



January 8, 2010

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

Re: EB-2008-0381 Procedural Order #7-Halton Hills Hydro Inc.

As per the direction given in EB-2008-0381 Procedural Order #7, Halton Hills Hydro Inc. is re-submitting the following Items as evidence:

- 1.) Halton_EVD_PILs-2001Q4_EB-2008-0381_20100108
- 2.) Halton_EVD_PILs-2002_EB-2008-0381_20100108
- 3.) Halton_EVD_PILs-2003_EB-2008-0381_20100108
- 4.) Halton_EVD_PILs-2004_EB-2008-0381_20100108
- 5.) Halton_EVD_PILs-2005_EB-2008-0381_20100108
- 6.) Halton_EVD_PILsSummary1562 Balance_EB-2008-0381_20100108

The re-submitted evidence uses the PILs Model that was created by Board Staff and was used for the non-transcribed meeting on August 17 and 18, 2009.

Halton Hills Hydro Inc. is in agreement with the PILs Models provided by Board Staff for Items 1 and 2.

Halton Hills Hydro Inc. has made the required changes to Items 3, 4 and 5 listed above, eliminating the excess interest calculation from the model (Cell E202 of "TAXCALC" tab and highlighted in red) . Item 6 has been updated as a result of the changes to the "TAXCALC" sheets in the previous Items. It should be noted that the Ministry of Finance interest deduction includes both Note and Consumer Deposit interest.

During the period in question (2001-2005), Halton Hills Hydro Inc. maintained a 50/50 Debt Equity Ratio and interest was paid at 7.25% on the actual amount (\$16,141,970) of the Note. These methodologies are consistent with the Board's deemed Debt Equity Ratio and Debt Rate for the same period.

Should Board Staff, or any parties in this proceeding, dispute the methodology and/or interpretation applied in the submitted evidence, Halton Hills Hydro Inc. reserves the right to respond accordingly.

Sincerely,

Arthur A. Skidmore, CMA
President and CEO
Halton Hills Hydro Inc.

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Ontario Energy Board
File Number EB-2008-0381

Procedural Order #7

Halton Hills Hydro Inc. Responses

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Item 1

Halton_EVD_PILs-2001Q4_EB-2008-0381_20100108

(PILs 2001-Quarter 4)

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	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Halton Hills			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	92	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2001	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			25,052,968	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			2,145,787	
42					
43	1999 return from RUD Sheet #7			0	0
44					
45	Total Incremental revenue			2,145,787	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			715,405	715,405
48	Amount allowed in 2002			715,191	0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			715,191	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				715,405
55					
56	Equity			12,526,484	
57					
58	Return at target ROE			1,237,617	
59					
60	Debt			12,526,484	
61					
62	Deemed interest amount in 100% of MARR			908,170	
63					
64	Phase-in of interest - Year 1 (2001)			302,784	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			605,477	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			605,477	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			908,170	
71					
72					

A	B	C	D	E	F	G	H
1 PILS TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2 PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3 TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4 ("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5	0					Version 2009.1	
6 Utility Name: Halton Hills							
7 Reporting period: 2001							
8						Column	
9 Days in reporting period:	92	days				Brought	
10 Total days in the calendar year:	365	days				From	
11						TAXREC	
12		\$		\$		\$	
13							
14 II) CORPORATE INCOME TAXES							
15							
16 Regulatory Net Income REGINFO E53	1	178,851		-1,099,147		-920,296	
17							
18 BOOK TO TAX ADJUSTMENTS							
19 Additions:							
20 Depreciation & Amortization	2	365,171		78,378		443,549	
21 Employee Benefit Plans - Accrued, Not Paid	3			8,547		8,547	
22 Tax reserves - beginning of year	4			0		0	
23 Reserves from financial statements - end of year	4			0		0	
24 Regulatory Adjustments - increase in income	5			0		0	
25 Other Additions (See Tab entitled "TAXREC")							
26 "Material" Items from "TAXREC" worksheet	6			0		0	
27 Other Additions (not "Material") "TAXREC"	6			0		0	
28 "Material" Items from "TAXREC 2" worksheet	6			0		0	
29 Other Additions (not "Material") "TAXREC 2"	6			0		0	
30 Items on which true-up does not apply "TAXREC 3"				2,239		2,239	
31							
32 Deductions: Input positive numbers							
33 Capital Cost Allowance and CEC	7	137,060		74,611		211,671	
34 Employee Benefit Plans - Paid Amounts	8			6,037		6,037	
35 Items Capitalized for Regulatory Purposes	9	0		0		0	
36 Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37 Interest Expense Deemed/ Incurred	11	75,696		144,294		219,990	
38 Tax reserves - end of year	4			0		0	
39 Reserves from financial statements - beginning of year	4			0		0	
40 Contributions to deferred income plans	3			0		0	
41 Contributions to pension plans	3			0		0	
42 Interest capitalized for accounting but deducted for tax	11			0		0	
43 Other Deductions (See Tab entitled "TAXREC")							
44 "Material" Items from "TAXREC" worksheet	12			0		0	
45 Other Deductions (not "Material") "TAXREC"	12			0		0	
46 Material Items from "TAXREC 2" worksheet	12			0		0	
47 Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48 Items on which true-up does not apply "TAXREC 3"				0		0	
49							
50 TAXABLE INCOME/ (LOSS)		331,266		(1,234,925)	Before loss C/F	(903,659)	
51							
52 BLENDED INCOME TAX RATE							
53 Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%		-40.6200%		0.00%	
54							
55 REGULATORY INCOME TAX		134,560		-134,560	Actual	0	
56							
57							
58 Miscellaneous Tax Credits	14			0	Actual	0	
59							
60 Total Regulatory Income Tax		134,560		-134,560	Actual	0	
61							
62							
63 III) CAPITAL TAXES							
64							
65 Ontario							
66 Base	15	25,052,968		4,558,604		29,611,572	
67 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-5,000,000		0	
68 Taxable Capital		20,052,968		-441,396		29,611,572	
69							
70 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71							
72 Ontario Capital Tax		15,163		7,228		22,391	
73							
74 Federal Large Corporations Tax							
75 Base	18	25,052,968		3,973,803		29,026,771	
76 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77 Taxable Capital		15,052,968		3,973,803		19,026,771	
78							
79 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80							
81 Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		8,537		2,254		10,791	
82 Less: Federal Surtax 1.12% x Taxable Income	21	3,710		-3,710		0	
83							
84 Net LCT		4,827		5,964		10,791	
85							
86 III) INCLUSION IN RATES							
87							
88 Income Tax Rate used for gross- up (exclude surtax)		39.50%					
89							
90 Income Tax (proxy tax is grossed-up)	22	222,414			Actual 2001	0	
91 LCT (proxy tax is grossed-up)	23	7,978			Actual 2001	10,791	
92 Ontario Capital Tax (no gross-up since it is deductible)	24	15,163			Actual 2001	22,391	
93							
94							
95 Total PILs for Rate Adjustment -- MUST AGREE WITH 2001	25	245,555			Actual 2001	33,182	
96 RAM DECISION							
97							
98							
99 IV) FUTURE TRUE-UPS							
100 IV a) Calculation of the True-up Variance				DR/(CR)			
101 In Additions:							
102 Employee Benefit Plans - Accrued, Not Paid	3			8,547			
103 Tax reserves deducted in prior year	4			0			
104 Reserves from financial statements-end of year	4			0			
105 Regulatory Adjustments	5			0			
106 Other additions "Material" Items TAXREC	6			0			
107 Other additions "Material" Items TAXREC 2	6			0			
108 In Deductions - positive numbers							
109 Employee Benefit Plans - Paid Amounts	8			6,037			
110 Items Capitalized for Regulatory Purposes	9			0			
111 Regulatory Adjustments	10			0			
112 Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113 Tax reserves claimed in current year	4			0			
114 Reserves from F/S beginning of year	4			0			
115 Contributions to deferred income plans	3			0			
116 Contributions to pension plans	3			0			
117 Other deductions "Material" Items TAXREC	12			0			
118 Other deductions "Material" Item TAXREC 2	12			0			
119							
120 Total TRUE-UPS before tax effect	26		=	2,510			

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Halton_EVD_PILs-2001Q4_EB-2008-0381_20100108

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Halton Hills							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	92	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
121								
122	Income Tax Rate (excluding surtax) from 2001 Utility's tax return			x	18.00%			
123								
124	Income Tax Effect on True-up adjustments			=	452			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				452			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				39.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				747			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	331,266			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	40.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	134,560			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	134,560			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	134,560			
147								
148	Regulatory Income Tax Variance			=	0			
149								
150	Ontario Capital Tax							
151	Base			=	25,052,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	20,052,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	15,163			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	15,163			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				25,052,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	15,052,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				8,537			
169	Less: Federal surtax			-	3,710			
170	Revised Net LCT			=	4,827			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	4,827			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
176								
177	Income Tax (grossed-up)			+	0			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	747			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	747			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				908,170			
194	Interest phased-in (Cell C37)				302,784	25% for Q4 2001		
195								
196	Variance due to phase-in of debt component of MARR in rates				605,386			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell G36+G41)				219,990			
202	Total deemed interest (REGINFO CELL D61)				908,170			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				605,386			
209								
210								
211								

