,967)	-		(89,967)	LANDRIGHTS_AD	-	(48,801)	(17,443)	(23,723)
19	Structures & Improvements	(213,039)	-		(213,039)	STRUC&IMP_AD	-	(29,423)	(77,607)	(106,009)
20	Measuring & Regulating	(626,809)	-		(626,809)	MEAS®_AD	-	(30,585)	(92,653)	(503,572)
21	Mains	(4,016,864)	-		(4,016,864)	MAINS_AD	-	-	(723,065)	(3,293,799)
22	Compressor Equipment	(682,925)	-		(682,925)	COMPRESSORS_AD	-	(145,035)	(530,200)	(7,690)
23	Gas Holders Storage and Equipment	(17,453)	-		(17,453)	STORAGE	-	(17,453)	-	-
24	Wells and Lines	(129,517)	-		(129,517)	STORAGE	-	(129,517)	-	-
25	Base Pressure Gas	-	-		-		-	-	-	-
26	Services	(2,168,461)	-		(2,168,461)	DISTRIBUTION	-	-	-	(2,168,461)
27	Meters & Regulators	(673,621)	-		(673,621)	DISTRIBUTION	-	-	-	(673,621)
28	Customer Stations	(62,258)	-		(62,258)	DISTRIBUTION	-	-	-	(62,258)
29	Linepack	-	-		-		-	-	-	-
30	Subtotal (sum line 17 to 29)	<u>(8,680,915)</u>	<u>-</u>		<u>(8,680,915)</u>		<u>-</u>	<u>(400,814)</u>	<u>(1,440,967)</u>	<u>(6,839,134)</u>
31	General Plant	(615,764)	-		(615,764)	GENPLANT	-	(33,533)	(81,263)	(500,968)
32	Total Accumulated Depreciation (lines 30+31)	<u>(9,296,679)</u>	<u>-</u>		<u>(9,296,679)</u>		<u>-</u>	<u>(434,347)</u>	<u>(1,522,230)</u>	<u>(7,340,102)</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Functionalization (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Functionalized (d) = (a-b)	Functional Allocation Factor (e)	Gas Supply (f)	Storage (g)	Transmission (h)	Distribution (i)
<u>Net Plant</u>										
33	Land	221,952	-		221,952		-	12,713	81,031	128,208
34	Land Rights	294,383	-		294,383		-	27,718	47,248	219,417
35	Structures & Improvements	352,974	-		352,974		-	53,610	134,135	165,228
36	Measuring & Regulating	1,114,510	-		1,114,510		-	7,056	200,814	906,639
37	Mains	7,083,237	-		7,083,237		-	-	1,595,797	5,487,439
38	Compressor Equipment	1,084,137	-		1,084,137		-	228,198	831,721	24,219
39	Gas Holders Storage and Equipment	14,568	-		14,568		-	14,568	-	-
40	Wells and Lines	326,510	-		326,510		-	326,510	-	-
41	Base Pressure Gas	69,492	-		69,492		-	69,492	-	-
42	Services	3,424,670	-		3,424,670		-	-	-	3,424,670
43	Meters & Regulators	983,616	-		983,616		-	-	-	983,616
44	Customer Stations	107,551	-		107,551		-	-	-	107,551
45	Linepack	7,521	-		7,521		-	499	4,522	2,500
46	Subtotal (sum lines 33 to 45)	15,085,120	-		15,085,120		-	740,365	2,895,268	11,449,487
47	General Plant	541,101	-		541,101		-	29,467	71,409	440,224
48	Total Net Plant (lines 46+47)	15,626,221	-		15,626,221		-	769,832	2,966,677	11,889,712
<u>Working Capital</u>										
49	Materials and Supplies	106,990	-		106,990	NETPLANT	-	4,815	20,382	81,793
50	DCB Receivable/(Payable)	(5,076)	-		(5,076)	NETPLANT	-	(228)	(967)	(3,881)
51	Customer Security Deposits	(60,186)	-		(60,186)	NETPLANT	-	(2,709)	(11,466)	(46,012)
52	Gas in Storage	648,411	-		648,411	STORAGE	-	648,411	-	-
53	Working Cash Allowance	(132,075)	-		(132,075)	NETPLANT	-	(5,944)	(25,161)	(100,970)
54	Subtotal (sum lines 49 to 53)	558,064	-		558,064		-	644,345	(17,211)	(69,069)
55	Total Rate Base (lines 48+54)	16,184,285	-		16,184,285		-	1,414,177	2,949,466	11,820,642
56	Percent Return on Rate Base	5.874%	0.000%		5.874%		5.874%	5.874%	5.874%	5.874%
57	Return on Rate Base (line 55 x line 56)	950,736	-		950,736		-	83,075	173,265	694,396
<u>Depreciation Expense</u>										
58	Storage, Transmission, and Distribution	823,073	-		823,073	DEPEXP	-	30,302	103,658	689,113
59	General Plant	97,921	-		97,921	GENPLANT_DEPEXP	-	4,702	17,866	75,353
60	Total Depreciation Expense	920,995	-		920,995		-	35,004	121,524	764,466
<u>Income & Property Taxes</u>										
61	Income Taxes	120,703	-		120,703	RATEBASE	-	10,547	21,997	88,158
62	Property Taxes	127,183	-		127,183	PROPTAX	-	4,388	26,302	96,493
63	Total Taxes	247,885	-		247,885		-	14,935	48,299	184,651

2024 Cost Allocation Study - Harmonized Rate Classes
Functionalization (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Functionalized (d) = (a-b)	Functional Allocation Factor (e)	Gas Supply (f)	Storage (g)	Transmission (h)	Distribution (i)
<u>Operating & Maintenance (O&M) Expenses</u>										
Cost of Gas										
64	Gas Supply Commodity	3,112,816	-		3,112,816	GASSUPPLY	3,112,816	-	-	-
65	Compressor Fuel	35,306	-		35,306	COMPFUEL	-	8,340	26,966	-
66	Unaccounted For Gas	56,100	-		56,100	UFG	-	12,127	17,164	26,809
67	Company Use Gas	3,884	-		3,884	OWN_USE_GAS	-	283	1,105	2,497
68	Market Based Storage	13,947	-		13,947	STORAGE	-	13,947	-	-
69	Parkway Delivery Commitment Incentive	17,708	-		17,708	TRANSMISSION	-	-	17,708	-
70	Other Transportation	12,223	-		12,223	GS_OTHERTRANS	-	-	1,285	10,938
Storage										
71	Local Storage	1,640	-		1,640	STORAGE	-	1,640	-	-
72	Supervision	17,097	-		17,097	STOR_SUPER_O&M	-	14,118	2,979	-
73	Storage Wells & Lines	1,307	-		1,307	STORAGE	-	1,307	-	-
74	Compressor	3,788	-		3,788	DAWN_COMP_O&M	-	1,490	2,298	-
75	Measuring & Regulating	418	-		418	STORAGE	-	418	-	-
76	Dehydration	192	-		192	STORAGE	-	192	-	-
77	Rents	4,026	-		4,026	STORAGE	-	4,026	-	-
78	Other Storage	1,816	-		1,816	STORAGE	-	1,816	-	-
Transmission										
79	Supervision	3,741	-		3,741	TRANSMISSION	-	-	3,741	-
80	Lines	184	-		184	TRANSMISSION	-	-	184	-
81	Compressor	5,613	-		5,613	TRANSMISSION	-	-	5,613	-
82	Measuring & Regulating	2,500	-		2,500	TRANSMISSION	-	-	2,500	-
Distribution										
83	Supervision	10,617	-		10,617	DISTRIBUTION	-	-	-	10,617
84	Meter & Regulator	22,131	-		22,131	DISTRIBUTION	-	-	-	22,131
85	Service & Equipment on Customer Premise	-	-		-	DISTRIBUTION	-	-	-	-
86	Mains & Services	59,330	-		59,330	DISTRIBUTION	-	-	-	59,330
87	Measuring & Regulating	8,901	-		8,901	DISTRIBUTION	-	-	-	8,901
88	Other Distribution	353	-		353	DISTRIBUTION	-	-	-	353
General Operating & Engineering										
89	System Operation & Engineering	197,654	2,941	DP_GS_GENOPS	194,714	GENOPS&ENG	2,546	7,272	17,849	169,987
Sales Promotion & Merchandise										
90	Sales Promotion & Supervision	11,616	-		11,616	DISTRIBUTION	-	-	-	11,616
91	Demand Side Management - Program	118,116	-		118,116	DISTRIBUTION	-	-	-	118,116
92	Demand Side Management - Administration	30,707	-		30,707	DISTRIBUTION	-	-	-	30,707
Distribution Customer Accounting										
93	Supervision	4,295	1,708	DP_GS_CUSTACCT	2,586	DISTRIBUTION	1,295	-	-	2,999
94	Customer Contracts & Orders	19,535	-		19,535	DISTRIBUTION	-	-	-	19,535
95	Meter Reading	23,437	-		23,437	DISTRIBUTION	-	-	-	23,437
96	Customer Billing, Accounting and Bill Delivery	47,499	-		47,499	DISTRIBUTION	-	-	-	47,499
97	Large Volume Customer Care	3,006	-		3,006	DISTRIBUTION	-	-	-	3,006
98	Credit & Collection	6,259	-		6,259	DISTRIBUTION	-	-	-	6,259
99	Uncollectible Accounts	21,966	10,151	GS_BADDEBT	11,815	DISTRIBUTION	10,151	-	-	11,815
Administrative & General Expense										
100	Employee Benefits	148,388	2,531	DP_GS_EMPBEN	145,857	LABOUR	2,104	8,824	10,469	126,991
101	Administrative & General	219,626	5,866	DP_GS_A&G	213,760	O&M	4,759	13,944	15,481	185,443
102	Total O&M Expenses (sum lines 64 to 101)	<u>4,247,742</u>	<u>23,198</u>		<u>4,224,544</u>		<u>3,133,672</u>	<u>89,744</u>	<u>125,341</u>	<u>898,985</u>
103	Total Revenue Requirement (lines 57+60+63+102)	<u>6,367,357</u>	<u>23,198</u>		<u>6,344,160</u>		<u>3,133,672</u>	<u>222,758</u>	<u>468,429</u>	<u>2,542,498</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Gas Supply Classification

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Gas Supply Classification Factor (e)	Gas Supply Commodity (f)	Load Balancing Transport (g)	Load Balancing Commodity (h)	Transportation Demand (i)	Transportation Commodity (j)	Admin (k)
<u>Gross Plant</u>												
1	Land	-	-		-		-	-	-	-	-	-
2	Land Rights	-	-		-		-	-	-	-	-	-
3	Structures & Improvements	-	-		-		-	-	-	-	-	-
4	Measuring & Regulating	-	-		-		-	-	-	-	-	-
5	Mains	-	-		-		-	-	-	-	-	-
6	Compressor Equipment	-	-		-		-	-	-	-	-	-
7	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-
8	Wells and Lines	-	-		-		-	-	-	-	-	-
9	Base Pressure Gas	-	-		-		-	-	-	-	-	-
10	Services	-	-		-		-	-	-	-	-	-
11	Meters & Regulators	-	-		-		-	-	-	-	-	-
12	Customer Stations	-	-		-		-	-	-	-	-	-
13	Linepack	-	-		-		-	-	-	-	-	-
14	Subtotal (sum lines 1 to 13)	-	-		-		-	-	-	-	-	-
15	General Plant	-	-		-		-	-	-	-	-	-
16	Total Gross Plant (lines 14+15)	-	-		-		-	-	-	-	-	-
<u>Accumulated Depreciation</u>												
17	Land	-	-		-		-	-	-	-	-	-
18	Land Rights	-	-		-		-	-	-	-	-	-
19	Structures & Improvements	-	-		-		-	-	-	-	-	-
20	Measuring & Regulating	-	-		-		-	-	-	-	-	-
21	Mains	-	-		-		-	-	-	-	-	-
22	Compressor Equipment	-	-		-		-	-	-	-	-	-
23	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-
24	Wells and Lines	-	-		-		-	-	-	-	-	-
25	Base Pressure Gas	-	-		-		-	-	-	-	-	-
26	Services	-	-		-		-	-	-	-	-	-
27	Meters & Regulators	-	-		-		-	-	-	-	-	-
28	Customer Stations	-	-		-		-	-	-	-	-	-
29	Linepack	-	-		-		-	-	-	-	-	-
30	Subtotal (sum line 17 to 29)	-	-		-		-	-	-	-	-	-
31	General Plant	-	-		-		-	-	-	-	-	-
32	Total Accumulated Depreciation (lines 30+31)	-	-		-		-	-	-	-	-	-

2024 Cost Allocation Study - Harmonized Rate Classes
Gas Supply Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Gas Supply Classification Factor (e)	Gas Supply Commodity (f)	Load Balancing Transport (g)	Load Balancing Commodity (h)	Transportation Demand (i)	Transportation Commodity (j)	Admin (k)
<u>Net Plant</u>												
33	Land	-	-		-		-	-	-	-	-	-
34	Land Rights	-	-		-		-	-	-	-	-	-
35	Structures & Improvements	-	-		-		-	-	-	-	-	-
36	Measuring & Regulating	-	-		-		-	-	-	-	-	-
37	Mains	-	-		-		-	-	-	-	-	-
38	Compressor Equipment	-	-		-		-	-	-	-	-	-
39	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-
40	Wells and Lines	-	-		-		-	-	-	-	-	-
41	Base Pressure Gas	-	-		-		-	-	-	-	-	-
42	Services	-	-		-		-	-	-	-	-	-
43	Meters & Regulators	-	-		-		-	-	-	-	-	-
44	Customer Stations	-	-		-		-	-	-	-	-	-
45	Linepack	-	-		-		-	-	-	-	-	-
46	Subtotal (sum lines 33 to 45)	-	-		-		-	-	-	-	-	-
47	General Plant	-	-		-		-	-	-	-	-	-
48	Total Net Plant (lines 46+47)	-	-		-		-	-	-	-	-	-
<u>Working Capital</u>												
49	Materials and Supplies	-	-		-		-	-	-	-	-	-
50	DCB Receivable/(Payable)	-	-		-		-	-	-	-	-	-
51	Customer Security Deposits	-	-		-		-	-	-	-	-	-
52	Gas in Storage	-	-		-		-	-	-	-	-	-
53	Working Cash Allowance	-	-		-		-	-	-	-	-	-
54	Subtotal (sum lines 49 to 53)	-	-		-		-	-	-	-	-	-
55	Total Rate Base (lines 48+54)	-	-		-		-	-	-	-	-	-
56	Percent Return on Rate Base	5.874%	5.874%		5.874%		5.874%	5.874%	5.874%	5.874%	5.874%	5.874%
57	Return on Rate Base (line 55 x line 56)	-	-		-		-	-	-	-	-	-
<u>Depreciation Expense</u>												
58	Storage, Transmission, and Distribution	-	-		-		-	-	-	-	-	-
59	General Plant	-	-		-		-	-	-	-	-	-
60	Total Depreciation Expense	-	-		-		-	-	-	-	-	-
<u>Income & Property Taxes</u>												
61	Income Taxes	-	-		-		-	-	-	-	-	-
62	Property Taxes	-	-		-		-	-	-	-	-	-
63	Total Taxes	-	-		-		-	-	-	-	-	-

