1	EB-2010-0131
2	HORIZON UTILITIES CORPORATION ("HORIZON UTILITIES")
3	SUBMISSION OF ORAL HEARING UNDERTAKING
4	DELIVERED: April 11, 2011
5	
6	UNDERTAKING NO. J2.2:
7	TO FILE CORRECTED TABLE 4-37 SHOWING CALCULATION OF FINAL TAX
8	AMOUNT AND ANY CHANGES IN TABLES 4-38, 4-39 and 4-40.
9	Response:
10	Energy Probe Interrogatory 28 and Horizon Utilities' response to the interrogatory
11	indicated the availability of an Ontario surtax clawback on the first \$500,000 of taxable
12	income resulting in a tax reduction of \$36,250. When this clawback is applied, the
13	resulting Table 4-37 with the revised tax figures is shown below.

15 Table 4-37 Detailed Tax Calculations

2011 Capi	tal Taxes		2011	PILs Schedu	le	2011 Total Taxe	es
Description	ост	LCT	Description	Source or Input	Tax Payable	Description	Tax Payable
Total Rate Base	376,336,209	371,727,640	Accounting Income	10' Rev Def	20,412,445	Total PILs	5,870,814
Exemption	0	0	Tax Adj to Accounting Income	10' Rev Def	1,835,569	Net Capital Tax Payable	-
Deemed Taxable Capital	376,336,209	371,727,640	Taxable Income		22,248,014	PILs including Capital Taxes	5,870,814
Rate	0.000%	0.000%	Combined Income Tax Rate	PILs Rates	28.250%		
Gross Tax Payable	0	0	Total Income Taxes		6,285,064		
Surtax	0	0	Investment Tax Credits				
Net Capital Tax Payable	0	0	Apprentice Tax Credits		378,000		
			Other Tax Credits		36,250		
			Total PILs		5,870,814		

- 18 Please find below Tables 4-38 to 4-40 that have changed as a result of the tax changes
- identified as Adjustments #4 and #7 in Horizon Utilities' response to VECC Interrogatory

20 37.