EB-2008-0381
Procedural Order #7
Halton_EVD_PILs-2001Q4_EB-2008-0381_20100108

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Halton Hills					
8	Reporting period: 2001					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		92	days		
12						
13	Please enter the Materiality Level :		31,316	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/N				
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
24	The actual categories of the income statements should be used.					
25	If required please change the descriptions except for amortization, interest expense and provision for income tax					
26						
27	Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts					
28	in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.					
29						
30	Income:					
31	Energy Sales	+	8,813,303		8,813,303	
32	Distribution Revenue	+			0	
33	Other Income	+			0	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	8,436,050		8,436,050	
40	Administration	-	854,000		854,000	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	443,549		443,549	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-920,296	0	-920,296	
51	Less: Interest expense for accounting purposes	-	219,990		219,990	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	-1,140,286	0	-1,140,286	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+	50,519		50,519	
61	Depreciation & Amortization	+	443,549	0	443,549	
62	Employee benefit plans-accrued, not paid	+	8,547	0	8,547	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		2,239	0	2,239	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		504,854	0	504,854	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	504,854	0	504,854	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	211,671		211,671	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-	6,037		6,037	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	217,708	0	217,708	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118					0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	217,708	0	217,708	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	-853,140	0	-853,140	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	(853,140)	0	(853,140)	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	0	0	0	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
151	Blended Income Tax Rate		0.00%		0.00%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP FROM ABOVE:					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	22,391		22,391	
158	Federal Large Corporations Tax	+	10,791		10,791	
159						
160	Total income and capital taxes	=	33,182	0	33,182	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Halton Hills					
8	Reporting period: 2001					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		31,316			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36		+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2001					
10	Number of days in taxation year:		92			
11	Materiality Level:		31,316			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Halton Hills				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		92			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	2,239		2,239	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	+				
36	Interest and penalties on unpaid taxes	+				
37	Management bonuses unpaid after 180 days of year end	+				
38	Ontario Capital Tax per books	+				
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Capital contributions - s.12(1)(x)	+			0	
45		+			0	
46		+				
47	Total Additions on which true-up does not apply	=	2,239	0	2,239	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario Capital Tax per tax return	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69	Capital contributions s.13(7.4) Election	-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Halton Hills									
5	Reporting period: 2001									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
9	Income Range		0		50,000					
10	RAM 2002		to		to					
11		Year	50,000		175,000			>175,000		
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%			28.12%		
15	and Ontario blended		6.00%		6.00%			12.50%		
16	Blended rate		19.12%		34.12%			40.62%		
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001									
27	Income Range		0		50,000					
28	Expected Rates		to		to			>175,000		
29		Year	50,000		175,000					
30	Income Tax Rate									
31	Current year	2001								
32	Federal (Includes surtax)	2001	13.12%		28.12%			28.12%		
33	Ontario	2001	6.00%		6.00%			12.50%		
34	Blended rate	2001	19.12%		34.12%			40.62%		
35										
36	Capital Tax Rate	2001	0.300%							
37	LCT rate	2001	0.225%							
38	Surtax	2001	1.12%							
39	Ontario Capital Tax Exemption *** 2001	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2001	MAX \$10MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2001 Tax Returns									
45	Income Range		0		50,000					
46			to		to			>175,000		
47		Year	50,000		175,000					
48	Income Tax Rate									
49	Current year	2001								
50	Federal (Includes surtax)		13.12%		22.12%			28.12%		
51	Ontario		6.00%		9.75%			12.50%		
52	Blended rate		19.12%		31.87%			40.62%		
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	0							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

EB-2008-0381
Procedural Order #7
alton_EVD_PILs-2001Q4_EB-2008-0381_20100108

29,611,572

A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial	M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)			Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)			G-C	Explanation		
5	0					Version 2009.1	
6	Utility Name: Halton Hills						
7	Reporting period: 2001						
8							
9	Days in reporting period:	92	days			Column	
10	Total days in the calendar year:	365	days			Brought	
11						From	
12						TAXREC	
13						\$	
14	II) CORPORATE INCOME TAXES						
15							
16	Regulatory Net Income REGINFO E53	1	178,851	-1,099,147		-920,296	
17							
18	BOOK TO TAX ADJUSTMENTS						
19	Additions:						
20	Depreciation & Amortization	2	365,171	78,378		443,549	
21	Employee Benefit Plans - Accrued, Not Paid	3	0	8,547		8,547	
22	Tax reserves - beginning of year	4	0	0		0	
23	Reserves from financial statements - end of year	4	0	0		0	
24	Regulatory Adjustments - increase in income	5	0	0		0	
25	Other Additions (See Tab entitled "TAXREC")						
26	"Material" Items from "TAXREC" worksheet	6	0	0		0	
27	Other Additions (not "Material") "TAXREC"	6	0	0		0	
28	"Material" Items from "TAXREC 2" worksheet	6	0	0		0	
29	Other Additions (not "Material") "TAXREC 2"	6	0	0		0	
30	Items on which true-up does not apply "TAXREC 3			2,239		2,239	
31							
32	Deductions: Input positive numbers						
33	Capital Cost Allowance and CEC	7	137,060	74,611		211,671	
34	Employee Benefit Plans - Paid Amounts	8	0	6,037		6,037	
35	Items Capitalized for Regulatory Purposes	9	0	0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0	0		0	
37	Interest Expense Deemed/ Incurred	11	75,696	144,294		219,990	
38	Tax reserves - end of year	4	0	0		0	
39	Reserves from financial statements - beginning of year	4	0	0		0	
40	Contributions to deferred income plans	3	0	0		0	
41	Contributions to pension plans	3	0	0		0	
42	Interest capitalized for accounting but deducted for tax	11	0	0		0	
43	Other Deductions (See Tab entitled "TAXREC")						
44	"Material" Items from "TAXREC" worksheet	12	0	0		0	
45	Other Deductions (not "Material") "TAXREC"	12	0	0		0	
46	Material Items from "TAXREC 2" worksheet	12	0	0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12	0	0		0	
48	Items on which true-up does not apply "TAXREC 3			0		0	
49							
50	TAXABLE INCOME/ (LOSS)		331,266	(1,234,925)	Before loss C/F	(903,659)	
51							
52	BLENDED INCOME TAX RATE						
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%	-40.6200%		0.00%	
54							
55	REGULATORY INCOME TAX		134,560	-134,560	Actual	0	
56							
57							
58	Miscellaneous Tax Credits	14	0	0	Actual	0	
59							
60	Total Regulatory Income Tax		134,560	-134,560	Actual	0	
61							
62							
63	III) CAPITAL TAXES						
64							
65	Ontario						
66	Base	15	25,052,968	4,558,604		29,611,572	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000	-5,000,000		0	
68	Taxable Capital		20,052,968	-441,396		29,611,572	
69							
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	
71							
72	Ontario Capital Tax		15,163	7,228	Overpaid	22,391	
73							
74	Federal Large Corporations Tax						
75	Base	18	25,052,968	3,973,803		29,026,771	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	0		10,000,000	
77	Taxable Capital		15,052,968	3,973,803		19,026,771	
78							
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	0.0000%		0.2250%	
80							
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		8,537	2,254		10,791	
82	Less: Federal Surtax 1.12% x Taxable Income	21	3,710	-3,710		0	
83							
84	Net LCT		4,827	5,964		10,791	
85							
86	III) INCLUSION IN RATES						
87							
88	Income Tax Rate used for gross- up (exclude surtax)		39.50%				
89							
90	Income Tax (proxy tax is grossed-up)	22	222,414		Actual 2001	0	
91	LCT (proxy tax is grossed-up)	23	7,978		Actual 2001	10,791	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	15,163		Actual 2001	22,391	
93							
94							
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2001	25	245,555		Actual 2001	33,182	
96	RAM DECISION						
97							
98							
99	IV) FUTURE TRUE-UPS						
100	IV a) Calculation of the True-up Variance			DR/(CR)			
101	In Additions:						
102	Employee Benefit Plans - Accrued, Not Paid	3		8,547			
103	Tax reserves deducted in prior year	4		0			
104	Reserves from financial statements-end of year	4		0			
105	Regulatory Adjustments	5		0			
106	Other additions "Material" Items TAXREC	6		0			
107	Other additions "Material" Items TAXREC 2	6		0			
108	In Deductions - positive numbers						
109	Employee Benefit Plans - Paid Amounts	8		6,037			
110	Items Capitalized for Regulatory Purposes	9		0			
111	Regulatory Adjustments	10		0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11		0			
113	Tax reserves claimed in current year	4		0			
114	Reserves from F/S beginning of year	4		0			
115	Contributions to deferred income plans	3		0			
116	Contributions to pension plans	3		0			
117	Other deductions "Material" Items TAXREC	12		0			
118	Other deductions "Material" Item TAXREC 2	12		0			
119							
120	Total TRUE-UPS before tax effect	26		= 2,510			
121							
122	Income Tax Rate (excluding surtax) from 2001 Utility's tax return			x 18.00%			

A	B	C	D	E	F	G	H
1 PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2 PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3 TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4 ("Wires-only" business - see Tab TAXREC)				G-C	Explanation		
5	0					Version 2009.1	
6 Utility Name: Halton Hills							
7 Reporting period: 2001							
8							
9 Days in reporting period:	92	days				Column	
10 Total days in the calendar year:	365	days				Brought	
11						From	
12						TAXREC	
13		\$		\$		\$	
123							
124 Income Tax Effect on True-up adjustments			=	452			
125							
126 Less: Miscellaneous Tax Credits	14			0			
127							
128 Total Income Tax on True-ups				452			
129							
130 Income Tax Rate used for gross-up (exclude surtax)				39.50%			
131							
132 TRUE-UP VARIANCE ADJUSTMENT				747			
133							
134 IV b) Calculation of the Deferral Account Variance caused by							
135 changes in legislation							
136 REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial			=	331,266			
137 estimate column)							
138 REVISED CORPORATE INCOME TAX RATE			x	40.62%			
139							
140 REVISED REGULATORY INCOME TAX			=	134,560			
141							
142 Less: Revised Miscellaneous Tax Credits			-	0			
143							
144 Total Revised Regulatory Income Tax			=	134,560			
145							
146 Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell			-	134,560			
147 C60)							
148 Regulatory Income Tax Variance			=	0			
149							
150 Ontario Capital Tax							
151 Base			=	25,052,968			
152 Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153 Revised deemed taxable capital			=	20,052,968			
154							
155 Rate - Tab Tax Rates cell C54			x	0.3000%			
156							
157 Revised Ontario Capital Tax			=	15,163			
158 Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	15,163			
159 Regulatory Ontario Capital Tax Variance			=	0			
160							
161 Federal LCT							
162 Base				25,052,968			
163 Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164 Revised Federal LCT			=	15,052,968			
165							
166 Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167							
168 Gross Amount				8,537			
169 Less: Federal surtax			-	3,710			
170 Revised Net LCT			=	4,827			
171							
172 Less: Federal LCT reported in the initial estimate column (Cell C84)			-	4,827			
173 Regulatory Federal LCT Variance			=	0			
174							
175 Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
176							
177 Income Tax (grossed-up)			+	0			
178 LCT (grossed-up)			+	0			
179 Ontario Capital Tax			+	0			
180							
181 DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182							
183 TRUE-UP VARIANCE (from cell I132)			+	747			
184							
185 Total Deferral Account Entry (Positive Entry = Debit)			=	747			
186 (Deferral Account Variance + True-up Variance)							
187							
188							
189							
190 V) INTEREST PORTION OF TRUE-UP							
191 Variance Caused By Phase-in of Deemed Debt							
192							
193 Total deemed interest (REGINFO)				908,170			
194 Interest phased-in (Cell C37)				302,784	25% for Q4 2001		
195							
196 Variance due to phase-in of debt component of MARR in rates				605,386			
197 according to the Board's decision							
198							
199 Other Interest Variances (i.e. Borrowing Levels							
200 Above Deemed Debt per Rate Handbook							
201 Interest deducted on MoF filing (Cell G36+G41)				219,990			
202 Total deemed interest (REGINFO CELL D61)				908,170			
203							
204 Variance caused by excess debt				0			
205							
206 Interest Adjustment for Tax Purposes (carry forward to Cell I112				0			
207							
208 Total Interest Variance				605,386			
209							
210							
211							