2024 Cost Allocation Study - Harmonized Rate Classes
Gas Supply Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Gas Supply Classification Factor (e)	Gas Supply Commodity (f)	Load Balancing Transport (g)	Load Balancing Commodity (h)	Transportation Demand (i)	Transportation Commodity (j)	Admin (k)
<u>Operating & Maintenance (O&M) Expenses</u>												
Cost of Gas												
64	Gas Supply Commodity	3,112,816	-		3,112,816	GASSUPPLY_CLASS	2,728,041	175,236	23,591	162,050	23,899	-
65	Compressor Fuel	-	-		-		-	-	-	-	-	-
66	Unaccounted For Gas	-	-		-		-	-	-	-	-	-
67	Company Use Gas	-	-		-		-	-	-	-	-	-
68	Market Based Storage	-	-		-		-	-	-	-	-	-
69	Parkway Delivery Commitment Incentive	-	-		-		-	-	-	-	-	-
70	Other Transportation	-	-		-		-	-	-	-	-	-
Storage												
71	Local Storage	-	-		-		-	-	-	-	-	-
72	Supervision	-	-		-		-	-	-	-	-	-
73	Storage Wells & Lines	-	-		-		-	-	-	-	-	-
74	Compressor	-	-		-		-	-	-	-	-	-
75	Measuring & Regulating	-	-		-		-	-	-	-	-	-
76	Dehydration	-	-		-		-	-	-	-	-	-
77	Rents	-	-		-		-	-	-	-	-	-
78	Other Storage	-	-		-		-	-	-	-	-	-
Transmission												
79	Supervision	-	-		-		-	-	-	-	-	-
80	Lines	-	-		-		-	-	-	-	-	-
81	Compressor	-	-		-		-	-	-	-	-	-
82	Measuring & Regulating	-	-		-		-	-	-	-	-	-
Distribution												
83	Supervision	-	-		-		-	-	-	-	-	-
84	Meter & Regulator	-	-		-		-	-	-	-	-	-
85	Service & Equipment on Customer Premise	-	-		-		-	-	-	-	-	-
86	Mains & Services	-	-		-		-	-	-	-	-	-
87	Measuring & Regulating	-	-		-		-	-	-	-	-	-
88	Other Distribution	-	-		-		-	-	-	-	-	-
General Operating & Engineering												
89	System Operation & Engineering	2,546	-		2,546	ADMIN	-	-	-	-	-	2,546
Sales Promotion & Merchandise												
90	Sales Promotion & Supervision	-	-		-		-	-	-	-	-	-
91	Demand Side Management - Program	-	-		-		-	-	-	-	-	-
92	Demand Side Management - Administration	-	-		-		-	-	-	-	-	-
Distribution Customer Accounting												
93	Supervision	1,295	-		1,295	ADMIN	-	-	-	-	-	1,295
94	Customer Contracts & Orders	-	-		-		-	-	-	-	-	-
95	Meter Reading	-	-		-		-	-	-	-	-	-
96	Customer Billing, Accounting and Bill Delivery	-	-		-		-	-	-	-	-	-
97	Large Volume Customer Care	-	-		-		-	-	-	-	-	-
98	Credit & Collection	-	-		-		-	-	-	-	-	-
99	Uncollectible Accounts	10,151	-		10,151	ADMIN	-	-	-	-	-	10,151
Administrative & General Expense												
100	Employee Benefits	2,104	-		2,104	ADMIN	-	-	-	-	-	2,104
101	Administrative & General	4,759	-		4,759	ADMIN	-	-	-	-	-	4,759
102	Total O&M Expenses (sum lines 64 to 101)	<u>3,133,672</u>	<u>-</u>		<u>3,133,672</u>		<u>2,728,041</u>	<u>175,236</u>	<u>23,591</u>	<u>162,050</u>	<u>23,899</u>	<u>20,856</u>
103	Total Revenue Requirement (lines 57+60+63+102)	<u>3,133,672</u>	<u>-</u>		<u>3,133,672</u>		<u>2,728,041</u>	<u>175,236</u>	<u>23,591</u>	<u>162,050</u>	<u>23,899</u>	<u>20,856</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Gas Supply Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Gas Supply Classification Factor (e)	Gas Supply Commodity (f)	Load Balancing Transport (g)	Load Balancing Commodity (h)	Transportation Demand (i)	Transportation Commodity (j)	Admin (k)
<u>Other Revenue</u>												
104	Direct Purchase Administration	2,943	-		2,943	ADMIN	-	-	-	-	-	2,943
105	DCB/ABC Fee	2,422	-		2,422	ADMIN	-	-	-	-	-	2,422
106	Gas Supply Optimization	15,337	-		15,337	OPTIMIZATION	-	7,968	-	7,369	-	-
107	Late Payment Penalties	-	-		-		-	-	-	-	-	-
108	Customer Accounting Charge	-	-		-		-	-	-	-	-	-
109	Other Income	-	-		-		-	-	-	-	-	-
110	Other Revenue Surcharges	-	-		-		-	-	-	-	-	-
111	Total Other Revenue (sum lines 104 to 110)	<u>20,701</u>	<u>-</u>		<u>20,701</u>		<u>-</u>	<u>7,968</u>	<u>-</u>	<u>7,369</u>	<u>-</u>	<u>5,364</u>
112	Total Revenue Requirement											
	Less Other Revenue (line 103 - line 111)	<u>3,112,972</u>	<u>-</u>		<u>3,112,972</u>		<u>2,728,041</u>	<u>167,268</u>	<u>23,591</u>	<u>154,682</u>	<u>23,899</u>	<u>15,492</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Storage Classification

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Storage Classification Factor (e)	Storage Demand			Storage Commodity (i)
							Deliverability (f)	Space (g)	Operational Contingency (h)	
<u>Gross Plant</u>										
1	Land	12,713	7	LNG_LAND	12,706	DELIVERABILITY	12,713	-	-	-
2	Land Rights	76,519	-		76,519	DEL_SPACE_OPCON	38,260	35,266	2,994	-
3	Structures & Improvements	83,034	8,437	LNG_STRUCTURES	74,596	DELIVERABILITY	83,034	-	-	-
4	Measuring & Regulating	37,641	-		37,641	DELIVERABILITY	37,641	-	-	-
5	Mains	-	-		-		-	-	-	-
6	Compressor Equipment	373,232	-		373,232	DELIVERABILITY	373,232	-	-	-
7	Gas Holders Storage and Equipment	32,021	32,021	LNG_EQUIPMENT	-	DELIVERABILITY	32,021	-	-	-
8	Wells and Lines	456,027	-		456,027	DEL_SPACE_OPCON	228,013	210,172	17,842	-
9	Base Pressure Gas	69,492	-		69,492	SPACE_OPCON	-	64,055	5,438	-
10	Services	-	-		-		-	-	-	-
11	Meters & Regulators	-	-		-		-	-	-	-
12	Customer Stations	-	-		-		-	-	-	-
13	Linepack	499	-		499	DELIVERABILITY	499	-	-	-
14	Subtotal (sum lines 1 to 13)	<u>1,141,178</u>	<u>40,466</u>		<u>1,100,713</u>		<u>805,413</u>	<u>309,492</u>	<u>26,273</u>	<u>-</u>
15	General Plant	63,000	-		63,000	STOR_GENPLANT	44,893	16,691	1,417	-
16	Total Gross Plant (lines 14+15)	<u>1,204,178</u>	<u>40,466</u>		<u>1,163,713</u>		<u>850,306</u>	<u>326,183</u>	<u>27,690</u>	<u>-</u>
<u>Accumulated Depreciation</u>										
17	Land	-	-		-	DELIVERABILITY	-	-	-	-
18	Land Rights	(48,801)	-		(48,801)	DEL_SPACE_OPCON	(24,401)	(22,491)	(1,909)	-
19	Structures & Improvements	(29,423)	(3,182)	LNG_STRUCTURES_AD	(26,241)	DELIVERABILITY	(29,423)	-	-	-
20	Measuring & Regulating	(30,585)	-		(30,585)	DELIVERABILITY	(30,585)	-	-	-
21	Mains	-	-		-		-	-	-	-
22	Compressor Equipment	(145,035)	-		(145,035)	DELIVERABILITY	(145,035)	-	-	-
23	Gas Holders Storage and Equipment	(17,453)	(17,453)	LNG_EQUIPMENT_AD	-	DELIVERABILITY	(17,453)	-	-	-
24	Wells and Lines	(129,517)	-		(129,517)	DEL_SPACE_OPCON	(64,758)	(59,691)	(5,067)	-
25	Base Pressure Gas	-	-		-	SPACE_OPCON	-	-	-	-
26	Services	-	-		-		-	-	-	-
27	Meters & Regulators	-	-		-		-	-	-	-
28	Customer Stations	-	-		-		-	-	-	-
29	Linepack	-	-		-	DELIVERABILITY	-	-	-	-
30	Subtotal (sum line 17 to 29)	<u>(400,814)</u>	<u>(20,635)</u>		<u>(380,178)</u>		<u>(311,654)</u>	<u>(82,183)</u>	<u>(6,977)</u>	<u>-</u>
31	General Plant	(33,533)	-		(33,533)	STOR_GENPLANT	(23,895)	(8,884)	(754)	-
32	Total Accumulated Depreciation (lines 30+31)	<u>(434,347)</u>	<u>(20,635)</u>		<u>(413,711)</u>		<u>(335,549)</u>	<u>(91,067)</u>	<u>(7,731)</u>	<u>-</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Storage Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Storage Classification Factor (e)	Storage Demand			Storage Commodity (i)
							Deliverability (f)	Space (g)	Operational Contingency (h)	
<u>Net Plant</u>										
33	Land	12,713	7		12,706		12,713	-	-	-
34	Land Rights	27,718	-		27,718		13,859	12,774	1,084	-
35	Structures & Improvements	53,610	5,255		48,356		53,610	-	-	-
36	Measuring & Regulating	7,056	-		7,056		7,056	-	-	-
37	Mains	-	-		-		-	-	-	-
38	Compressor Equipment	228,198	-		228,198		228,198	-	-	-
39	Gas Holders Storage and Equipment	14,568	14,568		-		14,568	-	-	-
40	Wells and Lines	326,510	-		326,510		163,255	150,480	12,774	-
41	Base Pressure Gas	69,492	-		69,492		-	64,055	5,438	-
42	Services	-	-		-		-	-	-	-
43	Meters & Regulators	-	-		-		-	-	-	-
44	Customer Stations	-	-		-		-	-	-	-
45	Linepack	499	-		499		499	-	-	-
46	Subtotal (sum lines 33 to 45)	<u>740,365</u>	<u>19,830</u>		<u>720,534</u>		<u>493,759</u>	<u>227,310</u>	<u>19,296</u>	<u>-</u>
47	General Plant	29,467	-		29,467		20,998	7,807	663	-
48	Total Net Plant (lines 46+47)	<u>769,832</u>	<u>19,830</u>		<u>750,001</u>		<u>514,756</u>	<u>235,116</u>	<u>19,959</u>	<u>-</u>
<u>Working Capital</u>										
49	Materials and Supplies	4,815	-		4,815	STOR_NETPLANT	3,543	1,173	100	-
50	DCB Receivable/(Payable)	(228)	-		(228)	STOR_NETPLANT	(168)	(56)	(5)	-
51	Customer Security Deposits	(2,709)	-		(2,709)	STOR_NETPLANT	(1,993)	(660)	(56)	-
52	Gas in Storage	648,411	-		648,411	GASINSTORAGE	-	591,069	57,342	-
53	Working Cash Allowance	(5,944)	-		(5,944)	STOR_NETPLANT	(4,374)	(1,448)	(123)	-
54	Subtotal (sum lines 49 to 53)	<u>644,345</u>	<u>-</u>		<u>644,345</u>		<u>(2,992)</u>	<u>590,079</u>	<u>57,257.97</u>	<u>-</u>
55	Total Rate Base (lines 48+54)	<u>1,414,177</u>	<u>19,830</u>		<u>1,394,346</u>		<u>511,764</u>	<u>825,195</u>	<u>77,217</u>	<u>-</u>
56	Percent Return on Rate Base	5.87%	5.87%		5.87%		5.87%	5.87%	5.87%	5.87%
57	Return on Rate Base (line 55 x line 56)	<u>83,075</u>	<u>1,165</u>		<u>81,910</u>		<u>30,063</u>	<u>48,476</u>	<u>4,536</u>	<u>-</u>
<u>Depreciation Expense</u>										
58	Storage, Transmission, and Distribution	30,302	-		30,302	STOR_DEPEXP	22,769	6,944	589	-
59	General Plant	4,702	-		4,702	STOR_GENPLANT	3,350	1,246	106	-
60	Total Depreciation Expense	<u>35,004</u>	<u>-</u>		<u>35,004</u>		<u>26,120</u>	<u>8,189</u>	<u>695</u>	<u>-</u>
<u>Income & Property Taxes</u>										
61	Income Taxes	10,547	-		10,547	STOR_RATEBASE	3,817	6,154	576	-
62	Property Taxes	4,388	-		4,388	STOR_PROPTAX	4,323	60	5	-
63	Total Taxes	<u>14,935</u>	<u>-</u>		<u>14,935</u>		<u>8,139</u>	<u>6,215</u>	<u>581</u>	<u>-</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Storage Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Storage Classification Factor (e)	Storage Demand			Storage Commodity (i)
							Deliverability (f)	Space (g)	Operational Contingency (h)	
<u>Operating & Maintenance (O&M) Expenses</u>										
Cost of Gas										
64	Gas Supply Commodity	-	-		-		-	-	-	-
65	Compressor Fuel	8,340	-		8,340	STOR_COMM	-	-	-	8,340
66	Unaccounted For Gas	12,127	-		12,127	STOR_COMM	-	-	-	12,127
67	Company Use Gas	283	-		283	STOR_COMM	-	-	-	283
68	Market Based Storage	13,947	701	MKTSTORFUEL	13,246	MKTSTOR_DEMAND	9,952	3,294	-	701
69	Parkway Delivery Commitment Incentive	-	-		-		-	-	-	-
70	Other Transportation	-	-		-		-	-	-	-
Storage										
71	Local Storage	1,640	1,640	LNG_O&M	-		1,640	-	-	-
72	Supervision	14,118	-		14,118	STOR_SUPER	9,483	4,272	363	-
73	Storage Wells & Lines	1,307	-		1,307	DEL_SPACE_OPCON	654	603	51	-
74	Compressor	1,490	-		1,490	DELIVERABILITY	1,490	-	-	-
75	Measuring & Regulating	418	-		418	DELIVERABILITY	418	-	-	-
76	Dehydration	192	-		192	DELIVERABILITY	192	-	-	-
77	Rents	4,026	-		4,026	DEL_SPACE_OPCON	2,013	1,856	158	-
78	Other Storage	1,816	-		1,816	DEL_SPACE_OPCON	908	837	71	-
Transmission										
79	Supervision	-	-		-		-	-	-	-
80	Lines	-	-		-		-	-	-	-
81	Compressor	-	-		-		-	-	-	-
82	Measuring & Regulating	-	-		-		-	-	-	-
Distribution										
83	Supervision	-	-		-		-	-	-	-
84	Meter & Regulator	-	-		-		-	-	-	-
85	Service & Equipment on Customer Premise	-	-		-		-	-	-	-
86	Mains & Services	-	-		-		-	-	-	-
87	Measuring & Regulating	-	-		-		-	-	-	-
88	Other Distribution	-	-		-		-	-	-	-
General Operating & Engineering										
89	System Operation & Engineering	7,272	-		7,272	STOR_NETPLANT	5,350	1,771	150	-
Sales Promotion & Merchandise										
90	Sales Promotion & Supervision	-	-		-		-	-	-	-
91	Demand Side Management - Program	-	-		-		-	-	-	-
92	Demand Side Management - Administration	-	-		-		-	-	-	-
Distribution Customer Accounting										
93	Supervision	-	-		-		-	-	-	-
94	Customer Contracts & Orders	-	-		-		-	-	-	-
95	Meter Reading	-	-		-		-	-	-	-
96	Customer Billing, Accounting and Bill Delivery	-	-		-		-	-	-	-
97	Large Volume Customer Care	-	-		-		-	-	-	-
98	Credit & Collection	-	-		-		-	-	-	-
99	Uncollectible Accounts	-	-		-		-	-	-	-
Administrative & General Expense										
100	Employee Benefits	8,824	-		8,824	STOR_LABOUR	6,187	2,431	206	-
101	Administrative & General	13,944	-		13,944	STOR_O&M	9,612	3,993	339	-
102	Total O&M Expenses (sum lines 64 to 101)	<u>89,744</u>	<u>2,341</u>		<u>87,403</u>		<u>47,899</u>	<u>19,056</u>	<u>1,338</u>	<u>21,451</u>
103	Total Revenue Requirement (lines 57+60+63+102)	<u>222,758</u>	<u>3,506</u>		<u>219,252</u>		<u>112,222</u>	<u>81,935</u>	<u>7,150</u>	<u>21,451</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Storage Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Storage Classification Factor (e)	Storage Demand			Storage Commodity (i)
							Deliverability (f)	Space (g)	Operational Contingency (h)	
<u>Other Revenue</u>										
104	Direct Purchase Administration	-	-		-		-	-	-	-
105	DCB/ABC Fee	-	-		-		-	-	-	-
106	Gas Supply Optimization	-	-		-		-	-	-	-
107	Late Payment Penalties	-	-		-		-	-	-	-
108	Customer Accounting Charge	-	-		-		-	-	-	-
109	Other Income	-	-		-		-	-	-	-
110	Other Revenue Surcharges	-	-		-		-	-	-	-
111	Total Other Revenue (sum lines 104 to 110)	<u>-</u>	<u>-</u>		<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
112	Total Revenue Requirement Less Other Revenue (line 103 - line 111)	<u>222,758</u>	<u>3,506</u>		<u>219,252</u>		<u>112,222</u>	<u>81,935</u>	<u>7,150</u>	<u>21,451</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Transmission Classification

