

July 12, 2011

Ontario Energy Board P.O. Box 2319 2300 Yonge Street 27th Floor Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

## Re: Combined PILs Proceeding, EB-2008-0381

On July 6, 2011, EnWin filed an update to its evidence to reflect the Board's Decision EB-2008-0381. Due to a printing error, some of the evidence did not get filed from a SIMPIL Model. That error was remedied through a supplemental filing on July 7, 2011.

On July 7, 2011, OEB Staff case lead Duncan Skinner advised EnWin that various SIMPIL Models on file from October 2010 and July 2011 contained known errors. EnWin's peer LDC, PowerStream/Barrie, recently filed revised materials to deal with similar issues. EnWin has conducted a review of the SIMPIL Models used for the EnWin filing and has made revisions that are consistent with many of Mr. Skinner's observations and various revisions by Barrie. The revised documents are enclosed. Excel versions will be forwarded to the Board Secretary and OEB Staff.

EnWin's revised calculated balance as of April 30, 2012 is \$5,227,019. EnWin will apply for recovery of the balance from its ratepayers in its next rate application, which will be for rates effective May 1, 2012.

Yours very truly,

ENWIN Utilities Ltd.

Per: Andrew J. Sasso

cc (email only): Other Applicants

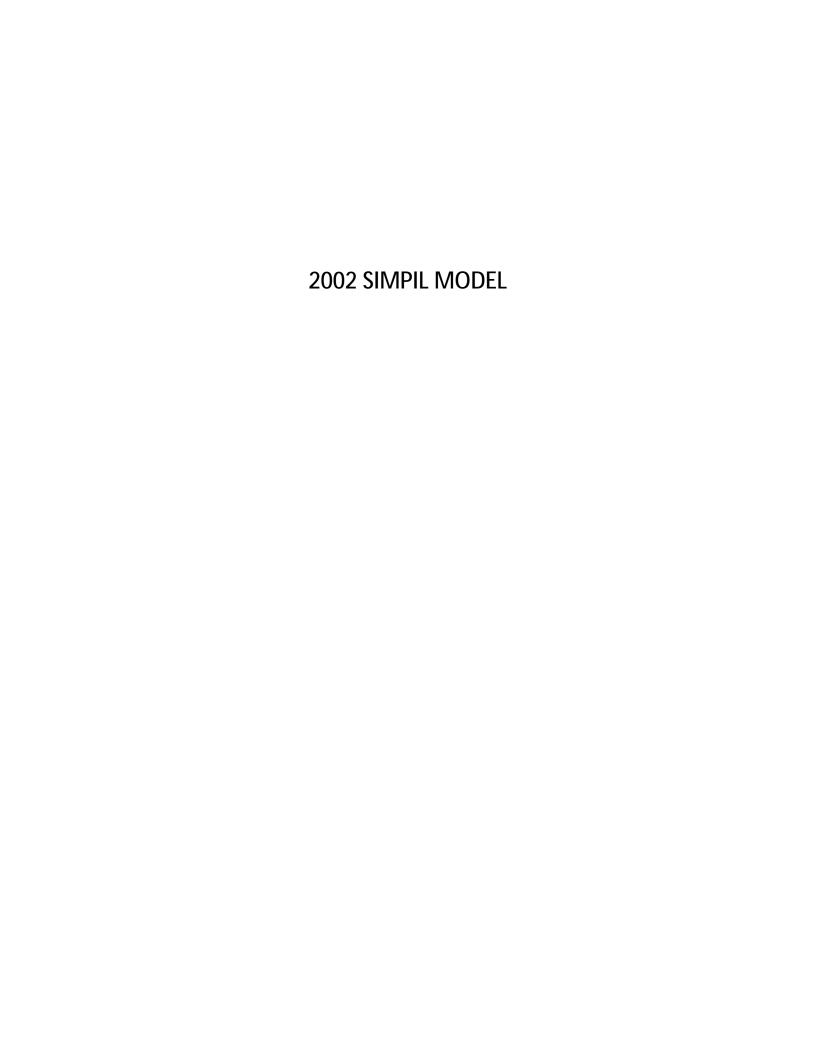
Duncan Skinner, OEB Staff (Case Manager)

