

PILs Fixed Charge Rate	PILs Volumetric Proxy Rate	Total
5.6725335		72,155.28
5.6725335		122,023.59
5.6725335		125,583.83
5.6725335		126,417.33
5.6725335		126,627.47
5.6725335		129,133.28
5.6725335		125,817.47
5.6725335		124,998.37
5.6725335		133,787.61
5.6725335		127,897.00

1,214,441.25

5.6725335		149,797.21
5.6725335		138,433.49
5.6725335		130,272.95
5.6725335		123,421.14
5.6725335		117,555.71
5.6725335		118,806.78
5.6725335		129,562.03
5.6725335		131,810.04
5.6725335		123,925.71
5.6725335		114,280.22
5.6725335		118,712.28
5.6725335		142,064.93

1,538,642.49

5.6725335		140,426.04
5.6725335		138,291.28
5.6725335		121,103.79
5.6725335		50,843.78
	0.0037825	42,008.56
5.6725335		26.81
	0.0037825	80,678.23
5.6725335		(36.66)
	0.0037825	76,666.09
	0.0037825	90,372.91
5.6725335		13.43
	0.0037825	83,909.68
	0.0037825	85,404.90
	0.0037825	79,360.13
	0.0037825	74,928.94
	0.0037825	89,056.67

1,153,054.58

	0.0037825	101,653.29
	0.0037825	93,316.90
	0.0037825	90,091.22
	0.0037825	47,195.94
	0.0036038	41,264.96

0.0037825	55.23
0.0036038	79,640.63
0.0037825	1.23
0.0036038	84,926.74
0.0036038	101,907.56
0.0037825	-
0.0036038	92,619.76
0.0036038	92,219.64
0.0036038	81,618.49
0.0036038	79,300.34
0.0036038	88,012.97

1,073,824.90

0.0036038	97,148.48
0.0036038	89,867.14
0.0036038	84,452.76
0.0036038	90,408.84
0.0036038	36,381.14
0.0036038	(7.46)
0.0036038	(81.12)
0.0036038	3.98
0.0036038	9.91

398,183.67

5,378,146.89

Description	Actual Volume	Customer Count	PILs Volumetric Proxy Rate
Mar-02 Post Mar1/02 cons only @ new rate	193,268	1,243	0.549676
Apr-02 Post Mar1/02 cons only @ new rate	225,199	1,247	0.549676
May-02 Post Mar1/02 cons only @ new rate	215,583	1,249	0.549676
Jun-02 Post Mar1/02 cons only @ new rate	225,910	1,254	0.549676
Jul-02 Post Mar1/02 cons only @ new rate	230,981	1,261	0.549676
Aug-02 All consumption from Stats	229,415	1,265	0.549676
Sep-02 Post Mar1/02 cons only @ new rate	232,431	1,276	0.549676
Oct-02 Post Mar1/02 cons only @ new rate	228,736	1,276	0.549676
Nov-02 All consumption from Stats	213,252	1,275	0.549676
Dec-02 All consumption from Stats	220,996	1,315	0.549676

Total

Jan-03 All consumption from Stats	228,091	1,319	0.549676
Feb-03 All consumption from Stats	226,105	1,321	0.549676
Mar-03 All consumption from Stats	228,013	1,344	0.549676
Apr-03 All consumption from Stats	224,493	1,345	0.549676
May-03 All consumption from Stats	220,504	1,344	0.549676
Jun-03 All consumption from Stats	232,409	1,350	0.549676
Jul-03 All consumption from Stats	235,676	1,350	0.549676
Aug-03 All consumption from Stats	234,447	1,349	0.549676
Sep-03 All consumption from Stats	232,512	1,393	0.549676
Oct-03 All consumption from Stats	227,037	1,392	0.549676
Nov-03 All consumption from Stats	221,080	1,391	0.549676
Dec-03 All consumption from Stats	216,316	1,391	0.549676

Total

Jan-04 All consumption from Stats	231,787	1,390	0.549676
Feb-04 All consumption from Stats	227,922	1,394	0.549676
Mar-04 All consumption from Stats	225,728	1,394	0.549676
Apr-04 Pre Apr 1/04 cons only @ old rate	23,432	-	0.549676
Apr-04 Post Apr 1/04 cons only @ new rate	200,145	-	
May-04 Pre Apr 1/04 cons only @ old rate	(15)	-	0.549676
May-04 Post Apr 1/04 cons only @ new rate	238,313	-	
Jun-04 Pre Apr 1/04 cons only @ old rate	-	-	0.549676
Jun-04 Post Apr 1/04 cons only @ new rate	243,761	-	
Jul-04 All consumption from Stats	240,028	-	
Aug-04 Pre Apr 1/04 cons only @ old rate	-	-	0.549676
Aug-04 Post Apr 1/04 cons only @ new rate	240,178	-	
Sep-04 All consumption from Stats	241,622	-	
Oct-04 All consumption from Stats	234,200	-	
Nov-04 All consumption from Stats	230,873	-	
Dec-04 All consumption from Stats	238,116	-	

Total

Jan-05 All consumption from Stats	237,681	-	
Feb-05 All consumption from Stats	235,242	-	
Mar-05 All consumption from Stats	233,430	-	
Apr-05 Pre Apr 1/05 cons only @ old rate	24,538	-	
Apr-05 Post Apr 1/05 cons only @ new rate	208,491	-	

May-05 Pre Apr 1/05 cons only @ old rate	(30)	-
May-05 Post Apr 1/05 cons only @ new rate	235,347	-
Jun-05 Pre Apr 1/05 cons only @ old rate	-	-
Jun-05 Post Apr 1/05 cons only @ new rate	252,086	-
Jul-05 All consumption from Stats	252,717	-
Aug-05 Pre Apr 1/05 cons only @ old rate	-	-
Aug-05 Post Apr 1/05 cons only @ new rate	247,239	-
Sep-05 All consumption from Stats	250,488	-
Oct-05 All consumption from Stats	246,228	-
Nov-05 All consumption from Stats	236,318	-
Dec-05 All consumption from Stats	241,682	-

Total

Jan-06 All consumption from Stats	236,221	-
Feb-06 All consumption from Stats	240,459	-
Mar-06 All consumption from Stats	237,612	-
Apr-06 All consumption from Stats	235,064	-
May-06 Pre Apr 30/06 cons only @ old rate	24,666	-
Jun-06 Pre Apr 30/06 cons only @ old rate	1,069	-
Jul-06 Pre Apr 30/06 cons only @ old rate	1,146	-
Aug-06 Pre Apr 30/06 cons only @ old rate	-	-
Sep-06 Pre Apr 30/06 cons only @ old rate	-	-

Total

Grand Total

PILs Fixed Charge Rate	PILs Volumetric Proxy Rate	Total
29.5922527		143,018.06
29.5922527		160,688.18
29.5922527		155,461.49
29.5922527		161,285.94
29.5922527		164,280.33
29.5922527		163,537.91
29.5922527		165,521.48
29.5922527		163,490.29
29.5922527		154,949.52
29.5922527		160,389.95

1,592,623.16

29.5922527		164,408.30
29.5922527		163,375.87
29.5922527		165,105.19
29.5922527		163,200.13
29.5922527		160,977.73
29.5922527		167,699.13
29.5922527		169,495.11
29.5922527		168,789.80
29.5922527		169,028.37
29.5922527		165,988.98
29.5922527		162,685.39
29.5922527		160,066.60

1,980,820.61

29.5922527		168,541.21
29.5922527		166,534.89
29.5922527		165,329.11
29.5922527		12,880.28
	0.4555557	91,177.10
29.5922527		(8.51)
	0.4555557	108,565.05
29.5922527		-
	0.4555557	111,046.74
	0.4555557	109,346.22
29.5922527		-
	0.4555557	109,414.32
	0.4555557	110,072.09
	0.4555557	106,691.04
	0.4555557	105,175.41
	0.4555557	108,475.15

1,473,240.10

	0.4555557	108,276.88
	0.4555557	107,165.68
	0.4555557	106,340.31
	0.4555557	11,178.43
	0.4204217	87,654.15

0.4555557	(13.67)
0.4204217	98,944.99
0.4555557	-
0.4204217	105,982.43
0.4204217	106,247.72
0.4555557	-
0.4204217	103,944.65
0.4204217	105,310.60
0.4204217	103,519.60
0.4204217	99,353.22
0.4204217	101,608.37

1,245,513.36

0.4204217	99,312.44
0.4204217	101,094.19
0.4204217	99,897.25
0.4204217	98,826.01
0.4204217	10,370.12
0.4204217	449.43
0.4204217	481.80
0.4204217	-
0.4204217	-

410,431.25

6,702,628.48

Description	Actual Volume	Customer Count	PILs Volumetric
			Proxy Rate
Mar-02 Post Mar1/02 cons only @ new rate	142,412	117	0.340375
Apr-02 Post Mar1/02 cons only @ new rate	150,320	117	0.340375
May-02 Post Mar1/02 cons only @ new rate	157,799	118	0.340375
Jun-02 Post Mar1/02 cons only @ new rate	162,531	118	0.340375
Jul-02 Post Mar1/02 cons only @ new rate	166,742	118	0.340375
Aug-02 All consumption from Stats	161,546	118	0.340375
Sep-02 Post Mar1/02 cons only @ new rate	161,503	117	0.340375
Oct-02 Post Mar1/02 cons only @ new rate	162,488	117	0.340375
Nov-02 All consumption from Stats	155,278	122	0.340375
Dec-02 All consumption from Stats	156,445	122	0.340375

Total

Jan-03 All consumption from Stats	152,121	122	0.340375
Feb-03 All consumption from Stats	154,691	123	0.340375
Mar-03 All consumption from Stats	158,199	124	0.340375
Apr-03 All consumption from Stats	159,309	124	0.340375
May-03 All consumption from Stats	160,905	124	0.340375
Jun-03 All consumption from Stats	171,401	124	0.340375
Jul-03 All consumption from Stats	173,042	124	0.340375
Aug-03 All consumption from Stats	170,943	124	0.340375
Sep-03 All consumption from Stats	170,186	127	0.340375
Oct-03 All consumption from Stats	167,429	131	0.340375
Nov-03 All consumption from Stats	164,394	132	0.340375
Dec-03 All consumption from Stats	153,665	132	0.340375

Total

Jan-04 All consumption from Stats	166,256	132	0.340375
Feb-04 All consumption from Stats	171,354	135	0.340375
Mar-04 All consumption from Stats	173,500	134	0.340375
Apr-04 Pre Apr 1/04 cons only @ old rate	-	-	0.340375
Apr-04 Post Apr 1/04 cons only @ new rate	174,346	-	
May-04 Pre Apr 1/04 cons only @ old rate	-	-	0.340375
May-04 Post Apr 1/04 cons only @ new rate	174,522	-	
Jun-04 Pre Apr 1/04 cons only @ old rate	-	-	0.340375
Jun-04 Post Apr 1/04 cons only @ new rate	178,672	-	
Jul-04 All consumption from Stats	183,630	-	
Aug-04 Pre Apr 1/04 cons only @ old rate	-	-	0.340375
Aug-04 Post Apr 1/04 cons only @ new rate	180,263	-	
Sep-04 All consumption from Stats	180,232	-	
Oct-04 All consumption from Stats	178,269	-	
Nov-04 All consumption from Stats	172,315	-	
Dec-04 All consumption from Stats	171,603	-	

Total

Jan-05 All consumption from Stats	172,709	-	
Feb-05 All consumption from Stats	173,674	-	
Mar-05 All consumption from Stats	172,916	-	
Apr-05 Pre Apr 1/05 cons only @ old rate	-	-	
Apr-05 Post Apr 1/05 cons only @ new rate	178,026	-	

May-05 Pre Apr 1/05 cons only @ old rate	-	-
May-05 Post Apr 1/05 cons only @ new rate	177,927	-
Jun-05 Pre Apr 1/05 cons only @ old rate	-	-
Jun-05 Post Apr 1/05 cons only @ new rate	189,816	-
Jul-05 All consumption from Stats	191,155	-
Aug-05 Pre Apr 1/05 cons only @ old rate	-	-
Aug-05 Post Apr 1/05 cons only @ new rate	192,460	-
Sep-05 All consumption from Stats	179,188	-
Oct-05 All consumption from Stats	191,465	-
Nov-05 All consumption from Stats	179,864	-
Dec-05 All consumption from Stats	168,672	-

Total

Jan-06 All consumption from Stats	174,648	-
Feb-06 All consumption from Stats	175,085	-
Mar-06 All consumption from Stats	171,688	-
Apr-06 All consumption from Stats	166,087	-
May-06 Pre Apr 30/06 cons only @ old rate	4,412	-
Jun-06 Pre Apr 30/06 cons only @ old rate	-	-
Jul-06 Pre Apr 30/06 cons only @ old rate	-	-
Aug-06 Pre Apr 30/06 cons only @ old rate	-	-
Sep-06 Pre Apr 30/06 cons only @ old rate	-	-

Total

Grand Total

PILs Fixed	PILs	
Charge Rate	Volumetric	
	Proxy Rate	Total
381.9373481		93,160.19
381.9373481		95,851.88
381.9373481		98,779.65
381.9373481		100,390.27
381.9373481		101,823.54
381.9373481		100,054.87
381.9373481		99,658.23
381.9373481		99,993.58
381.9373481		99,449.29
381.9373481		99,846.27
		989,007.78
381.9373481		98,374.41
381.9373481		99,631.30
381.9373481		101,207.22
381.9373481		101,585.21
381.9373481		102,128.42
381.9373481		105,700.86
381.9373481		106,259.34
381.9373481		105,545.11
381.9373481		106,433.00
381.9373481		107,022.42
381.9373481		106,371.50
381.9373481		102,719.64
		1,242,978.43
381.9373481		107,005.33
381.9373481		109,886.21
381.9373481		110,234.84
381.9373481		-
	0.6299169	109,823.57
381.9373481		-
	0.6299169	109,934.20
381.9373481		-
	0.6299169	112,548.25
	0.6299169	115,671.77
381.9373481		-
	0.6299169	113,550.98
	0.6299169	113,530.95
	0.6299169	112,294.40
	0.6299169	108,543.86
	0.6299169	108,095.58
		1,331,119.95
	0.6299169	108,792.40
	0.6299169	109,399.92
	0.6299169	108,922.87
	0.6299169	-
	0.5829163	103,774.26

0.6299169	-
0.5829163	103,716.55
0.6299169	-
0.5829163	110,646.84
0.5829163	111,427.37
0.6299169	-
0.5829163	112,188.07
0.5829163	104,451.61
0.5829163	111,608.07
0.5829163	104,845.66
0.5829163	98,321.66

1,288,095.29

0.5829163	101,805.17
0.5829163	102,059.90
0.5829163	100,079.74
0.5829163	96,814.82
0.5829163	2,571.83
0.5829163	-
0.5829163	-
0.5829163	-
0.5829163	-

403,331.46

5,254,532.91

Description	Actual Volume	Customer Count	PILs Volumetric Proxy Rate
Mar-02 Post Mar1/02 cons only @ new rate	44,901	4	0.231522
Apr-02 Post Mar1/02 cons only @ new rate	47,912	4	0.231522
May-02 Post Mar1/02 cons only @ new rate	51,816	4	0.231522
Jun-02 Post Mar1/02 cons only @ new rate	51,329	4	0.231522
Jul-02 Post Mar1/02 cons only @ new rate	50,925	4	0.231522
Aug-02 All consumption from Stats	51,037	4	0.231522
Sep-02 Post Mar1/02 cons only @ new rate	49,233	4	0.231522
Oct-02 Post Mar1/02 cons only @ new rate	47,326	4	0.231522
Nov-02 All consumption from Stats	48,440	4	0.231522
Dec-02 All consumption from Stats	46,718	4	0.231522

Total

Jan-03 All consumption from Stats	49,432	4	0.231522
Feb-03 All consumption from Stats	47,419	4	0.231522
Mar-03 All consumption from Stats	49,311	4	0.231522
Apr-03 All consumption from Stats	45,823	4	0.231522
May-03 All consumption from Stats	45,962	4	0.231522
Jun-03 All consumption from Stats	48,836	4	0.231522
Jul-03 All consumption from Stats	48,000	4	0.231522
Aug-03 All consumption from Stats	48,897	4	0.231522
Sep-03 All consumption from Stats	28,930	4	0.231522
Oct-03 All consumption from Stats	32,807	4	0.231522
Nov-03 All consumption from Stats	39,383	4	0.231522
Dec-03 All consumption from Stats	46,389	4	0.231522

Total

Jan-04 All consumption from Stats	42,040	4	0.231522
Feb-04 All consumption from Stats	37,730	3	0.231522
Mar-04 All consumption from Stats	40,399	3	0.231522
Apr-04 Pre Apr 1/04 cons only @ old rate	-	-	0.231522
Apr-04 Post Apr 1/04 cons only @ new rate	40,107	-	
May-04 Pre Apr 1/04 cons only @ old rate	-	-	0.231522
May-04 Post Apr 1/04 cons only @ new rate	42,150	-	
Jun-04 Pre Apr 1/04 cons only @ old rate	-	-	0.231522
Jun-04 Post Apr 1/04 cons only @ new rate	48,129	-	
Jul-04 All consumption from Stats	39,508	-	
Aug-04 Pre Apr 1/04 cons only @ old rate	-	-	0.231522
Aug-04 Post Apr 1/04 cons only @ new rate	45,961	-	
Sep-04 All consumption from Stats	44,541	-	
Oct-04 All consumption from Stats	41,126	-	
Nov-04 All consumption from Stats	40,622	-	
Dec-04 All consumption from Stats	42,688	-	

Total

Jan-05 All consumption from Stats	42,204	-	
Feb-05 All consumption from Stats	41,354	-	
Mar-05 All consumption from Stats	40,802	-	
Apr-05 Pre Apr 1/05 cons only @ old rate	-	-	
Apr-05 Post Apr 1/05 cons only @ new rate	41,194	-	

May-05 Pre Apr 1/05 cons only @ old rate	-	-
May-05 Post Apr 1/05 cons only @ new rate	41,340	-
Jun-05 Pre Apr 1/05 cons only @ old rate	-	-
Jun-05 Post Apr 1/05 cons only @ new rate	44,299	-
Jul-05 All consumption from Stats	46,731	-
Aug-05 Pre Apr 1/05 cons only @ old rate	-	-
Aug-05 Post Apr 1/05 cons only @ new rate	43,786	-
Sep-05 All consumption from Stats	46,058	-
Oct-05 All consumption from Stats	42,865	-
Nov-05 All consumption from Stats	42,079	-
Dec-05 All consumption from Stats	43,073	-

Total

Jan-06 All consumption from Stats	42,359	-
Feb-06 All consumption from Stats	49,949	-
Mar-06 All consumption from Stats	49,261	-
Apr-06 All consumption from Stats	49,703	-
May-06 Pre Apr 30/06 cons only @ old rate	-	-
Jun-06 Pre Apr 30/06 cons only @ old rate	-	-
Jul-06 Pre Apr 30/06 cons only @ old rate	-	-
Aug-06 Pre Apr 30/06 cons only @ old rate	-	-
Sep-06 Pre Apr 30/06 cons only @ old rate	-	-