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Transmission Classification Factor (e)	Transmission Demand						Transmission Commodity (l)
							Dawn Station (f)	Kirkwall Station (g)	Parkway Station (h)	Dawn Parkway (i)	Albion (j)	Panhandle St. Clair (k)	
<u>Gross Plant</u>													
1	Land	81,031	-		81,031	TRANS_LAND	4,168	-	30,938	40,451	43	5,431	-
2	Land Rights	64,690	-		64,690	TRANS_LANDRIGHTS	-	-	428	34,299	19,861	10,103	-
3	Structures & Improvements	211,742	-		211,742	TRANS_STRUC&IMP	38,228	2,160	79,367	86,946	-	5,042	-
4	Measuring & Regulating	293,467	-		293,467	TRANS_MEAS®	73,972	14,563	58,892	-	3,464	142,576	-
5	Mains	2,318,862	-		2,318,862	TRANS_MAINS	-	122	8,228	1,300,861	368,401	641,249	-
6	Compressor Equipment	1,361,921	-		1,361,921	TRANS_COMPRESSORS	-	-	308,461	1,038,455	-	15,004	-
7	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-	-
8	Wells and Lines	-	-		-		-	-	-	-	-	-	-
9	Base Pressure Gas	-	-		-		-	-	-	-	-	-	-
10	Services	-	-		-		-	-	-	-	-	-	-
11	Meters & Regulators	-	-		-		-	-	-	-	-	-	-
12	Customer Stations	-	-		-		-	-	-	-	-	-	-
13	Linepack	4,522	-		4,522	TRANS_LINEPACK	-	-	41	3,728	143	610	-
14	Subtotal (sum lines 1 to 13)	4,336,235	-		4,336,235		116,368	16,844	486,356	2,504,739	391,912	820,017	-
15	General Plant	152,672	-		152,672	TRANS_GENPLANT	13,909	670	18,121	72,509	13,672	33,792	-
16	Total Gross Plant (lines 14+15)	4,488,907	-		4,488,907		130,276	17,514	504,477	2,577,247	405,584	853,809	-
<u>Accumulated Depreciation</u>													
17	Land	-	-		-		-	-	-	-	-	-	-
18	Land Rights	(17,443)	-		(17,443)	TRANS_LANDRIGHTS_AD	-	-	(81)	(14,091)	(1,505)	(1,765)	-
19	Structures & Improvements	(77,607)	-		(77,607)	TRANS_STRUC&IMP_AD	(23,757)	(1,069)	(24,564)	(25,315)	-	(2,901)	-
20	Measuring & Regulating	(92,653)	-		(92,653)	TRANS_MEAS®_AD	(33,736)	(9,154)	(18,616)	-	(458)	(30,690)	-
21	Mains	(723,065)	-		(723,065)	TRANS_MAINS_AD	-	(7)	(1,785)	(585,103)	(53,210)	(82,960)	-
22	Compressor Equipment	(530,200)	-		(530,200)	TRANS_COMPRESSORS_AD	-	-	(125,107)	(395,914)	-	(9,178)	-
23	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-	-
24	Wells and Lines	-	-		-		-	-	-	-	-	-	-
25	Base Pressure Gas	-	-		-		-	-	-	-	-	-	-
26	Services	-	-		-		-	-	-	-	-	-	-
27	Meters & Regulators	-	-		-		-	-	-	-	-	-	-
28	Customer Stations	-	-		-		-	-	-	-	-	-	-
29	Linepack	-	-		-		-	-	-	-	-	-	-
30	Subtotal (sum line 17 to 29)	(1,440,967)	-		(1,440,967)		(57,493)	(10,230)	(170,152)	(1,020,424)	(55,172)	(127,495)	-
31	General Plant	(81,263)	-		(81,263)	TRANS_GENPLANT	(7,403)	(356)	(9,645)	(38,594)	(7,277)	(17,987)	-
32	Total Accumulated Depreciation (lines 30+31)	(1,522,230)	-		(1,522,230)		(64,896)	(10,587)	(179,798)	(1,059,018)	(62,449)	(145,481)	-

2024 Cost Allocation Study - Harmonized Rate Classes
Transmission Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Transmission Classification Factor (e)	Transmission Demand						Transmission Commodity (l)
							Dawn Station (f)	Kirkwall Station (g)	Parkway Station (h)	Dawn Parkway (i)	Albion (j)	Panhandle St. Clair (k)	
<u>Net Plant</u>													
33	Land	81,031	-		81,031		4,168	-	30,938	40,451	43	5,431	-
34	Land Rights	47,248	-		47,248		-	-	347	20,208	18,356	8,337	-
35	Structures & Improvements	134,135	-		134,135		14,471	1,091	54,803	61,631	-	2,141	-
36	Measuring & Regulating	200,814	-		200,814		40,236	5,408	40,276	-	3,006	111,887	-
37	Mains	1,595,797	-		1,595,797		-	115	6,443	715,758	315,192	558,290	-
38	Compressor Equipment	831,721	-		831,721		-	-	183,354	642,541	-	5,826	-
39	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-	-
40	Wells and Lines	-	-		-		-	-	-	-	-	-	-
41	Base Pressure Gas	-	-		-		-	-	-	-	-	-	-
42	Services	-	-		-		-	-	-	-	-	-	-
43	Meters & Regulators	-	-		-		-	-	-	-	-	-	-
44	Customer Stations	-	-		-		-	-	-	-	-	-	-
45	Linepack	4,522	-		4,522		-	-	41	3,728	143	610	-
46	Subtotal (sum lines 33 to 45)	2,895,268	-		2,895,268		58,875	6,614	316,203	1,484,315	336,740	692,522	-
47	General Plant	71,409	-		71,409		6,505	313	8,476	33,914	6,395	15,806	-
48	Total Net Plant (lines 46+47)	2,966,677	-		2,966,677		65,380	6,927	324,679	1,518,229	343,135	708,328	-
<u>Working Capital</u>													
49	Materials and Supplies	20,382	-		20,382	TRANS_NETPLANT	450	48	2,234	10,421	2,360	4,870	-
50	DCB Receivable/(Payable)	(967)	-		(967)	TRANS_NETPLANT	(21)	(2)	(106)	(494)	(112)	(231)	-
51	Customer Security Deposits	(11,466)	-		(11,466)	TRANS_NETPLANT	(253)	(27)	(1,257)	(5,862)	(1,328)	(2,739)	-
52	Gas in Storage	-	-		-		-	-	-	-	-	-	-
53	Working Cash Allowance	(25,161)	-		(25,161)	TRANS_NETPLANT	(555)	(59)	(2,757)	(12,864)	(2,913)	(6,011)	-
54	Subtotal (sum lines 49 to 53)	(17,211)	-		(17,211)		(380)	(40)	(1,886)	(8,800)	(1,993)	(4,112)	-
55	Total Rate Base (lines 48+54)	2,949,466	-		2,949,466		65,000	6,887	322,793	1,509,429	341,142	704,215	-
56	Percent Return on Rate Base	5.87%	0.00%		5.87%		5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%
57	Return on Rate Base (line 55 x line 56)	173,265	-		173,265		3,818	405	18,962	88,671	20,040	41,369	-
<u>Depreciation Expense</u>													
58	Storage, Transmission, and Distribution	103,658	-		103,658	TRANS_DEPEXP	13,914	485	14,596	51,294	6,967	16,402	-
59	General Plant	17,866	-		17,866	TRANS_GENPLANT	1,628	78	2,121	8,485	1,600	3,955	-
60	Total Depreciation Expense	121,524	-		121,524		15,542	563	16,717	59,779	8,567	20,356	-
<u>Income & Property Taxes</u>													
61	Income Taxes	21,997	-		21,997	TRANS_RATEBASE	485	51	2,407	11,257	2,544	5,252	-
62	Property Taxes	26,302	-		26,302	TRANS_PROPTAX	2,521	21	1,096	18,136	1,055	3,474	-
63	Total Taxes	48,299	-		48,299		3,006	72	3,503	29,393	3,599	8,726	-

2024 Cost Allocation Study - Harmonized Rate Classes
Transmission Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Transmission Classification Factor (e)	Transmission Demand						Transmission Commodity (l)
							Dawn Station (f)	Kirkwall Station (g)	Parkway Station (h)	Dawn Parkway (i)	Albion (j)	Panhandle St. Clair (k)	
<u>Operating & Maintenance (O&M) Expenses</u>													
<u>Cost of Gas</u>													
64	Gas Supply Commodity	-	-	-	-	-	-	-	-	-	-	-	
65	Compressor Fuel	26,966	-	-	26,966	TRANS_COMM	-	-	-	-	-	26,966	
66	Unaccounted For Gas	17,164	-	-	17,164	TRANS_COMM	-	-	-	-	-	17,164	
67	Company Use Gas	1,105	-	-	1,105	TRANS_COMM	-	-	-	-	-	1,105	
68	Market Based Storage	-	-	-	-	-	-	-	-	-	-	-	
69	Parkway Delivery Commitment Incentive	17,708	-	-	17,708	DAWNPARKWAY	-	-	-	17,708	-	-	
70	Other Transportation	1,285	-	-	1,285	PAN_STCLAIR	-	-	-	-	1,285	-	
<u>Storage</u>													
71	Local Storage	-	-	-	-	-	-	-	-	-	-	-	
72	Supervision	2,979	-	-	2,979	DAWN_O&M	2,512	-	-	-	468	-	
73	Storage Wells & Lines	-	-	-	-	-	-	-	-	-	-	-	
74	Compressor	2,298	-	-	2,298	DAWN_O&M	1,937	-	-	-	361	-	
75	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-	
76	Dehydration	-	-	-	-	-	-	-	-	-	-	-	
77	Rents	-	-	-	-	-	-	-	-	-	-	-	
78	Other Storage	-	-	-	-	-	-	-	-	-	-	-	
<u>Transmission</u>													
79	Supervision	3,741	-	-	3,741	TRANS_SUPER	284	56	800	1,976	27	598	
80	Lines	184	-	-	184	TRANS_MAINS	-	0	1	103	29	51	
81	Compressor	5,613	-	-	5,613	TRANS_COMPRESSORS	-	-	1,271	4,280	-	62	
82	Measuring & Regulating	2,500	-	-	2,500	TRANS_MEAS®	630	124	502	-	30	1,215	
<u>Distribution</u>													
83	Supervision	-	-	-	-	-	-	-	-	-	-	-	
84	Meter & Regulator	-	-	-	-	-	-	-	-	-	-	-	
85	Service & Equipment on Customer Premise	-	-	-	-	-	-	-	-	-	-	-	
86	Mains & Services	-	-	-	-	-	-	-	-	-	-	-	
87	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-	
88	Other Distribution	-	-	-	-	-	-	-	-	-	-	-	
<u>General Operating & Engineering</u>													
89	System Operation & Engineering	17,849	-	-	17,849	TRANS_NETPLANT	394	42	1,956	9,126	2,067	4,264	
<u>Sales Promotion & Merchandise</u>													
90	Sales Promotion & Supervision	-	-	-	-	-	-	-	-	-	-	-	
91	Demand Side Management - Program	-	-	-	-	-	-	-	-	-	-	-	
92	Demand Side Management - Administration	-	-	-	-	-	-	-	-	-	-	-	
<u>Distribution Customer Accounting</u>													
93	Supervision	-	-	-	-	-	-	-	-	-	-	-	
94	Customer Contracts & Orders	-	-	-	-	-	-	-	-	-	-	-	
95	Meter Reading	-	-	-	-	-	-	-	-	-	-	-	
96	Customer Billing, Accounting and Bill Delivery	-	-	-	-	-	-	-	-	-	-	-	
97	Large Volume Customer Care	-	-	-	-	-	-	-	-	-	-	-	
98	Credit & Collection	-	-	-	-	-	-	-	-	-	-	-	
99	Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-	-	
<u>Administrative & General Expense</u>													
100	Employee Benefits	10,469	-	-	10,469	TRANS_LABOUR	1,628	74	1,312	4,487	707	2,259	
101	Administrative & General	15,481	-	-	15,481	TRANS_O&M	2,505	100	1,982	6,776	970	3,148	
102	Total O&M Expenses (sum lines 64 to 101)	125,341	-	-	125,341		9,890	396	7,824	44,456	3,829	13,711	
103	Total Revenue Requirement (lines 57+60+63+102)	468,429	-	-	468,429		32,257	1,436	47,006	222,298	36,035	84,162	

2024 Cost Allocation Study - Harmonized Rate Classes
Transmission Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Transmission Classification Factor (e)	Transmission Demand						Transmission Commodity (l)
							Dawn Station (f)	Kirkwall Station (g)	Parkway Station (h)	Dawn Parkway (i)	Albion (j)	Panhandle St. Clair (k)	
<u>Other Revenue</u>													
104	Direct Purchase Administration	-	-		-		-	-	-	-	-	-	-
105	DCB/ABC Fee	-	-		-		-	-	-	-	-	-	-
106	Gas Supply Optimization	-	-		-		-	-	-	-	-	-	-
107	Late Payment Penalties	-	-		-		-	-	-	-	-	-	-
108	Customer Accounting Charge	-	-		-		-	-	-	-	-	-	-
109	Other Income	-	-		-		-	-	-	-	-	-	-
110	Other Revenue Surcharges	-	-		-		-	-	-	-	-	-	-
111	Total Other Revenue (sum lines 104 to 110)	<u>-</u>	<u>-</u>		<u>-</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
112	Total Revenue Requirement												
	Less Other Revenue (line 103 - line 111)	<u>468,429</u>	<u>-</u>		<u>468,429</u>		<u>32,257</u>	<u>1,436</u>	<u>47,006</u>	<u>222,298</u>	<u>36,035</u>	<u>84,162</u>	<u>45,234</u>

2024 Cost Allocation Study - Harmonized Rate Classes
 Distribution Classification

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Distribution Classification Factor (e)	Distribution Demand				Distribution Customer				
							High Pressure > 4" (f)	High Pressure <= 4" (g)	Low Pressure (h)	Demand Specific Allocation (i)	Distribution Mains (j)	Distribution Services (k)	Distribution Meters (l)	Distribution Stations (m)	Customer Specific Allocation (n)
<u>Gross Plant</u>															
1	Land	128,208	-		128,208	DISTMAINS&MR	28,357	5,424	55,273	-	39,155	-	-	-	-
2	Land Rights	243,140	-		243,140	DISTMAINS&MR	53,777	10,286	104,822	-	74,256	-	-	-	-
3	Structures & Improvements	271,238	-		271,238	DISTMAINS&MR	59,991	11,474	116,935	-	82,837	-	-	-	-
4	Measuring & Regulating	1,410,211	278,053	CUST_STATIONS	1,132,159	DISTDEMAND	360,506	68,952	702,700	-	-	-	278,053	-	-
5	Mains	8,781,238	-		8,781,238	ZERO_INT	1,832,102	350,416	3,571,140	-	3,027,580	-	-	-	-
6	Compressor Equipment	31,909	-		31,909	CUST_STATIONS	-	-	-	-	-	-	31,909	-	-
7	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-	-	-	-
8	Wells and Lines	-	-		-		-	-	-	-	-	-	-	-	-
9	Base Pressure Gas	-	-		-		-	-	-	-	-	-	-	-	-
10	Services	5,593,131	-		5,593,131	CUST_SERVICES	-	-	-	-	5,593,131	-	-	-	-
11	Meters & Regulators	1,657,237	-		1,657,237	CUST_METERS	-	-	-	-	-	1,657,237	-	-	-
12	Customer Stations	169,809	-		169,809	CUST_STATIONS	-	-	-	-	-	-	169,809	-	-
13	Linepack	2,500	-		2,500	DIST_LINEPACK	1,883	360	256	-	-	-	-	-	-
14	Subtotal (sum lines 1 to 13)	18,288,622	278,053		18,010,569		2,336,616	446,912	4,551,126	-	3,223,828	5,593,131	1,657,237	479,771	-
15	General Plant	941,192	-		941,192	DIST_GENPLANT	98,933	18,922	192,841	37,144	134,099	226,924	80,447	22,158	129,722
16	Total Gross Plant (lines 14+15)	19,229,814	278,053		18,951,761		2,435,550	465,834	4,743,967	37,144	3,357,927	5,820,056	1,737,684	501,929	129,722
<u>Accumulated Depreciation</u>															
17	Land	-	-		-	DISTMAINS&MR	-	-	-	-	-	-	-	-	-
18	Land Rights	(23,723)	-		(23,723)	DISTMAINS&MR	(5,247)	(1,004)	(10,227)	-	(7,245)	-	-	-	-
19	Structures & Improvements	(106,009)	-		(106,009)	DISTMAINS&MR	(23,447)	(4,485)	(45,703)	-	(32,376)	-	-	-	-
20	Measuring & Regulating	(503,572)	(94,807)	CUST_STATIONS	(408,765)	DISTDEMAND	(130,160)	(24,895)	(253,709)	-	-	-	(94,807)	-	-
21	Mains	(3,293,799)	-		(3,293,799)	ZERO_INT	(687,212)	(131,439)	(1,339,517)	-	(1,135,630)	-	-	-	-
22	Compressor Equipment	(7,690)	-		(7,690)	CUST_STATIONS	-	-	-	-	-	-	(7,690)	-	-
23	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-	-	-	-
24	Wells and Lines	-	-		-		-	-	-	-	-	-	-	-	-
25	Base Pressure Gas	-	-		-		-	-	-	-	-	-	-	-	-
26	Services	(2,168,461)	-		(2,168,461)	CUST_SERVICES	-	-	-	-	(2,168,461)	-	-	-	-
27	Meters & Regulators	(673,621)	-		(673,621)	CUST_METERS	-	-	-	-	-	(673,621)	-	-	-
28	Customer Stations	(62,258)	-		(62,258)	CUST_STATIONS	-	-	-	-	-	-	(62,258)	-	-
29	Linepack	-	-		-	DIST_LINEPACK	-	-	-	-	-	-	-	-	-
30	Subtotal (sum line 17 to 29)	(6,839,134)	(94,807)		(6,744,327)		(846,067)	(161,823)	(1,649,156)	-	(1,175,251)	(2,168,461)	(673,621)	(164,755)	-
31	General Plant	(500,968)	-		(500,968)	DIST_GENPLANT	(52,659)	(10,072)	(102,643)	(19,771)	(71,377)	(120,785)	(42,820)	(11,794)	(69,047)
32	Total Accumulated Depreciation (lines 30+31)	(7,340,102)	(94,807)		(7,245,295)		(898,726)	(171,894)	(1,751,799)	(19,771)	(1,246,628)	(2,289,246)	(716,441)	(176,550)	(69,047)

