

**UTILITY OPERATIONS AND MAINTENANCE ALLOCATIONS**

Line	Cost Categories	Allocation Method	Reasonableness of Allocation Method	Allocation Percentages			
				Electric	Gas	Thermal	NonUtility
1	FERC Accounts 901-917 (excluding commodity bad debt in FERC 904)	Customer Allocator	Customer bill counts are a reasonable methodology to use to allocate common customer accounting and customer information and sales costs recorded in FERC accounts 901-917 because these costs are customer related costs, e.g., credit and collection, customer accounting, bad debt, etc.	51.2475%	48.7525%		
2	FERC Account 904 (commodity bad debt portion)	Revenue Allocator	A revenue allocator is a reasonable methodology to allocate commodity bad debt because these costs have a cost-causative relationship to uncollectible utility revenues.	73.6697%	26.3303%		
3	FERC Accounts 920-924	Three-factor Allocator	A three-factor allocator is a reasonable methodology to allocate these costs because there is no single allocator that could provide a cost caustive link. A three-factor allocator that measures three distinct aspects of the Company and results in an overall fair assignment of costs to the electric, gas and thermal utilities is used and is based on equally weighing operating revenue, plant in service and supervised O&M.	77.3125%	22.1866%	0.5009%	
4	FERC Accounts 925-926	Labor Allocator	A labor allocator is a reasonable methodology to allocate common costs recorded in FERC accounts 925 & 926 because injuries and damages and pension and benefit costs have a cost causative relationship with labor.	70.5320%	28.6143%	0.8537%	
5	FERC Accounts 927-935	Three-factor Allocator	A three-factor allocator is a reasonable methodology to allocate these costs because there is no single allocator that could provide a cost caustive link. A three-factor allocator that measures three distinct aspects of the Company and results in an overall fair assignment of costs to the electric, gas and thermal utilities is used and is based on equally weighing operating revenue, plant in service and supervised O&M.	77.3125%	22.1866%	0.5008%	

**NON-OPERATIONS AND MAINTENACE ALLOCATIONS**

Line	Cost Categories	Allocation Method	Reasonableness of Allocation Method	Allocation Percentages			
				Electric	Gas	Thermal	NonUtility
1	FERC Account 403-407	Common Plant Allocator	The common plant allocator is a reasonable methodology to use to allocate common costs recorded in FERC accounts 403-407 because depreciation & amortization costs have a cost causative relationship to plant in service.	71.8078%	27.6548%	0.1462%	0.3912%
2	FERC Account 408 (property tax portion)	Common Plant Allocator	The common plant allocator is a reasonable methodology to use to allocate common property tax recorded in FERC account 408 because property tax has a cost causative relationship to plant in service.	71.8078%	27.6548%	0.1462%	0.3912%
3	FERC Account 408 (payroll tax portion)	Labor Allocator	A labor allocator is a reasonable methodology to use to allocate common payroll tax recorded in FERC account 408 because payroll tax has a cost causative relationship with labor.	70.5320%	28.6143%	0.8537%	
4	FERC Account 408 (other tax portion)	Three-factor Allocator	A three-factor allocator is a reasonable methodology to allocate these costs because there is no single allocator that could provide a cost causative link. A three-factor allocator that measures three distinct aspects of the Company and results in an overall fair assignment of costs to the electric, gas, and thermal utilities is used and is based on equally weighing operating revenue, plant in service and supervised O&M.	77.3125%	22.1866%	0.5008%	
5	FERC Account 413	Common Plant Allocator	The common plant allocator is a reasonable methodology to use to allocate common costs recorded in FERC account 413 because the expenses of electric plant leased to others have a cost causative relationship to utility plant in service.	71.8078%	27.6548%	0.1462%	0.3912%

Line	Cost Categories	Allocation Method	Reasonableness of Allocation Method	Allocation Percentages			
				Electric	Gas	Thermal	NonUtility
1	FERC Account 411.6, 411.7 & 411.1	Common Plant Allocator	The common plant allocator is a reasonable methodology to use to allocate common costs recorded in FERC accounts 411.6, 411.7 and 411.1 because these gains/losses have a cost causative relationship to utility plant in service.	72.0898%	27.7634%	0.1468%	
2	FERC Account 426.1 and 426.5	Three-factor Allocator	A three-factor allocator is a reasonable methodology to allocate these costs because there is no single allocator that could provide a cost causative link. A three-factor allocator that measures three distinct aspects of the Company and results in an overall fair assignment of costs to the electric, gas, and thermal utilities is used and is based on equally weighing operating revenue, plant in service and supervised O&M.	77.3125%	22.1866%	0.5008%	
3	FERC Account 427-431	Net Plant	A net plant allocator is a reasonable methodology to use to allocate common costs in FERC accounts 427-431 because interest/debt costs have a cost causative relationship to plant in service.	77.8374%	21.9123%	0.2503%	
4	FERC Account 432	Gross Plant	A gross plant allocator is a reasonable methodology to use to allocate common costs recorded in FERC account 432 because AFUDC has a cost causative relationship to utility plant in service.	77.8170%	21.9041%	0.2789%	