Total

Grand Total

PILs Fixed	PILs Volumetric	
Charge Rate	Proxy Rate	Total
885.4145957		13,937.21
885.4145957		14,634.22
885.4145957		15,538.29
885.4145957		15,425.49
885.4145957		15,331.90
885.4145957		15,357.79
885.4145957		14,940.16
885.4145957		14,498.54
885.4145957		14,756.47
885.4145957		14,357.89
		148,777.96
885.4145957		14,986.17
885.4145957		14,520.29
885.4145957		14,958.33
885.4145957		14,150.71
885.4145957		14,182.74
885.4145957		14,848.18
885.4145957		14,654.80
885.4145957		14,862.43
885.4145957		10,239.68
885.4145957		11,137.17
885.4145957		12,659.64
885.4145957		14,281.83
		165,481.98
885.4145957		13,274.92
885.4145957		11,391.56
885.4145957		12,009.45
885.4145957		-
	0.3631442	14,564.51
885.4145957		-
	0.3631442	15,306.64
885.4145957		-
	0.3631442	17,477.68
	0.3631442	14,347.09
885.4145957		-
	0.3631442	16,690.30
	0.3631442	16,174.96
	0.3631442	14,934.71
	0.3631442	14,751.54
	0.3631442	15,501.93
		176,425.29
	0.3631442	15,326.27
	0.3631442	15,017.44
	0.3631442	14,816.94
	0.3631442	-
	0.3519642	14,498.81

0.3631442	-
0.3519642	14,550.20
0.3631442	-
0.3519642	15,591.66
0.3519642	16,447.64
0.3631442	-
0.3519642	15,411.10
0.3519642	16,210.77
0.3519642	15,086.95
0.3519642	14,810.30
0.3519642	15,160.15

182,928.24

0.3519642	14,908.85
0.3519642	17,580.26
0.3519642	17,338.11
0.3519642	17,493.68
0.3519642	-
0.3519642	-
0.3519642	-
0.3519642	-
0.3519642	-

67,320.90

740,934.37

Description		Actual Volume	Customer Count	PILs Volumetric Proxy Rate
Mar-02	Post Mar1/02 cons only @ new rate	45	-	0.831734
Apr-02	Post Mar1/02 cons only @ new rate	45	-	0.831734
May-02	Post Mar1/02 cons only @ new rate	42	-	0.831734
Jun-02	Post Mar1/02 cons only @ new rate	37	-	0.831734
Jul-02	Post Mar1/02 cons only @ new rate	38	-	0.831734
Aug-02	All consumption from Stats	46	-	0.831734
Sep-02	Post Mar1/02 cons only @ new rate	52	-	0.831734
Oct-02	Post Mar1/02 cons only @ new rate	50	-	0.831734
Nov-02	All consumption from Stats	49	-	0.831734
Dec-02	All consumption from Stats	46	-	0.831734
Total				
Jan-03	All consumption from Stats	48	-	0.831734
Feb-03	All consumption from Stats	43	-	0.831734
Mar-03	All consumption from Stats	41	-	0.831734
Apr-03	All consumption from Stats	39	-	0.831734
May-03	All consumption from Stats	36	-	0.831734
Jun-03	All consumption from Stats	35	-	0.831734
Jul-03	All consumption from Stats	35	-	0.831734
Aug-03	All consumption from Stats	38	-	0.831734
Sep-03	All consumption from Stats	38	-	0.831734
Oct-03	All consumption from Stats	39	-	0.831734
Nov-03	All consumption from Stats	44	-	0.831734
Dec-03	All consumption from Stats	37	-	0.831734
Total				
Jan-04	All consumption from Stats	46	-	0.831734
Feb-04	All consumption from Stats	42	-	0.831734
Mar-04	All consumption from Stats	40	-	0.831734
Apr-04	Pre Apr 1/04 cons only @ old rate	-	-	0.831734
Apr-04	Post Apr 1/04 cons only @ new rate	41	-	
May-04	Pre Apr 1/04 cons only @ old rate	-	-	0.831734
May-04	Post Apr 1/04 cons only @ new rate	37	-	
Jun-04	Pre Apr 1/04 cons only @ old rate	-	-	0.831734
Jun-04	Post Apr 1/04 cons only @ new rate	34	-	
Jul-04	All consumption from Stats	37	-	
Aug-04	Pre Apr 1/04 cons only @ old rate	-	-	0.831734
Aug-04	Post Apr 1/04 cons only @ new rate	38	-	
Sep-04	All consumption from Stats	41	-	
Oct-04	All consumption from Stats	43	-	
Nov-04	All consumption from Stats	44	-	
Dec-04	All consumption from Stats	47	-	
Total				
Jan-05	All consumption from Stats	-	-	
Feb-05	All consumption from Stats	-	-	
Mar-05	All consumption from Stats	-	-	
Apr-05	Pre Apr 1/05 cons only @ old rate	-	-	
Apr-05	Post Apr 1/05 cons only @ new rate	-	-	

May-05 Pre Apr 1/05 cons only @ old rate	-	-
May-05 Post Apr 1/05 cons only @ new rate	-	-
Jun-05 Pre Apr 1/05 cons only @ old rate	-	-
Jun-05 Post Apr 1/05 cons only @ new rate	-	-
Jul-05 All consumption from Stats	-	-
Aug-05 Pre Apr 1/05 cons only @ old rate	-	-
Aug-05 Post Apr 1/05 cons only @ new rate	-	-
Sep-05 All consumption from Stats	-	-
Oct-05 All consumption from Stats	-	-
Nov-05 All consumption from Stats	-	-
Dec-05 All consumption from Stats	-	-

Total

Jan-06 All consumption from Stats	-	-
Feb-06 All consumption from Stats	-	-
Mar-06 All consumption from Stats	-	-
Apr-06 All consumption from Stats	-	-
May-06 Pre Apr 30/06 cons only @ old rate	-	-
Jun-06 Pre Apr 30/06 cons only @ old rate	-	-
Jul-06 Pre Apr 30/06 cons only @ old rate	-	-
Aug-06 Pre Apr 30/06 cons only @ old rate	-	-
Sep-06 Pre Apr 30/06 cons only @ old rate	-	-

Total

Grand Total

PILs Fixed Charge Rate	PILs Volumetric Proxy Rate	Total
-		37.43
-		37.43
-		34.73
-		30.43
-		31.61
-		38.26
-		43.25
-		41.59
-		40.75
-		38.26
		373.73
-		39.92
-		35.76
-		34.10
-		32.44
-		29.94
-		29.11
-		29.11
-		31.61
-		31.61
-		32.44
-		36.60
-		30.77
		393.41
-		38.26
-		34.93
-		33.27
-		-
	0.6296812	25.82
-		-
	0.6296812	23.30
-		-
	0.6296812	21.41
	0.6296812	23.30
-		-
	0.6296812	23.93
	0.6296812	25.82
	0.6296812	27.08
	0.6296812	27.71
	0.6296812	29.60
		334.41
	0.6296812	-
	0.6296812	-
	0.6296812	-
	0.6296812	-
	0.5733002	-

0.6296812	-
0.5733002	-
0.6296812	-
0.5733002	-
0.5733002	-
0.6296812	-
0.5733002	-
0.5733002	-
0.5733002	-
0.5733002	-
0.5733002	-

-

0.5733002	-
0.5733002	-
0.5733002	-
0.5733002	-
0.5733002	-
0.5733002	-
0.5733002	-
0.5733002	-
0.5733002	-

-

1,101.55

Description	Actual Volume	Customer Count	PILs Volumetric Proxy Rate
Mar-02 Post Mar1/02 cons only @ new rate	3,470	-	0.528974
Apr-02 Post Mar1/02 cons only @ new rate	4,660	-	0.528974
May-02 Post Mar1/02 cons only @ new rate	4,660	-	0.528974
Jun-02 Post Mar1/02 cons only @ new rate	4,660	-	0.528974
Jul-02 Post Mar1/02 cons only @ new rate	4,755	-	0.528974
Aug-02 All consumption from Stats	4,765	-	0.528974
Sep-02 Post Mar1/02 cons only @ new rate	4,765	-	0.528974
Oct-02 Post Mar1/02 cons only @ new rate	4,859	-	0.528974
Nov-02 All consumption from Stats	4,859	-	0.528974
Dec-02 All consumption from Stats	4,859	-	0.528974

Total

Jan-03 All consumption from Stats	4,859	-	0.528974
Feb-03 All consumption from Stats	4,862	-	0.528974
Mar-03 All consumption from Stats	4,861	-	0.528974
Apr-03 All consumption from Stats	4,863	-	0.528974
May-03 All consumption from Stats	4,874	-	0.528974
Jun-03 All consumption from Stats	4,864	-	0.528974
Jul-03 All consumption from Stats	4,866	-	0.528974
Aug-03 All consumption from Stats	4,866	-	0.528974
Sep-03 All consumption from Stats	4,903	-	0.528974
Oct-03 All consumption from Stats	4,907	-	0.528974
Nov-03 All consumption from Stats	4,927	-	0.528974
Dec-03 All consumption from Stats	4,763	-	0.528974

Total

Jan-04 All consumption from Stats	4,940	-	0.528974
Feb-04 All consumption from Stats	4,954	-	0.528974
Mar-04 All consumption from Stats	4,960	-	0.528974
Apr-04 Pre Apr 1/04 cons only @ old rate	-	-	0.528974
Apr-04 Post Apr 1/04 cons only @ new rate	4,967	-	
May-04 Pre Apr 1/04 cons only @ old rate	-	-	0.528974
May-04 Post Apr 1/04 cons only @ new rate	4,970	-	
Jun-04 Pre Apr 1/04 cons only @ old rate	-	-	0.528974
Jun-04 Post Apr 1/04 cons only @ new rate	4,998	-	
Jul-04 All consumption from Stats	5,017	-	
Aug-04 Pre Apr 1/04 cons only @ old rate	-	-	0.528974
Aug-04 Post Apr 1/04 cons only @ new rate	5,054	-	
Sep-04 All consumption from Stats	5,117	-	
Oct-04 All consumption from Stats	5,128	-	
Nov-04 All consumption from Stats	5,158	-	
Dec-04 All consumption from Stats	5,211	-	

Total

Jan-05 All consumption from Stats	5,258	-	
Feb-05 All consumption from Stats	5,288	-	
Mar-05 All consumption from Stats	5,344	-	
Apr-05 Pre Apr 1/05 cons only @ old rate	-	-	
Apr-05 Post Apr 1/05 cons only @ new rate	5,376	-	

May-05 Pre Apr 1/05 cons only @ old rate	-	-
May-05 Post Apr 1/05 cons only @ new rate	5,391	-
Jun-05 Pre Apr 1/05 cons only @ old rate	-	-
Jun-05 Post Apr 1/05 cons only @ new rate	5,457	-
Jul-05 All consumption from Stats	5,484	-
Aug-05 Pre Apr 1/05 cons only @ old rate	-	-
Aug-05 Post Apr 1/05 cons only @ new rate	5,513	-
Sep-05 All consumption from Stats	5,561	-
Oct-05 All consumption from Stats	5,574	-
Nov-05 All consumption from Stats	5,596	-
Dec-05 All consumption from Stats	5,680	-

Total

Jan-06 All consumption from Stats	5,730	-
Feb-06 All consumption from Stats	5,744	-
Mar-06 All consumption from Stats	5,765	-
Apr-06 All consumption from Stats	5,768	-
May-06 Pre Apr 30/06 cons only @ old rate	-	-
Jun-06 Pre Apr 30/06 cons only @ old rate	-	-
Jul-06 Pre Apr 30/06 cons only @ old rate	-	-
Aug-06 Pre Apr 30/06 cons only @ old rate	-	-
Sep-06 Pre Apr 30/06 cons only @ old rate	-	-

Total

Grand Total

PILs Fixed Charge Rate	PILs Volumetric Proxy Rate	Total
-		1,835.54
-		2,465.02
-		2,465.02
-		2,465.02
-		2,515.27
-		2,520.56
-		2,520.56
-		2,570.28
-		2,570.28
-		2,570.28
		24,497.82
-		2,570.28
-		2,571.87
-		2,571.34
-		2,572.40
-		2,578.22
-		2,572.93
-		2,573.99
-		2,573.99
-		2,593.56
-		2,595.67
-		2,606.25
-		2,519.44
		30,899.93
-		2,613.13
-		2,620.53
-		2,623.71
-		-
	0.3545118	1,760.86
-		-
	0.3545118	1,761.92
-		-
	0.3545118	1,771.85
	0.3545118	1,778.59
-		-
	0.3545118	1,791.70
	0.3545118	1,814.04
	0.3545118	1,817.94
	0.3545118	1,828.57
	0.3545118	1,847.36
		24,030.20
	0.3545118	1,864.02
	0.3545118	1,874.66
	0.3545118	1,894.51
	0.3545118	-
	0.3295458	1,771.64

0.3545118	-
0.3295458	1,776.58
0.3545118	-
0.3295458	1,798.33
0.3295458	1,807.23
0.3545118	-
0.3295458	1,816.79
0.3295458	1,832.60
0.3295458	1,836.89
0.3295458	1,844.14
0.3295458	1,871.82

21,989.21

0.3295458	1,888.30
0.3295458	1,892.91
0.3295458	1,899.83
0.3295458	1,900.82
0.3295458	-
0.3295458	-
0.3295458	-
0.3295458	-
0.3295458	-

7,581.86

108,999.03

Customer Type

2001	
Volumetric	Fixed
Residential	0.0010427306509416600.9462264114555190
GS<50	0.0013278711804937501.8798495758675800
GS>50 Non TOU	0.1821599864850100009.8067262914243800
GS>50 TOU	0.112798683830541000126.5721494095540000
Large	0.076725127025084800293.4220207885870000
Sentinel	0.275632681223434000-
Streetlights	0.175299214514923000-

2002	
Volumetric	Fixed
Residential	0.0021037575889133201.909055797038360
GS<50	0.0026790418700555703.792683956950420
GS>50 Non TOU	0.36751624555978300019.785526434222000
GS>50 TOU	0.227576591244953000255.365198697239000
Large	0.154796512496870000591.992574909747000
Sentinel	0.5561017548996630000.000000000000000
Streetlights	0.3536743189943370000.000000000000000

	March 2002 to March 2004		April 2004 to March 2005	April 2005 to April 2006
	Volumetric Rates (Combined 2001 & 2002)	Fixed Rates (Combined 2001 & 2002)	Volumetric Rates	Volumetric Rates
Customer Type				
Residential	0.003146488239854980	2.855282208493880	0.004296046168728380	0.004249202288059770
GS<50	0.004006913050549310	5.672533532818010	0.003782540320593600	0.003603776608911250
GS>50 Non TOU	0.549676232044793000	29.592252725646400	0.455555722606649000	0.420421732405026000
GS>50 TOU	0.340375275075493000	381.937348106793000	0.629916892404603000	0.582916318922807000
Large	0.231521639521955000	885.414595698334000	0.363144209255079000	0.351964200302590000
Sentinel	0.831734436123097000	-	0.629681154420527000	0.573300233504074000
Streetlights	0.528973533509261000	-	0.354511835557817000	0.329545823100745000

Date	Description	Residential		GS<50		GS>50 Non TOU		GS>50 TOU		Large		Sentinel		Street Lights	
		Current Volume	Customer Count	Volume	Customer Count	Volume	Customer Count	Volume	Customer Count	Volume	Customer Count	Volume	Customer Count	Volume	Customer Count
Mar-02	Post Mar1/02 cons only @ new rate	27,712,545	83,867	8,853,868	6,466	193,268	1,243	142,412	117	44,901	4	45	-	3,470	-
Apr-02	Post Mar1/02 cons only @ new rate	63,829,272	84,172	21,256,966	6,496	225,199	1,247	150,320	117	47,912	4	45	-	4,660	-
May-02	Post Mar1/02 cons only @ new rate	67,055,448	84,543	22,115,761	6,517	215,583	1,249	157,799	118	51,816	4	42	-	4,660	-
Jun-02	Post Mar1/02 cons only @ new rate	71,008,516	84,887	22,337,933	6,507	225,910	1,254	162,531	118	51,329	4	37	-	4,660	-
Jul-02	Post Mar1/02 cons only @ new rate	79,625,489	85,407	22,393,209	6,505	230,981	1,261	166,742	118	50,925	4	38	-	4,755	-
Aug-02	All consumption from Stats	86,029,426	85,801	23,011,503	6,510	229,415	1,265	161,546	118	51,037	4	46	-	4,765	-
Sep-02	Post Mar1/02 cons only @ new rate	87,967,648	86,477	22,185,396	6,509	232,431	1,276	161,503	117	49,233	4	52	-	4,765	-
Oct-02	Post Mar1/02 cons only @ new rate	83,061,265	87,257	21,955,491	6,527	228,736	1,276	162,488	117	47,326	4	50	-	4,859	-
Nov-02	All consumption from Stats	75,994,087	87,961	24,113,618	6,552	213,252	1,275	155,278	122	48,440	4	49	-	4,859	-
Dec-02	All consumption from Stats	75,701,174	88,414	22,650,584	6,547	220,996	1,315	156,445	122	46,718	4	46	-	4,859	-
Jan-03	All consumption from Stats	95,835,825	88,846	28,127,517	6,539	228,091	1,319	152,121	122	49,432	4	48	-	4,859	-
Feb-03	All consumption from Stats	80,671,677	89,106	25,275,915	6,550	226,105	1,321	154,691	123	47,419	4	43	-	4,862	-
Mar-03	All consumption from Stats	76,572,741	89,628	23,219,481	6,564	228,013	1,344	158,199	124	49,311	4	41	-	4,861	-
Apr-03	All consumption from Stats	67,198,197	90,127	21,540,629	6,542	224,493	1,345	159,309	124	45,823	4	39	-	4,863	-
May-03	All consumption from Stats	63,501,813	90,572	20,023,005	6,580	220,504	1,344	160,905	124	45,962	4	36	-	4,874	-
Jun-03	All consumption from Stats	61,838,985	91,035	20,306,919	6,600	232,409	1,350	171,401	124	48,836	4	35	-	4,864	-
Jul-03	All consumption from Stats	91,204,614	91,828	23,027,901	6,574	235,676	1,350	173,042	124	48,000	4	35	-	4,866	-
Aug-03	All consumption from Stats	92,505,717	92,229	23,562,035	6,593	234,447	1,349	170,943	124	48,897	4	38	-	4,866	-
Sep-03	All consumption from Stats	78,427,414	93,180	21,609,926	6,582	232,512	1,393	170,186	127	28,930	4	38	-	4,903	-
Oct-03	All consumption from Stats	65,785,385	94,084	19,178,646	6,599	227,037	1,392	167,429	131	32,807	4	39	-	4,907	-
Nov-03	All consumption from Stats	67,288,556	94,708	20,242,279	6,629	221,080	1,391	164,394	132	39,383	4	44	-	4,927	-
Dec-03	All consumption from Stats	87,130,098	94,708	26,070,370	6,629	216,316	1,391	153,665	132	46,389	4	37	-	4,763	-
Jan-04	All consumption from Stats	96,701,007	95,064	25,682,590	6,614	231,787	1,390	166,256	132	42,040	4	46	-	4,940	-
Feb-04	All consumption from Stats	84,634,130	95,895	25,086,114	6,659	227,922	1,394	171,354	135	37,730	3	42	-	4,954	-
Mar-04	All consumption from Stats	69,375,982	96,285	20,775,421	6,674	225,728	1,394	173,500	134	40,399	3	40	-	4,960	-
Apr-04	Pre Apr 1/04 cons only @ old rate	41,784,152		12,689,016		23,432		-						-	
Apr-04	Post Apr 1/04 cons only @ new rate	37,458,033		11,105,912		200,145		174,346		40,107		41		4,967	
May-04	Pre Apr 1/04 cons only @ old rate	21,730		6,690		(15)		-		-				-	
May-04	Post Apr 1/04 cons only @ new rate	67,829,201		21,329,113		238,313		174,522		42,150		37		4,970	
Jun-04	Pre Apr 1/04 cons only @ old rate	420		(9,149)		-		-		-				-	
Jun-04	Post Apr 1/04 cons only @ new rate	64,149,184		20,268,413		243,761		178,672		48,129		34		4,998	
Jul-04	All consumption from Stats	82,822,906		23,892,121		240,028		183,630		39,508		37		5,017	
Aug-04	Pre Apr 1/04 cons only @ old rate	-		3,351		-		-		-				-	
Aug-04	Post Apr 1/04 cons only @ new rate	87,420,338		22,183,421		240,178		180,263		45,961		38		5,054	
Sep-04	All consumption from Stats	81,039,365		22,578,714		241,622		180,232		44,541		41		5,117	
Oct-04	All consumption from Stats	70,171,270		20,980,643		234,200		178,269		41,126		43		5,128	
Nov-04	All consumption from Stats	66,695,447		19,809,158		230,873		172,315		40,622		44		5,158	
Dec-04	All consumption from Stats	83,123,206		23,544,144		238,116		171,603		42,688		47		5,211	
Jan-05	All consumption from Stats	101,234,974		26,874,345		237,681		172,709		42,204	-	-		5,258	
Feb-05	All consumption from Stats	86,270,169		24,670,432		235,242		173,674		41,354	-	-		5,288	
Mar-05	All consumption from Stats	79,078,475		23,817,650		233,430		172,916		40,802	-	-		5,344	
Apr-05	Pre Apr 1/05 cons only @ old rate	44,213,899		12,477,312		24,538		-		-	-	-		-	
Apr-05	Post Apr 1/05 cons only @ new rate	36,786,803		11,450,477		208,491		178,026		41,194		-		5,376	
May-05	Pre Apr 1/05 cons only @ old rate	12,907		14,602		(30)		-		-	-	-		-	
May-05	Post Apr 1/05 cons only @ new rate	69,937,415		22,099,214		235,347		177,927		41,340		-		5,391	
Jun-05	Pre Apr 1/05 cons only @ old rate	1,350		325		-		-		-	-	-		-	
Jun-05	Post Apr 1/05 cons only @ new rate	84,688,675		23,566,040		252,086		189,816		44,299		-		5,457	
Jul-05	All consumption from Stats	131,550,220		28,277,990		252,717		191,155		46,731	-	-		5,484	
Aug-05	Pre Apr 1/05 cons only @ old rate	(532)		-		-		-		-	-	-		-	
Aug-05	Post Apr 1/05 cons only @ new rate	115,477,933		25,700,749		247,239		192,460		43,786		-		5,513	
Sep-05	All consumption from Stats	98,651,037		25,589,721		250,488		179,188		46,058	-	-		5,561	
Oct-05	All consumption from Stats	77,212,777		22,648,044		246,228		191,465		42,865	-	-		5,574	
Nov-05	All consumption from Stats	72,376,333		22,004,787		236,318		179,864		42,079	-	-		5,596	
Dec-05	All consumption from Stats	83,760,253		24,422,426		241,682		168,672		43,073	-	-		5,680	
Jan-06	All consumption from Stats	99,098,156		26,957,408		236,221		174,648		42,359	-	-		5,730	
Feb-06	All consumption from Stats	83,891,377		24,936,933		240,459		175,085		49,949	-	-		5,744	
Mar-06	All consumption from Stats	81,086,349		23,434,516		237,612		171,688		49,261	-	-		5,765	
Apr-06	All consumption from Stats	84,382,703		25,087,250		235,064		166,087		49,703	-	-		5,768	
May-06	Pre Apr 30/06 cons only @ old rate	32,751,127		10,095,283		24,666		4,412		-	-	-		-	
Jun-06	Pre Apr 30/06 cons only @ old rate	20,691		(2,070)		1,069		-		-	-	-		-	
Jul-06	Pre Apr 30/06 cons only @ old rate	(7,160)		(22,511)		1,146		-		-	-	-		-	
Aug-06	Pre Apr 30/06 cons only @ old rate	1,284		1,105		-		-		-	-	-		-	
Sep-06	Pre Apr 30/06 cons only @ old rate	(6,925)		2,751		-		-		-	-	-		-	