2024 Cost Allocation Study - Harmonized Rate Classes
 Distribution Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Distribution Classification Factor (e)	Distribution Demand				Distribution Customer				
							High Pressure > 4" (f)	High Pressure <= 4" (g)	Low Pressure (h)	Demand Specific Allocation (i)	Distribution Mains (j)	Distribution Services (k)	Distribution Meters (l)	Distribution Stations (m)	Customer Specific Allocation (n)
<u>Net Plant</u>															
33	Land	128,208	-		128,208		28,357	5,424	55,273	-	39,155	-	-	-	-
34	Land Rights	219,417	-		219,417		48,530	9,282	94,595	-	67,011	-	-	-	-
35	Structures & Improvements	165,228	-		165,228		36,545	6,990	71,233	-	50,461	-	-	-	-
36	Measuring & Regulating	906,639	-		906,639		230,346	44,057	448,991	-	-	-	-	183,246	-
37	Mains	5,487,439	-		5,487,439		1,144,890	218,977	2,231,623	-	1,891,950	-	-	-	-
38	Compressor Equipment	24,219	-		24,219		-	-	-	-	-	-	-	24,219	-
39	Gas Holders Storage and Equipment	-	-		-		-	-	-	-	-	-	-	-	-
40	Wells and Lines	-	-		-		-	-	-	-	-	-	-	-	-
41	Base Pressure Gas	-	-		-		-	-	-	-	-	-	-	-	-
42	Services	3,424,670	-		3,424,670		-	-	-	-	-	3,424,670	-	-	-
43	Meters & Regulators	983,616	-		983,616		-	-	-	-	-	-	983,616	-	-
44	Customer Stations	107,551	-		107,551		-	-	-	-	-	-	-	107,551	-
45	Linepack	2,500	-		2,500		1,883	360	256	-	-	-	-	-	-
46	Subtotal (sum lines 33 to 45)	11,449,487	-		11,449,487		1,490,550	285,089	2,901,970	-	2,048,577	3,424,670	983,616	315,016	-
47	General Plant	440,224	-		440,224		46,274	8,851	90,198	17,373	62,722	106,139	37,628	10,364	60,675
48	Total Net Plant (lines 46+47)	11,889,712	-		11,889,712		1,536,824	293,940	2,992,168	17,373	2,111,299	3,530,810	1,021,243	325,380	60,675
<u>Working Capital</u>															
49	Materials and Supplies	81,793	-		81,793	DIST_NETPLANT	10,637	2,034	20,734	-	14,638	24,471	7,028	2,251	-
50	DCB Receivable/(Payable)	(3,881)	-		(3,881)	DIST_NETPLANT	(505)	(97)	(984)	-	(695)	(1,161)	(333)	(107)	-
51	Customer Security Deposits	(46,012)	-		(46,012)	DIST_NETPLANT	(5,984)	(1,144)	(11,664)	-	(8,234)	(13,766)	(3,954)	(1,266)	-
52	Gas in Storage	-	-		-		-	-	-	-	-	-	-	-	-
53	Working Cash Allowance	(100,970)	-		(100,970)	DIST_NETPLANT	(13,131)	(2,511)	(25,595)	-	(18,070)	(30,208)	(8,676)	(2,779)	-
54	Subtotal (sum lines 49 to 53)	(69,069)	-		(69,069)		(8,982)	(1,718)	(17,508)	-	(12,361)	(20,664)	(5,935)	(1,901)	-
55	Total Rate Base (lines 48+54)	11,820,642	-		11,820,642		1,527,842	292,222	2,974,659	17,373	2,098,938	3,510,146	1,015,308	323,479	60,675
56	Percent Return on Rate Base	5.87%	5.87%		5.87%		5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%	5.87%
57	Return on Rate Base (line 55 x line 56)	694,396	-		694,396		89,752	17,166	174,745	1,021	123,301	206,201	59,644	19,003	3,564
<u>Depreciation Expense</u>															
58	Storage, Transmission, and Distribution	689,113	-		689,113	DIST_DEPEXP	71,587	13,692	139,538	-	99,276	186,706	163,281	15,033	-
59	General Plant	75,353	-		75,353	DIST_GENPLANT	7,921	1,515	15,439	2,974	10,736	18,168	6,441	1,774	10,386
60	Total Depreciation Expense	764,466	-		764,466		79,508	15,207	154,977	2,974	110,012	204,874	169,721	16,807	10,386
<u>Income & Property Taxes</u>															
61	Income Taxes	88,158	-		88,158	DIST_RATEBASE	11,395	2,179	22,185	130	15,654	26,179	7,572	2,413	453
62	Property Taxes	96,493	-		96,493	DIST_PROPTAX	16,321	3,122	31,813	-	26,585	18,652	-	-	-
63	Total Taxes	184,651	-		184,651		27,716	5,301	53,998	130	42,239	44,830	7,572	2,413	453

2024 Cost Allocation Study - Harmonized Rate Classes
 Distribution Classification (Continued)

Line No.	Particulars (\$000s)	Revenue Requirement (a)	Total Direct Assignment (b)	Direct Assignment Factor (c)	Balance to be Classified (d) = (a-b)	Distribution Classification Factor (e)	Distribution Demand				Distribution Customer				
							High Pressure > 4" (f)	High Pressure <= 4" (g)	Low Pressure (h)	Demand Specific Allocation (i)	Distribution Mains (j)	Distribution Services (k)	Distribution Meters (l)	Distribution Stations (m)	Customer Specific Allocation (n)
<u>Operating & Maintenance (O&M) Expenses</u>															
Cost of Gas															
64	Gas Supply Commodity	-	-	-	-	-	-	-	-	-	-	-	-	-	-
65	Compressor Fuel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
66	Unaccounted For Gas	26,809	-	-	26,809	DIST_COMM	-	-	-	-	-	-	-	-	26,809
67	Company Use Gas	2,497	-	-	2,497	DIST_COMM	-	-	-	-	-	-	-	-	2,497
68	Market Based Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
69	Parkway Delivery Commitment Incentive	-	-	-	-	-	-	-	-	-	-	-	-	-	-
70	Other Transportation	10,938	-	-	10,938	HPMAINS>4"	10,938	-	-	-	-	-	-	-	-
Storage															
71	Local Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
72	Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-	-
73	Storage Wells & Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-
74	Compressor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
75	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-	-	-	-
76	Dehydration	-	-	-	-	-	-	-	-	-	-	-	-	-	-
77	Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-
78	Other Storage	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transmission															
79	Supervision	-	-	-	-	-	-	-	-	-	-	-	-	-	-
80	Lines	-	-	-	-	-	-	-	-	-	-	-	-	-	-
81	Compressor	-	-	-	-	-	-	-	-	-	-	-	-	-	-
82	Measuring & Regulating	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distribution															
83	Supervision	10,617	-	-	10,617	DIST_SUPER	1,194	228	2,328	-	1,471	2,718	2,300	377	-
84	Meter & Regulator	22,131	2,479	CUST_STATIONS	19,652	CUST_METERS	-	-	-	-	-	-	19,652	2,479	-
85	Service & Equipment on Customer Premise	-	-	-	-	CUST_METERS	-	-	-	-	-	-	-	-	-
86	Mains & Services	59,330	-	-	59,330	DIST_MAINS&SERVICES	7,562	1,446	14,740	-	12,496	23,085	-	-	-
87	Measuring & Regulating	8,901	743	CUST_STATIONS	8,158	DISTDEMAND	2,598	497	5,064	-	-	-	-	743	-
88	Other Distribution	353	-	-	353	DIST_MAINS&SERVICES	45	9	88	-	74	137	-	-	-
General Operating & Engineering															
89	System Operation & Engineering	169,987	394	CUST_SPECIFIC	169,593	DIST_NETPLANT	22,055	4,218	42,990	-	30,351	50,738	14,573	4,667	394
Sales Promotion & Merchandise															
90	Sales Promotion & Supervision	11,616	-	-	11,616	CUST_SPECIFIC	-	-	-	-	-	-	-	-	11,616
91	Demand Side Management - Program	118,116	-	-	118,116	DEM_SPECIFIC	-	-	-	118,116	-	-	-	-	-
92	Demand Side Management - Administration	30,707	-	-	30,707	DEM_SPECIFIC	-	-	-	30,707	-	-	-	-	-
Distribution Customer Accounting															
93	Supervision	2,999	413	CUST_SPECIFIC	2,586	CUST_SPECIFIC	-	-	-	-	-	-	-	-	2,999
94	Customer Contracts & Orders	19,535	-	-	19,535	CUST_SPECIFIC	-	-	-	-	-	-	-	-	19,535
95	Meter Reading	23,437	-	-	23,437	CUST_SPECIFIC	-	-	-	-	-	-	-	-	23,437
96	Customer Billing, Accounting and Bill Delivery	47,499	-	-	47,499	CUST_SPECIFIC	-	-	-	-	-	-	-	-	47,499
97	Large Volume Customer Care	3,006	-	-	3,006	CUST_SPECIFIC	-	-	-	-	-	-	-	-	3,006
98	Credit & Collection	6,259	-	-	6,259	CUST_SPECIFIC	-	-	-	-	-	-	-	-	6,259
99	Uncollectible Accounts	11,815	-	-	11,815	CUST_SPECIFIC	-	-	-	-	-	-	-	-	11,815
Administrative & General Expense															
100	Employee Benefits	126,991	427	CUST_SPECIFIC	126,564	DIST_LABOUR	10,887	2,082	21,221	12,943	14,224	24,540	10,493	2,554	28,047
101	Administrative & General	185,443	1,107	CUST_SPECIFIC	184,335	DIST_O&M	15,043	2,877	29,321	14,808	19,885	34,338	15,950	3,671	49,549
102	Total O&M Expenses (sum lines 64 to 101)	898,985	5,564		893,421		70,322	11,358	115,752	176,573	78,502	135,557	62,968	14,491	204,157
103	Total Revenue Requirement (lines 57+60+63+102)	2,542,498	5,564		2,536,934		267,297	49,033	499,471	180,697	354,054	591,462	299,905	52,713	218,559

2024 Cost Allocation Study - Harmonized Rate Classes
Total Allocation

Line No.	Particulars (\$000s)	Total Revenue Requirement	Total Revenue Requirement Net of Other Revenue	Total Direct Assignment	Direct Assignment Factor	Balance to be Allocated	Allocation Factor	In-franchise Rate Classes	
		(a)	(b)	(c)	(d)	(e) = (b-c)	(f)	Rate E01 (g)	Rate E02 (h)
<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	2,728,041	2,728,041	-		2,728,041	SUPPLY_VOL	1,804,579	839,736
2	Load Balancing - Transportation	175,236	167,268	-		167,268	LOAD_BALANCING	91,241	60,085
3	Load Balancing - Commodity	23,591	23,591	-		23,591	NETFROMSTOR	12,210	8,041
4	Transportation Demand	162,050	154,682	(7,369)	TRANSPT_DEM_OPT	162,050	TRANS_DEMAND	71,096	53,368
5	Transportation Commodity	23,899	23,899	-		23,899	TRANS_FUEL	11,250	7,962
6	Admin	20,856	15,492	-		15,492	SUPPLY_VOL	10,248	4,769
7	Total Gas Supply Revenue Requirement	<u>3,133,672</u>	<u>3,112,972</u>	<u>(7,369)</u>		<u>3,120,340</u>		<u>2,000,623</u>	<u>973,959</u>
<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	112,222	112,222	-		112,222	NETFROMSTOR	58,084	38,250
9	Storage Demand - Space	81,935	81,935	39,130	GASSTORALLO	42,805	STORAGEXCESS	45,691	27,459
10	Storage Demand - Operational Contingency	7,150	7,150	-		7,150	OP_CONTINGENCY	3,687	2,417
11	Storage Commodity	21,451	21,451	-		21,451	STORCOMM	9,285	6,571
12	Total Storage Revenue Requirement	<u>222,758</u>	<u>222,758</u>	<u>39,130</u>		<u>183,628</u>		<u>116,747</u>	<u>74,697</u>
<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	32,257	32,257	-		32,257	DAWN_DEMAND	9,536	6,407
14	Transmission Demand - Kirkwall Station	1,436	1,436	-		1,436	KIRKWALL_DEMAND	105	71
15	Transmission Demand - Parkway Station	47,006	47,006	-		47,006	PKWY_DEMAND	12,108	8,135
16	Transmission Demand - Dawn Parkway	222,298	222,298	-		222,298	D-PTRANS	75,284	50,579
17	Transmission Demand - Albion	36,035	36,035	-		36,035	ALBIONTRANS	7,666	5,151
18	Transmission Demand - Panhandle St. Clair	84,162	84,162	-		84,162	PAN_STCLAIR	28,326	19,030
19	Transmission Commodity	45,234	45,234	26,966	TRANS_COMPFUEL	18,269	TRANSCOMM	4,844	3,428
20	Total Transmission Revenue Requirement	<u>468,429</u>	<u>468,429</u>	<u>26,966</u>		<u>441,463</u>		<u>137,869</u>	<u>92,801</u>
<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	267,297	267,297	-		267,297	HIGHPRESS>4	110,084	73,996
22	Distribution Demand - High Pressure <= 4"	49,033	49,033	-		49,033	HIGHPRESS<=4	27,052	18,184
23	Distribution Demand - Low Pressure	499,471	498,639	-		498,639	LOWPRESS	280,137	188,300
Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	118,116	118,116	-		118,116	DSM_PRO	77,714	24,238
25	Distribution Demand Specific - DSM Admin	62,581	62,581	-		62,581	DSM_ADM	35,597	14,963
26	Distribution Customer - Mains	354,054	353,464	-		353,464	TOTAL_CUSTOMERS	345,498	7,875
27	Distribution Customer - Services	591,462	590,476	-		590,476	TOTAL_CUSTOMERS	577,168	13,156
28	Distribution Customer - Meters	299,905	299,405	-		299,405	METERREPLCOST	238,858	55,278
29	Distribution Customer - Stations	52,713	51,955	-		51,955	STATIONREPLCOST	-	40,187
Distribution Customer- Specific									
30	Uncollectible Accounts	12,462	12,462	-		12,462	BAD_DEBT	10,945	249
31	Distribution Customer Accounting	194,999	136,083	11,616	SALESPROMO	124,468	TOTAL_CUSTOMERS	130,414	2,973
32	Large Volume Customer Care	11,099	11,099	-		11,099	CUST_EXCL_GS	-	-
33	Distribution Commodity	29,306	29,306	-		29,306	DISTCOMM	9,819	6,953
34	Total Distribution Revenue Requirement	<u>2,542,498</u>	<u>2,479,915</u>	<u>11,616</u>		<u>2,468,299</u>		<u>1,843,286</u>	<u>446,350</u>
35	Total Revenue Requirement	<u>6,367,357</u>	<u>6,284,073</u>	<u>70,343</u>		<u>6,213,730</u>		<u>4,098,525</u>	<u>1,587,807</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Total Allocation (Continued)

Line No.	Particulars (\$000s)	In-franchise Rate Classes									
		Rate E10	Rate E20 (F)	Rate E20 (I)	Rate E22 (F)	Rate E22 (I)	Rate E24 (F)	Rate E24 (I)	Rate E30	Rate E34	Rate E38
		(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	(r)
<u>Gas Supply Revenue Requirement</u>											
1	Gas Supply Commodity	47,173	-	-	-	-	-	-	2,800	1,362	-
2	Load Balancing - Transportation	12,896	-	-	-	-	-	-	1	-	1,717
3	Load Balancing - Commodity	1,726	984	-	-	-	-	-	0	-	202
4	Transportation Demand	23,125	468	9	-	-	170	-	3,626	419	236
5	Transportation Commodity	3,582	66	1	-	-	24	-	581	67	20
6	Admin	268	-	-	-	-	-	-	16	8	-
7	Total Gas Supply Revenue Requirement	88,769	1,518	11	-	-	194	-	7,025	1,857	2,174
<u>Storage Revenue Requirement</u>											
8	Storage Demand - Deliverability	8,209	4,682	-	-	-	-	-	1	-	959
9	Storage Demand - Space	4,569	1,665	-	-	-	-	-	378	-	669
10	Storage Demand - Operational Contingency	156	145	2	18	1	78	1	13	1	16
11	Storage Commodity	2,957	998	-	-	-	-	-	479	55	538
12	Total Storage Revenue Requirement	15,891	7,490	2	18	1	78	1	871	57	2,182
<u>Transmission Revenue Requirement</u>											
13	Transmission Demand - Dawn Station	1,805	1,530	-	-	-	827	-	0	2	33
14	Transmission Demand - Kirkwall Station	20	11	-	-	-	6	-	0	0	-
15	Transmission Demand - Parkway Station	2,292	-	-	-	-	-	-	0	2	88
16	Transmission Demand - Dawn Parkway	14,250	9,548	-	-	-	5,161	-	1	15	283
17	Transmission Demand - Albion	1,451	-	-	-	-	-	-	0	2	-
18	Transmission Demand - Panhandle St. Clair	5,362	18,372	-	-	-	9,931	-	0	6	-
19	Transmission Commodity	1,543	2,277	46	-	-	827	-	250	29	13
20	Total Transmission Revenue Requirement	26,722	31,739	46	-	-	16,752	-	252	56	418
<u>Distribution Revenue Requirement</u>											
21	Distribution Demand - High Pressure > 4"	20,837	21,824	-	6,114	-	28,985	-	2	22	-
22	Distribution Demand - High Pressure <= 4"	2,999	547	-	184	-	-	-	-	4	-
23	Distribution Demand - Low Pressure	23,271	3,236	319	43	656	-	2,183	469	24	-
Distribution Demand - Specific Allocation											
24	Distribution Demand Specific - DSM Program	9,480	2,951	60	1,158	73	694	14	937	661	-
25	Distribution Demand Specific - DSM Admin	7,977	1,583	32	687	43	336	7	693	601	-
26	Distribution Customer - Mains	69	7	-	4	-	1	-	5	4	-
27	Distribution Customer - Services	115	12	-	7	-	2	-	8	6	-
28	Distribution Customer - Meters	3,016	1,022	-	330	11	200	-	352	292	-
29	Distribution Customer - Stations	4,584	3,472	-	436	2	2,106	7	513	225	-
Distribution Customer- Specific											
30	Uncollectible Accounts	963	101	-	62	-	18	-	65	52	-
31	Distribution Customer Accounting	2,033	213	-	130	-	37	-	138	109	-
32	Large Volume Customer Care	8,432	882	-	540	-	154	-	573	452	-
33	Distribution Commodity	3,126	4,202	85	987	62	2,875	67	507	59	-
34	Total Distribution Revenue Requirement	86,903	40,052	495	10,683	848	35,407	2,278	4,262	2,511	-
35	Total Revenue Requirement	218,285	80,799	553	10,701	849	52,431	2,279	12,410	4,480	4,774