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Halton Hills									
5	Reporting period: 2001									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2001 Q4									
10	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
11	RAM 2002	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		28.12%		28.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		34.12%		40.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2001 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2002								
31	Federal (Includes surtax)	2002	13.12%		28.12%		26.12%			
32	Ontario	2002	6.00%		6.00%		12.50%			
33	Blended rate	2002	19.12%		34.12%		38.62%			
34										
35										
36	Capital Tax Rate	2002	0.300%							
37	LCT rate	2002	0.225%							
38	Surtax	2002	1.12%							
39	Ontario Capital Tax Exemption *** 2001	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2001	MAX \$10MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2001 Tax Returns									
45	Income Range		0 to 50,000		50,000 to 175,000		>175,000			
46		Year								
47	Income Tax Rate									
48	Current year	2001								
49	Federal (Includes surtax)		13.12%		22.12%		28.12%			
50	Ontario		6.00%		9.75%		12.50%			
51	Blended rate		19.12%		31.87%		40.62%			
52										
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	0							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

29,611,572

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Halton Hills														Version 2009.1
4	Reporting period: 2001														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											747		747
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											0		0
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		747		747
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true-up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
49	true-up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

Item 2

Halton_EVD_PILs-2002_EB-2008-0381_20100108

(PILs 2002)

Intentionally Blank

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Halton Hills			Colour Code	
4	Reporting period: 2002			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			25,052,968	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			2,145,787	
42					
43	1999 return from RUD Sheet #7			0	0
44					
45	Total Incremental revenue			2,145,787	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			715,405	715,405
48	Amount allowed in 2002			715,191	715,191
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			715,191	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				1,430,596
55					
56	Equity			12,526,484	
57					
58	Return at target ROE			1,237,617	
59					
60	Debt			12,526,484	
61					
62	Deemed interest amount in 100% of MARR			908,170	
63					
64	Phase-in of interest - Year 1 (2001)			302,784	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			605,477	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			605,477	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			908,170	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Halton Hills							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	1,430,596		1,104,835		2,535,431	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	1,460,685		181,508		1,642,193	
21	Employee Benefit Plans - Accrued, Not Paid	3			36,264		36,264	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	151,437		-151,437		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			26,588		26,588	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				4,649		4,649	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	1,072,272		627,486		1,699,758	
34	Employee Benefit Plans - Paid Amounts	8			18,743		18,743	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	55,617		-55,617		0	
37	Interest Expense Deemed/ Incurred	11	605,477		202,670		808,147	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			171,683		171,683	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		1,309,352		237,442	Before loss C/F	1,546,794	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-0.2438%		38.38%	
54								
55	REGULATORY INCOME TAX		505,672		-239,474	Actual	266,198	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		505,672		-239,474	Actual	266,198	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	25,052,968		4,558,604		29,611,572	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-5,000,000		0	
68	Taxable Capital		20,052,968		-441,396		29,611,572	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		60,159		28,676	Overpaid	88,835	
73								
74	Federal Large Corporations Tax							
75	Base	18	25,052,968		3,973,803		29,026,771	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		15,052,968		3,973,803		19,026,771	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		33,869		8,941		42,810	
82	Less: Federal Surtax 1.12% x Taxable Income	21	14,665		-14,665		0	
83								
84	Net LCT		19,204		23,606		42,810	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Halton Hills							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12			\$		\$		TAXREC	
13							\$	
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	809,075			Actual 2002	266,198	
91	LCT (proxy tax is grossed-up)	23	30,727			Actual 2002	41,444	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	60,159			Actual 2002	83,789	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	899,961			Actual 2002	391,431	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			36,264			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-151,437			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			26,588			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			18,743			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			-55,617			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			171,683			
119								
120	Total TRUE-UPS before tax effect	26		=	-223,394			
121								
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	37.26%			
123								
124	Income Tax Effect on True-up adjustments			=	-83,228			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-83,228			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.26%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(132,648)			
133								
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,309,352			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.38%			
139								
140	REVISED REGULATORY INCOME TAX			=	502,479			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	502,479			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	505,672			
147								
148	Regulatory Income Tax Variance			=	(3,192)			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Halton Hills							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
150	Ontario Capital Tax							
151	Base			=	25,052,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	20,052,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	60,159			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	60,159			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				25,052,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	15,052,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				33,869			
169	Less: Federal surtax			-	14,665			
170	Revised Net LCT			=	19,204			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	19,204			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.26%			
176								
177	Income Tax (grossed-up)			+	(5,088)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(5,088)			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	(132,648)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(137,735)			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				908,170			
194	Interest phased-in (Cell C36)				605,477			
195								
196	Variance due to phase-in of debt component of MARR in rates				302,693			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				808,147			
202	Total deemed interest (REGINFO CELL D61)				908,170			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				302,693			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Halton Hills					
8	Reporting period: 2002					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/N				
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	39,024,565		39,024,565	
32	Distribution Revenue	+	1,197,549		1,197,549	
33	Other Income	+			0	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	31,847,778		31,847,778	
40	Administration	-	3,921,112		3,921,112	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	1,642,193		1,642,193	
44	Ontario Capital Tax	-	149,400		149,400	
45	Reg Assets	-	126,200		126,200	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	2,535,431	0	2,535,431	
51	Less: Interest expense for accounting purposes	-	808,147		808,147	
52	Provision for payments in lieu of income taxes	-	305,000		305,000	
53	Net Income (loss)	=	1,422,284	0	1,422,284	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)</i>					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	305,000	0	305,000	
60	Federal large corporation tax	+	50,519		50,519	
61	Depreciation & Amortization	+	1,642,193	0	1,642,193	
62	Employee benefit plans-accrued, not paid	+	36,264	0	36,264	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		4,649	0	4,649	
67	Material addition items from TAXREC 2	+	26,588	0	26,588	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		2,065,213	0	2,065,213	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	2,065,213	0	2,065,213	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	1,616,937		1,616,937	
98	Cumulative eligible capital deduction	-	82,821		82,821	
99	Employee benefit plans-paid amounts	-	18,743		18,743	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	171,683	0	171,683	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	1,890,184	0	1,890,184	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118					0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	1,890,184	0	1,890,184	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	1,597,313	0	1,597,313	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	903,659		903,659	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	693,654	0	693,654	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	181,123		181,123	
143	Net Ontario Income Tax (Must agree with tax return)	+	85,075		85,075	
144	Subtotal	=	266,198	0	266,198	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	266,198	0	266,198	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		26.11%		26.11%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.26%		12.26%	
151	Blended Income Tax Rate		38.38%	*****	38.38%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	266,198	0	266,198	
157	Ontario Capital Tax	+	83,789		83,789	
158	Federal Large Corporations Tax	+	41,444		41,444	
159						
160	Total income and capital taxes	=	391,431	0	391,431	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Halton Hills					
8	Reporting period: 2002					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+	26,588		26,588	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	26,588	0	26,588	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67	Provision for bad debts		26,588	0	26,588	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		26,588	0	26,588	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		26,588	0	26,588	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-	1,631		1,631	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-	170,052		170,052	
97		-			0	
98		-			0	
99	Total Deductions	=	171,683	0	171,683	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107	Bad debts		1,631	0	1,631	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116	Non-taxable load transfers		170,052	0	170,052	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		171,683	0	171,683	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		171,683	0	171,683	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Halton Hills				Version 2009.1	
9						
10						
11	Reporting period: 2002					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	4,423		4,423	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		226		226	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	4,649	0	4,649	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Halton Hills									
5	Reporting period: 2002									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
10	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
11	RAM 2002	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%		26.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		34.12%		38.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2002								
31	Federal (Includes surtax)	2002	13.12%		26.12%		26.12%			
32	Ontario	2002	6.00%		6.00%		12.50%			
33	Blended rate	2002	19.12%		32.12%		38.62%			
34										
35										
36	Capital Tax Rate	2002	0.300%							
37	LCT rate	2002	0.225%							
38	Surtax	2002	1.12%							
39	Ontario Capital Tax Exemption *** 2002	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2002 Tax Returns									
45	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
46		Year								
47	Income Tax Rate									
48	Current year	2002								
49	Federal (Includes surtax)		13.12%		22.12%		26.11%			
50	Ontario		6.00%		9.75%		12.26%			
51	Blended rate		19.12%		31.87%		38.38%			
52										
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,668,892							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Halton Hills														Version 2009.1
4	Reporting period: 2002				Sign Convention: + for increase; - for decrease										0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-											-132,648		-132,648
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-5,088		-5,088
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-137,735		-137,735
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
49	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