PILs Proxy Entitlement

EB-2010-0132

**Board Approved Proxy
Included in Rates for Year
Utility Name: Hydro One Brampton**

	Case Reference	Decision Date	Effective Date of Rates	Main Customer Base	Total Included in Rates
2001 Proxy	EB-2002-0044		1-Mar-02	3,735,614.04	3,735,614.04
2002 Proxy	EB-2002-0044		1-Mar-02	7,536,775.30	<u>7,536,775.30</u> <u>11,272,389.34</u>
2004 Proxy	EB-2004-0281		1-Mar-04	7,536,775.30	<u>7,536,775.30</u>
2005 Proxy	EB-2005-0008		1-Mar-05	7,371,915.68	<u>7,371,915.68</u>

Included in Rates for Year Utility Name: Hydro One Brampton	Number of months of proxy	Year of recovery	Number of months of Collection	Amount Included in Rates	APH Proxy Amount	2001	2002	2003	2004	2005	2006	Total
2001 Proxy	5	2001	0	3,735,614	3,735,614	3,735,614						
2001 Proxy	5	2002	10	0	0			0				
2001 Proxy	5	2003	12	3,735,614	3,735,614			3,735,614				
2001 Proxy	5	2004	3	3,735,614	933,904				933,904			
2002 Proxy	12	2002	10	7,536,775	7,536,775		7,536,775					
2002 Proxy	12	2003	12	7,536,775	7,330,288			7,536,775				
2002 Proxy	12	2004	12	7,536,775	7,536,775				7,536,775			
2002 Proxy	12	2005	3	7,536,775	1,884,194					1,884,194		
2005 Proxy	12	2005	9	7,371,916	5,528,937					5,528,937		
2005 Proxy	12	2006	4	7,371,916	2,457,305						2,457,305	
Total to Account for:						3,735,614	7,536,775	11,272,389	8,470,679	7,413,131	2,457,305	40,885,893
Amount shown as billed							8,680,929	11,019,991	8,651,285	8,421,372	2,906,720	39,680,297
Difference						3,735,614	-1,144,154	252,398	-180,606	-1,008,241	-449,415	1,205,596

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

Appendix U

EB-2010-0132

Summary PILs 1562 Balance - Without Interest Claw-back

Utility Name: Hydro One Brampton

Reporting period: 2001- 2005

Sign Convention: + for increase; - for decrease

Year start:	10/1/2001	1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006		
Year end:	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	4/30/2006	Total	
Opening balance:	=	0	3,779,196	2,922,687	3,592,329	3,157,459	3,513,616	0
Board-approved PILs tax proxy from Decisions (1)	+/-	3,735,614	7,536,775	11,272,389	8,470,679	1,884,194	2,457,305	35,356,957
PILs proxy from April 1, 2005 - input 9/12 of amount	+					5,528,937		5,528,937
True-up Variance Adjustment Q4, 2001 (2)	+/-		2,951					2,951
True-up Variance Adjustment (3)	+/-			221,357	-22,199	1,674,015	2,069,940	3,943,114
Deferral Account Variance Adjustment Q4, 2001 (4)	+/-		0					0
Deferral Account Variance Adjustment (5)	+/-		0	0	-404,274	-481,842	0	-886,116
Adjustments to reported prior years' variances (6)	+/-							0
LCT repeal	+/-					-126,198		-126,198
Carrying charges (7)	+/-	43,582	284,693	195,887	172,209	172,226	154,086	1,022,683
PILs billed to (collected from) customers (8)	-	0	-8,680,929	-11,019,991	-8,651,285	-8,421,372	-2,906,720	-39,680,297
Ending balance: # 1562		3,779,196	2,922,687	3,592,329	3,157,459	3,513,616	5,162,030	5,162,030

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. **ANSWER:**

- (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
 - (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (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.
 - (vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.
- (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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- (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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- (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.
- (7) Carrying charges are calculated on a simple interest basis.
- (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 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 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied 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; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, 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.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- (9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

APPENDIX V

2001

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	152	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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	0
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				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				11,089,374
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	152	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	<u>I) CORPORATE INCOME TAXES</u>							
15								
16	Regulatory Net Income REGINFO E53	1	4,620,573		400,456		5,021,028	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	<u>Additions:</u>							
20	Depreciation & Amortization	2	3,808,703		952,405		4,761,108	
21	Employee Benefit Plans - Accrued, Not Paid	3	109,583		10,417		120,000	
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			45,989		45,989	
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"				0		0	
31								
32	<u>Deductions: Input positive numbers</u>							
33	Capital Cost Allowance and CEC	7	1,542,156		3,243,151		4,785,307	
34	Employee Benefit Plans - Paid Amounts	8	37,500		-37,500		0	
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	2,144,311		-996,112		1,148,199	
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			229,306		229,306	
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			89,386		89,386	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				1,046,316		1,046,316	
49								
50	TAXABLE INCOME/ (LOSS)		4,814,891		(2,165,280)		2,649,611	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%		0.0000%		40.62%	
54								
55	REGULATORY INCOME TAX		1,955,809		-864,801	Actual	1,091,008	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		1,955,809		-864,801	Actual	1,091,008	
61								
62								
63	<u>II) CAPITAL TAXES</u>							
64								
65	<u>Ontario</u>							
66	Base	15	211,672,968		50,481,551		262,154,519	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	100,000		4,900,000		5,000,000	
68	Taxable Capital		211,572,968		55,381,551		257,154,519	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		264,466		61,421		325,887	
73								
74	<u>Federal Large Corporations Tax</u>							
75	Base	18	211,672,968		51,018,932		262,691,900	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	300,000		-300,000		0	
77	Taxable Capital		211,372,968		50,718,932		262,691,900	
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)		198,162		49,596		247,758	
82	Less: Federal Surtax 1.12% x Taxable Income	21	53,927		-24,251		29,676	
83								
84	Net LCT		144,235		73,847		218,082	
85								
86	<u>III) INCLUSION IN RATES</u>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		39.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	3,232,742			Actual 2001	1,091,008	
91	LCT (proxy tax is grossed-up)	23	238,406			Actual 2001	218,082	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	264,466			Actual 2001	325,887	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2001	25	3,735,614			Actual 2001	1,634,977	
96	RAM DECISION							
97								
98								
99	<u>IV) FUTURE TRUE-UPS</u>							
100	<u>IV a) Calculation of the True-up Variance</u>				DR/(CR)			
101	<u>In Additions:</u>							
102	Employee Benefit Plans - Accrued, Not Paid	3			10,417			
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			45,989			
107	Other additions "Material" Items TAXREC 2	6			0			
108	<u>In Deductions - positive numbers</u>							
109	Employee Benefit Plans - Paid Amounts	8			-37,500			
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			89,386			
119								
120	Total TRUE-UPS before tax effect	26		=	4,520			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	152	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	39.50%			
123								
124	Income Tax Effect on True-up adjustments			=	1,785			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				1,785			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				39.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				2,951			
133								
	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
134								
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	4,814,891			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	40.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,955,809			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	1,955,809			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	1,955,809			
147								
148	Regulatory Income Tax Variance			=	0			
149								
150	Ontario Capital Tax							
151	Base			=	211,672,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	100,000			
153	Revised deemed taxable capital			=	211,572,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	264,466			
	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)							
158				-	264,466			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				211,672,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	300,000			
164	Revised Federal LCT			=	211,372,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				198,162			
169	Less: Federal surtax			-	53,927			
170	Revised Net LCT			=	144,235			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	144,235			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				39.50%			
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)			+	2,951			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	2,951			
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)				8,149,409			
194	Interest phased-in (Cell C37)				2,144,311			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				6,005,098			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200								
201	Interest deducted on MoF filing (Cell G37+G42)				1,377,505			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
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				6,005,098			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
8	Reporting period: 2001					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		152	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	+	96,092,241		96,092,241	
32	Distribution Revenue	+	13,620,302		13,620,302	
33	Other Income	+			0	
34	Miscellaneous income	+	695,545		695,545	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	96,092,241		96,092,241	
40	Administration	-	1,608,262		1,608,262	
41	Customer billing and collecting	-	1,101,112		1,101,112	
42	Operations and maintenance	-	1,824,337		1,824,337	
43	Amortization	-	4,761,108		4,761,108	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	5,021,028	0	5,021,028	
51	Less: Interest expense for accounting purposes	-	1,148,199		1,148,199	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	3,872,829	0	3,872,829	
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	+			0	
61	Depreciation & Amortization	+	4,761,108	0	4,761,108	
62	Employee benefit plans-accrued, not paid	+	120,000	0	120,000	
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"		0	0	0	
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		4,881,108	0	4,881,108	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+	12,440		12,440	
75	Capital items expensed - Software expensed per F/S	+	33,549		33,549	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	45,989	0	45,989	
81						
82	Total Additions	=	4,927,097	0	4,927,097	
83						
84	Recap Material Additions:					
85			0	0	0	
86	Non-deductible meals and entertainment expense		12,440	0	12,440	
87	Capital items expensed - Software expensed per F/S		33,549	0	33,549	

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	<i>Total Other additions >materiality level</i>		45,989	0	45,989	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		45,989	0	45,989	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	3,497,596		3,497,596	
98	Cumulative eligible capital deduction	-	1,287,711		1,287,711	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		1,046,316	0	1,046,316	
109	Interest capitalized for accounting deducted for tax	-	229,306		229,306	
110	Material deduction items from TAXREC 2	-	89,386	0	89,386	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	6,150,315	0	6,150,315	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	6,150,315	0	6,150,315	
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	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	<u>TAXABLE INCOME</u>	=	2,649,611	0	2,649,611	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	2,649,611	0	2,649,611	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	745,071		745,071	
143	Net Ontario Income Tax (Must agree with tax return)	+	345,937		345,937	
144	Subtotal	=	1,091,008	0	1,091,008	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	1,091,008	0	1,091,008	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		28.12%		28.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		40.62%		40.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP FROM ABOVE:					
156	Total Income Taxes	+	1,091,008	0	1,091,008	
157	Ontario Capital Tax	+	325,887		325,887	
158	Federal Large Corporations Tax	+	218,082		218,082	
159						
160	Total income and capital taxes	=	1,634,977	0	1,634,977	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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-2010-	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: Hydro One Brampton Networks Inc.					
9	Reporting period: 2001					
10	Number of days in taxation year:		152			
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		+			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-2010-	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: Hydro One Brampton Networks Inc.					
9	Reporting period: 2001					
10	Number of days in taxation year:		152			
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	-	89,386		89,386	
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	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	89,386	0	89,386	
100						
101	Recap of Material Deductions:					
102	Gain on disposal of assets per f/s		89,386	0	89,386	
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		89,386	0	89,386	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		89,386	0	89,386	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-					
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	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Hydro One Brampton Networks Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		152			
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	+			0	
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	=	0	0	0	
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	-	325,887		325,887	
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	Prospectus & underwriting fees	-	64,807		64,807	
71	Income not earned on movement of Regulatory A/Cs	-			0	
72	Deferred cost deductible (market ready)	-	655,622		655,622	
73	Total Deductions on which true-up does not apply	=	1,046,316	0	1,046,316	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates Version 2009.1									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
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					
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	100,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	300,000							
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					
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	100,000							
40	Federal Large Corporations Tax Exemption *** 2001	MAX \$10MM	300,000							
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					
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	5,000,000							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
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-2010-														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Hydro One Brampton Networks Inc.														Version 2009.1
4	Reporting period: 2001		Sign Convention: + for increase; - for decrease										0		
5															
6															
7															
8	Year start:		8/1/2001		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		
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)	+/-											2,951		2,951
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		2,951		2,951
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 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, 2001and 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, 2001and 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															