Intervenors of Record

Other Parties



|                  | A  | В   | C D  | Е                      | F      | G                 | Н     | ı                  | J               | K           | L     | М                         | N     | 0                 | Р     | Q                   | R     | S                 | т             | U                | ٧      | W                | Х       | Υ                 | Z       | AA AE        |
|------------------|--|-----|--|------------------------|--------|-------------------|-------|--------------------|-----------------|-------------|-------|---------------------------|-------|-------------------|-------|---------------------|-------|-------------------|---------------|------------------|--------|------------------|---------|-------------------|---------|--------------|
|                  | PILs TAXES - EB-2008-0381                        |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               | •                |        |                  |         |                   |         |              |
|                  | Summary PILs 1562 Balance<br>Utility Name: ENWIN |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
|                  | Reporting period: 2001- 2007                     |     |  | Sign Conventi          | ion: 4 | for increase;     | for   | decrease           |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 5                |  |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 6                |  |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   | _       |              |
|                  | Year start:                                      |     | 01/10/2001                                   | 01/01/2002             |        | 01/01/2003        |       | 01/01/2004         | 0               | 1/01/2005   |       | 01/01/2006                |       | 01/01/2007        |       | 01/01/2008          |       | 01/01/2009        |               | 01/01/2010       |        | 01/01/2011       |         | 01/01/2012        |         |              |
|                  | Year end:  |     | 31/12/2001                                   | 31/12/2002             |        | 31/12/2003        |       | 31/12/2004         |                 | 1/12/2005   |       | 31/12/2006                |       | 31/12/2007        |       | 31/12/2008          |       | 31/12/2009        |               | 31/12/2010       |        | 31/12/2011       |         | 30/04/2012        |         | Total        |
| 10               |  |     |  |                        |        | 000 445           |       | 0.40.400           |                 | 740.007     |       | 400.000                   |       | 4 00 4 070        |       | 4 004 400           |       |                   | Ш             | E 40E 000        |        | E 4 40 0 47      |         | 5 005 504         |         |              |
|                  | Opening balance:<br>Board-approved PILs tax      | +/- | 0  | 1,859,278              | _      | 998,445           |       | 348,198            | -               | 749,207     |       | 433,308                   | _     | 4,681,278         | _     | 4,881,196           | _     | 5,055,974         | -             | 5,105,926        | —      | 5,140,947        | _       | 5,205,501         | -       | 0            |
|                  | proxy from Decisions                             | .,  | 1.859.278 A                                  | 5.897.602              | R      | 9,132,725         | _     | 7,796,788          | D.              | 6,872,826   | _     | 2.239.926                 | _     |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         | 33,799,145   |
| <del>  '</del> - | True-up Variance Adjustment                      | +/- | 1,009,210 A                                  | 3,037,002              |        | 3,132,723         | _     | 7,790,700          |                 | 0,072,020   | _     | 2,239,920                 | ÷     |                   |       |                     |       |                   | _             |                  |        |                  |         | _                 | -       | 33,799,143   |
| 13               |  |     |  | 0                      | G      | (388,805)         | н     | 325,691            | ı               | 274,234     | J     | 694,988                   | K     |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         | 906,108      |
|                  | Deferral Account Variance                        | +/- |  |                        |        |                   |       | _                  |                 |             |       |                           |       |                   |       | _                   |       |                   |               |                  |        |                  |         |                   |         |              |
| 14               | Adjustment                                       |     |  | -                      |        | -                 |       | (252,396)          |                 | (494,347)   | L     | -                         |       | -                 |       | -                   |       | -                 | ш             | -                |        |                  |         |                   |         | (746,743)    |
|                  | Changes in Tax Legislation                       |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 15               | (repeal of Federal LCT)                          | . / | _  | _                      | _      |                   |       | -                  | _               |             |       | (57,108)                  | M     |                   | _     | -                   | _     |                   | _             |                  | _      |                  | _       | _                 |         | (57,108)     |
| 16               | Carrying charges                                 | +/- |  | 69,453                 | N      | 41,052            | o     | 26,343             | Р               | 35,289      | Q     | 117,745                   | R     | 199,918           | s     | 174,778             |       | 49,952            |               | 35,021           |        | 64,554           |         | 21,518            |         | 835,623      |
|                  | PILs billed to (collected from)                  | -   |  |                        |        |                   |       | _                  |                 |             |       |                           |       |                   |       | _                   |       |                   |               |                  |        |                  |         |                   |         |              |
| 17               | customers  |     | 0  | (6,827,888)            | Т      | (9,435,219)       | U     | (7,495,417)        | V (7            | ,003,900)   | w     | (2,142,435)               | Х     |                   |       |                     |       |                   |               |                  |        |                  |         |                   | (       | (32,904,860) |
|                  | ssue 4 Settlement Adjustment                     |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 18               |  |     |  |                        |        |                   |       | Г                  |                 |             |       | 3,394,854                 | Y     |                   |       |                     |       |                   | $\overline{}$ |                  |        |                  |         |                   |         | 3,394,854    |
|                  | Ending balance: # 1562                           |     | 1,859,278                                    | 998,445                |        | 348,198           |       | 749,207            |                 | 433,308     |       | 4,681,278                 |       | 4,881,196         |       | 5,055,974           |       | 5,105,926         |               | 5,140,947        |        | 5,205,501        |         | 5,227,019         |         | 5,227,019    |
| 21               | ·  |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  | _       | _                 |         |              |
| 22               |  |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         | -                 | _       | _            |
| 74               |  |     |  |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         | _                 | _       |              |
| 75               |  |     | nation for Changes                           |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         | _                 |         | _            |
| 76<br>77         |  |     | Original filing used<br>Original filing used |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| <del>''</del>    |  |     | Original filing used                         |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     | (RP-  | -2003-0189/EB-    | 2003-         | 0234).           |        |                  |         |                   |         |              |
| 78               |  |     |  |                        |        | -                 |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 70               |  | D   | Original filing used                         | amount assumir         | ng Ma  | ay 2004 effective | e dat | te for new PILs r  | rate; Chai      | nge to use  | amo   | ount based on ac          | ctual | effective date o  | of Ja | inuary 10, 2003 (   | (RP-  | ·2003-0189/EB-    | 2003-         | 0234).           |        |                  |         |                   |         |              |
| 80               |  | Е   | Changed to correct                           | t an input error.      |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 81               |  |     | No change                                    |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 82               |  |     | No change<br>Updated to reflect              | removal of regul       | laton  | asset movemen     | nt in | SIMPII model       |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 84               |  |     | Updated to reflect                           |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 85               |  |     | Updated to reflect                           | removal of regul       | latory | asset movemen     | nt in | SIMPIL model       |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 86               |  |     | No change<br>Updated to reflect              | removal of regul       | latory | asset movemen     | nt in | SIMPIL model       |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 88               |  | M   | No change                                    |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 89               |  |     | Adjusted to reflect                          |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 90<br>91         |  |     | Adjusted to reflect<br>Adjusted to reflect   |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 92               |  | Q   | Adjusted to reflect                          | applicable chang       | ges to | other line items  | on    | a monthly basis.   |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 93               |  |     | Adjusted to reflect                          |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |
| 94               |  |     | Adjusted to reflect<br>Changed to use the    |                        |        |                   |       |                    | and kW f        | for each ra | te c  | lass according to         | Bos   | ard Staff submis  | ssior | n on June 12 20     | 009   |                   |               |                  |        |                  |         |                   |         |              |
| 95               |  |     | o.a.igod to doe tile                         | J . G.C GII VOIG II (I |        |                   |       |                    | . C. ICI ICVV I | .c. caoiria | 0     | acc according to          | , 500 | ara Juan Jubinis  | 55101 | 5.700110 12, 20     | ,55.  |                   |               |                  |        |                  |         |                   |         |              |
|                  |  |     | Changed to use the                           | e rate slivers fro     | m rat  | e models and cu   | stor  | ner counts, kWh    | and kW t        | for each ra | te cl | lass according to         | Boa   | ard Staff submis  | ssior | n on June 12, 20    | 009.  | Also Original fi  | ling di       | d not include La | arge l | Use - FA rate o  | lass; ( | Changed to inclu  | ude La  | arge Use -   |
| 96               |  |     | FA.<br>Changed to use the                    | e rate slivers from    | m rat  | e models and ou   | stor  | ner counts k\\/\h  | and k///        | for each ra | te c  | lass according to         | Bor   | ard Staff submis  | ssior | n on June 12 20     | 000   | Also Original fi  | ling di       | d not include L  | arge I | Use - FA rate o  | lase: 1 | Changed to incli  | ıde I 4 | arne Use -   |
| 97               |  |     | FA.  | . 1016 9114619 HUI     | idl    | c moucio and cu   | JUI   | nor counts, RVVII  | anu RVV I       | ioi cauiild | 10 0  | ass according to          | , 000 | ara otari subilik | JOIUI | 11 511 Julie 12, 20 | ,03.  | , 160 Ongirlal II | ii iy ul      | a not include Le | urye ( | OSO - I A Idle ( | iuoo, I | onangeu to IIICII | AUG LO  | argo ose -   |
| П                |  |     | Changed to use the                           | e rate slivers fro     | m rat  | e models and cu   | stor  | ner counts, kWh    | and kW t        | for each ra | te cl | lass according to         | Воа   | ard Staff submis  | ssior | n on June 12, 20    | 009.  | Also Original fi  | ling di       | d not include La | arge l | Use - FA rate o  | lass; ( | Changed to inclu  | ude La  | arge Use -   |
| 98               |  |     | FA.  | E                      |        | dele t            |       |                    |                 | ·           |       | la a a a a a a a dia a di |       |                   | !-    |                     | 200   | Alex Original     | Contract of   | dan Carlos Co.   |        | U <b> </b>       |         | Dh                | oda I   |              |
| 99               |  |     | Changed to use the<br>FA.                    | e rate slivers froi    | m rat  | e models and cu   | stor  | ner counts, kWh    | and kW 1        | ror each ra | te cl | ass according to          | Bos   | ara Statt submis  | SSIOI | n on June 12, 20    | JU9.  | Also Original fi  | iing di       | a not include La | arge I | use - FA rate o  | iass; ( | nanged to incli   | ude La  | arge Use -   |
| 33               |  | Υ   | Regulatory assets                            |                        | the E  | Enwin PILs calcu  | latio | n, but as an indir | rect resul      | t when cos  | t of  | service was once          | e aga | ain introduced in | n 200 | 06 a tax loss car   | rryfo | rward created b   | y reg         | ulatory asset m  | oven   | nents was cred   | ted in  | part to ratepay   | ers in  | the          |
| 100              |  |     | calculation of rates                         |                        |        |                   |       |                    |                 |             |       |                           |       |                   |       |                     |       |                   |               |                  |        |                  |         |                   |         |              |