1 Table 4-38 Tax Adjustments to Accounting Income – 2010 and 2011

		Total for Legal	come for 2010 Non-Distribution	Utility
Line Item	T2S1 line #	Entity	Eliminations	Amount
Additions:	100		0	
Interest and penalties on taxes Amortization of tangible assets	103 104	0 27,357,679	0	0 27,357,679
Amortization of intangible assets	104	0	0	0
Recapture of capital cost allowance from	107	0	0	0
Schedule 8	107	0	0	0
Gain on sale of eligible capital property from	108	О	о	0
Schedule 10		-		-
Income or loss for tax purposes- joint ventures or partnerships	109		0	0
Loss in equity of subsidiaries and affiliates	110	0	0	0
Loss on disposal of assets	111	0	0	0
Charitable donations	112	0	0	0
Taxable Capital Gains	113	0	0	0
Political Donations	114	0	0	0
Deferred and prepaid expenses	116	0	0	0
Scientific research expenditures deducted on financial statements	118	О	0	0
Capitalized interest	119	0	0	0
Non-deductible club dues and fees	120		o O	0
		65.000	0	65,000
Non-deductible meals and entertainment expense	121	65,000	0	65,000
Non-deductible automobile expenses	122	0	0	0
Non-deductible life insurance premiums	123	0	0	0
Non-deductible company pension plans	124	0	0	0
Tax reserves beginning of year Reserves from financial statements- balance at	125	350,000	0	350,000
end of year	126	20,203,341	0	20,203,341
Soft costs on construction and renovation of				
buildings	127	0	о	0
Book loss on joint ventures or partnerships	205	0	0	0
Capital items expensed	206	0	0	0
Debt issue expense	208	0	0	0
Development expenses claimed in current year	212	0	0	0
Financing fees deducted in books	216	0	0	0
Gain on settlement of debt Non-deductible advertising	220 226	0	0	0
Non-deductible advertising	220	0	0	0
Non-deductible legal and accounting fees	228	0	0	0
Recapture of SR&ED expenditures	231	0	0	0
Share issue expense	235	0	0	0
Write down of capital property	236	0	0	0
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and	237	о	о	о
12(1)(z.2)				
Interest Expensed on Capital Leases	290	0	0	0
Realized Income from Deferred Credit Accounts Pensions	291 292	0 0	0	0
Non-deductible penalties	292	0	0	0
Debt Financing Expenses for Book Purposes	294		0	0
Other Additions	295	0	0	0
Total Additions		47,976,020	0	47,976,020
Deductioner				
Deductions: Gain on disposal of assets per financial				
statements	401		О	0
Dividends not taxable under section 83	402	0	0	0
Capital cost allowance from Schedule 8	403	25,593,656	0	25,593,656
Terminal loss from Schedule 8	404	0	0	0
Cumulative eligible capital deduction from	405	787,718	о	787,718
Schedule 10		,		
Allowable business investment loss		6		
	406	0	0	0
Deferred and prepaid expenses	409	0	0 0	0 0
Deferred and prepaid expenses Scientific research expenses claimed in year	409 411	0 0	0 0 0	0 0 0
Deferred and prepaid expenses	409 411 413	0 0 350,000	0 0 0 0	0 0 0 350,000
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year	409 411	0 0 350,000 20,203,341	0 0 0 0 0	0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans	409 411 413 414 414 416	0 0 350,000 20,203,341 0	0 0 0 0 0 0	0 0 350,000 20,203,341 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership	409 411 413 414 414 416 305	0 350,000 20,203,341 0 0	0 0 0 0 0 0 0 0	0 0 350,000 20,203,341 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates	409 411 413 414 414 416	0 0 350,000 20,203,341 0	0 0 0 0 0 0	0 0 350,000 20,203,341 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for	409 411 413 414 414 416 305	0 350,000 20,203,341 0 0	0 0 0 0 0 0 0 0	0 0 350,000 20,203,341 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax	409 411 413 414 416 305 306 306 390	0 0 350,000 20,203,341 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments	409 411 413 414 416 305 306 390 390	0 0 350,000 20,203,341 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 350,000 20,203,341 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax	409 411 413 414 416 305 306 390 390 391 392	0 0 350,000 20,203,341 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e)	409 411 413 414 305 306 390 391 392 393	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions	409 411 413 414 416 305 306 390 390 391 392	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 160,000
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e)	409 411 413 414 305 306 390 391 392 393	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Total Deductions	409 411 413 414 305 306 390 391 392 393	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 160,000
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Dther Deductions Total Deductions	409 411 413 414 305 306 390 391 391 392 393 393	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 160,000 47,094,716	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Total Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2	409 411 413 414 305 306 390 391 392 393 393 394 394	0 0 350,000 20,203,341 0 0 0 0 0 0 160,000 47,094,716 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Total Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2 Taxable dividends deductible under section 112 or	409 411 413 414 305 306 390 391 391 392 393 393	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 160,000 47,094,716	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2 Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	409 411 413 414 305 306 390 391 392 393 393 393 394 394 394 311 320	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 160,000 47,094,716
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2 Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82) Non-capital losses of preceding taxation years from Schedule 7-1	409 411 413 414 305 306 390 391 392 393 393 394 394	0 0 350,000 20,203,341 0 0 0 0 0 0 160,000 47,094,716 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
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Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2 Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82) Non-capital losses of preceding taxation years from Schedule 7-1	409 411 413 414 305 306 390 391 392 393 393 393 394 394 394 311 320	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
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Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2 Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82) Non-capital losses of preceding taxation years from Schedule 7-1 Limited partnership losses of preceding taxation years from Schedule 4	409 411 413 414 305 305 306 390 391 392 393 394 394 320 331	0 0 350,000 20,203,341 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0	0 0 <td< td=""><td>0 0 0 20,203,341 0 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0</td></td<>	0 0 0 20,203,341 0 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2 Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82) Non-capital losses of preceding taxation years from Schedule 7-1	409 411 413 414 305 306 390 391 392 393 394 394 394 394 331 320 331	0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2 Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82) Non-capital losses of preceding taxation years from Schedule 7-1 Limited partnership losses of preceding taxation years from Schedule 4	409 411 413 414 305 306 390 391 392 393 394 394 394 394 331 320 331	0 0 350,000 20,203,341 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0	0 0 <td< td=""><td>0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0</td></td<>	0 0 0 350,000 20,203,341 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
Deferred and prepaid expenses Scientific research expenses claimed in year Tax reserves end of year Reserves from financial statements - balance at beginning of year Contributions to deferred income plans Book income of joint venture or partnership Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for tax Capital Lease Payments Non-taxable imputed interest income on deferral and variance accounts Financing Fees for Tax Under S.20(1)(e) Other Deductions Other Adjustments to Taxable Income Charitable donations from Schedule 2 Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82) Non-capital losses of preceding taxation years from Schedule 7-1 Limited partnership losses of preceding taxation years from Schedule 4	409 411 413 414 305 306 390 391 392 393 394 394 394 394 331 320 331	0 0 350,000 20,203,341 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0	0 0 <td< td=""><td>0 0 0 20,203,341 0 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0</td></td<>	0 0 0 20,203,341 0 0 0 0 0 0 0 0 0 160,000 47,094,716 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0