2002

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	3,235,507
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				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				14,324,881
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	14,324,881		6,183,483		20,508,364	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,600,202		3,093,555		12,693,757	
21	Employee Benefit Plans - Accrued, Not Paid	3	263,000		201,000		464,000	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			144,843		144,843	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			17,817		17,817	
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"				387,782		387,782	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	7,215,016		4,937,046		12,152,062	
34	Employee Benefit Plans - Paid Amounts	8	90,000		-90,000		0	
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	6,647,878		2,793,122		9,441,000	
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			410,765		410,765	
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			84,731		84,731	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				9,035,466		9,035,466	
49								
50	TAXABLE INCOME/ (LOSS)		10,235,189		(7,142,650)	Before loss C/F	3,092,539	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0000%		38.62%	
54								
55	REGULATORY INCOME TAX		3,952,830		-2,702,364	Actual	1,250,466	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		3,952,830		-2,702,364	Actual	1,250,466	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	211,672,968		61,381,991		273,054,959	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	100,000		43,644		143,644	
68	Taxable Capital		211,572,968		61,425,635		272,911,315	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		634,719		184,015	Overpaid	818,734	
73								
74	Federal Large Corporations Tax							
75	Base	18	211,672,968		74,673,361		286,346,329	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	300,000		-300,000		0	
77	Taxable Capital		211,372,968		74,373,361		286,346,329	
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)		475,589		168,690		644,279	
82	Less: Federal Surtax 1.12% x Taxable Income	21	114,634		-114,634		0	
83								
84	Net LCT		360,955		283,324		644,279	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
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	6,324,528			Actual 2002	1,250,466	
91	LCT (proxy tax is grossed-up)	23	577,528			Actual 2002	609,643	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	634,719			Actual 2002	818,734	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	7,536,775			Actual 2002	2,678,843	
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			201,000			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			144,843			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			17,817			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-90,000			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			1,702,356			
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			84,731			
119								
120	Total TRUE-UPS before tax effect	26		=	-1,333,427			
121								
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	37.50%			
123								
124	Income Tax Effect on True-up adjustments			=	-500,035			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-500,035			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(800,056)			
133								
	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
134								
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	10,235,189			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	3,952,830			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	3,952,830			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	3,952,830			
147								
148	Regulatory Income Tax Variance			=	(0)			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
150	Ontario Capital Tax							
151	Base			=	211,672,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	100,000			
153	Revised deemed taxable capital			=	211,572,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	634,719			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	634,719			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				211,672,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	300,000			
164	Revised Federal LCT			=	211,372,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				475,589			
169	Less: Federal surtax			-	114,634			
170	Revised Net LCT			=	360,955			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	360,955			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
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 I130)			+	(800,056)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(800,056)			
186	<i>(Deferral Account Variance + True-up Variance)</i>							
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)				8,149,409			
194	Interest phased-in (Cell C37)				6,647,878			
195								
196	Variance due to phase-in of debt component of MARR in rates				1,501,532			
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 G37+G42)				9,851,765			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
203								
204	Variance caused by excess debt				1,702,356			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				1,702,356			
207								
208	Total Interest Variance				-200,824			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	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	+	230,184,000		230,184,000	
32	Distribution Revenue	+	45,674,000		45,674,000	
33	Other Income	+	1,882,000		1,882,000	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	230,184,000		230,184,000	
40	Administration	-	5,513,879		5,513,879	
41	Customer billing and collecting	-	2,843,000		2,843,000	
42	Operations and maintenance	-	5,179,000		5,179,000	
43	Amortization	-	12,693,757		12,693,757	
44	Ontario Capital Tax	-	818,000		818,000	
45	Reg Assets	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	20,508,364	0	20,508,364	
51	Less: Interest expense for accounting purposes	-	9,441,000		9,441,000	
52	Provision for payments in lieu of income taxes	-	4,888,016		4,888,016	
53	Net Income (loss)	=	6,179,348	0	6,179,348	
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	+	4,888,016	0	4,888,016	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	12,693,757	0	12,693,757	
62	Employee benefit plans-accrued, not paid	+	464,000	0	464,000	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	144,843	0	144,843	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		387,782	0	387,782	
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		18,578,398	0	18,578,398	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+	17,817		17,817	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	17,817	0	17,817	
81						
82	Total Additions	=	18,596,215	0	18,596,215	
83						
84	Recap Material Additions:					
85			0	0	0	
86	Non-deductible meals and entertainment expense		17,817	0	17,817	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	
92	Total Other additions >materiality level		17,817	0	17,817	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		17,817	0	17,817	
95						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	9,148,530		9,148,530	
98	Cumulative eligible capital deduction	-	3,003,532		3,003,532	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		9,035,466	0	9,035,466	
109	Interest capitalized for accounting deducted for tax	-	410,765		410,765	
110	Material deduction items from TAXREC 2	-	84,731	0	84,731	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	21,683,024	0	21,683,024	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	21,683,024	0	21,683,024	
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	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	3,092,539	0	3,092,539	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	3,092,539	0	3,092,539	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	807,771		807,771	
143	Net Ontario Income Tax (Must agree with tax return)	+	442,695		442,695	
144	Subtotal	=	1,250,466	0	1,250,466	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	1,250,466	0	1,250,466	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		38.62%	*****	38.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	1,250,466	0	1,250,466	
157	Ontario Capital Tax	+	818,734		818,734	
158	Federal Large Corporations Tax	+	609,643		609,643	
159						
160	Total income and capital taxes	=	2,678,843	0	2,678,843	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	Other Liabilities (2405) - Allowance for doubtful accounts		144,843		144,843	
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)		144,843	0	144,843	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	+			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	
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	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-	19,450		19,450	
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	OPEB Amounts Capitalized	-	65,281		65,281	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96	Non-taxable load transfers	-			0	
97	Prospectus & underwriting fees	-			0	
98		-			0	
99	Total Deductions	=	84,731	0	84,731	
100						
101	Recap of Material Deductions:					
102	Gain on disposal of assets per f/s		19,450	0	19,450	
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	OPEB Amounts Capitalized		65,281	0	65,281	
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		84,731	0	84,731	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		84,731	0	84,731	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-					
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	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Hydro One Brampton Networks Inc.				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	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
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	Partnership income per T5013 (net of 2001 loss)	+	3,261		3,261	
45	Amortization of debt discount	+	25,920		25,920	
46	RSVA Reserve (1580)		64,024			
47	Reserves for Transition Costs		200,000			
48	Reserves for rebate payment		94,577			
49		+				
50	Total Additions on which true-up does not apply	=	387,782	0	29,181	
51						
52	Deduct:					
53						
54	CCA adjustments	-			0	
55	CEC adjustments	-			0	
56	Depreciation and amortization adjustments	-			0	
57	Gain on disposal of assets per financial statements	-			0	
58	Financing fee amortization - considered to be interest expense for PILs	-			0	
59	Imputed interest income on Regulatory Assets	-			0	
60	Donations - amount deductible for tax purposes	-			0	
61	Income from joint ventures or partnerships	-			0	
62		-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67	Ontario capital tax adjustments to current or prior year	-	734		734	
68		-			0	
69	Changes in Regulatory Asset balances	-			0	
70		-			0	
71	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
72	Prospectus & underwriting fees	-	154,670		154,670	
73	Income not earned on movement of Regulatory A/Cs	-	8,421,505		8,421,505	
74	Deferred cost deductible (market ready)	-	458,557		458,557	
75		-			0	
76	Total Deductions on which true-up does not apply	=	9,035,466	0	9,035,466	
77						
78						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
5	Reporting period: 2002									
6										
7										
8	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to	>700,000				
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	100,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	300,000							
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		200,001					
28	Expected Rates		to		to	>700,000				
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2002								
32	Federal (Includes surtax)	2002	13.12%		26.12%	26.12%				
33	Ontario	2002	6.00%		6.00%	12.50%				
34	Blended rate	2002	19.12%		32.12%	38.62%				
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	100,000							
40	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM	300,000							
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		200,001					
46			to		to	>700,000				
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2002								
50	Federal (Includes surtax)		13.12%		22.12%	26.12%				
51	Ontario		6.00%		9.75%	12.50%				
52	Blended rate		19.12%		31.87%	38.62%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	143,455							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
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-2010-														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Hydro One Brampton Networks Inc.														Version 2009.1
4	Reporting period: 2002				Sign Convention: + for increase; - for decrease									0	
5															
6															
7															
8	Year start:		8/1/2001		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)	+/-											-800,056		-800,056
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		-800,056		-800,056
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, 2001and 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, 2001and 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															

2003

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	3,235,507
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				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				14,324,881
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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	14,324,881		13,409,302		27,734,183	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,600,202		2,812,246		12,412,448	
21	Employee Benefit Plans - Accrued, Not Paid	3	263,000		-200,000		63,000	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			353,625		353,625	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			18,781		18,781	
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"				1,114,646		1,114,646	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	7,215,016		5,340,690		12,555,706	
34	Employee Benefit Plans - Paid Amounts	8	90,000		-90,000		0	
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	6,647,878		2,999,111		9,646,989	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			144,843		144,843	
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"				2,883,170		2,883,170	
49								
50	TAXABLE INCOME/ (LOSS)		10,235,189		6,230,786	Before loss C/F	16,465,975	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-1.9996%		36.62%	
54								
55	REGULATORY INCOME TAX		3,952,830		2,077,079	Actual	6,029,909	
56								
57								
58	Miscellaneous Tax Credits	14			56,053	Actual	56,053	
59								
60	Total Regulatory Income Tax		3,952,830		2,021,026	Actual	5,973,856	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	211,672,968		68,475,638		280,148,606	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	100,000		48,875		148,875	
68	Taxable Capital		211,572,968		68,524,513		279,999,731	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		634,719		205,280		839,999	
73								
74	Federal Large Corporations Tax							
75	Base	18	211,672,968		84,080,096		295,753,064	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	300,000		-300,000		0	
77	Taxable Capital		211,372,968		83,780,096		295,753,064	
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)		475,589		189,855		665,444	
82	Less: Federal Surtax 1.12% x Taxable Income	21	114,634		-114,634		0	
83								
84	Net LCT		360,955		304,489		665,444	
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	6,324,528			Actual 2003	5,973,856	
91	LCT (proxy tax is grossed-up)	23	577,528			Actual 2003	481,025	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	634,719			Actual 2003	839,999	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	7,536,775			Actual 2003	7,294,880	
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			-200,000			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			353,625			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			18,781			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-90,000			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			1,497,580			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			144,843			
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		=	-1,380,017			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	35.50%			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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							\$	
123								
124	Income Tax Effect on True-up adjustments			=	-489,906			
125								
126	Less: Miscellaneous Tax Credits	14			56,053			
127								
128	Total Income Tax on True-ups				-545,959			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(846,448)			
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			=	10,235,189			
137	estimate column)							
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	3,748,126			
141								
142	Less: Revised Miscellaneous Tax Credits			-	56,053			
143								
144	Total Revised Regulatory Income Tax			=	3,692,073			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell			-	3,952,830			
147	C58)							
148	Regulatory Income Tax Variance			=	(260,757)			
149								
150	Ontario Capital Tax							
151	Base			=	211,672,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	100,000			
153	Revised deemed taxable capital			=	211,572,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	634,719			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell			-	634,719			
159	C70)							
160	Regulatory Ontario Capital Tax Variance			=	0			
161	Federal LCT							
162	Base				211,672,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	300,000			
164	Revised Federal LCT			=	211,372,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				475,589			
169	Less: Federal surtax			-	114,634			
170	Revised Net LCT			=	360,955			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	360,955			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	Income Tax (grossed-up)			+	(404,274)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(404,274)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(846,448)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(1,250,722)			
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)				8,149,409			
194	Interest phased-in (Cell C37)				6,647,878			
195								
196	Variance due to phase-in of debt component of MARR in rates				1,501,532			
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 G37+G42)				9,646,989			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
203								
204	Variance caused by excess debt				1,497,580			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				1,497,580			
207								
208	Total Interest Variance				3,952			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	+			0	
32	Distribution Revenue	+	278,229,106		278,229,106	
33	Other Income	+	1,975,934		1,975,934	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	225,829,689		225,829,689	
40	Administration	-	4,726,208		4,726,208	
41	Customer billing and collecting	-	3,122,073		3,122,073	
42	Operations and maintenance	-	5,580,399		5,580,399	
43	Amortization	-	12,412,448		12,412,448	
44	Ontario Capital Tax	-	800,040		800,040	
45	Reg Asset movement	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	27,734,183	0	27,734,183	
51	Less: Interest expense for accounting purposes	-	9,646,989		9,646,989	
52	Provision for payments in lieu of income taxes	-	4,025,418		4,025,418	
53	Net Income (loss)	=	14,061,776	0	14,061,776	
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	+	4,025,418	0	4,025,418	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	12,412,448	0	12,412,448	
62	Employee benefit plans-accrued, not paid	+	63,000	0	63,000	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	353,625	0	353,625	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		1,114,646	0	1,114,646	
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		17,969,137	0	17,969,137	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+	18,781		18,781	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	18,781	0	18,781	
81						
82	Total Additions	=	17,987,918	0	17,987,918	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	
86	Non-deductible meals and entertainment expense		18,781	0	18,781	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions >materiality level</i>		18,781	0	18,781	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		18,781	0	18,781	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	9,745,574		9,745,574	
98	Cumulative eligible capital deduction	-	2,810,132		2,810,132	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	144,843	0	144,843	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		2,883,170	0	2,883,170	
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	=	15,583,719	0	15,583,719	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	15,583,719	0	15,583,719	
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	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	16,465,975	0	16,465,975	
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	=	16,465,975	0	16,465,975	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	3,971,593		3,971,593	
143	Net Ontario Income Tax (Must agree with tax return)	+	2,058,316		2,058,316	
144	Subtotal	=	6,029,909	0	6,029,909	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	56,053		56,053	
146	Total Income Tax	=	5,973,856	0	5,973,856	
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	+	5,973,856	0	5,973,856	
157	Ontario Capital Tax	+	839,999		839,999	
158	Federal Large Corporations Tax	+	481,025		481,025	
159						
160	Total income and capital taxes	=	7,294,880	0	7,294,880	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	Other Liabilities (2405) - Allowance for doubtful accounts		144,843		144,843	
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)		144,843	0	144,843	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Other Liabilities (2405) - Allowance for doubtful accounts		353,625		353,625	
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)		353,625	0	353,625	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	+			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-2010-	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: Hydro One Brampton Networks Inc.					
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		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	Non-taxable load transfers	-	0		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-2010-					
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	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Hydro One Brampton Networks Inc.				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	+			0	
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				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	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Partnership income per T5013 (net of 2001 loss)	+	12,085		12,085	
45	Amortization of debt discount	+	25,920		25,920	
46	Regulatory assets contra	+	1,076,641			
47	Total Additions on which true-up does not apply	=	1,114,646	0	38,005	
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	-	39,999		39,999	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69	RSVA Reserve (1580)	-	64,024		64,024	
70	Reserves for Transition Costs	-	200,000		200,000	
71	Reserves for rebate payment	-	94,577		94,577	
72	Prospectus & underwriting fees	-	154,606		154,606	
73	Income not earned on movement of Regulatory A/Cs		2,329,964		2,329,964	
74	Deferred cost deductible (market ready)					
75	Total Deductions on which true-up does not apply	=	2,883,170	0	2,883,170	
76						
77						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
5	Reporting period: 2003									
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	>700000				
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	100,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	300,000							
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					
28	Expected Rates		to		to	>700000				
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	100,000							
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	300,000							
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					
46			to		to	>700,000				
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%	12.50%				
52	Blended rate		19.12%		0.00%	36.62%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	148,875							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
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-2010-														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Hydro One Brampton Networks Inc.														Version 2009.1
4	Reporting period: 2003				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		
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)	+/-											-846,448		-846,448
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-404,274		-404,274
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		-1,250,722		-1,250,722
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 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, 2001and 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, 2001and 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															

2004

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			Colour Code	
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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	3,235,507
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				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				14,324,881
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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	14,324,881		13,532,762		27,857,643	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,600,202		3,106,179		12,706,381	
21	Employee Benefit Plans - Accrued, Not Paid	3	263,000		-158,000		105,000	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			3,485,134		3,485,134	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			69,066		69,066	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			13,539		13,539	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				448,734		448,734	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	7,215,016		5,782,188		12,997,204	
34	Employee Benefit Plans - Paid Amounts	8	90,000		-90,000		0	
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	6,647,878		3,260,122		9,908,000	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			353,625		353,625	
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			31,304		31,304	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				1,604,994		1,604,994	
49								
50	TAXABLE INCOME/ (LOSS)		10,235,189		9,555,181	Before loss C/F	19,790,370	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.4995%		36.12%	
54								
55	REGULATORY INCOME TAX		3,952,830		3,195,541	Actual	7,148,371	
56								
57								
58	Miscellaneous Tax Credits	14			2,074	Actual	2,074	
59								
60	Total Regulatory Income Tax		3,952,830		3,193,467	Actual	7,146,297	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	211,672,968		67,026,761		278,699,729	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	100,000		50,000		150,000	
68	Taxable Capital		211,572,968		67,076,761		278,549,729	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		634,719		200,930		835,649	
73								
74	Federal Large Corporations Tax							
75	Base	18	211,672,968		83,230,548		294,903,516	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	300,000		-300,000		0	
77	Taxable Capital		211,372,968		82,930,548		294,903,516	
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)		475,589		114,218		589,807	
82	Less: Federal Surtax 1.12% x Taxable Income	21	114,634		107,018		221,652	
83								
84	Net LCT		360,955		7,200		368,155	
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	6,324,528			Actual 2004	7,146,297	
91	LCT (proxy tax is grossed-up)	23	577,528			Actual 2004	368,212	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	634,719			Actual 2004	835,649	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	7,536,775			Actual 2004	8,350,158	
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			-158,000			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			3,485,134			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			69,066			
107	Other additions "Material" Items TAXREC 2	6			13,539			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-90,000			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I206)	11			1,758,591			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			353,625			
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			31,304			
119								
120	Total TRUE-UPS before tax effect	26		=	1,356,219			
121								
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	35.00%			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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							\$	
123								
124	Income Tax Effect on True-up adjustments			=	474,677			
125								
126	Less: Miscellaneous Tax Credits	14			2,074			
127								
128	Total Income Tax on True-ups				472,603			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				727,081			
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			=	10,235,189			
137	estimate column)							
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	3,696,950			
141								
142	Less: Revised Miscellaneous Tax Credits			-	2,074			
143								
144	Total Revised Regulatory Income Tax			=	3,694,876			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column			-	3,952,830			
147	(Cell C58)							
148	Regulatory Income Tax Variance			=	(257,954)			
149								
150	Ontario Capital Tax							
151	Base			=	211,672,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	100,000			
153	Revised deemed taxable capital			=	211,572,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	634,719			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell			-	634,719			
159	C70)			=	0			
160	Regulatory Ontario Capital Tax Variance							
161	Federal LCT							
162	Base				211,672,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	1,500,000			
164	Revised Federal LCT			=	210,172,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				420,346			
169	Less: Federal surtax			-	114,634			
170	Revised Net LCT			=	305,712			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	360,955			
173	Regulatory Federal LCT Variance			=	(55,243)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	(396,852)			
178	LCT (grossed-up)			+	(84,990)			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(481,842)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	727,081			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	245,240			
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)				8,149,409			
194	Interest phased-in (Cell C37)				6,647,878			
195								
196	Variance due to phase-in of debt component of MARR in rates				1,501,532			
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 G37+G42)				9,908,000			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
203								
204	Variance caused by excess debt				1,758,591			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				1,758,591			
207								
208	Total Interest Variance				-257,059			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	+			0	
32	Distribution Revenue	+	285,733,000		285,733,000	
33	Other Income	+	2,221,000		2,221,000	
34	Miscellaneous income	+	1,493,024		1,493,024	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	234,908,000		234,908,000	
40	Administration	-	13,095,000		13,095,000	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	12,706,381		12,706,381	
44	Ontario Capital Tax	-	880,000		880,000	
45	Recovery of regulatory assets - expense	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	27,857,643	0	27,857,643	
51	Less: Interest expense for accounting purposes	-	9,908,000		9,908,000	
52	Provision for payments in lieu of income taxes	-	6,893,496		6,893,496	
53	Net Income (loss)	=	11,056,147	0	11,056,147	
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	+	6,893,496	0	6,893,496	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	12,706,381	0	12,706,381	
62	Employee benefit plans-accrued, not paid	+	105,000	0	105,000	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	3,485,134	0	3,485,134	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		448,734	0	448,734	
67	Material addition items from TAXREC 2	+	13,539	0	13,539	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		23,652,284	0	23,652,284	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+	58,639		58,639	
75	Capital items expensed - Computer equipment expensed for book	+	10,427		10,427	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	69,066	0	69,066	
81						
82	Total Additions	=	23,721,350	0	23,721,350	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	
86	Non-deductible meals and entertainment expense		58,639	0	58,639	
87	Capital items expensed - Computer equipment expensed for book		10,427	0	10,427	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions >materiality level</i>		69,066	0	69,066	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		69,066	0	69,066	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	10,355,305		10,355,305	
98	Cumulative eligible capital deduction	-	2,641,899		2,641,899	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	353,625	0	353,625	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		1,604,994	0	1,604,994	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	31,304	0	31,304	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	14,987,127	0	14,987,127	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	14,987,127	0	14,987,127	
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	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	<u>TAXABLE INCOME</u>	=	19,790,370	0	19,790,370	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138	Charitable donations		5,075		5,075	
139	NET TAXABLE INCOME	=	19,785,295	0	19,785,295	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	4,378,358	0	4,378,358	
143	Net Ontario Income Tax (Must agree with tax return)	+	2,770,013	0	2,770,013	
144	Subtotal	=	7,148,371	0	7,148,371	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	2,074		2,074	
146	Total Income Tax	=	7,146,297	0	7,146,297	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
153	<u>Section F: Income and Capital Taxes</u>					
154						
155	RECAP					
156	Total Income Taxes	+	7,146,297	0	7,146,297	
157	Ontario Capital Tax	+	835,649		835,649	
158	Federal Large Corporations Tax	+	368,212		368,212	
159						
160	Total income and capital taxes	=	8,350,158	0	8,350,158	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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		353,625		353,625	
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)		353,625	0	353,625	
51						
52	End of Year:					
53	Bill 4 deferred revenue		2,881,192		2,881,192	
54	Legal Claim		268,942		268,942	
55	Environmental				0	
56	Allowance for doubtful accounts		335,000		335,000	
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)		3,485,134	0	3,485,134	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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 <i>(Only if it benefits ratepayers)</i>	+			0	
21	Taxable capital gains	+	13,539		13,539	
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	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	13,539	0	13,539	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53	Loss on disposal of assets		13,539	0	13,539	
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	
75			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
76			0	0	0	
77	Total Material additions		13,539	0	13,539	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		13,539	0	13,539	
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	Non-taxable load transfers	-	0		0	
97	OPEB Amounts Capitalized	-	31,304		31,304	
98		-			0	
99	Total Deductions	=	31,304	0	31,304	
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	OPEB Amounts Capitalized		31,304	0	31,304	
118			0	0	0	
119	Total Deductions exceed materiality level		31,304	0	31,304	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		31,304	0	31,304	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-					
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	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Hydro One Brampton Networks Inc.				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	+	192,862		192,862	
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	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		5,075		5,075	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments		44,351		44,351	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Depreciation expensed via OM&A	+	172,973		172,973	
45	Amortization of debt discount	+	25,920		25,920	
46	Partnership income		5,479			
47	Ontario specified tax credits	+	2,074			
48	Total Additions on which true-up does not apply	=	448,734	0	441,181	
49						
50	Deduct:					
51						
52	CCA adjustments	-			0	
53	CEC adjustments	-			0	
54	Depreciation and amortization adjustments	-			0	
55	Gain on disposal of assets per financial statements	-			0	
56	Financing fee amortization - considered to be interest expense for PILs	-			0	
57	Imputed interest income on Regulatory Assets	-			0	
58	Donations - amount deductible for tax purposes	-			0	
59	Income from joint ventures or partnerships	-			0	
60		-			0	
61	Ontario capital tax adjustments to current or prior year	-			0	
62		-			0	
63	Changes in Regulatory Asset balances	-			0	
64		-			0	
65	Assessment Notice	-			0	
66		-			0	
67		-			0	
68		-			0	
69	Other deductions: (Please explain in detail the nature of the item)	-			0	
70	Prospectus & underwriting fees	-	154,606		154,606	
71	RSVA	-	39,748		39,748	
72	Income not earned on movement of Regulatory A/Cs	-	333,999		333,999	
73	Regulatory assets contra	-	1,076,641		1,076,641	
74	Total Deductions on which true-up does not apply	=	1,604,994	0	1,604,994	
75						
76						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
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			>700000		
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	100,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	300,000							
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	100,000							
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	1,500,000							
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%		22.12%			
51	Ontario		5.50%	5.50%	13.77%		14.00%			
52	Blended rate		18.62%	27.62%	36.06%		36.12%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	150,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	0							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