Item 3

Halton_EVD_PILs-2003_EB-2008-0381_20100108

(PILs 2003)

Intentionally Blank

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Halton Hills			Colour Code	
4	Reporting period: 2003			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			25,052,968	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			2,145,787	
42					
43	1999 return from RUD Sheet #7			0	0
44					
45	Total Incremental revenue			2,145,787	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			715,405	715,405
48	Amount allowed in 2002			715,191	715,191
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			715,191	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				1,430,596
55					
56	Equity			12,526,484	
57					
58	Return at target ROE			1,237,617	
59					
60	Debt			12,526,484	
61					
62	Deemed interest amount in 100% of MARR			908,170	
63					
64	Phase-in of interest - Year 1 (2001)			302,784	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			605,477	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			605,477	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			908,170	
71					
72					

A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial	M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)			Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)			K-C	Explanation		
5						Version 2009.1	
6	Utility Name: Halton Hills						
7	Reporting period: 2003						
8							
9	Days in reporting period:	365	days			Column	
10	Total days in the calendar year:	365	days			Brought	
11						From	
12						TAXREC	
13						\$	
14	II CORPORATE INCOME TAXES						
15							
16	Regulatory Net Income - REGINFO E53	1	1,430,596	1,818,045		3,248,641	
17							
18	BOOK TO TAX ADJUSTMENTS						
19	Additions:						
20	Depreciation & Amortization	2	1,460,685	221,594		1,682,279	
21	Employee Benefit Plans - Accrued, Not Paid	3		15,448		15,448	
22	Tax reserves - beginning of year	4		0		0	
23	Reserves from financial statements - end of year	4		0		0	
24	Regulatory Adjustments - increase in income	5	151,437	-151,437		0	
25	Other Additions (See Tab entitled "TAXREC")						
26	"Material" Items from "TAXREC" worksheet	6		0		0	
27	Other Additions (not "Material") "TAXREC"	6		0		0	
28	"Material" Items from "TAXREC 2" worksheet	6		52,983		52,983	
29	Other Additions (not "Material") "TAXREC 2"	6		0		0	
30	Items on which true-up does not apply "TAXREC 3"			116,986		116,986	
31							
32	Deductions: Input positive numbers						
33	Capital Cost Allowance and CEC	7	1,072,272	475,244		1,547,516	
34	Employee Benefit Plans - Paid Amounts	8		13,548		13,548	
35	Items Capitalized for Regulatory Purposes	9	0	0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	55,617	-55,617		0	
37	Interest Expense Deemed/ Incurred	11	605,477	616,124		1,221,601	
38	Tax reserves - end of year	4		0		0	
39	Reserves from financial statements - beginning of year	4		0		0	
40	Contributions to deferred income plans	3		0		0	
41	Contributions to pension plans	3		0		0	
42	Interest capitalized for accounting but deducted for tax	11		0		0	
43	Other Deductions (See Tab entitled "TAXREC")						
44	"Material" Items from "TAXREC" worksheet	12		0		0	
45	Other Deductions (not "Material") "TAXREC"	12		0		0	
46	Material Items from "TAXREC 2" worksheet	12		66,837		66,837	
47	Other Deductions (not "Material") "TAXREC 2"	12		0		0	
48	Items on which true-up does not apply "TAXREC 3"			0		0	
49							
50	TAXABLE INCOME/ (LOSS)		1,309,352	957,483	Before loss C/F	2,266,835	
51							
52	BLENDED INCOME TAX RATE						
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%	-1.9953%		36.62%	
54							
55	REGULATORY INCOME TAX		505,672	343,612	Actual	849,284	
56							
57							
58	Miscellaneous Tax Credits	14		0	Actual	0	
59							
60	Total Regulatory Income Tax		505,672	343,612	Actual	849,284	
61							
62							
63	III CAPITAL TAXES						
64							
65	Ontario						
66	Base	15	25,052,968	7,586,602		32,639,570	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000	-313,562		4,686,438	
68	Taxable Capital		20,052,968	7,273,040		27,953,132	
69							
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	
71							
72	Ontario Capital Tax		60,159	23,700		83,859	
73							
74	Federal Large Corporations Tax						
75	Base	18	25,052,968	6,521,653		31,574,621	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	0		10,000,000	
77	Taxable Capital		15,052,968	6,521,653		21,574,621	
78							
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	0.0000%		0.2250%	
80							
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		33,869	14,674		48,543	
82	Less: Federal Surtax 1.12% x Taxable Income	21	14,665	-14,665		0	
83							
84	Net LCT		19,204	29,338		48,543	
85							
86	III INCLUSION IN RATES						
87							
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%				
89							
90	Income Tax (proxy tax is grossed-up)	22	809,075		Actual 2003	849,284	
91	LCT (proxy tax is grossed-up)	23	30,727		Actual 2003	25,507	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	60,159		Actual 2003	87,533	
93							
94							
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	899,961		Actual 2003	962,324	
96	RAM DECISION						
97							
98							
99	IV) FUTURE TRUE-UPS						
100	IV a) Calculation of the True-up Variance			DR/(CR)			
101	In Additions:						
102	Employee Benefit Plans - Accrued, Not Paid	3		15,448			
103	Tax reserves deducted in prior year	4		0			
104	Reserves from financial statements-end of year	4		0			
105	Regulatory Adjustments	5		-151,437			
106	Other additions "Material" Items TAXREC	6		0			
107	Other additions "Material" Items TAXREC 2	6		52,983			
108	In Deductions - positive numbers						
109	Employee Benefit Plans - Paid Amounts	8		13,548			
110	Items Capitalized for Regulatory Purposes	9		0			
111	Regulatory Adjustments	10		-55,617			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11		0			
113	Tax reserves claimed in current year	4		0			
114	Reserves from F/S beginning of year	4		0			
115	Contributions to deferred income plans	3		0			
116	Contributions to pension plans	3		0			
117	Other deductions "Material" Items TAXREC	12		0			
118	Other deductions "Material" Item TAXREC 2	12		66,837			
119							
120	Total TRUE-UPS before tax effect	26		-107,774			
121							

A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial	M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)			Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)			K-C	Explanation		
5						Version 2009.1	
6	Utility Name: Halton Hills						
7	Reporting period: 2003						
8						Column	
9	Days in reporting period:	365	days			Brought	
10	Total days in the calendar year:	365	days			From	
11						TAXREC	
12						\$	
13							
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return		x	35.54%			
123							
124	Income Tax Effect on True-up adjustments		=	-38,303			
125							
126	Less: Miscellaneous Tax Credits	14		0			
127							
128	Total Income Tax on True-ups			-38,303			
129							
130	Income Tax Rate used for gross-up (exclude surtax)			35.54%			
131							
132	TRUE-UP VARIANCE ADJUSTMENT			(59,421)			
133							
134	IV b) Calculation of the Deferral Account Variance caused by changes in legislation						
135							
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)		=	1,309,352			
137							
138	REVISED CORPORATE INCOME TAX RATE		x	36.66%			
139							
140	REVISED REGULATORY INCOME TAX		=	480,008			
141							
142	Less: Revised Miscellaneous Tax Credits		-	0			
143							
144	Total Revised Regulatory Income Tax		=	480,008			
145							
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)		-	505,672			
147							
148	Regulatory Income Tax Variance		=	(25,663)			
149							
150	Ontario Capital Tax						
151	Base		=	25,052,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39		-	5,000,000			
153	Revised deemed taxable capital		=	20,052,968			
154							
155	Rate - Tab Tax Rates cell C54		x	0.3000%			
156							
157	Revised Ontario Capital Tax		=	60,159			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)		-	60,159			
159	Regulatory Ontario Capital Tax Variance		=	0			
160							
161	Federal LCT						
162	Base		=	25,052,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40		-	10,000,000			
164	Revised Federal LCT		=	15,052,968			
165							
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51		=	0.2250%			
167							
168	Gross Amount		=	33,869			
169	Less: Federal surtax		-	14,665			
170	Revised Net LCT		=	19,204			
171							
172	Less: Federal LCT reported in the initial estimate column (Cell C82)		-	19,204			
173	Regulatory Federal LCT Variance		=	0			
174							
175	Actual Income Tax Rate used for gross-up (exclude surtax)		=	35.54%			
176							
177	Income Tax (grossed-up)		+	(39,813)			
178	LCT (grossed-up)		+	0			
179	Ontario Capital Tax		+	0			
180							
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT		=	(39,813)			
182							
183	TRUE-UP VARIANCE (from cell I132)		+	(59,421)			
184							
185	Total Deferral Account Entry (Positive Entry = Debit)		=	(99,234)			
186	(Deferral Account Variance + True-up Variance)						
187							
188							
189							
190	V) INTEREST PORTION OF TRUE-UP						
191	Variance Caused By Phase-in of Deemed Debt						
192							
193	Total deemed interest (REGINFO)		=	908,170			
194	Interest phased-in (Cell C36)		=	605,477			
195							
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision		=	302,693			
197							
198							
199	Other Interest Variances (I.e. Borrowing Levels)						
200	Above Deemed Debt per Rate Handbook						
201	Interest deducted on MoF filing (Cell K36+K41)		=	1,221,601			
202	Actual Interest Paid		=	1,221,601			
203							
204	Variance caused by excess debt		=	0			
205							
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)		=	0			
207							
208	Total Interest Variance		=	302,693			
209							
210							
211							