2024 Cost Allocation Study - Harmonized Rate Classes
Total Allocation (Continued)

Line No.	Particulars (\$000s)	Wholesale Rate Classes			Ex-franchise Rate Classes			
		Rate E60 (s)	Rate E62 (t)	Rate E64 (u)	Rate E70 (v)	Rate E72 (w)	Rate E80 (x)	Rate E82 (y)
<u>Gas Supply Revenue Requirement</u>								
1	Gas Supply Commodity	-	32,390	-	-	-	-	-
2	Load Balancing - Transportation	-	1,329	-	-	-	-	-
3	Load Balancing - Commodity	-	178	250	-	-	-	-
4	Transportation Demand	-	2,134	30	-	-	-	-
5	Transportation Commodity	-	342	4	-	-	-	-
6	Admin	-	184	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	-	36,557	284	-	-	-	-
<u>Storage Revenue Requirement</u>								
8	Storage Demand - Deliverability	-	846	1,191	-	-	-	-
9	Storage Demand - Space	-	875	630	-	-	-	-
10	Storage Demand - Operational Contingency	-	20	24	568	-	2	-
11	Storage Commodity	-	282	285	-	-	-	-
12	Total Storage Revenue Requirement	-	2,024	2,129	568	-	2	-
<u>Transmission Revenue Requirement</u>								
13	Transmission Demand - Dawn Station	-	180	217	11,720	-	-	-
14	Transmission Demand - Kirkwall Station	-	2	2	1,221	-	-	-
15	Transmission Demand - Parkway Station	-	228	-	24,151	-	-	-
16	Transmission Demand - Dawn Parkway	-	1,419	1,352	64,406	-	-	-
17	Transmission Demand - Albion	-	144	-	21,621	-	-	-
18	Transmission Demand - Panhandle St. Clair	-	534	2,601	-	-	-	-
19	Transmission Commodity	33	147	144	31,079	450	123	-
20	Total Transmission Revenue Requirement	33	2,654	4,316	154,198	450	123	-
<u>Distribution Revenue Requirement</u>								
21	Distribution Demand - High Pressure > 4"	269	2,075	3,090	-	-	-	-
22	Distribution Demand - High Pressure <= 4"	-	63	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-
Distribution Demand - Specific Allocation								
24	Distribution Demand Specific - DSM Program	-	48	89	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	22	41	-	-	-	-
26	Distribution Customer - Mains	-	0	0	-	-	-	-
27	Distribution Customer - Services	-	1	0	-	-	-	-
28	Distribution Customer - Meters	-	23	22	-	-	-	-
29	Distribution Customer - Stations	-	76	346	-	-	-	-
Distribution Customer- Specific								
30	Uncollectible Accounts	-	6	1	-	-	-	-
31	Distribution Customer Accounting	-	13	3	21	-	-	-
32	Large Volume Customer Care	-	55	11	-	-	-	-
33	Distribution Commodity	-	298	266	-	-	-	-
34	Total Distribution Revenue Requirement	269	2,681	3,870	21	-	-	-
35	Total Revenue Requirement	303	43,916	10,599	154,787	450	125	-

2024 Cost Allocation Study - Harmonized Rate Classes
Allocation of Delivery Revenue Requirement

Line No.	Particulars (\$000s)	Total Revenue Requirement	Total Revenue Requirement Net of Other Revenue	Total Direct Assignment	Direct Assignment Factor	Balance to be Allocated	Allocation Factor	In-franchise Rate Classes	
		(a)	(b)	(c)	(d)	(e) = (b-c)	(f)	Rate E01 (g)	Rate E02 (h)
<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	-	-	-		-	SUPPLY_VOL	-	-
2	Load Balancing - Transportation	-	(7,968)	-		(7,968)	LOAD_BALANCING	(4,346)	(2,862)
3	Load Balancing - Commodity	-	-	-		-	NETFROMSTOR	-	-
4	Transportation Demand	-	(7,369)	(7,369)	TRANSPT_DEM_OPT	-	TRANS_DEMAND	(3,465)	(2,452)
5	Transportation Commodity	-	-	-		-	TRANS_FUEL	-	-
6	Admin	20,856	15,492	-		15,492	SUPPLY_VOL	10,248	4,769
7	Total Gas Supply Revenue Requirement	<u>20,856</u>	<u>155</u>	<u>(7,369)</u>		<u>7,524</u>		<u>2,436</u>	<u>(546)</u>
<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	102,270	102,270	-		102,270	NETFROMSTOR	52,933	34,858
9	Storage Demand - Space	78,641	78,641	39,130	GASSTORALLO	39,511	STORAGEXCESS	43,917	26,393
10	Storage Demand - Operational Contingency	7,150	7,150	-		7,150	OP_CONTINGENCY	3,687	2,417
11	Storage Commodity	-	-	-		-	STORCOMM	-	-
12	Total Storage Revenue Requirement	<u>188,061</u>	<u>188,061</u>	<u>39,130</u>		<u>148,931</u>		<u>100,537</u>	<u>63,668</u>
<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	32,257	32,257	-		32,257	DAWN_DEMAND	9,536	6,407
14	Transmission Demand - Kirkwall Station	1,436	1,436	-		1,436	KIRKWALL_DEMAND	105	71
15	Transmission Demand - Parkway Station	47,006	47,006	-		47,006	PKWY_DEMAND	12,108	8,135
16	Transmission Demand - Dawn Parkway	222,298	222,298	-		222,298	D-PTRANS	75,284	50,579
17	Transmission Demand - Albion	36,035	36,035	-		36,035	ALBIONTRANS	7,666	5,151
18	Transmission Demand - Panhandle St. Clair	82,877	82,877	-		82,877	PAN_STCLAIR	27,893	18,740
19	Transmission Commodity	-	-	-	TRANS_COMPFUEL	-	TRANSCOMM	-	-
20	Total Transmission Revenue Requirement	<u>421,909</u>	<u>421,909</u>	<u>-</u>		<u>421,909</u>		<u>132,592</u>	<u>89,082</u>
<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	256,360	256,360	-		256,360	HIGHPRESS>4	105,580	70,968
22	Distribution Demand - High Pressure <= 4"	49,033	49,033	-		49,033	HIGHPRESS<=4	27,052	18,184
23	Distribution Demand - Low Pressure	499,471	498,639	-		498,639	LOWPRESS	280,137	188,300
Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	118,116	118,116	-		118,116	DSM_PRO	77,714	24,238
25	Distribution Demand Specific - DSM Admin	62,581	62,581	-		62,581	DSM_ADM	35,597	14,963
26	Distribution Customer - Mains	354,054	353,464	-		353,464	TOTAL_CUSTOMERS	345,498	7,875
27	Distribution Customer - Services	591,462	590,476	-		590,476	TOTAL_CUSTOMERS	577,168	13,156
28	Distribution Customer - Meters	299,905	299,405	-		299,405	METERREPLCOST	238,858	55,278
29	Distribution Customer - Stations	52,713	51,955	-		51,955	STATIONREPLCOST	-	40,187
Distribution Customer- Specific									
30	Uncollectible Accounts	12,462	12,462	-		12,462	BAD_DEBT	10,945	249
31	Distribution Customer Accounting	194,999	136,083	11,616	SALESPROMO	124,468	TOTAL_CUSTOMERS	130,414	2,973
32	Large Volume Customer Care	11,099	11,099	-		11,099	CUST_EXCL_GS	-	-
33	Distribution Commodity	-	-	-		-	DISTCOMM	-	-
34	Total Distribution Revenue Requirement	<u>2,502,255</u>	<u>2,439,671</u>	<u>11,616</u>		<u>2,428,056</u>		<u>1,828,963</u>	<u>436,370</u>
35	Total Revenue Requirement	<u>3,133,081</u>	<u>3,049,797</u>	<u>43,377</u>		<u>3,006,420</u>		<u>2,064,528</u>	<u>588,573</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Allocation of Delivery Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	In-franchise Rate Classes									
		Rate E10 (i)	Rate E20 (F) (j)	Rate E20 (I) (k)	Rate E22 (F) (l)	Rate E22 (I) (m)	Rate E24 (F) (n)	Rate E24 (I) (o)	Rate E30 (p)	Rate E34 (q)	Rate E38 (r)
<u>Gas Supply Revenue Requirement</u>											
1	Gas Supply Commodity	-	-	-	-	-	-	-	-	-	-
2	Load Balancing - Transportation	(614)	-	-	-	-	-	(0)	-	(82)	
3	Load Balancing - Commodity	-	-	-	-	-	-	-	-	-	
4	Transportation Demand	(1,103)	(22)	(0)	-	-	(8)	(179)	(21)	(11)	
5	Transportation Commodity	-	-	-	-	-	-	-	-	-	
6	Admin	268	-	-	-	-	-	16	8	-	
7	Total Gas Supply Revenue Requirement	(1,450)	(22)	(0)	-	-	(8)	(163)	(13)	(93)	
<u>Storage Revenue Requirement</u>											
8	Storage Demand - Deliverability	7,481	4,267	-	-	-	-	1	-	874	
9	Storage Demand - Space	4,391	1,537	-	-	-	-	363	-	617	
10	Storage Demand - Operational Contingency	156	145	2	18	1	78	13	1	16	
11	Storage Commodity	-	-	-	-	-	-	-	-	-	
12	Total Storage Revenue Requirement	12,029	5,949	2	18	1	78	377	1	1,508	
<u>Transmission Revenue Requirement</u>											
13	Transmission Demand - Dawn Station	1,805	1,530	-	-	-	827	0	2	33	
14	Transmission Demand - Kirkwall Station	20	11	-	-	-	6	0	0	-	
15	Transmission Demand - Parkway Station	2,292	-	-	-	-	-	0	2	88	
16	Transmission Demand - Dawn Parkway	14,250	9,548	-	-	-	5,161	1	15	283	
17	Transmission Demand - Albion	1,451	-	-	-	-	-	0	2	-	
18	Transmission Demand - Panhandle St. Clair	5,280	18,092	-	-	-	9,779	0	6	-	
19	Transmission Commodity	-	-	-	-	-	-	-	-	-	
20	Total Transmission Revenue Requirement	25,098	29,181	-	-	-	15,774	2	27	404	
<u>Distribution Revenue Requirement</u>											
21	Distribution Demand - High Pressure > 4"	19,984	20,931	-	5,864	-	27,798	2	21	-	
22	Distribution Demand - High Pressure <= 4"	2,999	547	-	184	-	-	-	4	-	
23	Distribution Demand - Low Pressure	23,271	3,236	319	43	656	-	2,183	469	24	
Distribution Demand - Specific Allocation											
24	Distribution Demand Specific - DSM Program	9,480	2,951	60	1,158	73	694	14	937	661	
25	Distribution Demand Specific - DSM Admin	7,977	1,583	32	687	43	336	7	693	601	
26	Distribution Customer - Mains	69	7	-	4	-	1	5	4	-	
27	Distribution Customer - Services	115	12	-	7	-	2	8	6	-	
28	Distribution Customer - Meters	3,016	1,022	-	330	11	200	352	292	-	
29	Distribution Customer - Stations	4,584	3,472	-	436	2	2,106	513	225	-	
Distribution Customer- Specific											
30	Uncollectible Accounts	963	101	-	62	-	18	65	52	-	
31	Distribution Customer Accounting	2,033	213	-	130	-	37	138	109	-	
32	Large Volume Customer Care	8,432	882	-	540	-	154	573	452	-	
33	Distribution Commodity	-	-	-	-	-	-	-	-	-	
34	Total Distribution Revenue Requirement	82,924	34,957	410	9,446	785	31,346	2,210	3,755	2,451	
35	Total Revenue Requirement	118,601	70,064	411	9,464	787	47,190	2,211	3,971	2,466	

2024 Cost Allocation Study - Harmonized Rate Classes
Allocation of Delivery Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	Wholesale Rate Classes			Ex-franchise Rate Classes			
		Rate E60 (s)	Rate E62 (t)	Rate E64 (u)	Rate E70 (v)	Rate E72 (w)	Rate E80 (x)	Rate E82 (y)
<u>Gas Supply Revenue Requirement</u>								
1	Gas Supply Commodity	-	-	-	-	-	-	-
2	Load Balancing - Transportation	-	(63)	-	-	-	-	-
3	Load Balancing - Commodity	-	-	-	-	-	-	-
4	Transportation Demand	-	(105)	(1)	-	-	-	-
5	Transportation Commodity	-	-	-	-	-	-	-
6	Admin	-	184	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	-	15	(1)	-	-	-	-
<u>Storage Revenue Requirement</u>								
8	Storage Demand - Deliverability	-	771	1,085	-	-	-	-
9	Storage Demand - Space	-	841	582	-	-	-	-
10	Storage Demand - Operational Contingency	-	20	24	568	-	2	-
11	Storage Commodity	-	-	-	-	-	-	-
12	Total Storage Revenue Requirement	-	1,633	1,690	568	-	2	-
<u>Transmission Revenue Requirement</u>								
13	Transmission Demand - Dawn Station	-	180	217	11,720	-	-	-
14	Transmission Demand - Kirkwall Station	-	2	2	1,221	-	-	-
15	Transmission Demand - Parkway Station	-	228	-	24,151	-	-	-
16	Transmission Demand - Dawn Parkway	-	1,419	1,352	64,406	-	-	-
17	Transmission Demand - Albion	-	144	-	21,621	-	-	-
18	Transmission Demand - Panhandle St. Clair	-	526	2,561	-	-	-	-
19	Transmission Commodity	-	-	-	-	-	-	-
20	Total Transmission Revenue Requirement	-	2,499	4,131	123,119	-	-	-
<u>Distribution Revenue Requirement</u>								
21	Distribution Demand - High Pressure > 4"	258	1,990	2,963	-	-	-	-
22	Distribution Demand - High Pressure <= 4"	-	63	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-
Distribution Demand - Specific Allocation								
24	Distribution Demand Specific - DSM Program	-	48	89	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	22	41	-	-	-	-
26	Distribution Customer - Mains	-	0	0	-	-	-	-
27	Distribution Customer - Services	-	1	0	-	-	-	-
28	Distribution Customer - Meters	-	23	22	-	-	-	-
29	Distribution Customer - Stations	-	76	346	-	-	-	-
Distribution Customer- Specific								
30	Uncollectible Accounts	-	6	1	-	-	-	-
31	Distribution Customer Accounting	-	13	3	21	-	-	-
32	Large Volume Customer Care	-	55	11	-	-	-	-
33	Distribution Commodity	-	-	-	-	-	-	-
34	Total Distribution Revenue Requirement	258	2,298	3,477	21	-	-	-
35	Total Revenue Requirement	258	6,445	9,297	123,708	-	2	-

2024 Cost Allocation Study - Harmonized Rate Classes
Allocation of Gas Cost Revenue Requirement

Line No.	Particulars (\$000s)	Total Revenue Requirement	Total Revenue Requirement Net of Other Revenue	Total Direct Assignment	Direct Assignment Factor	Balance to be Allocated	Allocation Factor	In-franchise Rate Classes	
		(a)	(b)	(c)	(d)	(e) = (b-c)	(f)	Rate E01 (g)	Rate E02 (h)
<u>Gas Supply Revenue Requirement</u>									
1	Gas Supply Commodity	2,728,041	2,728,041	-		2,728,041	SUPPLY_VOL	1,804,579	839,736
2	Load Balancing - Transportation	175,236	175,236	-		175,236	LOAD_BALANCING	95,587	62,947
3	Load Balancing - Commodity	23,591	23,591	-		23,591	NETFROMSTOR	12,210	8,041
4	Transportation Demand	162,050	162,050	-	TRANSPT_DEM_OPT	162,050	TRANS_DEMAND	74,561	55,820
5	Transportation Commodity	23,899	23,899	-		23,899	TRANS_FUEL	11,250	7,962
6	Admin	-	-	-		-	SUPPLY_VOL	-	-
7	Total Gas Supply Revenue Requirement	<u>3,112,816</u>	<u>3,112,816</u>	<u>-</u>		<u>3,112,816</u>		<u>1,998,187</u>	<u>974,505</u>
<u>Storage Revenue Requirement</u>									
8	Storage Demand - Deliverability	9,952	9,952	-		9,952	NETFROMSTOR	5,151	3,392
9	Storage Demand - Space	3,294	3,294	-	GASSTORALLO	3,294	STORAGEXCESS	1,774	1,066
10	Storage Demand - Operational Contingency	-	-	-		-	OP_CONTINGENCY	-	-
11	Storage Commodity	21,451	21,451	-		21,451	STORCOMM	9,285	6,571
12	Total Storage Revenue Requirement	<u>34,697</u>	<u>34,697</u>	<u>-</u>		<u>34,697</u>		<u>16,210</u>	<u>11,029</u>
<u>Transmission Revenue Requirement</u>									
13	Transmission Demand - Dawn Station	-	-	-		-	DAWN_DEMAND	-	-
14	Transmission Demand - Kirkwall Station	-	-	-		-	KIRKWALL_DEMAND	-	-
15	Transmission Demand - Parkway Station	-	-	-		-	PKWY_DEMAND	-	-
16	Transmission Demand - Dawn Parkway	-	-	-		-	D-Ptrans	-	-
17	Transmission Demand - Albion	-	-	-		-	ALBIONTRANS	-	-
18	Transmission Demand - Panhandle St. Clair	1,285	1,285	-		1,285	PAN_STCLAIR	433	291
19	Transmission Commodity	45,234	45,234	26,966	TRANS_COMPFUEL	18,269	TRANSCOMM	4,844	3,428
20	Total Transmission Revenue Requirement	<u>46,520</u>	<u>46,520</u>	<u>26,966</u>		<u>19,554</u>		<u>5,277</u>	<u>3,719</u>
<u>Distribution Revenue Requirement</u>									
21	Distribution Demand - High Pressure > 4"	10,938	10,938	-		10,938	HIGHPRESS>4	4,505	3,028
22	Distribution Demand - High Pressure <= 4"	-	-	-		-	HIGHPRESS<=4	-	-
23	Distribution Demand - Low Pressure	-	-	-		-	LOWPRESS	-	-
Distribution Demand - Specific Allocation									
24	Distribution Demand Specific - DSM Program	-	-	-		-	DSM_PRO	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-		-	DSM_ADM	-	-
26	Distribution Customer - Mains	-	-	-		-	TOTAL_CUSTOMERS	-	-
27	Distribution Customer - Services	-	-	-		-	TOTAL_CUSTOMERS	-	-
28	Distribution Customer - Meters	-	-	-		-	METERREPLCOST	-	-
29	Distribution Customer - Stations	-	-	-		-	STATIONREPLCOST	-	-
Distribution Customer- Specific									
30	Uncollectible Accounts	-	-	-		-	BAD_DEBT	-	-
31	Distribution Customer Accounting	-	-	-	SALESPROMO	-	TOTAL_CUSTOMERS	-	-
32	Large Volume Customer Care	-	-	-		-	CUST_EXCL_GS	-	-
33	Distribution Commodity	29,306	29,306	-		29,306	DISTCOMM	9,819	6,953
34	Total Distribution Revenue Requirement	<u>40,243</u>	<u>40,243</u>	<u>-</u>		<u>40,243</u>		<u>14,323</u>	<u>9,981</u>
35	Total Revenue Requirement	<u>3,234,276</u>	<u>3,234,276</u>	<u>26,966</u>		<u>3,207,310</u>		<u>2,033,997</u>	<u>999,234</u>