2005

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			Colour Code	
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		3%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	3,235,507
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			3,235,507	3,235,507
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	Total Regulatory Income				17,560,388
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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	17,560,388		13,700,555		31,260,943	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,600,202		3,710,316		13,310,518	
21	Employee Benefit Plans - Accrued, Not Paid	3			150,000		150,000	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			7,221,831		7,221,831	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			45,378		45,378	
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"				1,056,544		1,056,544	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	7,215,016		6,401,619		13,616,635	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
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	8,149,409		1,390,349		9,539,758	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			3,485,134		3,485,134	
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			87,900		87,900	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	C&DM 2005 Incremental OM&A expenses per C&DM Plan		550,000					
49	Items on which true-up does not apply "TAXREC 3"				3,700,473		3,700,473	
50								
51	TAXABLE INCOME/ (LOSS)		11,246,165		10,819,149		22,615,314	
52								
53	BLENDED INCOME TAX RATE							
54	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%		-0.0006%		36.12%	
55								
56	REGULATORY INCOME TAX		4,062,115		4,106,407	Actual	8,168,522	
57								
58								
59	Miscellaneous Tax Credits	14			0	Actual	0	
60								
61	Total Regulatory Income Tax		4,062,115		4,106,407	Actual	8,168,522	
62								
63								
64	III) CAPITAL TAXES							
65								
66	Ontario							
67	Base	15	211,672,968		65,108,701		276,781,669	
68	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	225,000		-11,508		213,492	
69	Taxable Capital		211,447,968		65,097,193		276,568,177	
70								
71	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
72								
73	Ontario Capital Tax		634,344		195,361		829,705	
74								
75	Federal Large Corporations Tax							
76	Base	18	211,672,968		82,334,017		294,006,985	
77	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	1,500,000		-1,500,000		0	
78	Taxable Capital		210,172,968		80,834,017		294,006,985	
79								
80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0000%		0.1750%	
81								
82	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		367,803		146,710		514,512	
83	Less: Federal Surtax 1.12% x Taxable Income	21	125,957		127,334		253,292	
84								
85	Net LCT		241,846		19,375		261,221	
86								
87	III) INCLUSION IN RATES							
88								
89	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
90								
91	Income Tax (proxy tax is grossed-up)	22	6,358,978			Actual 2005	8,168,522	
92	LCT (proxy tax is grossed-up)	23	378,594			Actual 2005	261,225	
93	Ontario Capital Tax (no gross-up since it is deductible)	24	634,344			Actual 2005	829,705	
94								
95								
96	Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	7,371,916			Actual 2005	9,259,452	
97	RAM DECISION							
98								
99								
100	IV) FUTURE TRUE-UPS							
101	IV a) Calculation of the True-up Variance				DR/(CR)			
102	In Additions:							
103	Employee Benefit Plans - Accrued, Not Paid	3			150,000			
104	Tax reserves deducted in prior year	4			0			
105	Reserves from financial statements-end of year	4			7,221,831			
106	Regulatory Adjustments	5			0			
107	Other additions "Material" Items TAXREC	6			45,378			
108	Other additions "Material" Items TAXREC 2	6			0			
109	In Deductions - positive numbers							
110	Employee Benefit Plans - Paid Amounts	8			0			
111	Items Capitalized for Regulatory Purposes	9			0			
112	Regulatory Adjustments	10			0			
113	Interest Adjustment for tax purposes (See Below - cell I206)	11			1,390,349			
114	Tax reserves claimed in current year	4			0			
115	Reserves from F/S beginning of year	4			3,485,134			
116	Contributions to deferred income plans	3			0			
117	Contributions to pension plans	3			0			
118	Other deductions "Material" Items TAXREC	12			0			
119	Other deductions "Material" Item TAXREC 2	12			87,900			
120								
121	Total TRUE-UPS before tax effect	26		=	2,453,826			
122								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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							\$	
123	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	35.00%			
124								
125	Income Tax Effect on True-up adjustments			=	858,839			
126								
127	Less: Miscellaneous Tax Credits	14			0			
128								
129	Total Income Tax on True-ups				858,839			
130								
131	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
132								
133	TRUE-UP VARIANCE ADJUSTMENT				1,321,291			
134								
135	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
136								
137	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	11,246,165			
138								
139	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
140								
141	REVISED REGULATORY INCOME TAX			=	4,062,115			
142								
143	Less: Revised Miscellaneous Tax Credits			-	0			
144								
145	Total Revised Regulatory Income Tax			=	4,062,115			
146								
147	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	4,062,115			
148								
149	Regulatory Income Tax Variance			=	0			
150								
151	Ontario Capital Tax							
152	Base			=	211,672,968			
153	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	225,000			
154	Revised deemed taxable capital			=	211,447,968			
155								
156	Rate - Tab Tax Rates cell C54			x	0.3000%			
157								
158	Revised Ontario Capital Tax			=	634,344			
159	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	634,344			
160	Regulatory Ontario Capital Tax Variance			=	0			
161								
162	Federal LCT							
163	Base				211,672,968			
164	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	1,500,000			
165	Revised Federal LCT			=	210,172,968			
166								
167	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.1750%			
168								
169	Gross Amount				367,803			
170	Less: Federal surtax			-	125,957			
171	Revised Net LCT			=	241,846			
172								
173	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	241,846			
174	Regulatory Federal LCT Variance			=	0			
175								
176	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
177								
178	Income Tax (grossed-up)			+	0			
179	LCT (grossed-up)			+	0			
180	Ontario Capital Tax			+	0			
181								
182	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
183								
184	TRUE-UP VARIANCE (from cell I132)			+	1,321,291			
185								
186	Total Deferral Account Entry (Positive Entry = Debit)			=	1,321,291			
187	(Deferral Account Variance + True-up Variance)							
188								
189								
190								
191	V) INTEREST PORTION OF TRUE-UP							
192	Variance Caused By Phase-in of Deemed Debt							
193								
194	Total deemed interest (REGINFO)				8,149,409			
195	Interest phased-in (Cell C37)				8,149,409			
196								
197	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				0			
198								
199								
200	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell G37+G42)				9,539,758			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
203								
204								
205	Variance caused by excess debt				1,390,349			
206								
207	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				1,390,349			
208								
209	Total Interest Variance				-1,390,349			
210								
211								
212								

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.						
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	+			0		
32	Distribution Revenue	+	339,440,812		339,440,812		
33	Other Income	+	2,739,444		2,739,444		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	282,796,916		282,796,916		
40	Administration	-	14,016,821		14,016,821		
41	Customer billing and collecting	-			0		
42	Operations and maintenance	-			0		
43	Amortization	-	13,310,518		13,310,518		
44	Ontario Capital Tax	-	795,058		795,058		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	31,260,943	0	31,260,943		
51	Less: Interest expense for accounting purposes	-	9,539,758		9,539,758		
52	Provision for payments in lieu of income taxes	-	8,594,713		8,594,713		
53	Net Income (loss)	=	13,126,472	0	13,126,472		
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	+	8,594,713	0	8,594,713		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	13,310,518	0	13,310,518		
62	Employee benefit plans-accrued, not paid	+	150,000	0	150,000		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	7,221,831	0	7,221,831		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		1,056,544	0	1,056,544		
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		30,333,606	0	30,333,606		
71							
72	Other Additions: (Please explain the nature of the additions)						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+	31,682		31,682		
75	Capital items expensed - Computer equipment expensed for book	+	13,696		13,696		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	Total Other Additions	=	45,378	0	45,378		
81							
82	Total Additions	=	30,378,984	0	30,378,984		
83							
84	Recap Material Additions:						

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2010-	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		
85			0	0	0		
86	Non-deductible meals and entertainment expense		31,682	0	31,682		
87	Capital items expensed - Computer equipment expensed for book		13,696	0	13,696		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		45,378	0	45,378		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		45,378	0	45,378		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	11,157,837		11,157,837		
98	Cumulative eligible capital deduction	-	2,458,798		2,458,798		
99	Employee benefit plans-paid amounts	-			0		
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	-	3,485,134	0	3,485,134		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		3,700,473	0	3,700,473		
109	Interest capitalized for accounting deducted for tax	-			0		
110	Material deduction items from TAXREC 2	-	87,900	0	87,900		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	20,890,142	0	20,890,142		
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	=	20,890,142	0	20,890,142		
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	=	22,615,314	0	22,615,314		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138	Charitable donations		360		360		
139	NET TAXABLE INCOME	=	22,614,954	0	22,614,954		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	5,002,428	0	5,002,428		
143	Net Ontario Income Tax (Must agree with tax return)	+	3,166,094	0	3,166,094		
144	Subtotal	=	8,168,522	0	8,168,522		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	8,168,522	0	8,168,522		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable i
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable
151	Blended Income Tax Rate		36.12%		36.12%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	8,168,522	0	8,168,522		
157	Ontario Capital Tax	+	829,705		829,705		
158	Federal Large Corporations Tax	+	261,225		261,225		
159							
160	Total income and capital taxes	=	9,259,452	0	9,259,452		
161							

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
8	Reporting period: 2005					
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		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	Bill 4 deferred revenue		2,881,192		2,881,192	
42	Legal claim provision		268,942		268,942	
43	Environmental				0	
44	Allowance for doubtful accounts		335,000		335,000	
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)		3,485,134	0	3,485,134	
51						
52	End of Year:					
53	Bill 4 deferred revenue		6,601,566		6,601,566	
54	Legal claim provision		249,401		249,401	
55	Environmental				0	
56	Allowance for doubtful accounts		370,864		370,864	
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)		7,221,831	0	7,221,831	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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-2010-	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: Hydro One Brampton Networks Inc.					
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	-			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	Non-taxable load transfers	-	0		0	
97	OPEB costs capitalized included in Schedule 13	-	87,900		87,900	
98		-			0	
99	Total Deductions	=	87,900	0	87,900	
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	OPEB costs capitalized included in Schedule 13		87,900	0	87,900	
118			0	0	0	
119	Total Deductions exceed materiality level		87,900	0	87,900	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		87,900	0	87,900	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-					
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: Hydro One Brampton Networks Inc.				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	+	-1,509		-1,509	
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	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		360		360	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments		795,058		795,058	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Amortization of debt discount	+	25,920		25,920	
45	Depreciation expensed via OM&A	+	236,715		236,715	
46	Total Additions on which true-up does not apply	=	1,056,544	0	1,056,544	
47						
48	Deduct:					
49						
50	CCA adjustments	-			0	
51	CEC adjustments	-			0	
52	Depreciation and amortization adjustments	-			0	
53	Gain on disposal of assets per financial statements	-			0	
54	Financing fee amorization - considered to be interest expense for PILs	-			0	
55	Imputed interest income on Regulatory Assets	-			0	
56	Donations - amount deductible for tax purposes	-			0	
57	Income from joint ventures or partnerships	-			0	
58		-			0	
59	Ontario capital tax adjustments to current or prior year	-	829,705		829,705	
60		-			0	
61	Changes in Regulatory Asset balances	-			0	
62		-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67	Other deductions: (Please explain in detail the nature of the item)	-			0	
68	Prospectus & underwriting fees	-	154,606		154,606	
69	RSVA	-	1,183,521		1,183,521	
70	Deferred cost deductible (market ready)	-	1,490,262		1,490,262	
71	Removal costs for West Drive	-	42,379		42,379	
72	Total Deductions on which true-up does not apply	=	3,700,473	0	3,700,473	
73						
74						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
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	225,000							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	1,500,000							
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	225,000							
40	Federal Large Corporations Tax Exemption *** 2005	MAX \$50MM	1,500,000							
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		0.175%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	213,492							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	0							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

[illegible]

APPENDIX W

2001

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	152	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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	0
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				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				11,089,374
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	152	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	<u>I) CORPORATE INCOME TAXES</u>							
15								
16	Regulatory Net Income REGINFO E53	1	4,620,573		400,456		5,021,028	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	<u>Additions:</u>							
20	Depreciation & Amortization	2	3,808,703		952,405		4,761,108	
21	Employee Benefit Plans - Accrued, Not Paid	3	109,583		10,417		120,000	
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			45,989		45,989	
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"				0		0	
31								
32	<u>Deductions: Input positive numbers</u>							
33	Capital Cost Allowance and CEC	7	1,542,156		3,243,151		4,785,307	
34	Employee Benefit Plans - Paid Amounts	8	37,500		-37,500		0	
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	2,144,311		-996,112		1,148,199	
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			229,306		229,306	
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			89,386		89,386	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				1,046,316		1,046,316	
49								
50	TAXABLE INCOME/ (LOSS)		4,814,891		(2,165,280)		2,649,611	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%		0.0000%		40.62%	
54								
55	REGULATORY INCOME TAX		1,955,809		-864,801	Actual	1,091,008	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		1,955,809		-864,801	Actual	1,091,008	
61								
62								
63	<u>II) CAPITAL TAXES</u>							
64								
65	<u>Ontario</u>							
66	Base	15	211,672,968		50,481,551		262,154,519	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	100,000		4,900,000		5,000,000	
68	Taxable Capital		211,572,968		55,381,551		257,154,519	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		264,466		61,421		325,887	
73								
74	<u>Federal Large Corporations Tax</u>							
75	Base	18	211,672,968		51,018,932		262,691,900	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	300,000		-300,000		0	
77	Taxable Capital		211,372,968		50,718,932		262,691,900	
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)		198,162		49,596		247,758	
82	Less: Federal Surtax 1.12% x Taxable Income	21	53,927		-24,251		29,676	
83								
84	Net LCT		144,235		73,847		218,082	
85								
86	<u>III) INCLUSION IN RATES</u>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		39.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	3,232,742			Actual 2001	1,091,008	
91	LCT (proxy tax is grossed-up)	23	238,406			Actual 2001	218,082	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	264,466			Actual 2001	325,887	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2001	25	3,735,614			Actual 2001	1,634,977	
96	RAM DECISION							
97								
98								
99	<u>IV) FUTURE TRUE-UPS</u>							
100	<u>IV a) Calculation of the True-up Variance</u>				DR/(CR)			
101	<u>In Additions:</u>							
102	Employee Benefit Plans - Accrued, Not Paid	3			10,417			
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			45,989			
107	Other additions "Material" Items TAXREC 2	6			0			
108	<u>In Deductions - positive numbers</u>							
109	Employee Benefit Plans - Paid Amounts	8			-37,500			
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			89,386			
119								
120	Total TRUE-UPS before tax effect	26		=	4,520			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2001							
8							Column	
9	Days in reporting period:	152	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	39.50%			
123								
124	Income Tax Effect on True-up adjustments			=	1,785			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				1,785			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				39.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				2,951			
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)			=	4,814,891			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	40.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,955,809			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	1,955,809			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	1,955,809			
147								
148	Regulatory Income Tax Variance			=	0			
149								
150	Ontario Capital Tax							
151	Base			=	211,672,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	100,000			
153	Revised deemed taxable capital			=	211,572,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	264,466			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	264,466			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				211,672,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	300,000			
164	Revised Federal LCT			=	211,372,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				198,162			
169	Less: Federal surtax			-	53,927			
170	Revised Net LCT			=	144,235			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	144,235			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				39.50%			
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)			+	2,951			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	2,951			
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)				8,149,409			
194	Interest phased-in (Cell C37)				2,144,311			
195								
196	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				6,005,098			
197								
198								
199	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
200								
201	Interest deducted on MoF filing (Cell G37+G42)				1,377,505			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
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				6,005,098			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
8	Reporting period: 2001					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		152	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	+	96,092,241		96,092,241	
32	Distribution Revenue	+	13,620,302		13,620,302	
33	Other Income	+			0	
34	Miscellaneous income	+	695,545		695,545	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	96,092,241		96,092,241	
40	Administration	-	1,608,262		1,608,262	
41	Customer billing and collecting	-	1,101,112		1,101,112	
42	Operations and maintenance	-	1,824,337		1,824,337	
43	Amortization	-	4,761,108		4,761,108	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	5,021,028	0	5,021,028	
51	Less: Interest expense for accounting purposes	-	1,148,199		1,148,199	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	3,872,829	0	3,872,829	
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	+			0	
61	Depreciation & Amortization	+	4,761,108	0	4,761,108	
62	Employee benefit plans-accrued, not paid	+	120,000	0	120,000	
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"		0	0	0	
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		4,881,108	0	4,881,108	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+	12,440		12,440	
75	Capital items expensed - Software expensed per F/S	+	33,549		33,549	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	45,989	0	45,989	
81						
82	Total Additions	=	4,927,097	0	4,927,097	
83						
84	Recap Material Additions:					
85			0	0	0	
86	Non-deductible meals and entertainment expense		12,440	0	12,440	
87	Capital items expensed - Software expensed per F/S		33,549	0	33,549	