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Halton Hills					
8	Reporting period: 2003					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/N				
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
24	The actual categories of the income statements should be used.					
25	If required please change the descriptions except for amortization, interest expense and provision for income tax					
26						
27	Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts					
28	in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.					
29						
30	Income:					
31	Energy Sales	+	36,226,346		36,226,346	
32	Distribution Revenue	+	1,136,036		1,136,036	
33	Other Income	+			0	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	28,473,695		28,473,695	
40	Administration	-	3,711,107		3,711,107	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	1,682,279		1,682,279	
44	Ontario Capital Tax	-	133,080		133,080	
45	Reg Asset movement	-	113,580		113,580	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	3,248,641	0	3,248,641	
51	Less: Interest expense for accounting purposes	-	1,221,601		1,221,601	
52	Provision for payments in lieu of income taxes	-	856,051		856,051	
53	Net Income (loss)	=	1,170,989	0	1,170,989	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	856,051	0	856,051	
60	Federal large corporation tax	+	49,221		49,221	
61	Depreciation & Amortization	+	1,682,279	0	1,682,279	
62	Employee benefit plans-accrued, not paid	+	15,448	0	15,448	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		116,986	0	116,986	
67	Material addition items from TAXREC 2	+	52,983	0	52,983	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		2,772,968	0	2,772,968	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	2,772,968	0	2,772,968	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return		Version 2009.1	
5						
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	1,470,492		1,470,492	
98	Cumulative eligible capital deduction	-	77,024		77,024	
99	Employee benefit plans-paid amounts	-	13,548		13,548	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	66,837	0	66,837	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	1,627,901	0	1,627,901	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	1,627,901	0	1,627,901	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	2,316,056	0	2,316,056	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	2,316,056	0	2,316,056	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	558,742		558,742	
143	Net Ontario Income Tax (Must agree with tax return)	+	290,542		290,542	
144	Subtotal	=	849,284	0	849,284	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	849,284	0	849,284	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		24.12%		24.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		36.62%		36.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	849,284	0	849,284	
157	Ontario Capital Tax	+	87,533		87,533	
158	Federal Large Corporations Tax	+	25,507		25,507	
159						
160	Total income and capital taxes	=	962,324	0	962,324	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Halton Hills					
8	Reporting period: 2003					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+	52,983		52,983	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	52,983	0	52,983	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67	Provision for bad debts		52,983	0	52,983	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		52,983	0	52,983	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		52,983	0	52,983	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-	66,837		66,837	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	66,837	0	66,837	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107	Bad debts		66,837	0	66,837	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		66,837	0	66,837	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		66,837	0	66,837	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Halton Hills				Version 2009.1	
9						
10						
11	Reporting period: 2003					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	4,319		4,319	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		0		0	
36	Interest and penalties on unpaid taxes		289		289	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+	68,326		68,326	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+	44,052		44,052	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	116,986	0	116,986	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Halton Hills									
5	Reporting period: 2003									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001		>700,000			
10	RAM 2002		to		to					
11		Year	200,000		700,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%		26.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		34.12%		38.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003									
27	Income Range		0		200,001		>700,000			
28	Expected Rates		to		to					
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2003								
32	Federal (Includes surtax)	2003	13.12%				24.12%			
33	Ontario	2003	6.00%				12.50%			
34	Blended rate	2003	19.12%		34.12%		36.62%			
35										
36	Capital Tax Rate	2003	0.300%							
37	LCT rate	2003	0.225%							
38	Surtax	2003	1.12%							
39	Ontario Capital Tax Exemption *** 2003	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2003 Tax Returns									
45	Income Range		0		200,001		>700,000			
46			to		to					
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2003								
50	Federal (Includes surtax)		13.12%		0.00%		24.12%			
51	Ontario		6.00%		0.00%		12.54%			
52	Blended rate		19.12%		0.00%		36.66%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,686,438							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Halton Hills														Version 2009.1
4	Reporting period: 2003														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-													0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-99,234		-99,234
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
49	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

Item 4

Halton_EVD_PILs-2004_EB-2008-0381_20100108

(PILs 2004)

Intentionally Blank

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Halton Hills			<u>Colour Code</u>	
4	Reporting period: 2004			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	366	days		
7	Total days in the calendar year:	366	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			25,052,968	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			2,145,787	
42					
43	1999 return from RUD Sheet #7			0	0
44					
45	Total Incremental revenue			2,145,787	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			715,405	715,405
48	Amount allowed in 2002			715,191	715,191
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			715,191	0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				1,430,596
55					
56	Equity			12,526,484	
57					
58	Return at target ROE			1,237,617	
59					
60	Debt			12,526,484	
61					
62	Deemed interest amount in 100% of MARR			908,170	
63					
64	Phase-in of interest - Year 1 (2001)			302,784	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			605,477	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			605,477	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			908,170	
71					
72					

A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial	M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)			Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)			K-C	Explanation		
5						Version 2009.1	
6	Utility Name: Halton Hills						
7	Reporting period: 2004						
8							
9	Days in reporting period:	366	days			Column	
10	Total days in the calendar year:	366	days			Brought	
11						From	
12						TAXREC	
13						\$	
14	II) CORPORATE INCOME TAXES						
15							
16	Regulatory Net Income REGINFO E53	1	1,430,596	1,079,237		2,509,833	
17							
18	BOOK TO TAX ADJUSTMENTS						
19	Additions:						
20	Depreciation & Amortization	2	1,460,685	351,780		1,812,465	
21	Employee Benefit Plans - Accrued, Not Paid	3		40,768		40,768	
22	Tax reserves - beginning of year	4		0		0	
23	Reserves from financial statements - end of year	4		0		0	
24	Regulatory Adjustments - increase in income	5	151,437	-151,437		0	
25	Other Additions (See Tab entitled "TAXREC")						
26	"Material" Items from "TAXREC" worksheet	6		0		0	
27	Other Additions (not "Material") "TAXREC"	6		0		0	
28	"Material" Items from "TAXREC 2" worksheet	6		38,593		38,593	
29	Other Additions (not "Material") "TAXREC 2"	6		0		0	
30	Items on which true-up does not apply "TAXREC 3"			771,801		771,801	
31							
32	Deductions: Input positive numbers						
33	Capital Cost Allowance and CEC	7	1,072,272	488,785		1,561,057	
34	Employee Benefit Plans - Paid Amounts	8		20,269		20,269	
35	Items Capitalized for Regulatory Purposes	9	0	0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	55,617	-55,617		0	
37	Interest Expense Deemed/ Incurred	11	605,477	565,466		1,170,943	
38	Tax reserves - end of year	4		0		0	
39	Reserves from financial statements - beginning of year	4		0		0	
40	Contributions to deferred income plans	3		0		0	
41	Contributions to pension plans	3		0		0	
42	Interest capitalized for accounting but deducted for tax	11		0		0	
43	Other Deductions (See Tab entitled "TAXREC")						
44	"Material" Items from "TAXREC" worksheet	12		0		0	
45	Other Deductions (not "Material") "TAXREC"	12		0		0	
46	Material Items from "TAXREC 2" worksheet	12		24,694		24,694	
47	Other Deductions (not "Material") "TAXREC 2"	12		0		0	
48	Items on which true-up does not apply "TAXREC 3"			824,837		824,837	
49							
50	TAXABLE INCOME/ (LOSS)		1,309,352	262,308	Before loss C/F	1,571,660	
51							
52	BLENDED INCOME TAX RATE						
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%	-2.5600%		36.06%	
54							
55	REGULATORY INCOME TAX		505,672	10,894	Actual	516,565	
56							
57							
58	Miscellaneous Tax Credits	14		0	Actual	0	
59							
60	Total Regulatory Income Tax		505,672	10,894	Actual	516,565	
61							
62							
63	III) CAPITAL TAXES						
64							
65	Ontario						
66	Base	15	25,052,968	9,446,982		34,499,950	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000	-315,157		4,684,843	
68	Taxable Capital		20,052,968	9,131,825		29,815,107	
69							
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	
71							
72	Ontario Capital Tax		60,159	29,286		89,445	
73							
74	Federal Large Corporations Tax						
75	Base	18	25,052,968	3,973,803		29,026,771	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	35,995,000		45,995,000	
77	Taxable Capital		15,052,968	39,968,803		0	
78							
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	-0.0250%		0.2000%	
80							
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		33,869	-33,869		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	14,665	-14,665		0	
83							
84	Net LCT		19,204	-19,204		0	
85							
86	III) INCLUSION IN RATES						
87							
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%				
89							
90	Income Tax (proxy tax is grossed-up)	22	809,075		Actual 2004	516,565	
91	LCT (proxy tax is grossed-up)	23	30,727		Actual 2004	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	60,159		Actual 2004	92,560	
93							
94							
95	Total PILs for Rate Adjustment - MUST AGREE WITH 2002	25	899,961		Actual 2004	609,125	
96	RAM DECISION						
97							
98							
99	IV) FUTURE TRUE-UPS						
100	IV a) Calculation of the True-up Variance			DR/(CR)			
101	In Additions:						
102	Employee Benefit Plans - Accrued, Not Paid	3		40,768			
103	Tax reserves deducted in prior year	4		0			
104	Reserves from financial statements-end of year	4		0			
105	Regulatory Adjustments	5		-151,437			
106	Other additions "Material" Items TAXREC	6		0			
107	Other additions "Material" Items TAXREC 2	6		38,593			
108	In Deductions - positive numbers						
109	Employee Benefit Plans - Paid Amounts	8		20,269			
110	Items Capitalized for Regulatory Purposes	9		0			
111	Regulatory Adjustments	10		-55,617			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11		0			
113	Tax reserves claimed in current year	4		0			
114	Reserves from F/S beginning of year	4		0			
115	Contributions to deferred income plans	3		0			
116	Contributions to pension plans	3		0			
117	Other deductions "Material" Items TAXREC	12		0			
118	Other deductions "Material" Item TAXREC 2	12		24,694			
119							
120	Total TRUE-UPS before tax effect	26		-61,422			
121							
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	34.94%		
123							
124	Income Tax Effect on True-up adjustments			=	-21,461		