|             | A  | В          | С     | D               | E              |
|-------------|--|------------|-------|-----------------|----------------|
| 1           | PILs TAXES - EB-2008-381   |            |       | _               | Version 2009.1 |
|             | REGULATORY INFORMATION (REGINFO)   |            |       |                 |                |
|             | Utility Name:  |            |       | Colour Code     |                |
| 4           | Reporting period: 2002   |            |       | Input Cell      |                |
| 5           |  |            |       | Formula in Cell |                |
|             | Days in reporting period:  | 365        | days  |                 |                |
|             | Total days in the calendar year:   | 365        | days  |                 |                |
| 8           |  |            |       |                 |                |
|             | BACKGROUND   |            |       |                 |                |
|             | Has the utility reviewed section 149(1) ITA to   |            |       |                 |                |
| 11<br>12    | confirm that it is not subject to regular corporate  |            | \//N1 | V               |                |
| 12          | tax (and therefore subject to PILs)?   |            | Y/N   | Y               |                |
|             | Was the utility recently acquired by Hydro One   |            |       |                 |                |
| 15          | and now subject to s.89 & 90 PILs?   |            | Y/N   | N               |                |
| 17          | Is the utility a non-profit corporation?   |            | Y/N   | N               |                |
|             | (If it is a non-profit corporation, please contact the Rates Manager at the OEB)                                   |            | 1/11  | IV              |                |
| <u> </u>    | Are the Ontario Capital Tax & Large Corporations Tax Exemptions  | OCT        | Y/N   | Υ               |                |
|             | shared among the corporate group?  | LCT        |       | •               |                |
| -           | Please identify the % used to allocate the OCT and LCT exemptions in   |            | Y/N   | 100%            |                |
|             | Cells C65 & C74 in the TAXCALC spreadsheet.  | OCT<br>LCT |       | 100%            |                |
| ZS          | ·  | LCI        |       | 100 /6          |                |
| 24          | Accounting Year End  |            | Date  | 12-31-2002      |                |
| 26          | MARR NO TAX CALCULATIONS   |            |       |                 | Regulatory     |
|             | SHEET #7 FINAL RUD MODEL DATA  |            |       |                 | Income         |
|             | (FROM 1999 FINANCIAL STATEMENTS)   |            |       |                 |                |
|             | USE BOARD-APPROVED AMOUNTS   |            |       |                 |                |
| 30          |  |            |       |                 |                |
| 31          | Rate Base (wires-only)   |            |       | 161,325,087     |                |
| 33          | Common Equity Ratio (CER)  |            |       | 45.00%          |                |
| <del></del> |  |            |       |                 |                |
| 00          | 1-CER  |            |       | 55.00%          |                |
| 37          | Target Return On Equity  |            |       | 9.88%           |                |
| 39          | Debt rate  |            |       | 7.00%           |                |
| 41          | Market Adjusted Revenue Requirement  |            |       | 13,383,529      |                |
| TZ          |  |            |       |                 |                |
| 43          | 1999 return from RUD Sheet #7  |            |       | 7,316,886       | 7,316,886      |
| 45          | Total Incremental revenue  |            |       | 6,066,643       |                |
| 46          | Input: Board-approved dollar amounts phased-in   |            |       |                 |                |
| 47          | Amount allowed in 2001   |            |       | 2,022,214       |                |
| 48          | Amount allowed in 2002   |            |       | 2,022,214       | 2,022,214      |
| 49          | Amount allowed in 2003 and 2004 (will be zero due to Bill 210  |            |       | 0               | 0              |
| 50          | unless authorized by the Minister and the Board)   |            |       |                 | 0              |
| 51<br>52    | Amount allowed in 2005 - Third tranche of MARR re: CDM Other Board-approved changes to MARR or incremental revenue |            |       |                 | 0              |
| 53          | Other board-approved changes to which of incremental revenue   |            |       |                 | 0              |
| 54          | Total Regulatory Income  |            |       |                 | 11,361,314     |
| 55          | . Juli regulatory movime   |            |       |                 | 11,001,014     |
|             | Equity   |            |       | 72,596,289      |                |
| 57          |  |            |       |                 |                |
|             | Return at target ROE   |            |       | 7,172,513       |                |
| 59          |  |            |       |                 |                |
|             | Debt   |            |       | 88,728,798      |                |
| 61          | D 111 ( 122) (122)   |            |       | 001101          |                |
|             | Deemed interest amount in 100% of MARR   |            |       | 6,211,016       |                |
| 63          | Dhogo in of interest Vegr 4 (2004)   |            |       | 4 20 4 00 4     |                |
| 65          | Phase-in of interest - Year 1 (2001)<br>((D43+D47)/D41)*D61  |            |       | 4,334,081       |                |
|             | ((043+047)/041) 061<br>Phase-in of interest - Year 2 (2002)  |            |       | 5,272,548       |                |
| 67          | ((D43+D47+D48)/D41)*D61  |            |       | 0,212,040       |                |
|             | Phase-in of interest - Year 3 (2003) and forward   |            |       | 5,272,548       |                |
| 69          | ((D43+D47+D48)/D41)*D61 (due to Bill 210)  |            |       |                 |                |
|             | Phase-in of interest - 2005  |            |       | 6,211,016       |                |
| 71          | _  |            |       |                 |                |
| 72          |  |            |       |                 |                |

