	2006 Board Approved	2006 Actual	2007Actual	2008 Bridge	2009 Test
Determination of Taxable Income					
Regulatory Net Income (before tax)	$214,459	$51,069	$143,936	$193,976	$175,453
Book to Tax Adjustments					
Additions to Accounting Income:					
Depreciation and amortization	$208,110	$471,956	$275,626	$294,516	$350,459
Meals & entertainment / Mileage					
Other Additions		$0	$0		
Total Additions	$208,110	$471,956	$275,626	$294,516	$350,459
Deductions from Accounting Income:					
Capital Cost Allowance	$239,253	$236,618	$244,894	$256,980	$314,299
Cumulative eligible capital deductions	$946				
Gain on Disposal					
Other Deductions		$0	$0		
Total Deductions	$240,199	$236,618	$244,894	$256,980	$314,299
Regulatory Taxable Income	$182,370	$286,406	$174,668	$231,512	$211,613
Corporate Income Tax Rate	18.62%	18.62%	18.62%	17.00%	12.80%
Ontario Capital Tax Rate					14.00%
Provincial Small Business Rate					5.50%
Provincial Tax Clawback Rate					4.25%
Corporate Income Tax					$27,086
Ontario Capital Tax					$29,626
Provincial Small Business					-$17,987
Provincial Tax Clawback					$0
Regulatory Income Tax	$33,957	$53,329	$32,523	$39,357	$38,725
Calculation of Utility Income Taxes					
Income Taxes (Line 23)	$33,957	$53,329	$32,523	$39,357	$38,725
Ontario Capital Tax	$0	$0	$0	$0	$0
Large Corporation Tax (Line 14, page 2)					
Total Taxes	$33,957	$53,329	$32,523	$39,357	$38,725
Taxes Grossed up for Rate Purposes	**$41,727**	**$65,531**	**$39,964**	**$47,418**	**$47,399**
Tax Rates					
Federal Tax	12.00%	12.00%	12.00%	11.50%	12.80%
Federal Surtax	1.12%	1.12%	1.12%	0.00%	0.00%
Provincial Tax	5.50%	5.50%	5.50%	5.50%	5.50%
Total Tax Rate	**18.62%**	**18.62%**	**18.62%**	**17.00%**	**18.30%**

Determination of Net Utility Income

	Existing Rates	Proposed Rates	Revenue Surplus or Defficiency
Revenue Deficiency		$681,396	
Distribution Revenue	$1,811,046	$1,811,046	$0
Other Operating Revenue (Net)	$92,696	$92,696	$0
Total Revenue	$1,903,742	$2,585,138	$681,396
Costs and Expenses			$0
Distribution Costs	$1,333,700	$1,333,700	$0
Operation & Maintenance	$472,550	$472,550	$0
Depreciation & Amortization	$350,459	$350,459	$0
Property & Capital Taxes	$0	$0	$0
Interest	$205,578	$205,578	$0
Total Costs and Expenses	$2,362,286	$2,362,286	$0
Utility Income Before Income Taxes	-$458,544	$222,852	$681,396
Income Taxes	-$69,469	$47,399	$116,868
Utility Income	-$389,076	$175,453	$798,264
Rate Base	$5,055,203	$5,055,203	
Equity Portion	43.3300%	43.3300%	
Equity Component of Rate Base	$2,190,419	$2,190,419	
Target Return on Equity	8.01%	8.01%	
Return on Rate Base	$175,452.59	$175,452.59	
Revenue Sufficiency	-$564,528.21	$0.00	

Calculation of Income Taxes

Utility Income Before Income Taxes	-$415,769
Additions to Accounting Income	$350,459
Deductions from Accounting Income	$314,299
Regulatory Taxable Income	-$379,609
Income Tax	**-$69,469**