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	<i>Total Other additions >materiality level</i>		45,989	0	45,989	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		45,989	0	45,989	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	3,497,596		3,497,596	
98	Cumulative eligible capital deduction	-	1,287,711		1,287,711	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		1,046,316	0	1,046,316	
109	Interest capitalized for accounting deducted for tax	-	229,306		229,306	
110	Material deduction items from TAXREC 2	-	89,386	0	89,386	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	6,150,315	0	6,150,315	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	6,150,315	0	6,150,315	
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	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	<u>TAXABLE INCOME</u>	=	2,649,611	0	2,649,611	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	2,649,611	0	2,649,611	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	745,071		745,071	
143	Net Ontario Income Tax (Must agree with tax return)	+	345,937		345,937	
144	Subtotal	=	1,091,008	0	1,091,008	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	1,091,008	0	1,091,008	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		28.12%		28.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		40.62%		40.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP FROM ABOVE:					
156	Total Income Taxes	+	1,091,008	0	1,091,008	
157	Ontario Capital Tax	+	325,887		325,887	
158	Federal Large Corporations Tax	+	218,082		218,082	
159						
160	Total income and capital taxes	=	1,634,977	0	1,634,977	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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-2010-	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: Hydro One Brampton Networks Inc.					
9	Reporting period: 2001					
10	Number of days in taxation year:		152			
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		+			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-2010-	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: Hydro One Brampton Networks Inc.					
9	Reporting period: 2001					
10	Number of days in taxation year:		152			
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	-	89,386		89,386	
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	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	89,386	0	89,386	
100						
101	Recap of Material Deductions:					
102	Gain on disposal of assets per f/s		89,386	0	89,386	
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		89,386	0	89,386	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		89,386	0	89,386	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-					
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	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Hydro One Brampton Networks Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		152			
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	+			0	
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	=	0	0	0	
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	-	325,887		325,887	
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	Prospectus & underwriting fees	-	64,807		64,807	
71	Income not earned on movement of Regulatory A/Cs	-			0	
72	Deferred cost deductible (market ready)	-	655,622		655,622	
73	Total Deductions on which true-up does not apply	=	1,046,316	0	1,046,316	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates Version 2009.1									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
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					
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	100,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	300,000							
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					
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	100,000							
40	Federal Large Corporations Tax Exemption *** 2001	MAX \$10MM	300,000							
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					
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	5,000,000							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
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-2010-														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Hydro One Brampton Networks Inc.														Version 2009.1
4	Reporting period: 2001		Sign Convention: + for increase; - for decrease										0		
5															
6															
7															
8	Year start:		8/1/2001		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		
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)	+/-											2,951		2,951
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		2,951		2,951
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 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, 2001and 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, 2001and 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															

2002

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	3,235,507
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				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				14,324,881
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	14,324,881		6,183,483		20,508,364	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,600,202		3,093,555		12,693,757	
21	Employee Benefit Plans - Accrued, Not Paid	3	263,000		201,000		464,000	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			144,843		144,843	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			17,817		17,817	
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"				387,782		387,782	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	7,215,016		4,937,046		12,152,062	
34	Employee Benefit Plans - Paid Amounts	8	90,000		-90,000		0	
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	6,647,878		2,793,122		9,441,000	
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			410,765		410,765	
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			84,731		84,731	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				9,035,466		9,035,466	
49								
50	TAXABLE INCOME/ (LOSS)		10,235,189		(7,142,650)	Before loss C/F	3,092,539	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0000%		38.62%	
54								
55	REGULATORY INCOME TAX		3,952,830		-2,702,364	Actual	1,250,466	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		3,952,830		-2,702,364	Actual	1,250,466	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	211,672,968		61,381,991		273,054,959	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	100,000		43,644		143,644	
68	Taxable Capital		211,572,968		61,425,635		272,911,315	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		634,719		184,015	Overpaid	818,734	
73								
74	Federal Large Corporations Tax							
75	Base	18	211,672,968		74,673,361		286,346,329	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	300,000		-300,000		0	
77	Taxable Capital		211,372,968		74,373,361		286,346,329	
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)		475,589		168,690		644,279	
82	Less: Federal Surtax 1.12% x Taxable Income	21	114,634		-114,634		0	
83								
84	Net LCT		360,955		283,324		644,279	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
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	6,324,528			Actual 2002	1,250,466	
91	LCT (proxy tax is grossed-up)	23	577,528			Actual 2002	609,643	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	634,719			Actual 2002	818,734	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	7,536,775			Actual 2002	2,678,843	
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			201,000			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			144,843			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			17,817			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-90,000			
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			84,731			
119								
120	Total TRUE-UPS before tax effect	26		=	368,929			
121								
122	Income Tax Rate (excluding surtax) from 2002 Utility's tax return			x	37.50%			
123								
124	Income Tax Effect on True-up adjustments			=	138,348			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				138,348			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				221,357			
133								
	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
134								
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	10,235,189			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	3,952,830			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	3,952,830			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	3,952,830			
147								
148	Regulatory Income Tax Variance			=	(0)			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
150	Ontario Capital Tax							
151	Base			=	211,672,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	100,000			
153	Revised deemed taxable capital			=	211,572,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	634,719			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	634,719			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				211,672,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	300,000			
164	Revised Federal LCT			=	211,372,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				475,589			
169	Less: Federal surtax			-	114,634			
170	Revised Net LCT			=	360,955			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	360,955			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
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 I130)			+	221,357			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	221,357			
186	<i>(Deferral Account Variance + True-up Variance)</i>							
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)				8,149,409			
194	Interest phased-in (Cell C37)				6,647,878			
195								
196	Variance due to phase-in of debt component of MARR in rates				1,501,532			
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 G37+G42)				9,851,765			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
203								
204	Variance caused by excess debt				1,702,356			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				-200,824			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	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	+	230,184,000		230,184,000	
32	Distribution Revenue	+	45,674,000		45,674,000	
33	Other Income	+	1,882,000		1,882,000	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	230,184,000		230,184,000	
40	Administration	-	5,513,879		5,513,879	
41	Customer billing and collecting	-	2,843,000		2,843,000	
42	Operations and maintenance	-	5,179,000		5,179,000	
43	Amortization	-	12,693,757		12,693,757	
44	Ontario Capital Tax	-	818,000		818,000	
45	Reg Assets	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	20,508,364	0	20,508,364	
51	Less: Interest expense for accounting purposes	-	9,441,000		9,441,000	
52	Provision for payments in lieu of income taxes	-	4,888,016		4,888,016	
53	Net Income (loss)	=	6,179,348	0	6,179,348	
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	+	4,888,016	0	4,888,016	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	12,693,757	0	12,693,757	
62	Employee benefit plans-accrued, not paid	+	464,000	0	464,000	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	144,843	0	144,843	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		387,782	0	387,782	
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		18,578,398	0	18,578,398	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+	17,817		17,817	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	17,817	0	17,817	
81						
82	Total Additions	=	18,596,215	0	18,596,215	
83						
84	Recap Material Additions:					
85			0	0	0	
86	Non-deductible meals and entertainment expense		17,817	0	17,817	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	
92	Total Other additions >materiality level		17,817	0	17,817	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		17,817	0	17,817	
95						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	9,148,530		9,148,530	
98	Cumulative eligible capital deduction	-	3,003,532		3,003,532	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		9,035,466	0	9,035,466	
109	Interest capitalized for accounting deducted for tax	-	410,765		410,765	
110	Material deduction items from TAXREC 2	-	84,731	0	84,731	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	21,683,024	0	21,683,024	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	21,683,024	0	21,683,024	
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	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	3,092,539	0	3,092,539	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	3,092,539	0	3,092,539	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	807,771		807,771	
143	Net Ontario Income Tax (Must agree with tax return)	+	442,695		442,695	
144	Subtotal	=	1,250,466	0	1,250,466	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	Total Income Tax	=	1,250,466	0	1,250,466	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		38.62%	*****	38.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	1,250,466	0	1,250,466	
157	Ontario Capital Tax	+	818,734		818,734	
158	Federal Large Corporations Tax	+	609,643		609,643	
159						
160	Total income and capital taxes	=	2,678,843	0	2,678,843	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	Other Liabilities (2405) - Allowance for doubtful accounts		144,843		144,843	
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)		144,843	0	144,843	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	+			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	
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	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-	19,450		19,450	
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	OPEB Amounts Capitalized	-	65,281		65,281	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96	Non-taxable load transfers	-			0	
97	Prospectus & underwriting fees	-			0	
98		-			0	
99	Total Deductions	=	84,731	0	84,731	
100						
101	Recap of Material Deductions:					
102	Gain on disposal of assets per f/s		19,450	0	19,450	
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	OPEB Amounts Capitalized		65,281	0	65,281	
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		84,731	0	84,731	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		84,731	0	84,731	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-					
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	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Hydro One Brampton Networks Inc.				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	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
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	Partnership income per T5013 (net of 2001 loss)	+	3,261		3,261	
45	Amortization of debt discount	+	25,920		25,920	
46	RSVA Reserve (1580)		64,024			
47	Reserves for Transition Costs		200,000			
48	Reserves for rebate payment		94,577			
49		+				
50	Total Additions on which true-up does not apply	=	387,782	0	29,181	
51						
52	Deduct:					
53						
54	CCA adjustments	-			0	
55	CEC adjustments	-			0	
56	Depreciation and amortization adjustments	-			0	
57	Gain on disposal of assets per financial statements	-			0	
58	Financing fee amortization - considered to be interest expense for PILs	-			0	
59	Imputed interest income on Regulatory Assets	-			0	
60	Donations - amount deductible for tax purposes	-			0	
61	Income from joint ventures or partnerships	-			0	
62		-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67	Ontario capital tax adjustments to current or prior year	-	734		734	
68		-			0	
69	Changes in Regulatory Asset balances	-			0	
70		-			0	
71	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
72	Prospectus & underwriting fees	-	154,670		154,670	
73	Income not earned on movement of Regulatory A/Cs	-	8,421,505		8,421,505	
74	Deferred cost deductible (market ready)	-	458,557		458,557	
75		-			0	
76	Total Deductions on which true-up does not apply	=	9,035,466	0	9,035,466	
77						
78						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
5	Reporting period: 2002									
6										
7										
8	Table 1									
8	Rates Used in 2002 RAM PILs Applications for 2002									
9	Income Range		0		200,001					
10	RAM 2002		to		to	>700,000				
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	100,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	300,000							
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		200,001					
28	Expected Rates		to		to	>700,000				
29		Year	200,000		700,000					
30	Income Tax Rate									
31	Current year	2002								
32	Federal (Includes surtax)	2002	13.12%		26.12%	26.12%				
33	Ontario	2002	6.00%		6.00%	12.50%				
34	Blended rate	2002	19.12%		32.12%	38.62%				
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	100,000							
40	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM	300,000							
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		200,001					
46			to		to	>700,000				
47		Year	200,000		700,000					
48	Income Tax Rate									
49	Current year	2002								
50	Federal (Includes surtax)		13.12%		22.12%	26.12%				
51	Ontario		6.00%		9.75%	12.50%				
52	Blended rate		19.12%		31.87%	38.62%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	143,455							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

[illegible]

2003

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	3,235,507
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				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				14,324,881
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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	14,324,881		13,409,302		27,734,183	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,600,202		2,812,246		12,412,448	
21	Employee Benefit Plans - Accrued, Not Paid	3	263,000		-200,000		63,000	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			353,625		353,625	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			18,781		18,781	
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"				1,114,646		1,114,646	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	7,215,016		5,340,690		12,555,706	
34	Employee Benefit Plans - Paid Amounts	8	90,000		-90,000		0	
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	6,647,878		2,999,111		9,646,989	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			144,843		144,843	
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"				2,883,170		2,883,170	
49								
50	TAXABLE INCOME/ (LOSS)		10,235,189		6,230,786	Before loss C/F	16,465,975	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-1.9996%		36.62%	
54								
55	REGULATORY INCOME TAX		3,952,830		2,077,079	Actual	6,029,909	
56								
57								
58	Miscellaneous Tax Credits	14			56,053	Actual	56,053	
59								
60	Total Regulatory Income Tax		3,952,830		2,021,026	Actual	5,973,856	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	211,672,968		68,475,638		280,148,606	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	100,000		48,875		148,875	
68	Taxable Capital		211,572,968		68,524,513		279,999,731	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		634,719		205,280		839,999	
73								
74	Federal Large Corporations Tax							
75	Base	18	211,672,968		84,080,096		295,753,064	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	300,000		-300,000		0	
77	Taxable Capital		211,372,968		83,780,096		295,753,064	
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)		475,589		189,855		665,444	
82	Less: Federal Surtax 1.12% x Taxable Income	21	114,634		-114,634		0	
83								
84	Net LCT		360,955		304,489		665,444	
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	6,324,528			Actual 2003	5,973,856	
91	LCT (proxy tax is grossed-up)	23	577,528			Actual 2003	481,025	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	634,719			Actual 2003	839,999	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	7,536,775			Actual 2003	7,294,880	
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			-200,000			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			353,625			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			18,781			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-90,000			
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			144,843			
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		=	117,563			
121								
122	Income Tax Rate (excluding surtax) from 2003 Utility's tax return			x	35.50%			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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							\$	
123								
124	Income Tax Effect on True-up adjustments			=	41,735			
125								
126	Less: Miscellaneous Tax Credits	14			56,053			
127								
128	Total Income Tax on True-ups				-14,318			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				(22,199)			
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			=	10,235,189			
137	estimate column)							
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	3,748,126			
141								
142	Less: Revised Miscellaneous Tax Credits			-	56,053			
143								
144	Total Revised Regulatory Income Tax			=	3,692,073			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell			-	3,952,830			
147	C58)							
148	Regulatory Income Tax Variance			=	(260,757)			
149								
150	Ontario Capital Tax							
151	Base			=	211,672,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	100,000			
153	Revised deemed taxable capital			=	211,572,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	634,719			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell			-	634,719			
159	C70)							
160	Regulatory Ontario Capital Tax Variance			=	0			
161	Federal LCT							
162	Base				211,672,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	300,000			
164	Revised Federal LCT			=	211,372,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				475,589			
169	Less: Federal surtax			-	114,634			
170	Revised Net LCT			=	360,955			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	360,955			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	Income Tax (grossed-up)			+	(404,274)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(404,274)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	(22,199)			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(426,473)			
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)				8,149,409			
194	Interest phased-in (Cell C37)				6,647,878			
195								
196	Variance due to phase-in of debt component of MARR in rates				1,501,532			
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 G37+G42)				9,646,989			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
203								
204	Variance caused by excess debt				1,497,580			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				3,952			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	<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	+			0	
32	Distribution Revenue	+	278,229,106		278,229,106	
33	Other Income	+	1,975,934		1,975,934	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	225,829,689		225,829,689	
40	Administration	-	4,726,208		4,726,208	
41	Customer billing and collecting	-	3,122,073		3,122,073	
42	Operations and maintenance	-	5,580,399		5,580,399	
43	Amortization	-	12,412,448		12,412,448	
44	Ontario Capital Tax	-	800,040		800,040	
45	Reg Asset movement	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	27,734,183	0	27,734,183	
51	Less: Interest expense for accounting purposes	-	9,646,989		9,646,989	
52	Provision for payments in lieu of income taxes	-	4,025,418		4,025,418	
53	Net Income (loss)	=	14,061,776	0	14,061,776	
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	+	4,025,418	0	4,025,418	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	12,412,448	0	12,412,448	
62	Employee benefit plans-accrued, not paid	+	63,000	0	63,000	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	353,625	0	353,625	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		1,114,646	0	1,114,646	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		17,969,137	0	17,969,137	
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	+	18,781		18,781	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	<i>Total Other Additions</i>	=	18,781	0	18,781	
81						
82	<i>Total Additions</i>	=	17,987,918	0	17,987,918	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	
86	Non-deductible meals and entertainment expense		18,781	0	18,781	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions >materiality level</i>		18,781	0	18,781	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		18,781	0	18,781	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	9,745,574		9,745,574	
98	Cumulative eligible capital deduction	-	2,810,132		2,810,132	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	144,843	0	144,843	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		2,883,170	0	2,883,170	
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	=	15,583,719	0	15,583,719	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	15,583,719	0	15,583,719	
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	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	16,465,975	0	16,465,975	
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	=	16,465,975	0	16,465,975	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	3,971,593		3,971,593	
143	Net Ontario Income Tax (Must agree with tax return)	+	2,058,316		2,058,316	
144	Subtotal	=	6,029,909	0	6,029,909	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	56,053		56,053	
146	Total Income Tax	=	5,973,856	0	5,973,856	
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	+	5,973,856	0	5,973,856	
157	Ontario Capital Tax	+	839,999		839,999	
158	Federal Large Corporations Tax	+	481,025		481,025	
159						
160	Total income and capital taxes	=	7,294,880	0	7,294,880	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	Other Liabilities (2405) - Allowance for doubtful accounts		144,843		144,843	
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)		144,843	0	144,843	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Other Liabilities (2405) - Allowance for doubtful accounts		353,625		353,625	
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)		353,625	0	353,625	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	+			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-2010-	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: Hydro One Brampton Networks Inc.					
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		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	Non-taxable load transfers	-	0		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-2010-					
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	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Hydro One Brampton Networks Inc.				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	+			0	
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				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	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Partnership income per T5013 (net of 2001 loss)	+	12,085		12,085	
45	Amortization of debt discount	+	25,920		25,920	
46	Regulatory assets contra	+	1,076,641			
47	Total Additions on which true-up does not apply	=	1,114,646	0	38,005	
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	-	39,999		39,999	
65		-			0	
66	Changes in Regulatory Asset balances	-			0	
67		-			0	
68	Other deductions: (Please explain in detail the nature of the item)	-			0	
69	RSVA Reserve (1580)	-	64,024		64,024	
70	Reserves for Transition Costs	-	200,000		200,000	
71	Reserves for rebate payment	-	94,577		94,577	
72	Prospectus & underwriting fees	-	154,606		154,606	
73	Income not earned on movement of Regulatory A/Cs		2,329,964		2,329,964	
74	Deferred cost deductible (market ready)					
75	Total Deductions on which true-up does not apply	=	2,883,170	0	2,883,170	
76						
77						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates				Version 2009.1					
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
5	Reporting period: 2003									
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	>700000				
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	100,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	300,000							
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					
28	Expected Rates		to		to	>700000				
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	100,000							
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	300,000							
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					
46			to		to	>700,000				
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%	12.50%				
52	Blended rate		19.12%		0.00%	36.62%				
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	148,875							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	0							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

[illegible]

2004

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			Colour Code	
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		2%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	3,235,507
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				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				14,324,881
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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	14,324,881		13,532,762		27,857,643	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,600,202		3,106,179		12,706,381	
21	Employee Benefit Plans - Accrued, Not Paid	3	263,000		-158,000		105,000	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			3,485,134		3,485,134	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			69,066		69,066	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			13,539		13,539	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	Items on which true-up does not apply "TAXREC 3"				448,734		448,734	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	7,215,016		5,782,188		12,997,204	
34	Employee Benefit Plans - Paid Amounts	8	90,000		-90,000		0	
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	6,647,878		3,260,122		9,908,000	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			353,625		353,625	
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			31,304		31,304	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	Items on which true-up does not apply "TAXREC 3"				1,604,994		1,604,994	
49								
50	TAXABLE INCOME/ (LOSS)		10,235,189		9,555,181	Before loss C/F	19,790,370	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.4995%		36.12%	
54								
55	REGULATORY INCOME TAX		3,952,830		3,195,541	Actual	7,148,371	
56								
57								
58	Miscellaneous Tax Credits	14			2,074	Actual	2,074	
59								
60	Total Regulatory Income Tax		3,952,830		3,193,467	Actual	7,146,297	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	211,672,968		67,026,761		278,699,729	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	100,000		50,000		150,000	
68	Taxable Capital		211,572,968		67,076,761		278,549,729	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		634,719		200,930		835,649	
73								
74	Federal Large Corporations Tax							
75	Base	18	211,672,968		83,230,548		294,903,516	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	300,000		-300,000		0	
77	Taxable Capital		211,372,968		82,930,548		294,903,516	
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)		475,589		114,218		589,807	
82	Less: Federal Surtax 1.12% x Taxable Income	21	114,634		107,018		221,652	
83								
84	Net LCT		360,955		7,200		368,155	
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	6,324,528			Actual 2004	7,146,297	
91	LCT (proxy tax is grossed-up)	23	577,528			Actual 2004	368,212	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	634,719			Actual 2004	835,649	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	7,536,775			Actual 2004	8,350,158	
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			-158,000			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			3,485,134			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			69,066			
107	Other additions "Material" Items TAXREC 2	6			13,539			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			-90,000			
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			353,625			
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			31,304			
119								
120	Total TRUE-UPS before tax effect	26		=	3,114,810			
121								
122	Income Tax Rate (excluding surtax) from 2004 Utility's tax return			x	35.00%			