A	B	C	D	E	F	G	H
PILs TAXES - EB-2008-381	ITEM	Initial Estimate		M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns	
PILs DEFERRAL AND VARIANCE ACCOUNTS							
TAX CALCULATIONS (TAXCALC)							
4 ("Wires-only" business - see Tab TAXREC)							
5	0					Version 2009.1	
6 Utility Name: Halton Hills							
7 Reporting period: 2004							
8							
9 Days in reporting period:	366	days				Column Brought From	
10 Total days in the calendar year:	366	days				TAXREC	
11						\$	
12		\$		\$			
13							
125							
126 Less: Miscellaneous Tax Credits	14			0			
127							
128 Total Income Tax on True-ups				-21,461			
129							
130 Income Tax Rate used for gross-up (exclude surtax)				34.94%			
131							
132 TRUE-UP VARIANCE ADJUSTMENT				(32,986)			
133							
IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
134							
135 REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,309,352			
136							
137 REVISED CORPORATE INCOME TAX RATE			x	36.06%			
138							
139 REVISED REGULATORY INCOME TAX			=	472,152			
140							
141 Less: Revised Miscellaneous Tax Credits			-	0			
142							
143 Total Revised Regulatory Income Tax			=	472,152			
144							
145 Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	505,672			
146							
147 Regulatory Income Tax Variance			=	(33,519)			
148							
149 Ontario Capital Tax							
150							
151 Base			=	25,052,968			
152 Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153 Revised deemed taxable capital			=	20,052,968			
154							
155 Rate - Tab Tax Rates cell C54			x	0.3000%			
156							
157 Revised Ontario Capital Tax			=	60,159			
158 Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	60,159			
159 Regulatory Ontario Capital Tax Variance			=	0			
160							
161 Federal LCT							
162				25,052,968			
163 Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164 Revised Federal LCT			=	(24,947,032)			
165							
166 Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167							
168 Gross Amount				0			
169 Less: Federal surtax			-	0			
170 Revised Net LCT			=	0			
171							
172 Less: Federal LCT reported in the initial estimate column (Cell C82)			-	19,204			
173 Regulatory Federal LCT Variance			=	(19,204)			
174							
175 Actual Income Tax Rate used for gross-up (exclude surtax)				34.94%			
176							
177 Income Tax (grossed-up)			+	(51,521)			
178 LCT (grossed-up)			+	(30,727)			
179 Ontario Capital Tax			+	0			
180							
181 DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(82,248)			
182							
183 TRUE-UP VARIANCE (from cell I132)			+	(32,986)			
184							
185 Total Deferral Account Entry (Positive Entry = Debit)			=	(115,234)			
186 (Deferral Account Variance + True-up Variance)							
187							
188							
189							
V) INTEREST PORTION OF TRUE-UP							
190							
191 Variance Caused By Phase-in of Deemed Debt							
192							
193 Total deemed interest (REGINFO)				908,170			
194 Interest phased-in (Cell C36)				605,477			
195							
196 Variance due to phase-in of debt component of MARR in rates				302,693			
197 according to the Board's decision							
198							
199 Other Interest Variances (I.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200							
201 Interest deducted on MoF filing (Cell K36+K41)				1,170,943			
202 Actual Interest Paid				1,170,943			
203							
204 Variance caused by excess debt				0			
205							
206 Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207							
208 Total Interest Variance				302,693			
209							
210							
211							

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Halton Hills					
8	Reporting period: 2004					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		366	days		
12						
13	Please enter the Materiality Level :		0	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N				
15	(0.25% x Net Assets)	Y/N				
16	Or other measure (please provide the basis of the amount)	Y/N				
17	Does the utility carry on non-wires related operation?	Y/N				
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	Section B: Financial statements data:					
23	Input unconsolidated financial statement data submitted with Tax returns.					
24	The actual categories of the income statements should be used.					
25	If required please change the descriptions except for amortization, interest expense and provision for income tax					
26						
27	Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts					
28	in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.					
29						
30	Income:					
31	Energy Sales	+	30,683,803		30,683,803	
32	Distribution Revenue	+	8,073,276		8,073,276	
33	Other Income	+	1,146,428	104,433	1,041,995	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	30,683,803		30,683,803	
40	Administration	-	4,310,467	39,050	4,271,417	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	1,814,270	1,805	1,812,465	
44	Ontario Capital Tax	-	80,169		80,169	
45	Recovery of regulatory assets - expense	-	441,387		441,387	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	2,573,411	63,578	2,509,833	
51	Less: Interest expense for accounting purposes	-	1,170,943		1,170,943	
52	Provision for payments in lieu of income taxes	-	412,562		412,562	
53	Net Income (loss)	=	989,906	63,578	926,328	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	412,562	0	412,562	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	1,814,270	1,805	1,812,465	
62	Employee benefit plans-accrued, not paid	+	40,768	0	40,768	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		792,532	20,731	771,801	
67	Material addition items from TAXREC 2	+	38,593	0	38,593	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		3,098,725	22,536	3,076,189	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	3,098,725	22,536	3,076,189	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	1,489,425		1,489,425	
98	Cumulative eligible capital deduction	-	71,632		71,632	
99	Employee benefit plans-paid amounts	-	20,269		20,269	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		824,837	0	824,837	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	24,694	0	24,694	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	2,430,857	0	2,430,857	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	2,430,857	0	2,430,857	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	1,657,774	86,114	1,571,660	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	1,657,774	86,114	1,571,660	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	319,232	19,195	300,037	
143	Net Ontario Income Tax (Must agree with tax return)	+	228,386	11,858	216,528	
144	Subtotal	=	547,618	31,053	516,565	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	547,618	31,053	516,565	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.29%		22.29%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		13.77%		13.77%	
151	Blended Income Tax Rate		36.06%		36.06%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	547,618	31,053	516,565	
157	Ontario Capital Tax	+	92,560		92,560	
158	Federal Large Corporations Tax	+	0		0	
159						
160	Total income and capital taxes	=	640,178	31,053	609,125	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Halton Hills					
8	Reporting period: 2004					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+	38,593		38,593	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	38,593	0	38,593	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67	Provision for bad debts		38,593	0	38,593	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		38,593	0	38,593	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		38,593	0	38,593	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-	24,694		24,694	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	24,694	0	24,694	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107	Bad debts		24,694	0	24,694	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		24,694	0	24,694	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		24,694	0	24,694	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Halton Hills				Version 2009.1	
9						
10						
11	Reporting period: 2004					
12	Number of days in taxation year:		366			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+	20,731	20,731	0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	5,414		5,414	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		325,000		325,000	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+	441,387		441,387	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	792,532	20,731	771,801	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	44,467		44,467	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-	325,000		325,000	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-	9,276		9,276	
61		-			0	
62	Changes in Regulatory Asset balances	-	441,387		441,387	
63		-			0	
64	Assessment Notice	-	4,707		4,707	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	824,837	0	824,837	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Halton Hills									
5	Reporting period: 2004									
6										
7	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to					
11		Year	200,000		700,000					
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%		26.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		34.12%		38.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to		>1,128,000			
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2004								
32	Federal (Includes surtax)	2004	13.12%	22.12%	22.12%		22.12%			
33	Ontario	2004	5.50%	5.50%	9.75%		14.00%			
34	Blended rate	2004	18.62%	27.62%	31.87%		36.12%			
35										
36	Capital Tax Rate	2004	0.300%							
37	LCT rate	2004	0.200%							
38	Surtax	2004	1.12%							
39	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	50,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2004 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to		>1,128,000			
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2004								
50	Federal (Includes surtax)		13.12%	22.12%	22.29%		22.29%			
51	Ontario		5.50%	5.50%	13.77%		13.77%			
52	Blended rate		18.62%	27.62%	36.06%		36.06%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,684,843							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	45,995,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Halton Hills														Version 2009.1
4	Reporting period: 2004														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=	0		0		0		0		0		0		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-					0		0		0		0		0
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
15	True-up Variance Adjustment (3)	+/-													0
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-													0
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-													0
20	PILs billed to (collected from) customers (8)	-	0												0
21															
22	Ending balance: # 1562		0		0		0		0		0		-115,234		-115,234
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
49	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

Item 5

Halton_EVD_PILs-2005_EB-2008-0381_20100108

(PILs 2005)

Intentionally Blank

	A	B	C	D	E
1	PILs TAXES - EB-2008-0381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Halton Hills			<u>Colour Code</u>	
4	Reporting period: 2005			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS				
30					
31	Rate Base (wires-only)			25,052,968	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			2,145,787	
42					
43	1999 return from RUD Sheet #7			0	0
44					
45	Total Incremental revenue			2,145,787	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			715,405	715,405
48	Amount allowed in 2002			715,191	715,191
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM			715,191	715,191
52	Other Board-approved changes to MARR or incremental revenue				108,653
53					0
54	Total Regulatory Income				2,254,440
55					
56	Equity			12,526,484	
57					
58	Return at target ROE			1,237,617	
59					
60	Debt			12,526,484	
61					
62	Deemed interest amount in 100% of MARR			908,170	
63					
64	Phase-in of interest - Year 1 (2001)			302,784	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			605,477	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			605,477	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			908,170	
71					
72					