Determination of Tax Adju	stments to	Accounting In	come for 2011	
Line Item	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Utility Amount
Additions:	103	0	0	0
Interest and penalties on taxes Amortization of tangible assets	103	28,782,602	0 0	28,782,602
Amortization of intangible assets	106	0	0	0
Recapture of capital cost allowance from Schedule 8	107	о	о	ο
Gain on sale of eligible capital property from Schedule 10 Income or loss for tax purposes- joint ventures or	108	0	0	0
partnerships	109		0	0
Loss in equity of subsidiaries and affiliates	110	0	0	0
Loss on disposal of assets	111	0	0	0
Charitable donations Taxable Capital Gains	112 113	0	0 0	0
Political Donations	114	0	0	0
Deferred and prepaid expenses Scientific research expenditures deducted on	116	0 0	0	0
financial statements Capitalized interest	118 119	0	0 0	0
Non-deductible club dues and fees	120		0	0
Non-deductible meals and entertainment expense	121	60,000	0	60,000
Non-deductible automobile expenses Non-deductible life insurance premiums	122 123	0	0 0	0
Non-deductible me insurance premiums Non-deductible company pension plans	123	0	0	0
Tax reserves beginning of year	125	350,000	0	350,000
Reserves from financial statements- balance at end of year	126	20,203,341	О	20,203,341
Soft costs on construction and renovation of buildings	127	О	о	Ο
Book loss on joint ventures or partnerships Capital items expensed	205 206	0 0	0 0	0
Debt issue expense	206	0	0	0
Development expenses claimed in current year	212	ō	0	0
Financing fees deducted in books	216	0	0	0
Gain on settlement of debt	220	0	0	0
Non-deductible advertising Non-deductible interest	226 227	0 0	0 0	0
Non-deductible legal and accounting fees	228	0	0	0
Recapture of SR&ED expenditures	231	0	0	0
Share issue expense	235	0	0	0
Write down of capital property Amounts received in respect of qualifying	236	0	0	0
environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	о	о	ο
Interest Expensed on Capital Leases	290	0	0	0
Realized Income from Deferred Credit Accounts Pensions	291 292	0	0 0	0
Non-deductible penalties	293	0	0	0
Debt Financing Expenses for Book Purposes	294		0	0
Other Additions Total Additions	295	378,000 49,773,943	0 0	378,000 49,773,943
		-10,110,010	•	-10,110,010
Deductions:				
Gain on disposal of assets per financial				
statements	401		0	0
Dividends not taxable under section 83	402	0	0	0
Capital cost allowance from Schedule 8 Terminal loss from Schedule 8	403 404	26,472,455	0 0	26,472,455 0
Cumulative eligible capital deduction from		700 570		-
Schedule 10	405	732,578	0	732,578
Allowable business investment loss	406	0	0	0
Deferred and prepaid expenses Scientific research expenses claimed in year	409 411	0	0	0
Tax reserves end of year	413	350,000	0	350,000
Reserves from financial statements - balance at beginning of year	414	20,203,341	о	20,203,341
Contributions to deferred income plans	416	0	0	0
Book income of joint venture or partnership	305	0	0	0
Equity in income from subsidiary or affiliates Interest capitalized for accounting deducted for	306	0	0	0
tax Capital Lease Payments	390 391	0	0 0	0
Non-taxable imputed interest income on deferral	392	0	0	0
and variance accounts	393			0
Financing Fees for Tax Under S.20(1)(e) Other Deductions	393	0 180,000	0 0	180,000
Total Deductions		47,938,374	0	47,938,374
Charitable donations from Schedule 2	311	0	0	0
Taxable dividends deductible under section 112 or	320	0	0	0
113, from Schedule 3 (item 82) Non-capital losses of preceding taxation years from	320	0	0	0
Schedule 7-1 Net-capital losses of preceding taxation years from	331	0	0	0
Schedule 7-1 Limited partnership losses of preceding taxation	332	0	0	0 0
years from Schedule 4 Total Adjustments	335	0	0	0
				1 007
Tax Adjustments to Accounting Income	1	1,835,569	0	1,835,569