2024 Cost Allocation Study - Harmonized Rate Classes
Allocation of Gas Cost Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	In-franchise Rate Classes									
		Rate E10 (i)	Rate E20 (F) (j)	Rate E20 (I) (k)	Rate E22 (F) (l)	Rate E22 (I) (m)	Rate E24 (F) (n)	Rate E24 (I) (o)	Rate E30 (p)	Rate E34 (q)	Rate E38 (r)
<u>Gas Supply Revenue Requirement</u>											
1	Gas Supply Commodity	47,173	-	-	-	-	-	-	2,800	1,362	-
2	Load Balancing - Transportation	13,510	-	-	-	-	-	-	1	-	1,799
3	Load Balancing - Commodity	1,726	984	-	-	-	-	-	0	-	202
4	Transportation Demand	24,228	490	10	-	-	178	-	3,805	440	248
5	Transportation Commodity	3,582	66	1	-	-	24	-	581	67	20
6	Admin	-	-	-	-	-	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	90,219	1,541	11	-	-	202	-	7,188	1,870	2,267
<u>Storage Revenue Requirement</u>											
8	Storage Demand - Deliverability	728	415	-	-	-	-	-	0	-	85
9	Storage Demand - Space	177	128	-	-	-	-	-	15	-	51
10	Storage Demand - Operational Contingency	-	-	-	-	-	-	-	-	-	-
11	Storage Commodity	2,957	998	-	-	-	-	-	479	55	538
12	Total Storage Revenue Requirement	3,862	1,542	-	-	-	-	-	494	55	675
<u>Transmission Revenue Requirement</u>											
13	Transmission Demand - Dawn Station	-	-	-	-	-	-	-	-	-	-
14	Transmission Demand - Kirkwall Station	-	-	-	-	-	-	-	-	-	-
15	Transmission Demand - Parkway Station	-	-	-	-	-	-	-	-	-	-
16	Transmission Demand - Dawn Parkway	-	-	-	-	-	-	-	-	-	-
17	Transmission Demand - Albion	-	-	-	-	-	-	-	-	-	-
18	Transmission Demand - Panhandle St. Clair	82	281	-	-	-	152	-	0	0	-
19	Transmission Commodity	1,543	2,277	46	-	-	827	-	250	29	13
20	Total Transmission Revenue Requirement	1,624	2,558	46	-	-	979	-	250	29	13
<u>Distribution Revenue Requirement</u>											
21	Distribution Demand - High Pressure > 4"	853	893	-	250	-	1,186	-	0	1	-
22	Distribution Demand - High Pressure <= 4"	-	-	-	-	-	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-	-	-	-
<u>Distribution Demand - Specific Allocation</u>											
24	Distribution Demand Specific - DSM Program	-	-	-	-	-	-	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-	-	-	-	-	-	-	-
26	Distribution Customer - Mains	-	-	-	-	-	-	-	-	-	-
27	Distribution Customer - Services	-	-	-	-	-	-	-	-	-	-
28	Distribution Customer - Meters	-	-	-	-	-	-	-	-	-	-
29	Distribution Customer - Stations	-	-	-	-	-	-	-	-	-	-
<u>Distribution Customer- Specific</u>											
30	Uncollectible Accounts	-	-	-	-	-	-	-	-	-	-
31	Distribution Customer Accounting	-	-	-	-	-	-	-	-	-	-
32	Large Volume Customer Care	-	-	-	-	-	-	-	-	-	-
33	Distribution Commodity	3,126	4,202	85	987	62	2,875	67	507	59	-
34	Total Distribution Revenue Requirement	3,979	5,095	85	1,237	62	4,061	67	507	60	-
35	Total Revenue Requirement	99,685	10,735	142	1,237	62	5,241	67	8,438	2,013	2,956

2024 Cost Allocation Study - Harmonized Rate Classes
Allocation of Gas Cost Revenue Requirement (Continued)

Line No.	Particulars (\$000s)	Wholesale Rate Classes			Ex-franchise Rate Classes			
		Rate E60 (s)	Rate E62 (t)	Rate E64 (u)	Rate E70 (v)	Rate E72 (w)	Rate E80 (x)	Rate E82 (y)
<u>Gas Supply Revenue Requirement</u>								
1	Gas Supply Commodity	-	32,390	-	-	-	-	-
2	Load Balancing - Transportation	-	1,393	-	-	-	-	-
3	Load Balancing - Commodity	-	178	250	-	-	-	-
4	Transportation Demand	-	2,239	31	-	-	-	-
5	Transportation Commodity	-	342	4	-	-	-	-
6	Admin	-	-	-	-	-	-	-
7	Total Gas Supply Revenue Requirement	-	36,541	286	-	-	-	-
<u>Storage Revenue Requirement</u>								
8	Storage Demand - Deliverability	-	75	106	-	-	-	-
9	Storage Demand - Space	-	34	48	-	-	-	-
10	Storage Demand - Operational Contingency	-	-	-	-	-	-	-
11	Storage Commodity	-	282	285	-	-	-	-
12	Total Storage Revenue Requirement	-	391	439	-	-	-	-
<u>Transmission Revenue Requirement</u>								
13	Transmission Demand - Dawn Station	-	-	-	-	-	-	-
14	Transmission Demand - Kirkwall Station	-	-	-	-	-	-	-
15	Transmission Demand - Parkway Station	-	-	-	-	-	-	-
16	Transmission Demand - Dawn Parkway	-	-	-	-	-	-	-
17	Transmission Demand - Albion	-	-	-	-	-	-	-
18	Transmission Demand - Panhandle St. Clair	-	8	40	-	-	-	-
19	Transmission Commodity	33	147	144	31,079	450	123	-
20	Total Transmission Revenue Requirement	33	155	184	31,079	450	123	-
<u>Distribution Revenue Requirement</u>								
21	Distribution Demand - High Pressure > 4"	11	85	126	-	-	-	-
22	Distribution Demand - High Pressure <= 4"	-	-	-	-	-	-	-
23	Distribution Demand - Low Pressure	-	-	-	-	-	-	-
Distribution Demand - Specific Allocation								
24	Distribution Demand Specific - DSM Program	-	-	-	-	-	-	-
25	Distribution Demand Specific - DSM Admin	-	-	-	-	-	-	-
26	Distribution Customer - Mains	-	-	-	-	-	-	-
27	Distribution Customer - Services	-	-	-	-	-	-	-
28	Distribution Customer - Meters	-	-	-	-	-	-	-
29	Distribution Customer - Stations	-	-	-	-	-	-	-
Distribution Customer- Specific								
30	Uncollectible Accounts	-	-	-	-	-	-	-
31	Distribution Customer Accounting	-	-	-	-	-	-	-
32	Large Volume Customer Care	-	-	-	-	-	-	-
33	Distribution Commodity	-	298	266	-	-	-	-
34	Total Distribution Revenue Requirement	11	383	393	-	-	-	-
35	Total Revenue Requirement	45	37,471	1,301	31,079	450	123	-

2024 COST ALLOCATION STUDY
FACTOR DESCRIPTIONS

FUNCTIONALIZATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
	<u>Direct Assignment Factors</u>	
1	DP_GS_A&G	Direct assigns administrative and general expense costs associated with the provision of sales and direct purchase services to Gas Supply.
2	DP_GS_CUSTACCT	Direct assigns distribution customer accounting costs associated with the provision of sales and direct purchase services to Gas Supply.
3	DP_GS_EMPBEN	Direct assigns employee benefits costs associated with the provision of sales and direct purchase services to Gas Supply.
4	DP_GS_GENOPS	Direct assigns general operating and engineering costs associated with the provision of sales and direct purchase services to Gas Supply.
5	GS_BADDEBT	Direct assigns bad debt costs associated with the provision of sales and direct purchase services to Gas Supply.
	<u>Allocation Factors</u>	
6	COMPFUEL	Functionalizes compressor fuel costs to Storage and Transmission based on compressor fuel budget details.
7	COMPRESSORS	Functionalizes compressor equipment costs based on plant records detail and horsepower requirements.
8	COMPRESSORS_AD	Functionalizes compressor equipment accumulated depreciation costs of compressor equipment costs based on plant records detail and horsepower requirements.
9	DAWN_COMP_O&M	Functionalizes storage compressor O&M costs to Storage and Transmission in proportion to the compressor fuel utilized at Dawn.
10	DEPEXP	Functionalizes depreciation expense costs in proportion to the functionalization of gross plant costs by asset type.
11	DISTRIBUTION	Functionalizes costs to Distribution.
12	GASSUPPLY	Functionalizes costs to Gas Supply.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
13	GENOPS&ENG	Functionalizes general operating and engineering expenses in proportion to an analysis of activities.
14	GENPLANT	Functionalizes general plant costs using a 50% weighting of net plant costs and a 50% weighting of O&M costs.
15	GENPLANT_DEPEXP	Functionalizes general plant depreciation expense costs in proportion to gross plant costs.
16	GS_OTHERTRANS	Functionalizes other transportation costs based on the nature of the transportation cost.
17	LABOUR	Functionalizes employee benefits costs in proportion to labour expense.
18	LAND	Functionalizes land costs based on plant records detail.
19	LANDRIGHTS	Functionalizes land rights costs based on plant records detail.
20	LANDRIGHTS_AD	Functionalizes land rights accumulated depreciation costs based on plant records detail.
21	LINEPACK	Functionalizes linepack gas costs in proportion to linepack volumes.
22	MAINS	Functionalizes mains costs based on plant records detail.
23	MAINS_AD	Functionalizes mains accumulated depreciation costs based on plant records detail.
24	MEAS®	Functionalizes measuring and regulating equipment costs based on plant records detail and activity at Dawn.
25	MEAS®_AD	Functionalizes measuring and regulating equipment accumulated depreciation costs based on plant records detail and activity at Dawn.
26	NETPLANT	Functionalizes working capital costs in proportion to the functionalization of net plant costs, excluding linepack and base pressure gas.
27	O&M	Functionalizes administrative and general expense costs in proportion to the functionalization of O&M expenses excluding cost of gas, Demand Side Management program related and bad debt costs.
28	OWN_USE_GAS	Functionalizes company use gas costs based on company use gas details.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
29	PROPTAX	Functionalizes property tax costs in proportion to property tax expense detail.
30	RATEBASE	Functionalizes costs in proportion to total rate base.
31	STOR_SUPER_O&M	Functionalizes storage supervision costs based on functionalized storage related O&M costs.
32	STORAGE	Functionalizes costs to Storage.
33	STRUC&IMP	Functionalizes structures and improvements costs based on plant records detail.
34	STRUC&IMP_AD	Functionalizes structures and improvements accumulated depreciation costs based on plant records detail.
35	TRANSMISSION	Functionalizes costs to Transmission.
36	UFG	Functionalizes unaccounted for gas costs in proportion to volumes.

GAS SUPPLY CLASSIFICATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
1	<u>Allocation Factors</u> ADMIN	Classifies costs to Admin.
2	GASSUPPLY_CLASS	Classifies gas supply commodity and upstream transportation costs based on Gas Supply Plan details.
3	OPTIMIZATION	Classifies gas supply optimization revenue in proportion to the classification of Load Balancing Transportation and Transportation Demand total revenue requirement.

STORAGE CLASSIFICATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
	<u>Direct Assignment Factors</u>	
1	LNG_EQUIPMENT	Direct assigns gas holders and storage equipment gross plant costs associated with the Hagar LNG facility to Deliverability.
2	LNG_EQUIPMENT_AD	Direct assigns gas holders and storage accumulated depreciation costs equipment associated with the Hagar LNG facility to Deliverability.
3	LNG_LAND	Direct assigns land gross plant costs associated with the Hagar LNG facility to Deliverability.
4	LNG_O&M	Direct assigns O&M costs associated with the Hagar LNG facility to Deliverability.
5	LNG_STRUCTURES	Direct assigns structures and improvements gross plant costs associated with the Hagar LNG facility to Deliverability.
6	LNG_STRUCTURES_AD	Direct assigns structures and improvements accumulated depreciation costs associated with the Hagar LNG facility to Deliverability.
7	MKTSTORFUEL	Direct assigns the compressor fuel costs associated with market-based storage to Storage Commodity.
	<u>Allocation Factors</u>	
8	DEL_SPACE_OPCON	Classifies 50% of storage costs to Deliverability and classifies 50% of storage costs to Space and Operational Contingency. Classifies Space and Operational Contingency in proportion to utility space and operational contingency space requirements.
9	DELIVERABILITY	Classifies costs to Deliverability.
10	GASINSTORAGE	Classifies gas in storage costs to Space and Operational Contingency in proportion to the cost of gas in storage.
11	MKTSTOR_DEMAND	Classifies market-based storage demand costs in proportion to Deliverability and Space net plant excluding linepack and base pressure gas.
12	SPACE_OPCON	Classifies costs in proportion to utility space and operational contingency space requirements.
13	STOR_COMM	Classifies costs to Storage Commodity.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
14	STOR_DEPEXP	Classifies storage depreciation costs in proportion to the classification of storage gross plant costs.
15	STOR_GENPLANT	Classifies storage general plant costs in proportion to a 50% weighting of classified storage net plant costs and a 50% weighting of classified storage O&M costs.
16	STOR_LABOUR	Classifies storage employee benefits costs in proportion to storage labour expense.
17	STOR_NETPLANT	Classifies storage costs in proportion to the classification of storage net plant excluding linepack and base pressure gas.
18	STOR_O&M	Classifies storage administrative and general expense costs in proportion to the classification of storage O&M costs.
19	STOR_PROPTAX	Classifies storage property tax costs in proportion to property tax expense detail.
20	STOR_RATEBASE	Classifies storage income tax costs in proportion to the classification of storage rate base.
21	STOR_SUPER	Classifies storage supervision costs in proportion to the classification of storage O&M costs.

TRANSMISSION CLASSIFICATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
	<u>Allocation Factors</u>	
1	DAWN_O&M	Classifies transmission compressor O&M costs in proportion to the compressor fuel budget at Dawn.
2	DAWNPARKWAY	Classifies costs to Dawn Parkway.
3	PAN_STCLAIR	Classifies costs to Panhandle/St. Clair.
4	TRANS_COMM	Classifies costs to Transmission Commodity.
5	TRANS_COMPRESSORS	Classifies transmission compressor costs in proportion plant records detail.
6	TRANS_COMPRESSORS_AD	Classifies transmission compressor accumulated depreciation costs based on plant records detail.
7	TRANS_DEPEXP	Classifies transmission depreciation costs in proportion to the classification of transmission gross plant costs.
8	TRANS_GENPLANT	Classifies transmission general plant costs in proportion to a 50% weighting of classified transmission net plant costs and a 50% weighting of classified transmission O&M costs.
9	TRANS_LABOUR	Classifies transmission employee benefits costs in proportion to transmission labour expense.
10	TRANS_LAND	Classifies transmission land costs based on plant records detail.
11	TRANS_LANDRIGHTS	Classifies transmission land rights costs based on plant records detail.
12	TRANS_LANDRIGHTS_AD	Classifies transmission land rights accumulated depreciation costs based on plant records detail.
13	TRANS_LINEPACK	Classifies transmission linepack costs in proportion to transmission linepack volumes.
14	TRANS_MAINS	Classifies transmission mains costs based on plant records detail.
15	TRANS_MAINS_AD	Classifies transmission mains accumulated depreciation costs based on plant records detail.
16	TRANS_MEAS®	Classifies transmission measuring and regulating costs based on plant and records detail.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
17	TRANS_MEAS®_AD	Classifies transmission measuring and regulating accumulated depreciation costs
18	TRANS_NETPLANT	Classifies transmission costs in proportion to the classification of transmission net plant excluding linepack and base pressure gas.
19	TRANS_O&M	Classifies transmission administrative and general expense costs in proportion to the classification of transmission O&M costs.
20	TRANS_PROPTAX	Classifies transmission property tax costs in proportion to property tax expense detail.
21	TRANS_RATEBASE	Classifies transmission income tax costs in proportion to the classification of transmission rate base.
22	TRANS_STRUC&IMP	Classifies transmission structures and improvements costs based on plant records detail.
23	TRANS_STRUC&IMP_AD	Classifies transmission structures and improvements accumulated depreciation costs based on plant records detail.
24	TRANS_SUPER	Classifies transmission supervision costs in proportion to the classification of transmission related O&M expenses.