A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-0381	ITEM	Initial	M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)			Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)			K-C	Explanation		
5						Version 2009.1	
6	Utility Name: Halton Hills						
7	Reporting period: 2005						
8							
9	Days in reporting period:	365	days			Column	
10	Total days in the calendar year:	365	days			Brought	
11						From	
12						TAXREC	
13						\$	
14	II) CORPORATE INCOME TAXES						
15							
16	Regulatory Net Income REGINFO E53	1	2,254,440	205,656		2,460,096	
17							
18	BOOK TO TAX ADJUSTMENTS						
19	Additions:						
20	Depreciation & Amortization	2	1,682,279	200,022		1,882,301	
21	Employee Benefit Plans - Accrued, Not Paid	3	15,448	13,772		29,220	
22	Tax reserves - beginning of year	4		70,004		70,004	
23	Reserves from financial statements - end of year	4		0		0	
24	Regulatory Adjustments - increase in income	5		0		0	
25	Other Additions (See Tab entitled "TAXREC")						
26	"Material" Items from "TAXREC" worksheet	6	52,983	-52,983		0	
27	Other Additions (not "Material") "TAXREC"	6		0		0	
28	"Material" Items from "TAXREC 2" worksheet	6		0		0	
29	Other Additions (not "Material") "TAXREC 2"	6		0		0	
30	Items on which true-up does not apply "TAXREC 3"			1,336,415		1,336,415	
31							
32	Deductions: Input positive numbers						
33	Capital Cost Allowance and CEC	7	1,562,567	91,111		1,653,678	
34	Employee Benefit Plans - Paid Amounts	8	13,548	3,172		16,720	
35	Items Capitalized for Regulatory Purposes	9	0	0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10		0		0	
37	Interest Expense Deemed/ Incurred	11	908,170	280,664		1,188,834	
38	Tax reserves - end of year	4		0		0	
39	Reserves from financial statements - beginning of year	4		0		0	
40	Contributions to deferred income plans	3		0		0	
41	Contributions to pension plans	3		0		0	
42	Interest capitalized for accounting but deducted for tax	11		0		0	
43	Other Deductions (See Tab entitled "TAXREC")						
44	"Material" Items from "TAXREC" worksheet	12	66,837	-66,837		0	
45	Other Deductions (not "Material") "TAXREC"	12		0		0	
46	Material Items from "TAXREC 2" worksheet	12		36,467		36,467	
47	Other Deductions (not "Material") "TAXREC 2"	12		0		0	
48	Items on which true-up does not apply "TAXREC 3"			1,354,775		1,354,775	
49							
50	TAXABLE INCOME/ (LOSS)		1,454,028	73,534	Before loss C/F	1,527,562	
51							
52	BLENDED INCOME TAX RATE						
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%	-2.3488%		33.77%	
54							
55	REGULATORY INCOME TAX		525,195	-9,319	Actual	515,876	
56							
57	Miscellaneous Tax Credits	14		0	Actual	0	
58							
59	Total Regulatory Income Tax		525,195	-9,319	Actual	515,876	
60							
61							
62	III) CAPITAL TAXES						
63							
64	Ontario						
65	Base	15	25,052,968	9,997,986		35,050,954	
66	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000	-544,072		6,955,928	
67	Taxable Capital		17,552,968	9,453,914		28,095,026	
68							
69	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	
70							
71	Ontario Capital Tax		52,659	31,626		84,285	
72							
73	Federal Large Corporations Tax						
74	Base	18	25,052,968	-25,052,968		0	
75	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000	-4,005,000		45,995,000	
76	Taxable Capital		0	-29,057,968		0	
77							
78	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%	0.0250%		0.2000%	
79							
80	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0	0		0	
81	Less: Federal Surtax 1.12% x Taxable Income	21	0	0		0	
82							
83	Net LCT		0	0		0	
84							
85	III) INCLUSION IN RATES						
86							
87	Income Tax Rate used for gross-up (exclude surtax)		36.12%				
88							
89	Income Tax (proxy tax is grossed-up)	22	822,159		Actual 2005	515,876	
90	LCT (proxy tax is grossed-up)	23	0		Actual 2005	0	
91	Ontario Capital Tax (no gross-up since it is deductible)	24	52,659		Actual 2005	84,285	
92							
93							
94	Total PILs for Rate Adjustment - MUST AGREE WITH 2005	25	874,817		Actual 2005	600,161	
95	RAM DECISION						
96							
97							
98							
99	IV) FUTURE TRUE-UPS						
100	IV a) Calculation of the True-up Variance			DR/(CR)			
101	In Additions:						
102	Employee Benefit Plans - Accrued, Not Paid	3		13,772			
103	Tax reserves deducted in prior year	4		70,004			
104	Reserves from financial statements-end of year	4		0			
105	Regulatory Adjustments	5		0			
106	Other additions "Material" Items TAXREC	6		-52,983			
107	Other additions "Material" Items TAXREC 2	6		0			
108	In Deductions - positive numbers						
109	Employee Benefit Plans - Paid Amounts	8		3,172			
110	Items Capitalized for Regulatory Purposes	9		0			
111	Regulatory Adjustments	10		0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11		0			
113	Tax reserves claimed in current year	4		0			
114	Reserves from F/S beginning of year	4		0			
115	Contributions to deferred income plans	3		0			
116	Contributions to pension plans	3		0			
117	Other deductions "Material" Items TAXREC	12		-66,837			
118	Other deductions "Material" Item TAXREC 2	12		36,467			
119							
120	Total TRUE-UPS before tax effect	26		57,991			
121							
122	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			35.00%			
123							
124	Income Tax Effect on True-up adjustments			20,297			

A	B	C	D	E	F	G	H
1 PILs TAXES - EB-2008-0381	ITEM	Initial		M of F	M of F	Tax	
2 PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3 TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4 ("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0					Version 2009.1	
6 Utility Name: Halton Hills							
7 Reporting period: 2005							
8							
9 Days in reporting period:	365	days				Column	
10 Total days in the calendar year:	365	days				Brought	
11						From	
12						TAXREC	
13		\$		\$		\$	
125							
126 Less: Miscellaneous Tax Credits	14			0			
127							
128 Total Income Tax on True-ups				20,297			
129							
130 Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131							
132 TRUE-UP VARIANCE ADJUSTMENT				31,226			
133							
134 IV b) Calculation of the Deferral Account Variance caused by							
135 changes in legislation							
136 REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							
137 estimate column)			=	1,454,028			
138							
139 REVISED CORPORATE INCOME TAX RATE			x	36.12%			
140							
141 REVISED REGULATORY INCOME TAX			=	525,195			
142							
143 Less: Revised Miscellaneous Tax Credits			-	0			
144							
145 Total Revised Regulatory Income Tax			=	525,195			
146							
147 Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell			-	525,195			
148 C58)							
149 Regulatory Income Tax Variance			=	0			
150							
151 Ontario Capital Tax							
152 Base			=	25,052,968			
153 Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
154							
155 Revised deemed taxable capital			=	17,552,968			
156							
157 Rate - Tab Tax Rates cell C54			x	0.3000%			
158							
159 Revised Ontario Capital Tax			=	52,659			
160							
161 Less: Ontario Capital Tax reported in the initial estimate column (Cell			-	52,659			
162 C70)							
163 Regulatory Ontario Capital Tax Variance			=	0			
164							
165 Federal LCT							
166 Base				25,052,968			
167							
168 Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
169							
170 Revised Federal LCT			=	(24,947,032)			
171							
172 Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
173							
174 Gross Amount				0			
175							
176 Less: Federal surtax			-	0			
177							
178 Revised Net LCT			=	0			
179							
180 Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
181							
182 Regulatory Federal LCT Variance			=	0			
183							
184 Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
185							
186 Income Tax (grossed-up)			+	0			
187							
188 LCT (grossed-up)			+	0			
189							
190 Ontario Capital Tax			+	0			
191							
192 DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
193							
194 TRUE-UP VARIANCE (from cell I132)			+	31,226			
195							
196 Total Deferral Account Entry (Positive Entry = Debit)			=	31,226			
197							
198 <i>(Deferral Account Variance + True-up Variance)</i>							
199							
200 V) INTEREST PORTION OF TRUE-UP							
201							
202 Variance Caused By Phase-in of Deemed Debt							
203							
204 Total deemed interest (REGINFO)				908,170			
205							
206 Interest phased-in (Cell C36)				605,477			
207							
208 Variance due to phase-in of debt component of MARR in rates				302,693			
209							
210 according to the Board's decision							
211							
212							
213 Other Interest Variances (i.e. Borrowing Levels							
214							
215 Above Deemed Debt per Rate Handbook)							
216							
217 Interest deducted on MoF filing (Cell K36+K41)				1,188,834			
218							
219 Actual Interest Paid				1,188,834			
220							
221 Variance caused by excess debt				0			
222							
223 Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
224							
225 Total Interest Variance				302,693			
226							
227							
228							
229							
230							
231							

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-0381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
6	Section A: Identification:						
7	Utility Name: Halton Hills						
8	Reporting period: 2005						
9	Taxation Year's start date:						
10	Taxation Year's end date:						
11	Number of days in taxation year:		365	days			
12							
13	Please enter the Materiality Level :		0	< - enter materiality level			
14	(0.25% x Rate Base x CER)	Y/N					
15	(0.25% x Net Assets)	Y/N					
16	Or other measure (please provide the basis of the amount)	Y/N					
17	Does the utility carry on non-wires related operation?	Y/N					
18	(Please complete the questionnaire in the Background questionnaire worksheet.)						
19							
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K						
21							
22	Section B: Financial statements data:						
23	Input unconsolidated financial statement data submitted with Tax returns.						
24	The actual categories of the income statements should be used.						
25	If required please change the descriptions except for amortization, interest expense and provision for income tax						
26							
27	Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts						
28	in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.						
29							
30	Income:						
31	Energy Sales	+	36,847,936		36,847,936		
32	Distribution Revenue	+	8,883,939		8,883,939		
33	Other Income	+	1,116,930	47,698	1,069,232		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	36,847,936		36,847,936		
40	Administration	-	9,240,451		9,240,451		
41	Customer billing and collecting	-			0		
42	Operations and maintenance	-			0		
43	Amortization	-	1,884,106	1,805	1,882,301		
44	Ontario Capital Tax	-	68,445		68,445		
45	Capitalized	-	-4,702,453		-4,702,453		
46	Recovery of Regulatory Assets	-	1,004,331		1,004,331		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	2,505,989	45,893	2,460,096		
51	Less: Interest expense for accounting purposes	-	1,188,834		1,188,834		
52	Provision for payments in lieu of income taxes	-	646,313		646,313		Does this include LCT?
53	Net Income (loss)	=	670,842	45,893	624,949		
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)						
55							
56	Section C: Reconciliation of accounting income to taxable income						
57	From T2 Schedule 1						
58	BOOK TO TAX ADDITIONS:						
59	Provision for income tax	+	646,313	0	646,313		Does this include LCT?
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	1,884,106	1,805	1,882,301		
62	Employee benefit plans-accrued, not paid	+	29,220	0	29,220		
63	Tax reserves - beginning of year	+	70,004	0	70,004		
64	Reserves from financial statements- end of year	+	0	0	0		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		1,336,415	0	1,336,415		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	Subtotal		3,966,058	1,805	3,964,253		
71							
72	Other Additions: (Please explain the nature of the additions)						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	0	0	0		
81							
82	Total Additions	=	3,966,058	1,805	3,964,253		
83							
84	Recap Material Additions:						
85			0	0	0		
86			0	0	0		
87			0	0	0		