2 Table 4-39 CCA Continuity Schedule 2010

					Continuity Sched	ule (2010)							
		UCC Prior Year	Less: Non-Distribution	Less: Disallowed FMV	UCC Bridge Year			UCC Before 1/2 Yr	1/2 Year Rule {1/2 Additions				UCC Ending
Class		Ending Balance	Portion	Increment	Opening Balance	Additions	Dispositions	Adjustment	Less Disposals}	Reduced UCC		CCA	Balance
1	Distribution System - 1988 to 22-Feb-2005	200,055,459	0	0	200,055,459	507,500	0	200,562,959	253,750	200,309,209	4%	8,012,368	192,550,591
2	Distribution System - pre 1988	44,221,606	0	0	44,221,606	0	0	44,221,606	0	44,221,606	6%	2,653,296	41,568,310
	Buildings (No footings below ground)	19,844	0	0	19,844	0	0	19,844	0	19,844	10%	1,984	17,860
8	General Office/Stores Equip	6,782,224	0	0	6,782,224	1,263,169	0	8,045,393	631,585	7,413,809	20%	1,482,762	6,562,631
10	Computer Hardware/ Vehicles	4,648,691	0	0	4,648,691	1,305,000	0	5,953,691	652,500	5,301,191	30%	1,590,357	4,363,334
	Certain Automobiles	0	0	0	0	0	0	0	0	0	30%	0	0
12	Computer Software	520,101	0	0	520,101	1,600,261	0	2,120,362	800,131	1,320,232	100%	1,320,232	800,131
3		0	0	0	0	0	0	0	0	0	20%	0	0
			0	0	0	0	0	0	0	0		0	0
13 3	Lease # 3	0	0	0	0	0	0	0	0	0		0	0
	Lease # 4	0	0	0	0	0	0	0	0	0		0	0
14	Franchise	0	0	0	0	0	0	0	0	0		0	0
	New Electrical Generating Equipment Acq'd after Feb												
	27/00 Other Than Bldgs	88,130	0	0	88,130	0	0	88,130	0	88,130	8%	7,050	81,080
	Certain Energy-Efficient Electrical Generating												
43.1	Equipment	538,223	0	0	538,223	0	0	538,223	0	538,223	30%	161,467	376,756
45	Computers & Systems Hardware acq'd post Mar 22/04	637,091	0	0	637,091	0	0	637,091	0	637,091	45%	286,691	350,400
	Computers & Systems Hardware acq'd post Mar 19/07	0	0	0	0	0	0	0	0	0	55%	0	0
	Data Network Infrastructure Equipment (acq'd post												
	Mar 22/04)	0	0	0	0	0	0	0	0	0	30%	0	0
	Distribution System - post 22-Feb-2005	88,630,710			88,630,710	35,881,039	0	124,511,749	17,940,520	106,571,230	8%	8,525,698	115,986,051
	Computers & Systems Hardware acq'd post Jan 27/09												
52	and before Feb 2011	438,919			438,919	1,112,831		1,551,750	0	1,551,750	100%	1,551,750	0
	SUB-TOTAL - UCC	346,580,998	0	0	346,580,998	41,669,800	0	388,250,798	20,278,485	367,972,314		25,593,656	362,657,142
						-3,241,295	9,393,500						
	Goodwill	11,253,119	0	0	11,253,119								
· ·	Land Rights		0	0	0								
CEC	FMV Bump-up		0	0	0								
	SUB-TOTAL - CEC	11,253,119	0	0	11,253,119								

Cumulative Eligible	Sapital Calculation	
Cumulative Eligible Capital		11,253,119
Additions:		
Cost of Eligible Capital Property Acquired during the year	0	
Other Adjustments	0	
Subtotal	<mark>0</mark> x 3/4 =	0
Non-taxable portion of a non-arm's length transferor's gain realized on the		
transfer of an ECP to the Corporation after Friday December 31, 2002	0 x 1/2 =	0 11,253,119
		0 11,200,110
Amount transferred on amalgamation or wind-up of subsidiary	0	0
Subtotal		11,253,119
Deductions:		
Projected proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during the year		
Other Adjustments	0	
Subtotal	<mark>0</mark> x 3/4 =	0 11,253,119
Cumulative Eligible Capital Balance		11,253,119
CEC Deduction	7%	787,718
Cumulative Eligible Capital - Closing Balance		10,465,401