|          | A  | В       | С  | D            | Е                    | F               | G                        | Н        |
|----------|--|---------|--|--------------|----------------------|-----------------|--------------------------|----------|
| 1        | PILs TAXES - EB-2008-381   | ITEM    | Initial  | _            | M of F               | M of F          | Tax                      | <u> </u> |
| 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           |          |
| 7        | Utility Name: Reporting period: 2002   |         |  | -            |                      |                 |                          |          |
| 8        | Reporting period: 2002   |         |  |              |                      |                 | Column                   |          |
| 9        | Days in reporting period:  | 365     | days   |              |                      |                 | Brought                  |          |
| 10       | Total days in the calendar year:   | 365     | days   |              |                      |                 | From                     |          |
| 11       |  |         |  |              |                      |                 | TAXREC                   |          |
| 12       |  |         | \$   |              | \$                   |                 | \$                       |          |
| 13       |  |         |  |              |                      |                 |                          |          |
| 15       | I) CORPORATE INCOME TAXES  |         |  |              |                      |                 |                          |          |
|          | Regulatory Net Income REGINFO E53  | 1       | 11,361,314                                     |              | -6,539,649           |                 | 4,821,665                |          |
| 17       | regulatory (vet income Trecity) o 200  | -       | 11,501,514                                     |              | -0,000,040           |                 | 4,021,003                |          |
|          | BOOK TO TAX ADJUSTMENTS  |         |  |              |                      |                 |                          |          |
| 19       | Additions:   |         |  |              |                      |                 |                          |          |
|          | Depreciation & Amortization  | 2       | 7,289,925                                      |              | 439,035              |                 | 7,728,960                |          |
|          | Employee Benefit Plans - Accrued, Not Paid   | 3       | 593,232  |              | 303,115              |                 | 896,347                  |          |
| 22       | Tax reserves - beginning of year   | 4       |  |              | 0                    |                 | 0                        |          |
| 23       | Reserves from financial statements - end of year Regulatory Adjustments - increase in income | 4<br>5  | 0  |              | 0                    |                 | 0                        |          |
| 25       | Other Additions (See Tab entitled "TAXREC")  | 3       | U  | -            | 0                    |                 | U                        |          |
| 26       | "Material" Items from "TAXREC" worksheet   | 6       |  | 1            | 423,144              |                 | 423,144                  |          |
| 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"   | <b></b> |  |              | 1,213,001            |                 | 1,213,001                |          |
| 31       | Deductions - Investment the marks  | 1       |  |              |                      |                 |                          |          |
| 32       | Deductions: Input positive numbers Capital Cost Allowance and CEC                            | 7       | 5,546,607                                      |              | 10.307.648           |                 | 15,854,255               |          |
|          | Capital Cost Allowance and CEC Employee Benefit Plans - Paid Amounts                         | 8       | 5,546,607<br>285,556                           |              | 10,307,648           |                 | 15,854,255<br>414,848    |          |
|          | Items Capitalized for Regulatory Purposes  | 9       | 265,556  | -            | 129,292              |                 | 414,646                  |          |
|          | Regulatory Adjustments - deduction for tax purposes in Item 5                                | 10      | 0  |              | 0                    |                 | 0                        |          |
| 37       | Interest Expense Deemed/ Incurred  | 11      | 5,272,548                                      |              | -308,215             |                 | 4,964,333                |          |
| 38       | Tax reserves - end of year   | 4       |  |              | 0                    |                 | 0                        |          |
|          | Reserves from financial statements - beginning of year                                       | 4       |  |              | 0                    |                 | 0                        |          |
| 40       | Contributions to deferred income plans   | 3       |  |              | 0                    |                 | 0                        |          |
| 41       | Contributions to pension plans Interest capitalized for accounting but deducted for tax      | 3<br>11 |  |              | 0                    |                 | 0                        |          |
|          | Other Deductions (See Tab entitled "TAXREC")   | - ''    |  |              | 0                    |                 | U                        |          |
| 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      |  |              | 1,226,183            |                 | 1,226,183                |          |
| 47       | Other Deductions (not "Material") "TAXREC 2"   | 12      |  |              | 0                    |                 | 0                        |          |
| 48       | Items on which true-up does not apply "TAXREC 3"   |         |  |              | 1,544,448            |                 | 1,544,448                |          |
| 49       | TAYARI E NICOME (# 000)  |         | 0.400.700                                      |              | 17.000.710           | D ( ) 0/E       | 0.000.050                |          |
| 51       | TAXABLE INCOME/ (LOSS)   |         | 8,139,760                                      |              | -17,060,710          | Before loss C/F | -8,920,950               |          |
|          | BLENDED INCOME TAX RATE  |         |  |              |                      |                 |                          |          |
|          | Tab Tax Rates - Regulatory from Table 1; Actual from Table 3                                 | 13      | 38.62%   | -            | 0.0000%              |                 | 38.62%                   |          |
| 54       |  |         |  |              |                      |                 |                          |          |
|          | REGULATORY INCOME TAX  |         | 3,143,575                                      |              | -3,143,575           |                 | 0                        |          |
| 56       |  | 1       |  |              |                      |                 |                          |          |
| 57       | Missallanasus Toy Cradita  | 4.      |  |              |                      | *               |                          |          |
| 58       | Miscellaneous Tax Credits  | 14      |  |              | 0                    | Actual          | 0                        |          |
| 60       | Total Regulatory Income Tax  | 1       | 3,143,575                                      | -            | -3,143,575           | Actual          | 0                        |          |
| 61       | Total Regulatory Income Tax  | 1       | 0,170,070                                      |              | 0,170,070            | Actual          | 0                        |          |
| 62       |  |         | <u>                                       </u> |              |                      |                 |                          |          |
| 63       | II) CAPITAL TAXES  |         |  |              | -                    | -               | -                        |          |
| 64       |  | 1       |  |              |                      |                 |                          |          |
|          | Ontario Page   | 45      | 101.005.00                                     |              | 00.000.155           |                 | 100 00 1 0 1             |          |
|          | Base   | 15      | 161,325,087<br>4,065,000                       |              | 28,069,158           |                 | 189,394,245<br>4,063,805 |          |
| 67<br>68 | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3  Taxable Capital           | 16      | 4,065,000<br>157,260,087                       |              | -1,195<br>28,067,963 |                 | 4,063,805<br>185,330,440 |          |
| 69       | тапаото Сарпаі   |         | 107,200,007                                    | <del> </del> | 20,007,303           |                 | 100,000,440              |          |
| 70       | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3                                      | 17      | 0.3000%  |              | 0.0000%              |                 | 0.3000%                  |          |
| 71       | <u> </u>   |         |  |              | <del></del>          | -               |                          |          |
| 72       | Ontario Capital Tax  | 1       | 471,780  | _            | 84,211               | Overpaid        | 555,991                  |          |
| 73       | Fodoval Largo Cornerations Toy   | -       |  |              |                      |                 |                          |          |
| 74<br>75 | Federal Large Corporations Tax Base  | 18      | 161.325.087                                    |              | 41,679,696           |                 | 203,004,783              |          |
| 76       | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3                            | 19      | 8,130,000                                      | -            | 1,870,000            |                 | 10,000,000               |          |
| 77       | Taxable Capital  | 1.0     | 153,195,087                                    |              | 43,549,696           |                 | 193,004,783              |          |
| 78       | ·  |         |  |              |                      |                 | •                        |          |
|          | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3                                      | 20      | 0.2250%  |              | 0.0000%              |                 | 0.2250%                  |          |
| 80       | 0 4 4 1071 / 4 7 7 7 7 7 7 7 7   |         |  | _            |                      |                 |                          |          |
|          | Gross Amount of LCT before surtax offset (Taxable Capital x Rate)                            | 24      | 344,689  |              | 89,572               |                 | 434,261                  |          |
| 82       | Less: Federal Surtax 1.12% x Taxable Income  | 21      | 91,165   | -            | -91,165              |                 | 0                        | -        |
|          | Net LCT  | 1       | 253,524  | -            | 180,737              |                 | 434,261                  |          |
| 85       | 110( £0 )  | 1       | 200,024  | <del> </del> | 100,737              |                 | 434,201                  |          |
|          |  |         |  |              |                      |                 |                          |          |