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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							\$	
123								
124	Income Tax Effect on True-up adjustments			=	1,090,184			
125								
126	Less: Miscellaneous Tax Credits	14			2,074			
127								
128	Total Income Tax on True-ups				1,088,110			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				1,674,015			
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			=	10,235,189			
137	estimate column)							
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	3,696,950			
141								
142	Less: Revised Miscellaneous Tax Credits			-	2,074			
143								
144	Total Revised Regulatory Income Tax			=	3,694,876			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column			-	3,952,830			
147	(Cell C58)							
148	Regulatory Income Tax Variance			=	(257,954)			
149								
150	Ontario Capital Tax							
151	Base			=	211,672,968			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	100,000			
153	Revised deemed taxable capital			=	211,572,968			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	634,719			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell			-	634,719			
159	C70)			=	0			
160	Regulatory Ontario Capital Tax Variance							
161	Federal LCT							
162	Base				211,672,968			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	1,500,000			
164	Revised Federal LCT			=	210,172,968			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				420,346			
169	Less: Federal surtax			-	114,634			
170	Revised Net LCT			=	305,712			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	360,955			
173	Regulatory Federal LCT Variance			=	(55,243)			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	Income Tax (grossed-up)			+	(396,852)			
178	LCT (grossed-up)			+	(84,990)			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(481,842)			
182								
183	TRUE-UP VARIANCE (from cell I132)			+	1,674,015			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	1,192,173			
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)				8,149,409			
194	Interest phased-in (Cell C37)				6,647,878			
195								
196	Variance due to phase-in of debt component of MARR in rates				1,501,532			
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 G37+G42)				9,908,000			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
203								
204	Variance caused by excess debt				1,758,591			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)				0			
207								
208	Total Interest Variance				-257,059			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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	+			0	
32	Distribution Revenue	+	285,733,000		285,733,000	
33	Other Income	+	2,221,000		2,221,000	
34	Miscellaneous income	+	1,493,024		1,493,024	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	234,908,000		234,908,000	
40	Administration	-	13,095,000		13,095,000	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	12,706,381		12,706,381	
44	Ontario Capital Tax	-	880,000		880,000	
45	Recovery of regulatory assets - expense	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	27,857,643	0	27,857,643	
51	Less: Interest expense for accounting purposes	-	9,908,000		9,908,000	
52	Provision for payments in lieu of income taxes	-	6,893,496		6,893,496	
53	Net Income (loss)	=	11,056,147	0	11,056,147	
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	+	6,893,496	0	6,893,496	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	12,706,381	0	12,706,381	
62	Employee benefit plans-accrued, not paid	+	105,000	0	105,000	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	3,485,134	0	3,485,134	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		448,734	0	448,734	
67	Material addition items from TAXREC 2	+	13,539	0	13,539	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		23,652,284	0	23,652,284	
71						
72	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+	58,639		58,639	
75	Capital items expensed - Computer equipment expensed for book	+	10,427		10,427	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	69,066	0	69,066	
81						
82	Total Additions	=	23,721,350	0	23,721,350	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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	
86	Non-deductible meals and entertainment expense		58,639	0	58,639	
87	Capital items expensed - Computer equipment expensed for book		10,427	0	10,427	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions >materiality level</i>		69,066	0	69,066	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		69,066	0	69,066	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	10,355,305		10,355,305	
98	Cumulative eligible capital deduction	-	2,641,899		2,641,899	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	353,625	0	353,625	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<i>Items on which true-up does not apply "TAXREC 3"</i>		1,604,994	0	1,604,994	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	31,304	0	31,304	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	14,987,127	0	14,987,127	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	14,987,127	0	14,987,127	
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	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	<u>TAXABLE INCOME</u>	=	19,790,370	0	19,790,370	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138	Charitable donations		5,075		5,075	
139	NET TAXABLE INCOME	=	19,785,295	0	19,785,295	
140						
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	4,378,358	0	4,378,358	
143	Net Ontario Income Tax (Must agree with tax return)	+	2,770,013	0	2,770,013	
144	Subtotal	=	7,148,371	0	7,148,371	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	2,074		2,074	
146	Total Income Tax	=	7,146,297	0	7,146,297	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
153	<u>Section F: Income and Capital Taxes</u>					
154						
155	RECAP					
156	Total Income Taxes	+	7,146,297	0	7,146,297	
157	Ontario Capital Tax	+	835,649		835,649	
158	Federal Large Corporations Tax	+	368,212		368,212	
159						
160	Total income and capital taxes	=	8,350,158	0	8,350,158	
161						

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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		353,625		353,625	
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)		353,625	0	353,625	
51						
52	End of Year:					
53	Bill 4 deferred revenue		2,881,192		2,881,192	
54	Legal Claim		268,942		268,942	
55	Environmental				0	
56	Allowance for doubtful accounts		335,000		335,000	
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)		3,485,134	0	3,485,134	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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 <i>(Only if it benefits ratepayers)</i>	+			0	
21	Taxable capital gains	+	13,539		13,539	
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	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	13,539	0	13,539	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53	Loss on disposal of assets		13,539	0	13,539	
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	
75			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		366			
11	Materiality Level:		0			
12						
13						
76			0	0	0	
77	Total Material additions		13,539	0	13,539	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		13,539	0	13,539	
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	Non-taxable load transfers	-	0		0	
97	OPEB Amounts Capitalized	-	31,304		31,304	
98		-			0	
99	Total Deductions	=	31,304	0	31,304	
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	OPEB Amounts Capitalized		31,304	0	31,304	
118			0	0	0	
119	Total Deductions exceed materiality level		31,304	0	31,304	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		31,304	0	31,304	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-					
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	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7	0		Return			
8	Utility Name: Hydro One Brampton Networks Inc.				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	+	192,862		192,862	
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	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		5,075		5,075	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments		44,351		44,351	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Depreciation expensed via OM&A	+	172,973		172,973	
45	Amortization of debt discount	+	25,920		25,920	
46	Partnership income		5,479			
47	Ontario specified tax credits	+	2,074			
48	Total Additions on which true-up does not apply	=	448,734	0	441,181	
49						
50	Deduct:					
51						
52	CCA adjustments	-			0	
53	CEC adjustments	-			0	
54	Depreciation and amortization adjustments	-			0	
55	Gain on disposal of assets per financial statements	-			0	
56	Financing fee amortization - considered to be interest expense for PILs	-			0	
57	Imputed interest income on Regulatory Assets	-			0	
58	Donations - amount deductible for tax purposes	-			0	
59	Income from joint ventures or partnerships	-			0	
60		-			0	
61	Ontario capital tax adjustments to current or prior year	-			0	
62		-			0	
63	Changes in Regulatory Asset balances	-			0	
64		-			0	
65	Assessment Notice	-			0	
66		-			0	
67		-			0	
68		-			0	
69	Other deductions: (Please explain in detail the nature of the item)	-			0	
70	Prospectus & underwriting fees	-	154,606		154,606	
71	RSVA	-	39,748		39,748	
72	Income not earned on movement of Regulatory A/Cs	-	333,999		333,999	
73	Regulatory assets contra	-	1,076,641		1,076,641	
74	Total Deductions on which true-up does not apply	=	1,604,994	0	1,604,994	
75						
76						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2010-									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro One Brampton Networks Inc.									
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				>700000	
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	100,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	300,000							
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	100,000							
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	1,500,000							
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%				22.12%	
51	Ontario		5.50%	5.50%	13.77%				14.00%	
52	Blended rate		18.62%	27.62%	36.06%				36.12%	
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	150,000							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	0							
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-2010-														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Hydro One Brampton Networks Inc.														Version 2009.1
4	Reporting period: 2004				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		
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)	+/-											1,674,015		1,674,015
16	Deferral Account Variance Adjustment Q4, 2001 (4)														0
17	Deferral Account Variance Adjustment (5)	+/-											-481,842		-481,842
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		1,192,173		1,192,173
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 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, 2001and 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, 2001and 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															

2005

	A	B	C	D	E
1	PILs TAXES - EB-2010-				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro One Brampton Networks Inc.			Colour Code	
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		3%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		3%	
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)			211,672,968	
32					
33	Common Equity Ratio (CER)			45.00%	
34					
35	1-CER			55.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.00%	
40					
41	Market Adjusted Revenue Requirement			17,560,389	
42					
43	1999 return from RUD Sheet #7			7,853,867	7,853,867
44					
45	Total Incremental revenue			9,706,522	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,235,507	3,235,507
48	Amount allowed in 2002			3,235,507	3,235,507
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			3,235,507	3,235,507
52	Other Board-approved changes to MARR or incremental revenue				
53					0
54	Total Regulatory Income				17,560,388
55					
56	Equity			95,252,836	
57					
58	Return at target ROE			9,410,980	
59					
60	Debt			116,420,132	
61					
62	Deemed interest amount in 100% of MARR			8,149,409	
63					
64	Phase-in of interest - Year 1 (2001)			5,146,346	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			6,647,878	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			6,647,878	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			8,149,409	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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	17,560,388		13,700,555		31,260,943	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,600,202		3,710,316		13,310,518	
21	Employee Benefit Plans - Accrued, Not Paid	3			150,000		150,000	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			7,221,831		7,221,831	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			45,378		45,378	
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"				1,056,544		1,056,544	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	7,215,016		6,401,619		13,616,635	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
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	8,149,409		1,390,349		9,539,758	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			3,485,134		3,485,134	
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			87,900		87,900	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	C&DM 2005 Incremental OM&A expenses per C&DM Plan		550,000					
49	Items on which true-up does not apply "TAXREC 3"				3,700,473		3,700,473	
50								
51	TAXABLE INCOME/ (LOSS)		11,246,165		10,819,149		22,615,314	
52								
53	BLENDED INCOME TAX RATE							
54	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%		-0.0006%		36.12%	
55								
56	REGULATORY INCOME TAX		4,062,115		4,106,407	Actual	8,168,522	
57								
58								
59	Miscellaneous Tax Credits	14			0	Actual	0	
60								
61	Total Regulatory Income Tax		4,062,115		4,106,407	Actual	8,168,522	
62								
63								
64	III) CAPITAL TAXES							
65								
66	Ontario							
67	Base	15	211,672,968		65,108,701		276,781,669	
68	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	225,000		-11,508		213,492	
69	Taxable Capital		211,447,968		65,097,193		276,568,177	
70								
71	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
72								
73	Ontario Capital Tax		634,344		195,361		829,705	
74								
75	Federal Large Corporations Tax							
76	Base	18	211,672,968		82,334,017		294,006,985	
77	Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	1,500,000		-1,500,000		0	
78	Taxable Capital		210,172,968		80,834,017		294,006,985	
79								
80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0000%		0.1750%	
81								
82	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		367,803		146,710		514,512	
83	Less: Federal Surtax 1.12% x Taxable Income	21	125,957		127,334		253,292	
84								
85	Net LCT		241,846		19,375		261,221	
86								
87	III) INCLUSION IN RATES							
88								
89	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
90								
91	Income Tax (proxy tax is grossed-up)	22	6,358,978			Actual 2005	8,168,522	
92	LCT (proxy tax is grossed-up)	23	378,594			Actual 2005	261,225	
93	Ontario Capital Tax (no gross-up since it is deductible)	24	634,344			Actual 2005	829,705	
94								
95								
96	Total PILs for Rate Adjustment -- MUST AGREE WITH 2005	25	7,371,916			Actual 2005	9,259,452	
97	RAM DECISION							
98								
99								
100	IV) FUTURE TRUE-UPS							
101	IV a) Calculation of the True-up Variance				DR/(CR)			
102	In Additions:							
103	Employee Benefit Plans - Accrued, Not Paid	3			150,000			
104	Tax reserves deducted in prior year	4			0			
105	Reserves from financial statements-end of year	4			7,221,831			
106	Regulatory Adjustments	5			0			
107	Other additions "Material" Items TAXREC	6			45,378			
108	Other additions "Material" Items TAXREC 2	6			0			
109	In Deductions - positive numbers							
110	Employee Benefit Plans - Paid Amounts	8			0			
111	Items Capitalized for Regulatory Purposes	9			0			
112	Regulatory Adjustments	10			0			
113	Interest Adjustment for tax purposes (See Below - cell I206)	11			0			
114	Tax reserves claimed in current year	4			0			
115	Reserves from F/S beginning of year	4			3,485,134			
116	Contributions to deferred income plans	3			0			
117	Contributions to pension plans	3			0			
118	Other deductions "Material" Items TAXREC	12			0			
119	Other deductions "Material" Item TAXREC 2	12			87,900			
120								
121	Total TRUE-UPS before tax effect	26		=	3,844,175			
122								

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.							
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							\$	
123	Income Tax Rate (excluding surtax) from 2005 Utility's tax return			x	35.00%			
124								
125	Income Tax Effect on True-up adjustments			=	1,345,461			
126								
127	Less: Miscellaneous Tax Credits	14			0			
128								
129	Total Income Tax on True-ups				1,345,461			
130								
131	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
132								
133	TRUE-UP VARIANCE ADJUSTMENT				2,069,940			
134								
135	IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
136								
137	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	11,246,165			
138								
139	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
140								
141	REVISED REGULATORY INCOME TAX			=	4,062,115			
142								
143	Less: Revised Miscellaneous Tax Credits			-	0			
144								
145	Total Revised Regulatory Income Tax			=	4,062,115			
146								
147	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	4,062,115			
148								
149	Regulatory Income Tax Variance			=	0			
150								
151	Ontario Capital Tax							
152	Base			=	211,672,968			
153	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	225,000			
154	Revised deemed taxable capital			=	211,447,968			
155								
156	Rate - Tab Tax Rates cell C54			x	0.3000%			
157								
158	Revised Ontario Capital Tax			=	634,344			
159	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	634,344			
160	Regulatory Ontario Capital Tax Variance			=	0			
161								
162	Federal LCT							
163	Base				211,672,968			
164	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	1,500,000			
165	Revised Federal LCT			=	210,172,968			
166								
167	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.1750%			
168								
169	Gross Amount				367,803			
170	Less: Federal surtax			-	125,957			
171	Revised Net LCT			=	241,846			
172								
173	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	241,846			
174	Regulatory Federal LCT Variance			=	0			
175								
176	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
177								
178	Income Tax (grossed-up)			+	0			
179	LCT (grossed-up)			+	0			
180	Ontario Capital Tax			+	0			
181								
182	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
183								
184	TRUE-UP VARIANCE (from cell I132)			+	2,069,940			
185								
186	Total Deferral Account Entry (Positive Entry = Debit)			=	2,069,940			
187	(Deferral Account Variance + True-up Variance)							
188								
189								
190								
191	V) INTEREST PORTION OF TRUE-UP							
192	Variance Caused By Phase-in of Deemed Debt							
193								
194	Total deemed interest (REGINFO)				8,149,409			
195	Interest phased-in (Cell C37)				8,149,409			
196								
197	Variance due to phase-in of debt component of MARR in rates according to the Board's decision				0			
198								
199								
200	Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell G37+G42)				9,539,758			
202	Total deemed interest (REGINFO CELL D62)				8,149,409			
203								
204								
205	Variance caused by excess debt				1,390,349			
206								
207	Interest Adjustment for Tax Purposes (carry forward to Cell I112)							
208								
209	Total Interest Variance				-1,390,349			
210								
211								
212								

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.						
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	<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	+			0		
32	Distribution Revenue	+	339,440,812		339,440,812		
33	Other Income	+	2,739,444		2,739,444		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	Costs and Expenses:						
39	Cost of energy purchased	-	282,796,916		282,796,916		
40	Administration	-	14,016,821		14,016,821		
41	Customer billing and collecting	-			0		
42	Operations and maintenance	-			0		
43	Amortization	-	13,310,518		13,310,518		
44	Ontario Capital Tax	-	795,058		795,058		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	Net Income Before Interest & Income Taxes EBIT	=	31,260,943	0	31,260,943		
51	Less: Interest expense for accounting purposes	-	9,539,758		9,539,758		
52	Provision for payments in lieu of income taxes	-	8,594,713		8,594,713		
53	Net Income (loss)	=	13,126,472	0	13,126,472		
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	+	8,594,713	0	8,594,713		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	13,310,518	0	13,310,518		
62	Employee benefit plans-accrued, not paid	+	150,000	0	150,000		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	7,221,831	0	7,221,831		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	Items on which true-up does not apply "TAXREC 3"		1,056,544	0	1,056,544		
67	Material addition items from TAXREC 2	+	0	0	0		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	<i>Subtotal</i>		30,333,606	0	30,333,606		
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	+	31,682		31,682		
75	Capital items expensed - Computer equipment expensed for book	+	13,696		13,696		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	<i>Total Other Additions</i>	=	45,378	0	45,378		
81							
82	<i>Total Additions</i>	=	30,378,984	0	30,378,984		
83							
84	Recap Material Additions:						

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2010-	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		
85			0	0	0		
86	Non-deductible meals and entertainment expense		31,682	0	31,682		
87	Capital items expensed - Computer equipment expensed for book		13,696	0	13,696		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	Total Other additions >materiality level		45,378	0	45,378		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		45,378	0	45,378		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	11,157,837		11,157,837		
98	Cumulative eligible capital deduction	-	2,458,798		2,458,798		
99	Employee benefit plans-paid amounts	-			0		
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	-	3,485,134	0	3,485,134		
106	Contributions to deferred income plans	-			0		
107	Contributions to pension plans	-			0		
108	Items on which true-up does not apply "TAXREC 3"		3,700,473	0	3,700,473		
109	Interest capitalized for accounting deducted for tax	-			0		
110	Material deduction items from TAXREC 2	-	87,900	0	87,900		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	20,890,142	0	20,890,142		
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	=	20,890,142	0	20,890,142		
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	=	22,615,314	0	22,615,314		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138	Charitable donations		360		360		
139	NET TAXABLE INCOME	=	22,614,954	0	22,614,954		
140							
141	FROM ACTUAL TAX RETURNS						
142	Net Federal Income Tax (Must agree with tax return)	+	5,002,428	0	5,002,428		
143	Net Ontario Income Tax (Must agree with tax return)	+	3,166,094	0	3,166,094		
144	Subtotal	=	8,168,522	0	8,168,522		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	Total Income Tax	=	8,168,522	0	8,168,522		
147							
148	FROM ACTUAL TAX RETURNS						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable i
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable
151	Blended Income Tax Rate		36.12%		36.12%		
152							
153	Section F: Income and Capital Taxes						
154							
155	RECAP						
156	Total Income Taxes	+	8,168,522	0	8,168,522		
157	Ontario Capital Tax	+	829,705		829,705		
158	Federal Large Corporations Tax	+	261,225		261,225		
159							
160	Total income and capital taxes	=	9,259,452	0	9,259,452		
161							