DISTRIBUTION CLASSIFICATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
1	<u>Allocation Factors</u> COMMUNITY_EXP	Classifies community expansion revenue in proportion to the classification of Low Pressure Mains, Distribution Customer Mains, Services, Meters and Stations total revenue requirement.
2	CUST_METERS	Classifies costs to Distribution Meters.
3	CUST_SERVICES	Classifies costs to Distribution Services.
4	CUST_SPECIFIC	Classifies costs to Customer Specific Allocation.
5	CUST_STATIONS	Classifies costs to Distribution Stations.
6	DEM_SPECIFIC	Classifies costs to Demand Specific Allocation.
7	DIST_COMM	Classifies costs to Distribution Commodity.
8	DIST_DEPEXP	Classifies distribution depreciation expense costs in proportion to the classification of distribution gross plant costs.
9	DIST_GENPLANT	Classifies distribution general plant costs in proportion to a 50% weighting of classified distribution net plant costs and a 50% weighting of classified distribution O&M costs.
10	DIST_LABOUR	Classifies distribution employee benefits costs in proportion to distribution labour expense.
11	DIST_LINEPACK	Classifies distribution linepack costs in proportion to distribution linepack volumes.
12	DIST_MAINS&SERVICES	Classifies distribution costs in proportion to the classification of distribution mains and services gross plant costs.
13	DIST_NETPLANT	Classifies distribution costs in proportion to the classification of distribution net plant excluding linepack and base pressure gas.
14	DIST_O&M	Classifies distribution administrative and general expense costs in proportion to the classification of distribution O&M costs.
15	DIST_PROPTAX	Classifies distribution property tax costs in proportion to property tax expense detail.
16	DIST_RATEBASE	Classifies distribution income tax costs in proportion to the classification of distribution rate base.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
17	DIST_SUPER	Classifies distribution supervision costs in proportion to the classification of distribution related O&M costs.
18	DISTDEMAND	Classifies distribution measuring and regulating costs in proportion to the classification of demand related distribution mains costs.
19	DISTMAINS&MR	Classifies costs in proportion to the classification of distribution mains and distribution demand measuring and regulating gross plant.
20	HPMAINS>4"	Classifies distribution costs to High Pressure >4".
21	ZERO_INT	Classifies distribution mains costs between demand-related and customer-related by estimating the distribution infrastructure needed to meet the volumetric demands of various customers or to provide customers access to distribution service. Sub-classifies the demand-related mains between high pressure and low pressure.

ALLOCATION FACTOR DESCRIPTIONS

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
	<u>Direct Assignment Factors</u>	
1	GASSTORALLO	Direct assigns storage space costs to in-franchise bundled rate classes in proportion to the excess of winter volumes (November to March) compared to the average annual volumes for the same period.
2	SALESPROMO	Direct assigns sales and promotion costs to rate classes based on an analysis of costs.
3	TRANS_COMPFUEL	Direct assigns transmission compressor fuel costs between in-franchise and ex-franchise rate classes based on compressor fuel usage. Allocation to in-franchise bundled rate classes in proportion to delivery volumes and semi-unbundled and unbundled rate classes based on the average cost of transmission compressor fuel of the respective service area.
4	TRANSPT_DEM_OPT	Direct assigns transportation demand optimization revenue to in-franchise bundled rate classes in proportion to average day demand for sales service and bundled direct purchase customers. The allocation to semi-unbundled and unbundled services is based on the average cost of transportation of the respective service area.
	<u>Allocation Factors</u>	
5	ALBIONTRANS	Allocation of 60% of costs to ex-franchise. Allocates the remaining 40% of costs to bundled in-franchise rate classes in proportion to firm design day demands.
6	BAD_DEBT	Allocates delivery-related general service bad debt expense to general service rate classes in proportion to the average number of general service customers. Allocates delivery-related in-franchise contract service bad debt expense to contract rate classes in proportion to the average number of in-franchise contract customers.
7	CUST_EXCL_GS	Allocates costs to in-franchise rate classes in proportion to the average number of customers excluding general service customers.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
8	DAWN_DEMAND	Allocates costs between in-franchise and ex-franchise rate classes based on the bi-directional firm design day demands at Dawn. Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands. The allocation to semi-unbundled and unbundled services is based on the firm design day demands of the respective service area.
9	DISTCOMM	Allocates costs to in-franchise rate classes in proportion to delivery volumes.
10	D-PTRANS	Allocates costs between in-franchise and ex-franchise rate classes based on distance-weighted firm design day demands (commodity-kilometres) on the Dawn Parkway System. Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands. The allocation to semi-unbundled and unbundled services is based on the firm design day demands of the respective service area.
11	DSM_ADM	Allocates Demand Side Management administrative related expenses to in-franchise rate classes in proportion to budgeted costs.
12	DSM_PRO	Allocates Demand Side Management program related expenses to in-franchise rate classes in proportion to budgeted costs.
13	HIGHPRESS<=4	Allocates costs to firm in-franchise rate classes in proportion to total firm design day demands utilizing high pressure mains less than or equal to 4 inches in diameter.
14	KIRKWALL_DEMAND	Allocates costs between in-franchise and ex-franchise rate classes based on bi-directional firm design day demands at Kirkwall. Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands. The allocation to semi-unbundled and unbundled services is based on the firm design day demands of the respective service area.
15	LOAD_BALANCING	Allocates load balancing transportation costs to in-franchise bundled rate classes in proportion to excess peak over annual average demand. The allocation to semi-unbundled and unbundled services is based on the average cost of load balancing transportation of the respective service area.
16	LOWPRESS	Allocates costs to firm in-franchise rate classes in proportion to total design day demands utilizing low pressure mains. Allocates costs to interruptible in-franchise rate classes in proportion to total interruptible design day demands.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
17	METERREPLCOST	Allocates costs to in-franchise rate classes in proportion to distribution meter replacement costs.
18	NETFROMSTOR	Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands over design day deliveries. The allocation to semi-unbundled and unbundled services is based on contracted deliverability levels.
19	OP_CONTINGENCY	Allocates operational contingency costs to rate classes in proportion to how operational contingency space is used.
20	PAN_STCLAIR	Allocates Panhandle System and St. Clair System costs to in-franchise bundled rate classes in proportion to firm design day demands. The allocation to semi-unbundled and unbundled services is based on the firm design day demands of the respective service area.
21	PKWY_DEMAND	Allocates costs between in-franchise and ex-franchise rate classes based on the weighted average of measuring and regulating and compression costs. Allocates measuring and regulating costs in proportion to bi-directional firm design day demands at Parkway and compression costs in proportion to firm design day demands at Parkway. Allocates costs to in-franchise bundled rate classes in proportion to firm design day demands and semi-unbundled and unbundled services based on the firm design day demands of the respective service area.
22	STATIONREPLCOST	Allocates costs to in-franchise rate classes in proportion to distribution station replacement costs.
23	STORAGEXCESS	Allocates costs to in-franchise bundled rate classes in proportion to the excess of winter volumes (November to March) compared to the average annual volumes for the same period. The allocation to semi-unbundled and unbundled services is based on contracted storage space.
24	STORCOMM	Allocates costs to bundled, semi-unbundled and unbundled services based on volumes injected and withdrawn from storage. The allocation to bundled rate classes is in proportion to total delivery volumes.
25	SUPPLY_VOL	Allocates costs to in-franchise rate classes in proportion to sales service volumes.
26	TOTAL_CUSTOMERS	Allocates costs to in-franchise rate classes in proportion to the average number of customers.

<u>Line No.</u>	<u>Factor</u>	<u>Description</u>
27	TRANS_DEMAND	Allocates transportation demand costs to in-franchise bundled rate classes in proportion to average day demand for sales service and bundled direct purchase customers. The allocation to semi-unbundled and unbundled services is based on the average cost of transportation of the respective service area.
28	TRANS_FUEL	Allocates transportation fuel costs to in-franchise bundled rate classes in proportion to delivery volumes. The allocation to semi-unbundled and unbundled services is based on the average cost of transportation fuel of the respective service area.
29	TRANSCOMM	Allocates transmission related UFG costs to ex-franchise rate classes in proportion to ex-franchise volumes. Allocates transmission related company use gas volumes to rate classes in proportion to delivery and transportation volumes excluding unbundled.

2024 Cost Allocation Study - Harmonized Rate Classes
Functionalization Factors

Line No.	Functionalization Factor		Total (a)	Gas Supply (b)	Storage (c)	Transmission (d)	Distribution (e)
1	DP_GS_A&G	EXT	5,866	4,759	-	-	1,107
2			100.00%	81.12%	0.00%	0.00%	18.88%
3	DP_GS_CUSTACCT	EXT	1,708	1,295	-	-	413
4			100.00%	75.83%	0.00%	0.00%	24.17%
5	DP_GS_EMPBEN	EXT	2,531	2,104	-	-	427
6			100.00%	83.13%	0.00%	0.00%	16.87%
7	DP_GS_GENOPS	EXT	2,941	2,546	-	-	394
8			100.00%	86.59%	0.00%	0.00%	13.41%
9	GS_BADDEBT	EXT	10,151	10,151	-	-	-
10			100.00%	100.00%	0.00%	0.00%	0.00%
11	COMPFUEL	EXT	35,306	-	8,340	26,966	-
12			100.00%	0.00%	23.62%	76.38%	0.00%
13	COMPRESSORS	EXT	1,767,062	-	373,232	1,361,921	31,909
14			100.00%	0.00%	21.12%	77.07%	1.81%
15	COMPRESSORS_AD	EXT	(682,925)	-	(145,035)	(530,200)	(7,690)
16			100.00%	0.00%	21.24%	77.64%	1.13%
17	DAWN_COMP_O&M	EXT	1.00	-	0.39	0.61	-
18			100.00%	0.00%	39.33%	60.67%	0.00%
19	DEPEXP	EXT	823,073	-	30,302	103,658	689,113
20			100.00%	0.00%	3.68%	12.59%	83.72%
21	DISTRIBUTION	INT	1	-	-	-	1
22			100.00%	0.00%	0.00%	0.00%	100.00%
23	GASSUPPLY	INT	1	1	-	-	-
24			100.00%	100.00%	0.00%	0.00%	0.00%

2024 Cost Allocation Study - Harmonized Rate Classes
Functionalization Factors (Continued)

Line No.	Functionalization Factor		Total (a)	Gas Supply (b)	Storage (c)	Transmission (d)	Distribution (e)
25	GENOPS&ENG	EXT	194,714	-	7,272	17,849	169,593
26			100.00%	0.00%	3.73%	9.17%	87.10%
27	GENPLANT	INT	100	-	5.45	13.20	81.36
28			100.00%	0.00%	5.45%	13.20%	81.36%
29	GENPLANT_DEPEXP	EXT	97,921	-	4,702	17,866	75,353
30			100.00%	0.00%	4.80%	18.25%	76.95%
31	GS_OTHERTRANS	EXT	12,225	-	-	1,286	10,940
32			100.00%	0.00%	0.00%	10.52%	89.48%
33	LABOUR	INT	297,583	-	18,004	21,358	258,221
34			100.00%	0.00%	6.05%	7.18%	86.77%
35	LAND	EXT	221,952	-	12,713	81,031	128,208
36			100.00%	0.00%	5.73%	36.51%	57.76%
37	LANDRIGHTS	EXT	384,349	-	76,519	64,690	243,140
38			100.00%	0.00%	19.91%	16.83%	63.26%
39	LANDRIGHTS_AD	EXT	(89,967)	-	(48,801)	(17,443)	(23,723)
40			100.00%	0.00%	54.24%	19.39%	26.37%
41	LINEPACK	EXT	48,837	-	3,243	29,361	16,233
42			100.00%	0.00%	6.64%	60.12%	33.24%
43	MAINS	EXT	11,100,100	-	-	2,318,862	8,781,238
44			100.00%	0.00%	0.00%	20.89%	79.11%
45	MAINS_AD	EXT	(4,016,864)	-	-	(723,065)	(3,293,799)
46			100.00%	0.00%	0.00%	18.00%	82.00%
47	MEAS®	EXT	1,741,319	-	37,641	293,467	1,410,211
48			100.00%	0.00%	2.16%	16.85%	80.99%

2024 Cost Allocation Study - Harmonized Rate Classes
Functionalization Factors (Continued)

Line No.	Functionalization Factor		Total (a)	Gas Supply (b)	Storage (c)	Transmission (d)	Distribution (e)
49	MEAS®_AD	EXT	(626,809)	-	(30,585)	(92,653)	(503,572)
50			100.00%	0.00%	4.88%	14.78%	80.34%
51	NETPLANT	INT	15,549,207	-	699,840	2,962,156	11,887,212
52			100.00%	0.00%	4.50%	19.05%	76.45%
53	O&M	INT	630,104	-	41,103	45,633	543,368
54			100.00%	0.00%	6.52%	7.24%	86.23%
55	OWN_USE_GAS	EXT	18,720	-	1,362	5,325	12,033
56			100.00%	0.00%	7.27%	28.45%	64.28%
57	PROPTAX	EXT	118,389	-	4,085	24,483	89,821
58			100.00%	0.00%	3.45%	20.68%	75.87%
59	RATEBASE	INT	16,184,285	-	1,414,177	2,949,466	11,820,642
60			100.00%	0.00%	8.74%	18.22%	73.04%
61	STOR_SUPER_O&M	INT	13,187	-	10,889	2,298	-
62			100.00%	0.00%	82.57%	17.43%	0.00%
63	STORAGE	INT	1	-	1	-	-
64			100.00%	0.00%	100.00%	0.00%	0.00%
65	STRUC&IMP	EXT	566,013	-	83,034	211,742	271,238
66			100.00%	0.00%	14.67%	37.41%	47.92%
67	STRUC&IMP_AD	EXT	(213,039)	-	(29,423)	(77,607)	(106,009)
68			100.00%	0.00%	13.81%	36.43%	49.76%
69	TRANSMISSION	INT	1	-	-	1	-
70			100.00%	0.00%	0.00%	100.00%	0.00%
71	UFG	EXT	56,100	-	12,127	17,164	26,809
72			100.00%	0.00%	21.62%	30.60%	47.79%

2024 Cost Allocation Study - Harmonized Rate Classes
Gas Supply Classification Factors

Line No.	Gas Supply Classification Factor		Total (a)	Gas Supply (b)	Load Balancing Transport (c)	Load Balancing Commodity (d)	Transportation Demand (e)	Transportation Commodity (f)	Admin (g)
1	ADMIN	INT	1	-	-	-	-	-	1
2			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
3	GASSUPPLY_CLASS	EXT	3,112,816	2,728,041	175,236	23,591	162,050	23,899	-
4			100.00%	87.64%	5.63%	0.76%	5.21%	0.77%	0.00%
5	OPTIMIZATION	INT	337,287	-	175,236	-	162,050	-	-
6			100.00%	0.00%	51.95%	0.00%	48.05%	0.00%	0.00%

2024 Cost Allocation Study - Harmonized Rate Classes
Storage Classification Factors

Line No.	Storage Classification Factor		Total (a)	Deliverability (b)	Space (c)	Operational Contingency (d)	Storage Commodity (e)
1	LNG_EQUIPMENT	EXT	32,021	32,021	-	-	-
2			100.00%	100.00%	0.00%	0.00%	0.00%
3	LNG_EQUIPMENT_AD	EXT	(17,453)	(17,453)	-	-	-
4			100.00%	100.00%	0.00%	0.00%	0.00%
5	LNG_LAND	EXT	7	7	-	-	-
6			100.00%	100.00%	0.00%	0.00%	0.00%
7	LNG_O&M	INT	1,640	1,640	-	-	-
8			100.00%	100.00%	0.00%	0.00%	0.00%
9	LNG_STRUCTURES	EXT	8,437	8,437	-	-	-
10			100.00%	100.00%	0.00%	0.00%	0.00%
11	LNG_STRUCTURES_AD	EXT	(3,182)	(3,182)	-	-	-
12			100.00%	100.00%	0.00%	0.00%	0.00%
13	MKTSTORFUEL	EXT	701	-	-	-	701
14			100.00%	0.00%	0.00%	0.00%	100.00%
15	DEL_SPACE_OPCON	EXT	100	50.00	46.09	3.91	-
16			100.00%	50.00%	46.09%	3.91%	0.00%
17	DELIVERABILITY	INT	1	1	-	-	-
18			100.00%	100.00%	0.00%	0.00%	0.00%
19	GASINSTORAGE	EXT	648,411	-	591,069	57,342	-
20			100.00%	0.00%	91.16%	8.84%	0.00%
21	MKTSTOR_DEMAND	INT	656,514	493,259	163,255	-	-
22			100.00%	75.13%	24.87%	0.00%	0.00%
23	SPACE_OPCON	INT	100	-	92	8	-
24			100.00%	0.00%	92.18%	7.82%	0.00%