|            | <u> </u>  | -        |              | _ |   |             |                |          |
|------------|---|----------|--------------|---|---|-------------|----------------|----------|
| 1          | A PILs TAXES - EB-2008-381  | ITEM     | C<br>Initial | D | E<br>M of F                             | F<br>M of F | G<br>Tax       | Н        |
|            | PILS DEFERRAL AND VARIANCE ACCOUNTS   | IILIVI   | Estimate     |   | Filina                                  | Filing      | Returns        |          |
|            | TAX CALCULATIONS (TAXCALC)  |          |              |   | Variance                                | Variance    |                |          |
| 4          | ("Wires-only" business - see Tab TAXREC)  |          |              |   | K-C                                     | Explanation |                |          |
| 5          | 0   |          |              |   |   |             | Version 2009.1 |          |
|            | Utility Name: Reporting period: 2002  |          |              |   |   |             |                |          |
| 8          | Reporting period. 2002  |          |              |   |   |             | Column         |          |
| 9          | Days in reporting period:   | 365      | days         |   |   |             | Brought        |          |
|            | Total days in the calendar year:  | 365      | days         |   |   |             | From           |          |
| 11         |   |          | \$           |   | \$                                      |             | TAXREC<br>\$   | -        |
| 13         |   |          | Φ            |   | φ                                       |             | Φ              |          |
|            | III) INCLUSION IN RATES   |          |              |   |   |             |                |          |
| 87         |   |          |              |   |   |             |                |          |
|            | Income Tax Rate used for gross- up (exclude surtax)                                 |          | 37.50%       |   |   |             |                |          |
| 89         | Income Tax (proxy tax is grossed-up)  | 22       | 5,029,720    |   |   | Actual 2002 | 0              |          |
|            | LCT (proxy tax is grossed-up)   | 23       | 405,638      |   |   | Actual 2002 | 0              |          |
| 92         | Ontario Capital Tax (no gross-up since it is deductible)                            | 24       | 471,780      |   |   | Actual 2002 | 0              |          |
| 93         |   |          |              |   |   |             |                |          |
| 94<br>95   | Total PILs for Rate Adjustment MUST AGREE WITH 2002                                 | 25       | 5,907,139    |   |   | Astual 2002 | 0              | -        |
| 96         | RAM DECISION  | 20       | 3,807,139    |   |   | Actual 2002 | 0              |          |
| 97         | MAIN DEGIGION   |          |              |   |   |             |                |          |
| 98         |   |          |              |   |   |             |                |          |
|            | IV) FUTURE TRUE-UPS   |          |              |   | BB//                                    |             |                |          |
|            | IV a) Calculation of the True-up Variance In Additions:                             |          |              |   | DR/(CR)                                 |             |                | -        |
|            | Employee Benefit Plans - Accrued, Not Paid  | 3        |              |   | 303,115                                 |             |                |          |
| 103        | Tax reserves deducted in prior year   | 4        |              |   | 0                                       |             |                |          |
|            | Reserves from financial statements-end of year                                      | 4        |              |   | 0                                       |             |                |          |
|            | Regulatory Adjustments  | 5        |              |   | 0                                       |             |                |          |
|            | Other additions "Material" Items TAXREC Other additions "Material" Items TAXREC 2   | 6        |              |   | 423,144<br>0                            |             |                |          |
|            | In Deductions - positive numbers  | 0        |              |   | U                                       |             |                |          |
| 109        | Employee Benefit Plans - Paid Amounts   | 8        |              |   | 129,292                                 |             |                |          |
|            | Items Capitalized for Regulatory Purposes   | 9        |              |   | 0                                       |             |                |          |
|            | Regulatory Adjustments Interest Adjustment for tax purposes (See Below - cell I204) | 10<br>11 |              |   | 0                                       |             |                |          |
|            | Tax reserves claimed in current year  | 4        |              |   | 0                                       |             |                |          |
|            | Reserves from F/S beginning of year   | 4        |              |   | 0                                       |             |                |          |
|            | Contributions to deferred income plans  | 3        |              |   | 0                                       |             |                |          |
|            | Contributions to pension plans Other deductions "Material" Items TAXREC             | 3<br>12  |              |   | 0                                       |             |                | -        |
|            | Other deductions "Material" Items TAXREC  Other deductions "Material" Item TAXREC 2 | 12       |              |   | 1,226,183                               |             |                |          |
| 119        | Only deductions material from WWILDE  |          |              |   | 1,220,100                               |             |                |          |
|            | Total TRUE-UPS before tax effect  | 26       |              | 1 | -629,216                                |             |                |          |
| 121<br>122 | Income Tax Rate (excluding surtax) from 2002 Utility's tax return                   |          |              | х | 38.62%                                  |             |                |          |
| 123        | income Tax Rate (excluding suitax) from 2002 Offinty's tax return                   |          |              | X | 30.02%                                  |             |                |          |
|            | Income Tax Effect on True-up adjustments  |          |              | = | -243,003                                |             |                |          |
| 125        |   |          |              |   |   |             |                |          |
| 126<br>127 | Less: Miscellaneous Tax Credits   | 14       |              |   | 0                                       |             |                | -        |
|            | Total Income Tax on True-ups  |          |              |   | -243,003                                |             |                | t        |
| 129        | ·   |          |              |   | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |             |                |          |
|            | Income Tax Rate used for gross-up (exclude surtax)                                  |          |              |   | 37.50%                                  |             |                | <u> </u> |
| 131        | TRUE-UP VARIANCE ADJUSTMENT   |          |              |   | -388,805                                |             |                | 1        |
| 133        | THE OF TANIANCE ADDOCTMENT  |          |              |   | -300,003                                |             |                | l        |
|            | IV b) Calculation of the Deferral Account Variance caused                           |          |              |   |   |             |                |          |
| 134        | by changes in legislation   |          |              |   |   |             |                | 1        |
| 135        | REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial                     |          |              |   |   |             |                |          |
| 136        | estimate column)  |          |              | = | 8,139,760                               |             |                |          |
| 137        | ·   |          |              |   |   |             |                |          |
|            | REVISED CORPORATE INCOME TAX RATE   |          |              | Х | 38.62%                                  |             |                |          |
| 139        | REVISED REGULATORY INCOME TAX   |          |              | = | 3,143,575                               |             |                | 1        |
| 141        |   |          |              |   | 3,140,070                               |             | <u> </u>       |          |
|            | Less: Revised Miscellaneous Tax Credits   |          |              | - | 0                                       |             |                |          |
| 143        | Total Boyland Bagulatony Income Toy   |          |              |   | 0.440.575                               |             |                | <u> </u> |
| 144        | Total Revised Regulatory Income Tax   |          |              | = | 3,143,575                               |             |                |          |
| 1+3        | Less: Regulatory Income Tax reported in the Initial Estimate Column                 |          |              |   |   |             |                |          |
|            | (Cell C58)  |          |              | - | 3,143,575                               |             |                |          |
| 147        | Daniel de la como Tan Variance  |          |              |   |   |             |                |          |
|            | Regulatory Income Tax Variance  |          |              | = | 0                                       |             |                | <b> </b> |
| 149        |   |          | J            |   |   |             | ĺ              | 1        |

