

Ex J13.4 Attachment 1: Updated Ex F4-2-1 Table 6
Reconciliation of Tax Return to Regulatory Tax Calculation (\$M)
Year Ending December 31, 2013

Line No.	Particulars	2013 Tax Return					Adjustments		(5) - (6) - (7) Regulatory Tax Calc'n
		OPG Parent ⁱ	Subsidiaries ⁱⁱ	(1) + (2) Total ⁱⁱⁱ	Unregulated ^{iv}	(3) - (4) Regulated ^v	Bruce Lease ^{vi}	Other Adjustments ^{vii}	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Determination of Taxable Income									
1	Earnings Before Tax	255.1	(88.9)	166.2	(9.9)	176.0	3.3	229.4	(56.7)
Additions for Tax Purposes:									
2	Depreciation and Amortization	543.2	104.0	647.2	192.1	455.1	104.5	31.5	319.1
3	Nuclear Waste Management Expenses (incl Accretion Expense)	920.7	0.0	920.7	0.0	920.7	425.8	469.8	25.1
4	Receipts from Nuclear Segregated Funds	75.1	0.0	75.1	0.0	75.1	30.4	0.0	44.7
5	Pension and OPEB/SPP Accrual	762.2	0.0	762.2	144.9	617.3	0.0	312.0	305.3
6	Regulatory Asset Amortization - Nuclear Development and Capacity Refurbishment Variance Accounts	7.0	0.0	7.0	0.0	7.0	0.0	7.0	0.0
7	Regulatory Asset Amortization - Nuclear Liability Deferral Account	74.9	0.0	74.9	0.0	74.9	0.0	74.9	0.0
8	Regulatory Asset and Liability Amortization - Other Variance Accounts	131.3	0.0	131.3	0.0	131.3	0.0	131.3	0.0
9	Regulatory Liability Amortization - Income and Other Taxes Variance Account	(21.1)	0.0	(21.1)	0.0	(21.1)	0.0	(2.4)	(18.7)
10	Regulatory Asset Amortization - Bruce Lease Net Revenues Variance Account	62.9	0.0	62.9	0.0	62.9	0.0	0.0	62.9
11	Regulatory Asset Amortization - Tax Loss Variance Account	180.9	0.0	180.9	0.0	180.9	0.0	180.9	0.0
12	Reversal of Bruce Lease Net Revenues Variance Account Additions	(150.8)	0.0	(150.8)	0.0	(150.8)	0.0	(150.8)	0.0
13	Adjustment Related to Financing Cost for Nuclear Liabilities	0.0	0.0	0.0	0.0	0.0	0.0	(76.8)	76.8
14	Taxable SR&ED Investment Tax Credits	39.9	0.0	39.9	2.7	37.2	0.0	8.8	28.4
15	Materials and Supplies Inventory Obsolescence	30.9	0.0	30.9	22.0	8.9	0.0	0.0	8.9
16	Other	139.3	(0.2)	139.1	43.5	95.6	79.3	5.0	11.3
17	Total Additions	2,796.8	103.8	2,900.6	405.3	2,495.3	640.1	991.4	863.8
Deductions for Tax Purposes:									
18	CCA	474.6	5.6	480.2	166.9	313.3	5.6	(0.0)	307.7
19	Cash Expenditures for Nuclear Waste & Decommissioning	199.6	0.0	199.6	3.4	196.2	91.3	0.3	104.7
20	Contributions to, and Earnings on Nuclear Segregated Funds	854.0	0.0	854.0	0.0	854.0	423.0	332.9	98.1
21	Pension Plan Contributions	300.0	0.0	300.0	57.1	242.9	0.0	0.0	242.9
22	OPEB/SPP Payments	101.1	0.0	101.1	19.2	81.9	0.0	0.0	81.9
23	Reversal of Nuclear Liability Deferral Account Additions	79.0	0.0	79.0	0.0	79.0	0.0	79.0	0.0
24	Reversal of Pension and OPEB Cost Variance Account Additions	312.5	0.0	312.5	0.0	312.5	0.0	312.5	0.0
25	Reversal of Impact of USGAAP Deferral Account Additions	0.7	0.0	0.7	0.0	0.7	0.0	0.7	0.0
26	Reversal of Other Variance Account Additions	77.0	0.0	77.0	0.0	77.0	0.0	77.0	0.0
27	Reversal of Nuclear Development and Capacity Refurbishment Variance Account Additions	100.9	0.0	100.9	0.0	100.9	0.0	100.9	0.0
28	Reversal of Return on Rate Base Recorded in Capacity Refurbishment Variance Account	0.0	0.0	0.0	0.0	0.0	0.0	(50.9)	50.9
29	SR&ED Qualifying Capital Expenditures	137.9	0.0	137.9	7.0	130.9	0.0	(0.0)	130.9
30	Construction In Progress Interest Capitalized	54.1	0.0	54.1	6.8	47.3	0.0	47.3	0.0
31	Other	248.5	0.0	248.5	154.0	94.5	92.9	(0.0)	1.6
32	Total Deductions	2,939.8	5.6	2,945.4	414.2	2,531.1	612.7	899.7	1,018.7
33	Taxable Income (line 1 + line 17 - line 32)	112.1	9.3	121.4	(18.8)	140.2	30.7	321.1	(211.6)

Notes:

Columns:

- i Amounts are as per the OPG Inc. legal entity tax return.
- ii Amounts are as per the income tax returns for OPG Inc. subsidiaries.
- iii Represents the OPG consolidated amounts. Earnings Before Tax is as reported in OPG's 2013 audited consolidated audited financial statements.
- iv Represents amounts relating to OPG's unregulated operations. Newly regulated hydroelectric amounts are included in this column, while Bruce Lease net revenue items are not.
- v Represents amounts reported in the "regulated" segment of OPG's audited consolidated financial statements in accordance with generally accepted accounting principles.
- vi Represents Bruce Lease net revenue items included in col. (5). Bruce Lease income tax details are provided in Ex. L-1.0-1 Staff-002 Table 38, as updated for the information in OPG's 2013 income tax returns, and are included in Bruce Lease net revenues; therefore Bruce Lease income tax amounts are removed in determining income taxes for prescribed facilities.
- vii Represents the followings:
 - (1) items of income and expenses reflected in OPG's income tax returns that do not form part of the regulatory income tax calculation as per the OEB-approved methodology, and vice versa. Examples include: accretion expense for nuclear waste management and decommissioning liabilities an earnings on related segregated funds which do not form part of the OEB-approved recovery methodology for these liabilities, and deemed interest expense that replaces OPG's actual interest expense for regulatory purposes.
 - (2) line item presentation differences between OPG's income tax returns and the regulatory income tax calculation that do not impact taxable income.