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-0381	LINE	M of F	Non-wires	Wires-only		
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax		
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return		
4		0	Return				
5					Version 2009.1		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		0	0	0		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	1,587,060		1,587,060		
98	Cumulative eligible capital deduction	-	66,618		66,618		
99	Employee benefit plans-paid amounts	-	16,720		16,720		
100	Items capitalized for regulatory purposes	-			0		
101	Regulatory adjustments :	-			0		
102	CCA	-			0		
103	other deductions	-			0		
104	Tax reserves - end of year	-	0	0	0		
105	Reserves from financial statements- beginning of year	-	0	0	0		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		1,354,775	0	1,354,775		
109	Interest capitalized for accounting deducted for tax	-			0		
110	Material deduction items from TAXREC 2	-	36,467	0	36,467		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	3,061,640	0	3,061,640		
114	Other deductions (Please explain the nature of the deductions)						
115	Charitable donations - tax basis	-			0		
116	Gain on disposal of assets	-			0		
117		-			0		
118		-			0		
119		-			0		
120	Total Other Deductions	=	0	0	0		
121							
122	Total Deductions	=	3,061,640	0	3,061,640		
123							
124	Recap Material Deductions:						
125			0	0	0		
126			0	0	0		
127			0	0	0		
128			0	0	0		
129			0	0	0		
130	Total Other Deductions exceed materiality level		0	0	0		
131	Other Deductions less than materiality level		0	0	0		
132	Total Other Deductions		0	0	0		
133							
134	TAXABLE INCOME	=	1,575,260	47,698	1,527,562		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	1,575,260	47,698	1,527,562		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	321,448	9,733	311,715		
143	Net Ontario Income Tax (Must agree with tax return)	+	210,536	6,375	204,161		
144	Subtotal	=	531,984	16,108	515,876		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	531,984	16,108	515,876		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		20.41%		20.41%		Divide federal income tax by the taxable
150	Net Ontario Income Tax Rate (Must agree with tax return)		13.37%		13.37%		Divide Ontario income tax by the taxable
151	Blended Income Tax Rate		33.77%		33.77%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	531,984	16,108	515,876		
157	Ontario Capital Tax	+	84,285		84,285		
158	Federal Large Corporations Tax	+	0		0		
159							
160	Total income and capital taxes	=	616,269	16,108	600,161		
161							

	A	B	C	D	E	F
1	PILs TAXES - EB-2008-0381	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Halton Hills					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)		70,004		70,004	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		70,004	0	70,004	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		0		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-0381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-0381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Halton Hills					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-	36,467		36,467	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	36,467	0	36,467	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107	Bad debts		36,467	0	36,467	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		36,467	0	36,467	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		36,467	0	36,467	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-0381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Halton Hills				Version 2009.1	
9						
10						
11	Reporting period: 2005					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+	1,297		1,297	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	5,787		5,787	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		325,000		325,000	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments				0	
39		+			0	
40	Changes in Regulatory Asset balances	+	1,004,331		1,004,331	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	1,336,415	0	1,336,415	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	25,444		25,444	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-	325,000		325,000	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	Ontario capital tax adjustments to current or prior year	-			0	
61		-			0	
62	Changes in Regulatory Asset balances	-	1,004,331		1,004,331	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	1,354,775	0	1,354,775	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-0381									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Halton Hills									
5	Reporting period: 2005									
6										
7	Table 1									
8	Rates Used in 2005 RAM PILs Applications for 2005									
9	Income Range		0		400,001					
10	RAM 2005		to		to		>1,128,000			
11		Year	400,000		1,128,000					
12	Income Tax Rate									
13	Proxy Tax Year	2005								
14	Federal (Includes surtax)		13.12%		17.75%		22.12%			
15	and Ontario blended		5.50%		9.75%		14.00%			
16	Blended rate		18.62%		27.50%		36.12%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.175%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$7.5MM	7,500,000							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	50,000,000							
23	**Exemption amounts must agree with the Board-approved 2005 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005									
27	Income Range		0	250,001	400,001					
28	Expected Rates		to	to	to		>1,128,000			
29		Year	250,000	400,000	1,128,000					
30	Income Tax Rate									
31	Current year	2005								
32	Federal (Includes surtax)	2005	13.12%	22.12%	22.12%		22.12%			
33	Ontario	2005	5.50%	5.50%	9.75%		14.00%			
34	Blended rate	2005	18.62%	27.62%	31.87%		36.12%			
35										
36	Capital Tax Rate	2005	0.300%							
37	LCT rate	2005	0.200%							
38	Surtax	2005	1.12%							
39	Ontario Capital Tax Exemption *** 2005	MAX \$7.5MM	7,500,000							
40	Federal Large Corporations Tax Exemption *** 2005	MAX \$50MM	50,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2005 Tax Returns									
45	Income Range		0	250,001	400,001					
46			to	to	to		>1,128,000			
47		Year	250,000	400,000	1,128,000					
48	Income Tax Rate									
49	Current year	2005								
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
51	Ontario		5.50%	5.50%	14.00%		14.00%			
52	Blended rate		18.62%	27.62%	36.12%		36.12%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	6,955,928							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	45,995,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-0381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Halton Hills														Version 2009.1
4	Reporting period: 2005														0
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=	0		246,317		137,120		-117,828		-238,756		-605,319		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	246,317		899,961		1,146,278		961,540		224,990		291,606		3,770,692
13	PILs proxy from April 1, 2005 - input 9/12 of amount										656,113				656,113
14	True-up Variance Adjustment Q4, 2001 (2)	+/-			747		0								747
15	True-up Variance Adjustment (3)	+/-			0		-132,648		-232,231		-174,107		31,226		-507,760
16	Deferral Account Variance Adjustment Q4, 2001 (4)										0				0
17	Deferral Account Variance Adjustment (5)	+/-			0		-5,000		-39,813		-82,248		0		-127,061
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-			1,961		1,500		-12,100		-32,200		3,263		-37,576
20	PILs billed to (collected from) customers (8)	-	0		-1,011,866		-1,265,078		-798,324		-959,111		-232,679		-4,267,058
21															
22	Ending balance: # 1562		246,317		137,120		-117,828		-238,756		-605,319		-511,903		-511,903
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
49	true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
66															
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
69															
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

Item 6

Halton_EVD_PILsSummary1562Balance_EB-2008-0381_20100108

(Summary of Account 1562)

Intentionally Blank

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-0381														
2	Summary PILs 1562 Balance														
3	Utility Name: Halton Hills														
4	Reporting period: 2001- 2005				Sign Convention: + for increase; - for decrease										
5															
6															
7															
8	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10															
11	Opening balance:	=	0		246,317		139,188		-116,556		-54,893		-255,140		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	246,317		899,961		1,146,278		961,540		224,990		291,606		3,770,692
13	PILs proxy from April 1, 2005 - input 9/12 of amount										656,113				656,113
14	True-up Variance Adjustment Q4, 2001 (2)	+/-			747		0								747
15	True-up Variance Adjustment (3)	+/-			0		-132,648		-59,421		-32,986		31,226		-193,829
16	Deferral Account Variance Adjustment Q4, 2001 (4)										0				0
17	Deferral Account Variance Adjustment (5)	+/-			0		-5,088		-39,813		-82,248		0		-127,149
18	Adjustments to reported prior years' variances (6)	+/-													0
19	Carrying charges (7)	+/-			4,029		792		-2,319		-7,005		-3,275		-7,778
20	PILs billed to (collected from) customers (8)	-	0		-1,011,866		-1,265,078		-798,324		-959,111		-232,679		-4,267,058
21															
22	Ending balance: # 1562		<u>246,317</u>		<u>139,188</u>		<u>-116,556</u>		<u>-54,893</u>		<u>-255,140</u>		<u>-168,262</u>		<u>-168,262</u>
23															
24															
25															
26	Uncollected PILs														
27															
28	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
32															
33	(1) (i)	From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.													
34		Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.													
35		If the Board gave more than one decision in the year, calculate a weighted average proxy.													
36	(ii)	If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.													
37	(iii)	Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.													
38	(iv)	Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.													
39	(v)	Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.													
40	(vi)	Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.													
41															
42	(2)	From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be													
43		true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.													
44															
45	(3)	From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.													
46		The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.													
47															
48	(4)	From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be													
49		true up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.													
50															
51	(5)	From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.													
52		The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.													
53															
54	(6)	The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.													
55															
56	(7)	Carrying charges are calculated on a simple interest basis.													
57															
58	(8) (i)	PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate													
59		components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the													
60		2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.													
61		The 2005 PILs tax proxy is being recovered on a volumetric basis by class.													
62															
63	(ii)	Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied													
64		by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;													
65		plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.													
66															
67		In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,													
68		for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.													
69															
70		In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,													
71		for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used													
72		to calculate the recovery for the period January 1 to March 31, 2005.													
73															
74	(9)	Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes													
75		will have to include amounts from 1562 and from 1590.													
76															
77															

EB-2008-0381 Board Approved Proxy Included in Rates for the Year Shown Halton Hills	Number of months of proxy	Year of recovery	Number of months of Collection	Amount Included in Rates	APH Proxy Amount
2001 Fourth Quarter Proxy	3	2002	10	246,317	246,317
2001 Fourth Quarter Proxy		2003	12	246,317	246,317
2001 Fourth Quarter Proxy		2004	3	246,317	61,579
2002 Proxy	12	2002	10	899,961	899,961
2002 Proxy		2003	12	899,961	899,961
2002 Proxy		2004	12	899,961	899,961
2002 Proxy		2005	3	899,961	224,990
2005 Proxy		2005	9	874,817	656,113
2005 Proxy		2006	4	874,817	291,606

NOTES:

- 1) Rate recovery is based on a montly rate derived for a 12-month period.
- 2) For APH purposes, the 4th quarter 2001 PILs proxy starts on October 1, 2001.
- 3) For APH purposes, the 2002 PILs proxy starts on January 1, 2002.