| Piles TAXES - EB-2009-381 INTERM   Piles   P |     |  |          |  |           |             |             |                |                 |
|--|-----|--|----------|--|-----------|-------------|-------------|----------------|-----------------|
| 2  |     | A  | В        | С  | D         | E           | F           | G              | Н               |
| 3 TAX CALCULATIONS (TAXCALC)   |     |  | ITEM     |  |           |             |             |                |                 |
| A Commission of Designation   Commission   |     |  |          | Estimate   |           |             |             | Returns        |                 |
| Maint Name   |     |  |          |  |           |             |             |                |                 |
| Second content   |     |  |          |  |           | K-C         | Explanation | Varaian 2000 4 | -               |
| 7   Reporting period: 2002   |     |  |          |  |           |             |             | Version 2009.1 |                 |
| Second Common  |     |  |          |  |           |             |             |                |                 |
| 10   Total days in the calendar year:   385   days   | 8   |  |          |  |           |             |             | Column         |                 |
| 11   1   1   1   1   1   1   1   1   | 9   | Days in reporting period:  | 365      | days   |           |             |             | Brought        |                 |
| 12   15   15   15   15   15   15   15  |     | Total days in the calendar year:                                     | 365      | days   |           |             |             |                |                 |
| 15   |     |  |          |  |           | _           |             |                |                 |
| 150   Sarair Capital Tax   | _   |  |          | \$   |           | \$          |             | \$             | -               |
| 15   Base  |     | Ontario Canital Tay  |          |  |           |             |             |                |                 |
| 152   ISSE. Exemption from tab Tax Rates. Table 2, cell C39  |     |  |          |  | -         | 161,325,087 |             |                |                 |
| 156  Rate - Tab Tax Rates cell C54   |     |  |          |  | -         |             |             |                |                 |
| 15.8   Rate - Tab Tar Retates cell CSd   |     | Revised deemed taxable capital                                       |          |  | =         | 157,260,087 |             |                |                 |
| 158  |     |  |          |  |           |             |             |                |                 |
| 157   Revised Onlario Capital Tax  |     | Rate - Tab Tax Rates cell C54  |          |  | Х         | 0.3000%     |             |                | -               |
| Cases: Chrain Capital Tax reported in the initial estimate column (Cell 159 Regulator). Ontario Capital Tax Variance   |     | Revised Ontario Capital Tay  | 1        | <del>                                     </del> | +         | /71 790     |             |                | $\vdash$        |
| 158   Groy   | 137 |  | 1        | +  | ╁┋╏       | 4/1,/80     |             |                | $\vdash$        |
| 15.9 Regulatory Chratin Capital Tax Variance   | 158 |  |          | ]  | -         | 471,780     |             |                |                 |
| 161   Referral LCT   | 159 |  |          |  | =         | 0           |             |                |                 |
| 162   38-92  |     |  |          |  |           |             |             |                |                 |
| 163 Less: Exemption from tab Tax Rates, Table 2, cell C40  |     |  | -        | <del>                                     </del> | +         | 101.005.005 |             |                | $\vdash$        |
| 164   Newsed Federal LCT   |     |  | 1        | <del>                                     </del> | +         |             |             |                | $\vdash$        |
| 168   Rate (as a result of legislative changes) tab Tax Rates' cell C51  |     |  |          |  |           |             |             |                |                 |
| 165   Rate (as a result of legislative changes) tab Tax Rates' cell C51  |     | TOTIOGG T GUGIGI EG T  |          |  |           | 100,100,001 |             |                |                 |
| 188   Gress Amount   |     | Rate (as a result of legislative changes) tab 'Tax Rates' cell C51   |          |  |           | 0.2250%     |             |                |                 |
| 169 Less: Federal surtax   |     |  |          |  |           |             |             |                |                 |
| 170   Revised Not LCT  |     |  |          |  |           |             |             |                |                 |
| 171   172   Less: Federal LCT variance   |     |  |          |  |           |             |             |                |                 |
| 172 Less: Federal LCT reported in the initial estimate column (Cel C82)   - 253,524  |     | Revised Net LCT  |          |  | =         | 253,524     |             | +              |                 |
| 173 Regulatory Federal LCT Variance  |     | Less: Federal LCT reported in the initial estimate column (Cell C82) |          |  | -         | 253,524     |             |                |                 |
| 175   Actual Income Tax Rate used for gross-up (exclude surtax)  |     |  |          |  | =         |             |             |                |                 |
| 176  |     |  |          |  |           |             |             |                |                 |
| 177   Income Tax (grossed-up)  |     | Actual Income Tax Rate used for gross-up (exclude surtax)            |          |  |           | 37.50%      |             |                | _               |
| 178   LCT (grossed-up)   |     | Income Tay (grassed-up)  |          |  | +         | 0           |             |                |                 |
| 179 Ontario Capital Tax  |     |  |          |  |           |             |             |                |                 |
| 181   DEFERRAL ACCOUNT VARIANCE ADJUSTMENT   |     |  |          |  |           | 0           |             |                |                 |
| 182  |     |  |          |  |           |             |             |                |                 |
| 183   TRUE-UP VARIANCE (from cell I130)  |     | DEFERRAL ACCOUNT VARIANCE ADJUSTMENT                                 |          |  | =         | 0           |             |                |                 |
| 184  |     | TOUE UP VARIANCE (from cell 1420)                                    |          |  |           | -388 805    |             |                |                 |
| 185   Total Deferral Account Entry (Positive Entry = Debit)  |     | TRUE-UP VARIANCE (ITOIII CEILTISU)                                   |          |  |           | -300,003    |             |                | $\vdash$        |
| 186   Deferral Account Variance + True-up Variance)  |     | Total Deferral Account Entry (Positive Entry = Debit)                |          |  | =         | -388,805    |             |                |                 |
| 188  | 186 |  |          |  |           |             |             |                |                 |
| 189  |     |  |          |  |           |             |             |                |                 |
| 190   V) INTEREST PORTION OF TRUE-UP   | _   |  | 1        |  | ╄┥        |             |             |                | $\vdash\vdash$  |
| 191   Variance Caused By Phase-in of Deemed Debt   |     | V) INTEREST PORTION OF TRUE-UP                                       |          | <del> </del>                                     | +         |             |             |                | $\vdash$        |
| 192  |     |  | 1        |  | $\dagger$ |             |             |                | $\vdash$        |
| 193   Total deemed interest (REGINFO)   6,211,016     194   Interest phased-in (Cell C36)   5,272,548     195     195     196   Variance due to phase-in of debt component of MARR in rates   938,468     197   according to the Board's decision   198   199   Other Interest Variances (i.e. Borrowing Levels   199   Other Interest Variances (i.e. Borrowing Levels   199   Other Interest deducted on MoF filing (Cell K36+K41)   4,964,333   190   1 | 192 | -  |          |  |           |             |             |                |                 |
| 195  |     |  |          |  |           | -, ,        |             |                |                 |
| 196  |     | Interest phased-in (Cell C36)  |          |  | 1         | 5,272,548   |             |                | <u> </u>        |
| 197   according to the Board's decision  |     | Variance due to phase in of debt companent of MADD in rates          | -        | <del> </del>                                     | ++        | 038 460     |             |                | $\vdash$        |
| 198         Other Interest Variances (i.e. Borrowing Levels  |     |  | 1        | <del> </del>                                     | +         | 930,400     |             |                | $\vdash$        |
| 199   Other Interest Variances (i.e. Borrowing Levels  |     | according to the board o devicion                                    |          | 1  | 1 1       |             |             |                |                 |
| Above Deemed Debt per Rate Handbook    4,964,333   1   | 199 | Other Interest Variances (i.e. Borrowing Levels                      |          |  |           |             |             |                |                 |
| 202   Total deemed interest (REGINFO CELL D61)   6,211,016   | 200 | Above Deemed Debt per Rate Handbook)                                 | 1        |  |           |             |             |                |                 |
| 203     204   Variance caused by excess debt   0     205   |     |  | <b> </b> | <del> </del>                                     | 1-1       |             |             |                | $\vdash \vdash$ |
| 204   Variance caused by excess debt   0   |     | rotal deemed interest. (KEGINFO CELL D61)                            | 1        | <del>                                     </del> | +         | 0,211,016   |             |                | $\vdash$        |
| 205  |     | Variance caused by excess debt                                       |          |  | 1 1       | 0           |             |                | $\vdash$        |
| 207  |     |  |          |  |           |             |             |                |                 |
| 208 Total Interest Variance     938,468       209     938,468       210     938,468  |     | Interest Adjustment for Tax Purposes (carry forward to Cell I110)    |          |  |           | 0           | <del></del> |                |                 |
| 209  |     |  |          | <del> </del>                                     | 1         | 000.400     |             |                | $\vdash$        |
| 210  |     | I otal Interest Variance   |          | 1  | +         | 938,468     |             |                | $\vdash$        |
|  |     |  |          | 1  | +         |             |             |                |                 |
|  | 211 |  |          |  |           |             |             |                |                 |