	A	B	C	D	E	F
1	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
8	Reporting period: 2005					
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		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	Bill 4 deferred revenue		2,881,192		2,881,192	
42	Legal claim provision		268,942		268,942	
43	Environmental				0	
44	Allowance for doubtful accounts		335,000		335,000	
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)		3,485,134	0	3,485,134	
51						
52	End of Year:					
53	Bill 4 deferred revenue		6,601,566		6,601,566	
54	Legal claim provision		249,401		249,401	
55	Environmental				0	
56	Allowance for doubtful accounts		370,864		370,864	
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)		7,221,831	0	7,221,831	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-	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: Hydro One Brampton Networks Inc.					
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-2010-	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: Hydro One Brampton Networks Inc.					
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	-			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	Non-taxable load transfers	-	0		0	
97	OPEB costs capitalized included in Schedule 13	-	87,900		87,900	
98		-			0	
99	Total Deductions	=	87,900	0	87,900	
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	OPEB costs capitalized included in Schedule 13		87,900	0	87,900	
118			0	0	0	
119	Total Deductions exceed materiality level		87,900	0	87,900	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		87,900	0	87,900	
122						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2010-					
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: Hydro One Brampton Networks Inc.				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	+	-1,509		-1,509	
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	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books		360		360	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Ontario capital tax adjustments		795,058		795,058	
39		+			0	
40	Changes in Regulatory Asset balances	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	Other Additions: (please explain in detail the nature of the item)	+			0	
44	Amortization of debt discount	+	25,920		25,920	
45	Depreciation expensed via OM&A	+	236,715		236,715	
46	Total Additions on which true-up does not apply	=	1,056,544	0	1,056,544	
47						
48	Deduct:					
49						
50	CCA adjustments	-			0	
51	CEC adjustments	-			0	
52	Depreciation and amortization adjustments	-			0	
53	Gain on disposal of assets per financial statements	-			0	
54	Financing fee amorization - considered to be interest expense for PILs	-			0	
55	Imputed interest income on Regulatory Assets	-			0	
56	Donations - amount deductible for tax purposes	-			0	
57	Income from joint ventures or partnerships	-			0	
58		-			0	
59	Ontario capital tax adjustments to current or prior year	-	829,705		829,705	
60		-			0	
61	Changes in Regulatory Asset balances	-			0	
62		-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67	Other deductions: (Please explain in detail the nature of the item)	-			0	
68	Prospectus & underwriting fees	-	154,606		154,606	
69	RSVA	-	1,183,521		1,183,521	
70	Deferred cost deductible (market ready)	-	1,490,262		1,490,262	
71	Removal costs for West Drive	-	42,379		42,379	
72	Total Deductions on which true-up does not apply	=	3,700,473	0	3,700,473	
73						
74						

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2010-														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Hydro One Brampton Networks Inc.														Version 2009.1
4	Reporting period: 2005				Sign Convention: + for increase; - for decrease									0	
5															
6															
7															
8	Year start:		8/1/2001		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				
13	PILs proxy from April 1, 2005 - input 9/12 of amount														0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-					0								0
15	True-up Variance Adjustment (3)	+/-													0
16	Deferral Account Variance Adjustment Q4, 2001 (4)												2,069,940		2,069,940
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
21															
22	Ending balance: # 1562		0		0		0		0		0		2,069,940		2,069,940
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 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, 2001and 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, 2001and 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															


APPENDIX X



**Hydro One Brampton Networks Inc.
Proposed Business Case - Capital Expenditure
For Year 2011**

Project Title:	GS - Residential HiRise Buildings		Project Number:	2011-070	
Project Manager:	Aldo Mastrofranceso		Project Technician:		
Last Updated:			Investment Category:	Development	
Type	U/G - Underground		Investment Driver:	Customer Demand	
Description					
<p>Future hirise development in the core of the downtown is projected. Acceleride transportation will support this growth.</p>					
Investment Scope					
Investment Results					
Cost & Timing					
	2010	2011	2012	2013	2014
Capital Costs		\$499,191.00			
OM&A					
Gross		\$499,191.00			
Recoverable		-\$234,097.00			
Net Investment		\$265,094.00			
Project Start Date					
Project In-Service Date					

Business Case Justification					
Alternatives Considered					

		Hydro One Brampton Networks Inc. Proposed Business Case - Capital Expenditure For Year 2011			
Project Title:	GS New Commercial Customers	Project Number:	2011-11		
Project Manager:	Aldo Mastrofranceso	Project Technician:			
Last Updated:		Investment Category:	Development		
Type	U/G - Underground	Investment Driver:	Customer Demand		
Description					
<p>Projected growth based on known proposals and healthy economy.</p>					
Investment Scope					
Investment Results					
Cost & Timing					
	2010	2011	2012	2013	2014
Capital Costs		\$4,171,814.40			
OM&A					
Gross		\$4,171,814.40			
Recoverable		-\$3,695,389.10			
Net Investment		\$476,425.30			
Project Start Date					
Project In-Service Date					

Business Case Justification				
Alternatives Considered				



**Hydro One Brampton Networks Inc.
Proposed Business Case - Capital Expenditure
For Year 2011**

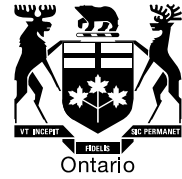
Project Title:	GS New Industrial Customers		Project Number:	2011-10	
Project Manager:	Aldo Mastrofranceso		Project Technician:		
Last Updated:			Investment Category:	Development	
Type	U/G - Underground		Investment Driver:	Customer Demand	
Description					
Projected growth based on known proposals and healthy economy.					
Investment Scope					
Investment Results					
Cost & Timing					
	2010	2011	2012	2013	2014
Capital Costs		\$2,246,361.60			
OM&A					
Gross		\$2,246,361.60			
Recoverable		-\$1,989,824.90			
Net Investment		\$256,536.70			
Project Start Date					
Project In-Service Date					

Business Case Justification					
Alternatives Considered					

APPENDIX Y

Ontario Energy Board
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'énergie de l'Ontario
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY EMAIL AND WEB POSTING

June 22, 2010

**To: All Licensed Electricity Distributors
All Other Interested Parties**

**RE: Electricity Conservation and Demand Management Targets
EB-2010-0216**

The Minister of Energy and Infrastructure has now issued a directive (the "Directive"), dated March 31, 2010 to the Ontario Energy Board (the "Board") with regard to electricity conservation and demand management ("CDM") Targets to be met by licensed electricity distributors. The Directive is attached as Appendix A to this letter.

The purpose of this letter is to inform distributors of their proposed respective CDM Targets, and to allow interested parties to comment on these targets.

The CDM Targets

In accordance with the Directive, the Board is required to amend certain electricity distributors' licences to include a requirement to achieve reductions in electricity consumption and reductions in peak provincial electricity demand by the amounts specified by the Board, through the delivery of CDM programs, over a four year period beginning January 1, 2011. This amendment is to be effected without a hearing and in a manner consistent with the requirements of the Directive.

As set out in the Directive, the requirement to amend licences does not apply to distributors that are not connected to the Independent Electricity System Operator (IESO)-controlled grid, with the exception of embedded distributors, and to distributors whose rates are not regulated by the Board.

The Directive also sets out the total of the CDM Targets that the Board must allocate to the respective distributors:

- 1,330 megawatts (MW) of provincial peak demand persisting at the end of the four year period; and,

- 6,000 gigawatt hours (GWh) of reduced electricity consumption accumulated over the four year period.

Allocation of the CDM Targets

As set out in the Directive, the Board is responsible for determining the allocation of the total CDM targets to each licensed electricity distributor, having regard to information from the Ontario Power Authority (“OPA”), developed in consultation with distributors. It is the Board’s understanding that the OPA has consulted with the distributors and based on those consultations, has provided the required information to the Board in a letter dated June 21, 2010.

The allocation of the distributor-specific CDM Targets to each distributor was developed by the OPA in accordance with its methodology that is attached as Appendix B to this letter.

CDM Code

As part of a separate consultation process (EB-2010-0215), the Board is also developing a Conservation and Demand Management Code (the “CDM Code”) as required by the Directive. The purpose of the CDM Code is to set out the obligations and requirements that licensed distributors must comply with in order to achieve the CDM Targets set out in their licences.

The proposed CDM Code was issued for stakeholder comment on June 22, 2010.

Invitation to Comment on Proposed CDM Targets

Interested parties are invited to submit written comments on the distributor-specific CDM Targets that have been proposed by the OPA, and on the OPA’s methodology used for this allocation. The Board expects that parties will provide detailed information and justification for any requested changes to the OPA’s proposed allocations of the CDM Targets. Please note that, pursuant to the Directive, this is not a hearing, and the Board may or may not make provisions for adding procedural steps prior to amending each distributor’s licence.

Given that the total CDM Targets are set out in the Directive, parties should focus any comments on the distributor-specific allocation, and not the total. Parties should be mindful that any reductions to one distributor’s CDM Target must result in offsetting increases to other distributors’ CDM Targets.

The Board would be particularly assisted by parties’ views on whether it is appropriate to base the CDM Targets (electricity and peak demand savings) on one year’s data (which in this case is 2008 but could be revised before licences are amended to be based on 2009 data), or should they be based on an average of multiple years? If

multiple years, how many years are appropriate? If one year's data is acceptable, is there merit in using the most current year available?

Following review and consideration of the comments received, the Board will determine what, if any, additional process is required.

Written comments are due by **July 7, 2010**.

The Board will not be granting cost awards in this matter.

Three (3) paper copies of each filing must be provided, and should be sent to:

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Suite 2700
Toronto, Ontario
M4P 1E4

The Board requests that interested parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the Board's web portal at www.errr.oeb.gov.on.ca. A user ID is required to submit documents through the Board's web portal. If you do not have a user ID, please visit the "e-filings services" webpage on the Board's website at www.oeb.gov.on.ca, and fill out a user ID password request. Additionally, interested parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled "RESS Document Preparation – A Quick Guide" also found on the e-filing services webpage. If the Board's web portal is not available, electronic copies of filings may be filed by e-mail at boardsec@oeb.gov.on.ca.

Those that do not have internet access should provide a CD or diskette containing their filing in PDF format.

Filings to the Board must be received by the Board Secretary by **4:45 p.m.** on the required date. They must quote file number **EB-2010-0216** and include your name, address, telephone number and, where available, your e-mail address and fax number.

All materials related to this consultation will be posted on the Board's web site at www.oeb.gov.on.ca. The material will also be available for public inspection at the Board's office during normal business hours.

If you have any questions regarding this consultation, please contact the Market Operations hotline at (416) 440-7604 or by email at: market.operations@oeb.gov.on.ca.

The Board's toll free line is 1-888-632-6273.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A

Directive from the Minister of Energy and Infrastructure



Ontario
Executive Council
Conseil des ministres

Order in Council Décret

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit:

WHEREAS it is desirable to achieve reductions in electricity consumption and reductions in peak provincial electricity demand.

AND WHEREAS the Minister may, with the approval of the Lieutenant Governor in Council, issue directives under section 27.1 of the *Ontario Energy Board Act, 1998* in order to direct the Board to take steps to promote energy conservation, energy efficiency, load management or the use of cleaner energy sources, including alternative and renewable energy sources.

AND WHEREAS the Minister may, with the approval of the Lieutenant Governor in Council, issue directives under section 27.2 of the *Ontario Energy Board Act, 1998* in order to direct the Board to establish conservation and demand management targets to be met by distributors and other licensees.

NOW THEREFORE the Directive attached hereto is approved and shall be and is effective as of the date hereof.

Recommended: _____

Minister of Energy
and Infrastructure

Concurred: _____

Chair of Cabinet

Approved and Ordered: _____

MAR 31 2010
Date

Lieutenant Governor

O.C./Décret

437/2010

MINISTER'S DIRECTIVE

TO: THE ONTARIO ENERGY BOARD

I, Brad Duguid, Minister of Energy and Infrastructure, hereby direct the Ontario Energy Board pursuant to sections 27.1 and 27.2 of the *Ontario Energy Board Act, 1998*, as described below.

The Board shall take the following steps in order to establish electricity conservation and demand management ("CDM") targets to be met by licensed electricity distributors ("distributors") within the timeframe specified herein:

1. Subject to paragraph 5, the Board shall, without a hearing and in accordance with the requirements of this Directive, which relate to the conservation and demand-management targets to be met by distributors and other licensees including the OPA, amend each distributor's licence to add a condition requiring the distributor to achieve reductions in electricity consumption and reductions in peak provincial electricity demand through the delivery of CDM programs ("CDM Programs") by the amounts specified by the Board (the "CDM Targets"), over a four-year period beginning January 1, 2011.
2. In establishing CDM Targets for each distributor, the Board shall:
 - (a) ensure that the total of the CDM Targets established for all distributors is equal to 1330 megawatts (MW) of provincial peak demand persisting at the end of the four-year period and 6000 gigawatt hours (GWh) of reduced electricity consumption accumulated over the four-year period;
 - (b) specify for each distributor, a CDM Target for the reduction of provincial peak electricity demand and a CDM Target for the reduction of electricity consumption, each of which must be greater than zero; and,
 - (c) have regard to information obtained from the Ontario Power Authority ("OPA"), developed in consultation with distributors, regarding the reductions in provincial peak electricity demand and electricity consumption that could be achieved by individual distributors through the delivery of CDM Programs.
3. The Board shall amend the licence of each distributor as follows:
 - (a) by adding a condition that specifies each distributor must meet its CDM Targets through:
 - (i) the delivery of Board approved CDM Programs delivered in the distributor's service area ("Board-Approved CDM Programs");

(ii) the delivery of CDM Programs that are made available by the OPA to distributors in the distributor's service area under contract with the OPA ("OPA-Contracted Province-Wide CDM Programs"); or,

(iii) a combination of (i) and (ii)

- (b) by adding a condition that specifies that the distributor must deliver a mix of CDM Programs to all consumer types in the distributor's service area, whether through Board-Approved CDM Programs, OPA-Contracted Province-Wide CDM Programs or a combination of the two, as far as is appropriate and reasonable having regard to the composition of the distributor's consumer base;
- (c) by adding a condition that requires the distributor to comply with rules mandated by a code issued by the Board.

4. The Board shall amend licenses of distributors to ensure that:

- (a) distributors utilize the same common Provincial brand (which includes any mark or logo that the Province has used or is using, created or to be created by or on behalf of the Province, and which will be identified to the Board by the Ministry as a provincial mark or logo for its conservation programs) with all Board-Approved CDM Programs;
- (b) that the brand identified in (a) shall be the same brand utilized by the OPA and distributors for OPA-Contracted Province-Wide CDM Programs, once those programs have been created; and,
- (c) that the brand shall be used by distributors in conjunction with or co-branded with distributor's own brand or marks.

and the Board shall, upon receipt of written direction from the Ministry, which may be issued from time to time, and as a condition of license, require any one or more distributors to cease using the Provincial brand described in this paragraph at such time or in such way as may be specified in such direction.

5. The Board shall not amend the licence of any distributor that meets the conditions set out below:

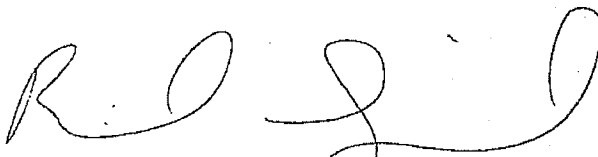
- (a) with the exception of embedded distributors the distributor is not connected to the Independent Electricity System Operator (IESO)-controlled grid; or,
- (b) the distributor's rates are not regulated by the Board.

6. The Board shall issue a code that includes rules relating to the reporting requirements and performance incentives associated with CDM Programs and to the planning, design, approval, implementation and the evaluation, measurement and verification ("EM&V") of Board-Approved CDM Programs and to such other matters as the Board considers appropriate.

In developing such rules, the Board shall have regard to the following objectives of the government in addition to such other factors as the Board considers appropriate:

- (a) that Board-Approved CDM Programs shall not duplicate OPA-Contracted Province-Wide CDM Programs that are available from the OPA at the time of Board approval;
- (b) that the Board shall encourage opportunities for coordinating CDM Programs between the distributor and other relevant entities such as other electricity distributors, natural gas distributors and the OPA;
- (c) that the Board shall not preclude consideration of CDM Programs or funding for CDM Programs on the basis that a distributor's CDM Targets have been or are expected to be exceeded;
- (d) that a tiered performance incentive mechanism shall be available to distributors for verified electricity savings with incentives beginning to accrue once a distributor meets 80% of each CDM Target; performance incentives shall not be offered for electricity savings achieved beyond 150% of each CDM Target;
- (e) that Board approval for funding of any given Board-Approved CDM Program shall correspond to the period in which the Board-Approved CDM Program is offered, provided that the period is no longer than the period for which CDM Targets are established;
- (f) that the Board shall require distributors to use OPA cost-effectiveness tests, as modified by the OPA from time to time, for assessing the cost-effectiveness of Board-Approved CDM Programs;
- (g) that the Board shall require distributors to use the OPA protocol process and third-party vendor of record list, as modified by the OPA from time to time, when conducting EM&V of Board-Approved CDM Programs;
- (h) that the Board shall consider the definition of CDM to be inclusive of load reduction from initiatives, such as geothermal heating and cooling, solar heating and fuel switching, but exclusive of initiatives that are associated with the OPA Feed-in Tariff Program and the OPA Micro Feed-in Tariff Program; and,

- (i) that all Board-Approved CDM Programs shall utilize the same common provincial brand (which includes any mark or logo that the Province has used or is using, created or to be created by or on behalf of the Province, and which will be identified to the Board by the Ministry as a provincial mark or logo for conservation) used for OPA-Contracted Province-Wide CDM Programs, once such programs are created, and used in conjunction with or co-branded with any brand or mark used by the distributor.
7. The Board shall not approve CDM Programs until OPA-Contracted Province-Wide CDM Programs have been established.
8. The Board shall, in approving Board-Approved CDM Programs, continue to have regard to its statutory objectives, including protecting the interests of consumers with respect to prices.
9. The Board shall conduct, or cause to be conducted, targeted audits of EM&V carried out by the distributor or third-parties on behalf of the distributor, as necessary.
10. The Board shall annually review and publish the verified results of each individual distributor's CDM Programs and the consolidated results of all distributor CDM Programs, both Board-Approved CDM Programs and OPA-Contracted Province-Wide CDM Programs and take steps to encourage distributors to improve CDM Program performance.
11. The Board shall permit distributors to meet a portion of their CDM Targets through the delivery of CDM Programs targeted to low-income consumers.
12. The Board shall have regard to the objective that lost revenues that result from CDM Programs should not act as a disincentive to a distributor.



Minister of Energy and Infrastructure

APPENDIX B

Advice to the Ontario Energy Board: CDM Target Allocation for Ontario LDCs



ONTARIO POWER AUTHORITY



June 21, 2010



Advice to the Ontario Energy Board: CDM Target Allocation for Ontario LDCs

Energy Efficiency

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