2024 Cost Allocation Study - Harmonized Rate Classes
Storage Classification Factors (Continued)

Line No.	Storage Classification Factor		Total (a)	Deliverability (b)	Space (c)	Operational Contingency (d)	Storage Commodity (e)
25	STOR_COMM	INT	1	-	-	-	1
26			100.00%	0.00%	0.00%	0.00%	100.00%
27	STOR_DEPEXP	INT	30,302	22,769	6,944	589	-
28			100.00%	75.14%	22.91%	1.95%	0.00%
29	STOR_GENPLANT	INT	100	71	26	2	-
30			100.00%	71.26%	26.49%	2.25%	0.00%
31	STOR_LABOUR	INT	18,004	12,624	4,959	421	-
32			100.00%	70.12%	27.54%	2.34%	0.00%
33	STOR_NETPLANT	INT	670,373	493,259	163,255	13,859	-
34			100.00%	73.58%	24.35%	2.07%	0.00%
35	STOR_O&M	INT	41,103	28,335	11,769	999	-
36			100.00%	68.94%	28.63%	2.43%	0.00%
37	STOR_PROPTAX	EXT	4,085	4,024	56	5	-
38			100.00%	98.51%	1.38%	0.12%	0.00%
39	STOR_RATEBASE	INT	1,414,177	511,764	825,195	77,217	-
40			100.00%	36.19%	58.35%	5.46%	0.00%
41	STOR_SUPER	INT	10,889	7,314	3,295	280	-
42			100.00%	67.17%	30.26%	2.57%	0.00%

2024 Cost Allocation Study - Harmonized Rate Classes
Transmission Classification Factors

Line No.	Transmission Classification Factor	Total	Dawn Station	Kirkwall Station	Parkway Station	Dawn Parkway	Albion	Panhandle St. Clair	Transmission Commodity
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	DAWN_O&M	EXT	1.00	0.84	-	-	-	0.16	-
2			100.00%	84.30%	0.00%	0.00%	0.00%	15.70%	0.00%
3	DAWNPARKWAY	INT	1.00	-	-	-	1.00	-	-
4			100.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%
5	PAN_STCLAIR	INT	1.00	-	-	-	-	1.00	-
6			100.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%
7	TRANS_COMM	INT	1.00	-	-	-	-	-	1.00
8			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
9	TRANS_COMPRESSORS	EXT	1,361,921	-	-	308,461	1,038,455	15,004	-
10			100.00%	0.00%	0.00%	22.65%	76.25%	1.10%	0.00%
11	TRANS_COMPRESSORS_AD	EXT	(530,200)	-	-	(125,107)	(395,914)	(9,178)	-
12			100.00%	0.00%	0.00%	23.60%	74.67%	1.73%	0.00%
13	TRANS_DEPEXP	EXT	103,658	13,914	485	14,596	51,294	16,402	-
14			100.00%	13.42%	0.47%	14.08%	49.48%	15.82%	0.00%
15	TRANS_GENPLANT	INT	100.00	9.11	0.44	11.87	47.49	22.13	-
16			100.00%	9.11%	0.44%	11.87%	47.49%	22.13%	0.00%
17	TRANS_LABOUR	INT	21,358	3,321	151	2,678	9,155	4,610	-
18			100.00%	15.55%	0.71%	12.54%	42.87%	21.58%	0.00%
19	TRANS_LAND	EXT	81,031	4,168	-	30,938	40,451	5,431	-
20			100.00%	5.14%	0.00%	38.18%	49.92%	6.70%	0.00%
21	TRANS_LANDRIGHTS	EXT	64,690	-	-	428	34,299	10,103	-
22			100.00%	0.00%	0.00%	0.66%	53.02%	15.62%	0.00%
23	TRANS_LANDRIGHTS_AD	EXT	(17,443)	-	-	(81)	(14,091)	(1,765)	-
24			100.00%	0.00%	0.00%	0.46%	80.79%	10.12%	0.00%
25	TRANS_LINEPACK	EXT	29,361	-	-	266	24,205	3,963	-
26			100.00%	0.00%	0.00%	0.91%	82.44%	13.50%	0.00%

2024 Cost Allocation Study - Harmonized Rate Classes
Transmission Classification Factors (Continued)

Line No.	Transmission Classification Factor		Total (a)	Dawn Station (b)	Kirkwall Station (c)	Parkway Station (d)	Dawn Parkway (e)	Albion (f)	Panhandle St. Clair (g)	Transmission Commodity (h)
27	TRANS_MAINS	EXT	2,318,862	-	122	8,228	1,300,861	368,401	641,249	-
28			100.00%	0.00%	0.01%	0.35%	56.10%	15.89%	27.65%	0.00%
29	TRANS_MAINS_AD	EXT	(723,065)	-	(7)	(1,785)	(585,103)	(53,210)	(82,960)	-
30			100.00%	0.00%	0.00%	0.25%	80.92%	7.36%	11.47%	0.00%
31	TRANS_MEAS®	EXT	293,467	73,972	14,563	58,892	-	3,464	142,576	-
32			100.00%	25.21%	4.96%	20.07%	0.00%	1.18%	48.58%	0.00%
33	TRANS_MEAS®_AD	EXT	(92,653)	(33,736)	(9,154)	(18,616)	-	(458)	(30,690)	-
34			100.00%	36.41%	9.88%	20.09%	0.00%	0.49%	33.12%	0.00%
35	TRANS_NETPLANT	INT	2,962,156	65,380	6,927	324,638	1,514,501	342,992	707,717	-
36			100.00%	2.21%	0.23%	10.96%	51.13%	11.58%	23.89%	0.00%
37	TRANS_O&M	INT	8,297	630	124	1,774	4,383	59	1,327	-
38			100.00%	7.60%	1.50%	21.38%	52.83%	0.71%	16.00%	0.00%
39	TRANS_PROPTAX	EXT	24,483	2,347	19	1,020	16,882	982	3,233	-
40			100.00%	9.58%	0.08%	4.17%	68.95%	4.01%	13.21%	0.00%
41	TRANS_RATEBASE	INT	2,949,466	65,000	6,887	322,793	1,509,429	341,142	704,215	-
42			100.00%	2.20%	0.23%	10.94%	51.18%	11.57%	23.88%	0.00%
43	TRANS_STRUC&IMP	EXT	211,742	38,228	2,160	79,367	86,946	-	5,042	-
44			100.00%	18.05%	1.02%	37.48%	41.06%	0.00%	2.38%	0.00%
45	TRANS_STRUC&IMP_AD	EXT	(77,607)	(23,757)	(1,069)	(24,564)	(25,315)	-	(2,901)	-
46			100.00%	30.61%	1.38%	31.65%	32.62%	0.00%	3.74%	0.00%
47	TRANS_SUPER	INT	8,297	630	124	1,774	4,383	59	1,327	-
48			100.00%	7.60%	1.50%	21.38%	52.83%	0.71%	16.00%	0.00%

2024 Cost Allocation Study - Harmonized Rate Classes

Distribution Classification Factors

Line No.	Distribution Classification Factor		Distribution Demand					Distribution Customer					Distribution Commodity
			Total	High Pressure > 4"	High Pressure <= 4"	Low Pressure	Demand Specific Allocation	Distribution Mains	Distribution Services	Distribution Meters	Distribution Stations	Customer Specific Allocation	
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	COMMUNITY_EXP	INT	1,797,606	-	-	499,471	-	354,054	591,462	299,905	52,713	-	-
2			100.00%	0.00%	0.00%	27.79%	0.00%	19.70%	32.90%	16.68%	2.93%	0.00%	0.00%
3	CUST_METERS	INT	1	-	-	-	-	-	-	1	-	-	-
4			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%
5	CUST_SERVICES	INT	1	-	-	-	-	-	1	-	-	-	-
6			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%
7	CUST_SPECIFIC	INT	1	-	-	-	-	-	-	-	-	1	-
8			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%
9	CUST_STATIONS	INT	1	-	-	-	-	-	-	-	1	-	-
10			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%
11	DEM_SPECIFIC	INT	1	-	-	-	1	-	-	-	-	-	-
12			100.00%	0.00%	0.00%	0.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13	DIST_COMM	INT	1	-	-	-	-	-	-	-	-	-	1
14			100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	100.00%
15	DIST_DEPEXP	INT	689,113	71,587	13,692	139,538	-	99,276	186,706	163,281	15,033	-	-
16			100.00%	10.39%	1.99%	20.25%	0.00%	14.41%	27.09%	23.69%	2.18%	0.00%	0.00%
17	DIST_GENPLANT	INT	100.00	10.51	2.01	20.49	3.95	14.25	24.11	8.55	2.35	13.78	-
18			100.00%	10.51%	2.01%	20.49%	3.95%	14.25%	24.11%	8.55%	2.35%	13.78%	0.00%
19	DIST_LABOUR	INT	258,221	22,212	4,248	43,297	26,407	29,021	50,067	21,407	5,211	56,351	-
20			100.00%	8.60%	1.65%	16.77%	10.23%	11.24%	19.39%	8.29%	2.02%	21.82%	0.00%
21	DIST_LINEPACK	EXT	16,233	12,229	2,339	1,664	-	-	-	-	-	-	-
22			100.00%	75.34%	14.41%	10.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	DIST_MAINS&SERVICES	INT	14,374,370	1,832,102	350,416	3,571,140	-	3,027,580	5,593,131	-	-	-	-
24			100.00%	12.75%	2.44%	24.84%	0.00%	21.06%	38.91%	0.00%	0.00%	0.00%	0.00%

2024 Cost Allocation Study - Harmonized Rate Classes
Distribution Classification Factors (Continued)

Line No.	Distribution Classification Factor		Distribution Demand					Distribution Customer					Distribution Commodity
			Total	High Pressure > 4"	High Pressure <= 4"	Low Pressure	Demand Specific Allocation	Distribution Mains	Distribution Services	Distribution Meters	Distribution Stations	Customer Specific Allocation	
			(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
25	DIST_NETPLANT	INT	11,446,988	1,488,666	284,729	2,901,714	-	2,048,577	3,424,670	983,616	315,016	-	-
26			100.00%	13.00%	2.49%	25.35%	0.00%	17.90%	29.92%	8.59%	2.75%	0.00%	0.00%
27	DIST_O&M	INT	543,368	44,341	8,481	86,431	43,650	58,617	101,219	47,017	10,820	142,793	-
28			100.00%	8.16%	1.56%	15.91%	8.03%	10.79%	18.63%	8.65%	1.99%	26.28%	0.00%
29	DIST_PROPTAX	EXT	89,821	15,193	2,906	29,614	-	24,747	17,362	-	-	-	-
30			100.00%	16.91%	3.24%	32.97%	0.00%	27.55%	19.33%	0.00%	0.00%	0.00%	0.00%
31	DIST_RATEBASE	INT	11,820,642	1,527,842	292,222	2,974,659	17,373	2,098,938	3,510,146	1,015,308	323,479	60,675	-
32			100.00%	12.93%	2.47%	25.16%	0.15%	17.76%	29.70%	8.59%	2.74%	0.51%	0.00%
33	DIST_SUPER	INT	90,715	10,205	1,952	19,891	-	12,571	23,223	19,652	3,222	-	-
34			100.00%	11.25%	2.15%	21.93%	0.00%	13.86%	25.60%	21.66%	3.55%	0.00%	0.00%
35	DISTDEMAND	INT	5,575,565	1,775,393	339,570	3,460,602	-	-	-	-	-	-	-
36			100.00%	31.84%	6.09%	62.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
37	DISTMAINS&MR	INT	9,913,397	2,192,608	419,368	4,273,840	-	3,027,580	-	-	-	-	-
38			100.00%	22.12%	4.23%	43.11%	0.00%	30.54%	0.00%	0.00%	0.00%	0.00%	0.00%
39	HPMAINS>4"	INT	1	1	-	-	-	-	-	-	-	-	-
40			100.00%	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
41	ZERO_INT	EXT	8,509,433	1,775,393	339,570	3,460,602	-	2,933,868	-	-	-	-	-
42			100.00%	20.86%	3.99%	40.67%	0.00%	34.48%	0.00%	0.00%	0.00%	0.00%	0.00%

Cost Allocation Study - Harmonized Rate Classes
Allocation Factors (Continued)

Line No.	Allocation Factors	Total (a)	Wholesale Rate Classes			Ex-franchise Rate Classes			
			Rate E60 (n)	Rate E62 (o)	Rate E64 (p)	Rate E70 (q)	Rate E72 (r)	Rate E80 (s)	Rate E82 (t)
1	GASSTORALLO INT	100	-	1	-	-	-	-	-
2		100%	0%	1%	0%	0%	0%	0%	0%
3	SALESPROMO EXT	11,616	-	13	3	21	-	-	-
4		100%	0%	0%	0%	0%	0%	0%	0%
5	TRANS_COMPFUEL EXT	129,959	-	674	665	66,974	821	-	-
6		100%	0%	1%	1%	52%	1%	0%	0%
7	TRANSPT_DEM_OPT EXT	162,050	-	2,314	31	-	-	-	-
8		100%	0%	1%	0%	0%	0%	0%	0%
9	ALBIONTRANS EXT	100	-	0	-	60	-	-	-
10		100%	0%	0%	0%	60%	0%	0%	0%
11	BAD_DEBT EXT	11,815	-	6	1	-	-	-	-
12		100%	0%	0%	0%	0%	0%	0%	0%
13	CUST_EXCL_GS INT	1,007	-	5	1	-	-	-	-
14		100%	0%	0%	0%	0%	0%	0%	0%
15	DAWN_DEMAND EXT	221,667	-	1,235	1,489	80,537	-	-	-
16		100%	0%	1%	1%	36%	0%	0%	0%
17	DISTCOMM EXT	26,809	-	273	244	-	-	-	-
18		100%	0%	1%	1%	0%	0%	0%	0%
19	D-PTRANS EXT	41,302	-	264	251	11,966	-	-	-
20		100%	0%	1%	1%	29%	0%	0%	0%
21	DSM_ADM EXT	30,707	-	11	20	-	-	-	-
22		100%	0%	0%	0%	0%	0%	0%	0%
23	DSM_PRO EXT	118,116	-	48	89	-	-	-	-
24		100%	0%	0%	0%	0%	0%	0%	0%
25	HIGHPRESS<=4 EXT	167,984	-	216	-	-	-	-	-
26		100%	0%	0%	0%	0%	0%	0%	0%
27	HIGHPRESS>4 EXT	225,038	227	1,747	2,601	-	-	-	-
28		100%	0%	1%	1%	0%	0%	0%	0%
29	KIRKWALL_DEMAND EXT	15,671	-	22	17	13,317	-	-	-
30		100%	0%	0%	0%	85%	0%	0%	0%
31	LOAD_BALANCING EXT	175,236	-	1,393	-	-	-	-	-
32		100%	0%	1%	0%	0%	0%	0%	0%

Cost Allocation Study - Harmonized Rate Classes
Allocation Factors (Continued)

Line No.	Allocation Factors	Total (a)	Wholesale Rate Classes			Ex-franchise Rate Classes			
			Rate E60 (n)	Rate E62 (o)	Rate E64 (p)	Rate E70 (q)	Rate E72 (r)	Rate E80 (s)	Rate E82 (t)
33	LOWPRESS EXT	164,969	-	-	-	-	-	-	-
34		100%	0%	0%	0%	0%	0%	0%	0%
35	METERREPLCOST EXT	1,397,098,621	-	108,105	104,818	-	-	-	-
36		100%	0%	0%	0%	0%	0%	0%	0%
37	NETFROMSTOR EXT	5,103	-	38	54	-	-	-	-
38		100%	0%	1%	1%	0%	0%	0%	0%
39	OP_CONTINGENCY EXT	399,181	-	1,129	1,327	31,721	-	123	-
40		100%	0%	0%	0%	8%	0%	0%	0%
41	PAN_STCLAIR EXT	84,168	-	534	2,601	-	-	-	-
42		100%	0%	1%	3%	0%	0%	0%	0%
43	PKWY_DEMAND EXT	100	-	0	-	51	-	-	-
44		100%	0%	0%	0%	51%	0%	0%	0%
45	STATIONREPLCOST EXT	525,359,911	-	769,125	3,494,879	-	-	-	-
46		100%	0%	0%	1%	0%	0%	0%	0%
47	STORAGEEXCESS EXT	217,749	-	2,246	3,206	-	-	-	-
48		100%	0%	1%	1%	0%	0%	0%	0%
49	STORCOMM EXT	12,127	-	159	161	-	-	-	-
50		100%	0%	1%	1%	0%	0%	0%	0%
51	SUPPLY_VOL EXT	13,147,614	-	156,101	-	-	-	-	-
52		100%	0%	1%	0%	0%	0%	0%	0%
53	TOTAL_CUSTOMERS EXT	3,914,691	-	5	1	-	-	-	-
54		100%	0%	0%	0%	0%	0%	0%	0%
55	TRANS_DEMAND EXT	162,050	-	2,239	31	-	-	-	-
56		100%	0%	1%	0%	0%	0%	0%	0%
57	TRANS_FUEL EXT	23,899	-	342	4	-	-	-	-
58		100%	0%	1%	0%	0%	0%	0%	0%
59	TRANSCOMM EXT	18,269	33	7	6	17,182	280	123	-
60		100%	0%	0%	0%	94%	2%	1%	0%