| _        |  |         | _                      |                      |                        |   |
|----------|--|---------|------------------------|----------------------|------------------------|---|
| L.       | Α  | В       | С                      | D                    | Е                      | F |
| 1        | PILS TAXES - EB-2008-381   | LINE    | M of F                 | Non-wires            | Wires-only             |   |
| 3        | TAX RETURN RECONCILIATION (TAXREC)   |         | Corporate              | Eliminations         | Tax                    |   |
| 4        | (for "wires-only" business - see s. 72 OEB Act)  |         | Tax<br>Return          |                      | Return                 |   |
| 5        | <u> </u>   |         | Neturn                 |                      | Version 2009.1         |   |
|          | Section A: Identification:   |         |                        |                      | VCI 31011 2000.1       |   |
| 7        | Utility Name:  |         |                        |                      |                        |   |
| 8        | Reporting period: 2002   |         |                        |                      |                        |   |
| 9        | Taxation Year's start date:  |         |                        |                      |                        |   |
| 10       |  |         |                        |                      |                        |   |
| 11       | Number of days in taxation year:   |         | 365                    | days                 |                        |   |
| 12<br>13 | Disease out on the Metadellite Level .   |         | 101 101                |                      | , laval                |   |
| 14       | Please enter the Materiality Level :<br>(0.25%x Rate Base x CER)                               | Y/N     | 181,491                | < - enter materialit | y ievei                |   |
| 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                             | works   | heet.)                 |                      |                        |   |
| 19       |  |         |                        |                      |                        |   |
|          | Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K                                  |         |                        |                      |                        |   |
| 21       | 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.                                 | S.      |                        |                      |                        |   |
| 25       | If required please change the descriptions except for amortization, intere-                    | st expe | nse and provision      | for income tax       |                        |   |
| 26       | p  |         | , p                    |                      |                        |   |
| 27       | Please enter the non-wire operation's amount as a positive number, the                         |         |                        | ats all amounts      |                        |   |
| 28       | in the "non-wires elimination column" as negative values in TAXREC and                         | d TAXE  | REC2.                  |                      |                        |   |
| 29       | I  |         |                        |                      |                        |   |
| 30       | Income:<br>Energy Sales  |         |                        |                      | 0                      |   |
| 31       | Energy Sales Distribution Revenue  | +       | 257,151,699            |                      | 257,151,699            |   |
| 33       | Other Income   | +       | 3,994,830              |                      | 3,994,830              |   |
| 34       | Miscellaneous income   | +       | 41,146                 |                      | 41,146                 |   |
| 35       |  | +       | ,. 10                  |                      | 0                      |   |
| 36       | Revenue should be entered above this line  |         |                        |                      |                        |   |
| 37       |  |         | -                      |                      |                        |   |
| 38       |  |         |                        |                      |                        |   |
| 39       | Cost of energy purchased   | -       | 222,212,787            |                      | 222,212,787            |   |
| 40       | Administration   | -       | 26,424,263             |                      | 26,424,263             |   |
| 42       | Customer billing and collecting Operations and maintenance                                     | -       |                        |                      | 0                      |   |
| 43       | Amortization   | -       | 7,728,960              |                      | 7,728,960              |   |
| 44       | Ontario Capital Tax  | -       | 0                      |                      | 0                      |   |
| 45       | Reg Assets   | -       | 0                      |                      | 0                      |   |
| 46       |  | -       |                        |                      | 0                      |   |
| 47       |  | -       |                        |                      | 0                      |   |
| 48       |  | -       |                        |                      | 0                      |   |
| 49       | N  |         | 4 004 005              | 0                    | 4 004 005              |   |
| 51       | Net Income Before Interest & Income Taxes EBIT  Less: Interest expense for accounting purposes | =       | 4,821,665<br>4,964,333 | U                    | 4,821,665<br>4,964,333 |   |
| 52       | Provision for payments in lieu of income taxes   | -       | 410,852                |                      | 410.852                |   |
| 53       | Net Income (loss)  | =       | -553,520               | 0                    | -553,520               |   |
|          | (The Net Income (loss) on the MoF column should equal to the net income (loss) per             |         |                        |                      | ,                      |   |
| 54<br>55 | financial statements on Schedule 1 of the tax return. )  |         |                        |                      |                        |   |
|          | Section C: Reconciliation of accounting income to taxable income                               |         |                        |                      |                        |   |
|          | From T2 Schedule 1   |         |                        |                      |                        |   |
|          | BOOK TO TAX ADDITIONS:   |         |                        |                      |                        |   |
|          | Provision for income tax   | +       | 410,852                | 0                    | 410,852                |   |
|          | Federal large corporation tax  | +       | 0                      |                      | 0                      |   |
|          | Depreciation & Amortization  | +       | 7,728,960              | 0                    | 7,728,960              |   |
|          | Employee benefit plans-accrued, not paid Tax reserves - beginning of year                      | +       | 896,347                | 0                    | 896,347                |   |
|          | Reserves - beginning of year Reserves from financial statements- end of year                   | +       | 0                      | 0                    | 0                      |   |
|          | Regulatory adjustments on which true-up may apply (see A66)                                    | +       | 0                      | U                    | 0                      |   |
|          | Items on which true-up does not apply "TAXREC 3"   |         | 1,213,001              | 0                    | 1,213,001              |   |
|          | Material addition items from TAXREC 2  | +       | 0                      | 0                    | 0                      |   |
| 68       | Other addition items (not Material) from TAXREC 2  | +       | 0                      | 0                    | 0                      |   |
| 69       |  |         |                        |                      |                        |   |
| 70       | Subtotal   |         | 10,249,160             | 0                    | 10,249,160             |   |
| 71<br>72 | Other Additions: (Please explain the nature of the additions)                                  |         |                        |                      |                        |   |
| 73       |  | +       |                        |                      | 0                      |   |
| 74       | Non-deductible meals and entertainment expense   | +       | 0                      |                      | 0                      |   |
| 75       | Capital items expensed   | +       |                        |                      | 0                      |   |
| _        | DEPRECIATION DIFFERENCE  | +       |                        |                      | 0                      |   |
| 77       | Adjustment to Income for Lease Payments  | +       | 423,144                |                      | 423,144                |   |
| 78       |  | +       |                        |                      | 0                      |   |
| 79<br>80 | Total Other Additions  | +       | 423,144                | 0                    | 0<br>423,144           |   |
| 81       | Total Outor Hadinorio  | _       | 723,144                | U                    | 720,144                |   |
| 82       | Total Additions  | =       | 10,672,304             | 0                    | 10,672,304             |   |
| 83       |  |         |                        |                      |                        | 1 |
| 84       | Recap Material Additions:  |         |                        |                      |                        |   |
| 85       |  |         | 0                      | 0                    | 0                      |   |
| 86       |  |         | 0                      | 0                    | 0                      |   |
| 87<br>88 |  |         | 0                      | 0                    | 0                      |   |
|          | Adjustment to Income for Lease Payments  |         | 423,144                | 0                    | 423,144                |   |
| 90       | Anapadament to income for Leade F ayments  |         | 423,144                | 0                    | 423,144                |   |
| 91       |  |         | 0                      | 0                    | 0                      |   |
|          | Total Other additions >materiality level   |         | 423,144                | 0                    | 423,144                |   |
| 93       | Other additions (less than materiality level)  |         | 0                      | 0                    | 0                      |   |
|          | Total Other Additions  |         | 423,144                | 0                    | 423,144                |   |
| 95       |  |         |                        |                      |                        |   |