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					Continuity Sched	lule (2011)							
		UCC Prior Year	Less: Non-Distribution	Less: Disallowed FMV	UCC Bridge Year	1		UCC Before 1/2 Yr	1/2 Year Rule {1/2 Additions				UCC Ending
Class	Class Description	Ending Balance	Portion	Increment	Opening Balance	Additions	Dispositions	Adjustment		Reduced UCC	Rate %	CCA	Balance
1	Distribution System - 1988 to 22-Feb-2005	192,550,591	0	0	192,550,591	1,540,500	0	194,091,091	770,250	193,320,841	4%	7,732,834	186,358,257
	Distribution System - pre 1988	41,568,310	0	0	41,568,310	0	0	41,568,310	0	41,568,310	6%	2,494,099	39,074,211
6	Buildings (No footings below ground)	17,860	0	0	17,860	0	0	17,860	0	17,860	10%	1,786	16,074
8	General Office/Stores Equip	6,562,631	0	0	6,562,631	2,677,128	0	9,239,759	1,338,564	7,901,195	20%	1,580,239	7,659,520
10	Computer Hardware/ Vehicles	4,363,334	0	0	4,363,334	1,445,500	0	5,808,834	722,750	5,086,084	30%	1,525,825	4,283,009
10.1	Certain Automobiles	0	0	0	0	0	0	0	0	0	30%	0	0
12	Computer Software	800,131	0	0	800,131	1,933,578	0	2,733,709	966,789	1,766,920	100%	1,766,920	966,789
3		0	0	0	0	0	0	0	0	0	20%	0	0
		0	0	0	0	0	0	0	0	0	0%	0	0
	Lease #3	0	0	0	0	0	0	0	0	0		0	0
	Lease #4	0	0	0	0	0	0	0	0	0		0	0
14	Franchise	0	0	0	0	0	0	0	0	0		0	0
	New Electrical Generating Equipment Acq'd after												
17	Feb 27/00 Other Than Bidgs	81,080	0	0	81,080	0	0	81,080	0	81,080	8%	6,486	74,593
	Certain Energy-Efficient Electrical Generating												
	Equipment	376,756	0	0	376,756	0	0	376,756	0	376,756	30%	113,027	263,729
	Computers & Systems Hardware acq'd post Mar												
45	22/04	350,400	0	0	350,400	0	0	350,400	0	350,400	45%	157,680	192,720
	Computers & Systems Hardware acq'd post Mar												
	19/07	0	0	0	0	1,612,172	0	1,612,172	806,086	806,086	55%	443,347	1,168,825
	Data Network Infrastructure Equipment (acq'd post												
46	Mar 22/04)	0	0	0	0	0	0	0	0	0	30%	0	0
	Distribution System - post 22-Feb-2005	115,986,051			115,986,051	34,283,221	0	150,269,272	17,141,611	133,127,661	8%	10,650,213	139,619,059
	Computers & Systems Hardware acq'd post Jan 27/09												
52	and before Feb 2011	0			0	0		0	0	0	100%	0	0
	SUB-TOTAL - UCC	362,657,142	0	0	362,657,142	43,492,099	0	406,149,241	21,746,050	384,403,191		26,472,455	379,676,786
						-5,899,099	0						
CEC	Goodwill	10,465,401	0	0	10,465,401								
CEC	Land Rights	0	0	0	0								
CEC	FMV Bump-up	0	0	0	0								
	SUB-TOTAL - CEC	10,465,401	0	0	10,465,401								

1 Table 4-40 Continuity Schedule 2011

Cumulative Elig	ible Capital Calculatior	1 IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII		
Cumulative Eligible Capital			10,465,401	
Adultine				
Additions: Cost of Eligible Capital Property Acquired during the year	0			
cost of Engine Capital Property Acquired during the year	0			
Other Adjustments	0			
Subtotal	0	x 3/4 =	0	
Non-taxable portion of a non-arm's length transferor's gain realized on the				
transfer of an ECP to the Corporation after Friday December 31, 2002	0	x 1/2 =	0	
			0 10,465,401	
Amount transferred on employmetion or using up of subs ^{1,11}	0		0	
Amount transferred on amalgamation or wind-up of subsidiary	0		0	
Subt	otal		10,465,401	
Deductions:				
Projected proceeds of sale (less outlays and expenses not otherwise				
deductible) from the disposition of all ECP during the year				
Other Adjustments	0			
Subt	otal 0	x 3/4 =	0 10,465,401	
Cumulative Eligible Capital Balance			10,465,401	
CEC Deduction	7%		732,578	
Cumulative Eligible Capital - Closing Balance			9,732,823	