| 1 2 3             | A<br>PILs TAXES - EB-2008-381  | LINE         | C<br>M of F      | D            | Е                | F |
|-------------------|--|--------------|------------------|--------------|------------------|---|
| 2                 |  |              |                  | Non-wires    | Wires-only       |   |
| 3                 | TAX RETURN RECONCILIATION (TAXREC)   | LIIVE        | Corporate        | Eliminations | Tax              |   |
|                   |  |              | Tax              |              | Return           |   |
| 4                 |  | 0            | Return           |              |                  |   |
| 5                 |  |              |                  |              | Version 2009.1   |   |
|                   | BOOK TO TAX DEDUCTIONS:  |              |                  |              |                  |   |
|                   |  | -            | 15,011,902       |              | 15,011,902       |   |
|                   | Cumulative eligible capital deduction  | -            | 842,353          |              | 842,353          |   |
|                   | Employee benefit plans-paid amounts  | -            | 414,848          |              | 414,848          |   |
| 100               | Items capitalized for regulatory purposes  Regulatory adjustments:   | -            |                  |              | 0                |   |
| 102               |  |              |                  |              | 0                |   |
| 103               |  |              |                  |              | 0                |   |
|                   | Tax reserves - end of year   | - 1          | 0                | 0            | 0                |   |
|                   | Reserves from financial statements- beginning of year  | -            | 0                | 0            | 0                |   |
| 106               | Contributions to deferred income plans   | -            |                  |              | 0                |   |
|                   | Contributions to pension plans   | -            |                  |              | 0                |   |
|                   | Items on which true-up does not apply "TAXREC 3"   |              | 1,544,448        | 0            | 1,544,448        |   |
|                   | Interest capitalized for accounting deducted for tax   | -            |                  |              | 0                |   |
|                   | Material deduction items from TAXREC 2   | -            | 1,226,183        | 0            | 1,226,183        |   |
|                   | Other deduction items (not Material) from TAXREC 2   | -            | 0                | 0            | 0                |   |
| 112<br>113        | Subtotal   | -            | 19,039,734       | 0            | 10.000.704       |   |
| 114               |  | =            | 19,039,734       | 0            | 19,039,734       |   |
|                   | Charitable donations - tax basis   | -            |                  |              | 0                |   |
|                   | Gain on disposal of assets   | -            |                  |              | 0                |   |
| 117               |  | -            |                  |              | 0                |   |
| 118               |  |              |                  |              | 0                |   |
| 119               |  | -            |                  |              | 0                |   |
| 120               | Total Other Deductions   | =            | 0                | 0            | 0                |   |
| 121               |  |              |                  |              |                  |   |
| 122               | Total Deductions   | =            | 19,039,734       | 0            | 19,039,734       |   |
| 123               |  |              |                  |              |                  |   |
|                   | Recap Material Deductions:   |              | 0                | 0            | 0                |   |
| 125<br>126        |  | ++           | 0                | 0            | 0                |   |
| 127               |  |              | 0                | 0            | 0                |   |
| 128               |  |              | 0                | 0            | 0                |   |
| 129               |  |              | 0                | 0            | 0                |   |
|                   | Total Other Deductions exceed materiality level  |              | 0                | 0            | 0                |   |
|                   | Other Deductions less than materiality level   |              | 0                | 0            | 0                |   |
| 132               | Total Other Deductions   |              | 0                | 0            | 0                |   |
| 133               |  |              |                  |              |                  |   |
| 134               |  | =            | -8,920,950       | 0            | -8,920,950       |   |
| 135               |  |              |                  |              |                  |   |
| 136               |  | -            |                  |              | 0                |   |
| 137<br>138        | Net capital loss applied positive number   | -            |                  |              | 0                |   |
| 139               | NET TAXABLE INCOME   | =            | -8,920,950       | 0            | -8,920,950       |   |
| 140               |  |              | -0,320,330       | U            | -0,320,330       |   |
|                   | FROM ACTUAL TAX RETURNS  |              |                  |              |                  |   |
|                   | Net Federal Income Tax (Must agree with tax return)  | +            |                  |              | 0                |   |
|                   | Net Ontario Income Tax (Must agree with tax return)  | +            |                  |              | 0                |   |
| 144               |  | =            | 0                | 0            | 0                |   |
|                   | Less: Miscellaneous tax credits (Must agree with tax returns)  | -            | 0                |              | 0                |   |
|                   | Total Income Tax   | =            | 0                | 0            | 0                |   |
| 147               |  |              |                  |              |                  |   |
| 148<br>149        |  |              | 20.420/          |              | 00.400/          |   |
|                   | Net Pederal Income Tax Rate (Must agree with tax return)  Net Ontario Income Tax Rate (Must agree with tax return) |              | 26.12%<br>12.50% |              | 26.12%<br>12.50% |   |
| 151               | Blended Income Tax Rate  |              | 38.62%           | ******       | 38.62%           |   |
| 152               | Dionaca income raxitate  | <del> </del> | 30.02 %          |              | 30.02%           |   |
| 153               | Section F: Income and Capital Taxes  |              |                  |              |                  |   |
| 154               |  |              |                  |              |                  |   |
|                   | RECAP  |              |                  |              |                  |   |
|                   | Total Income Taxes   | +            | 0                | 0            | 0                |   |
|                   | Ontario Capital Tax  | +            |                  | _            | 0                |   |
|                   | Federal Large Corporations Tax   | +            |                  |              | 0                |   |
| 158               |  |              |                  |              |                  |   |
| 158<br>159<br>160 | Total income and capital taxes   | =            | 0                | 0            | 0                |   |

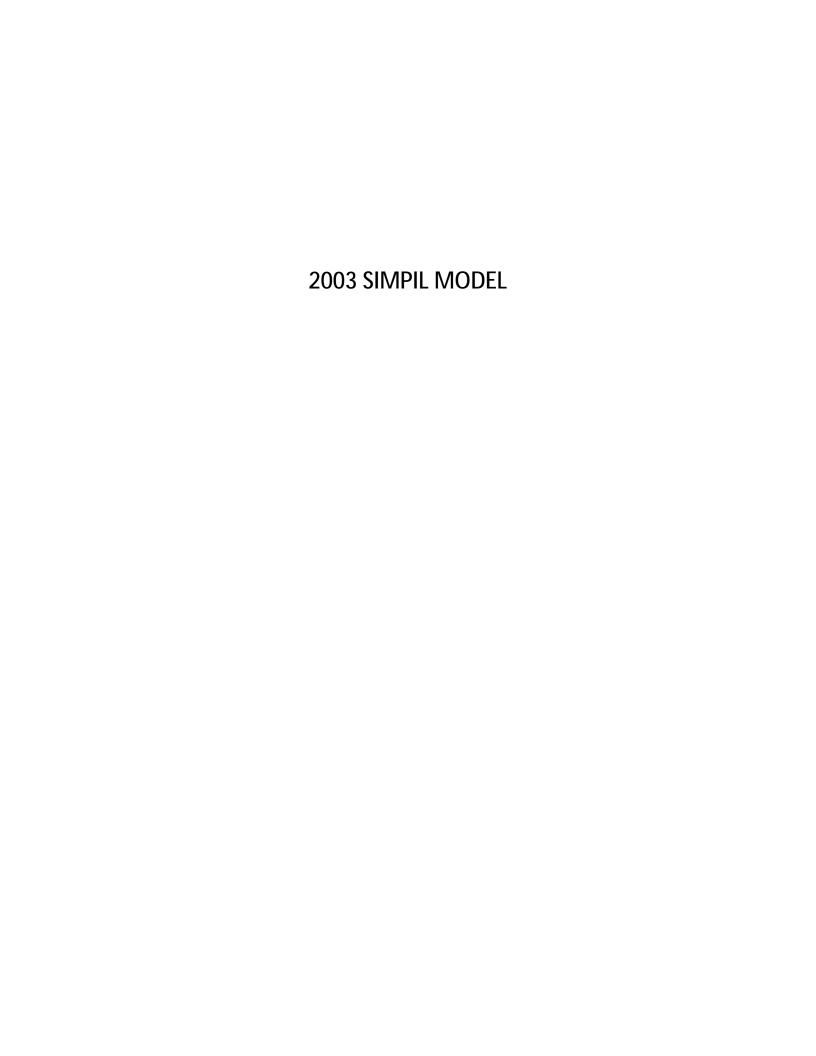
| Pites TAXES - EB-2008-381   |    | A  | В | С         | D | Е              | F |
|---|----|--|---|-----------|---|----------------|---|
| 2   Tax and Accounting Reserves   | 1  |  |   |           |   |                | · |
| A   (tor 'wires-only' business - see s. 72 OEB Act)   |    |  |   | Corporate |   |                |   |
| S   | 3  |  |   | Tax       |   | Return         |   |
| 6   Reporting period: 2002   9   9   9   9   9   9   9   9   9  |    |  |   | Return    |   |                |   |
| 7 Utility Name:   | _  | 0  |   |           |   | Version 2009.1 |   |
| Separating period: 2002   9   9   10   TAX RESERVES   9   9   10   TAX RESERVES   9   9   10   TAX RESERVES   9   9   11   12   Beginning of Year:   9   0   0   13   14   Reserve for doubtful accounts ss. 20(1)(in)   0   0   0   15   Reserve for doubtful accounts ss. 20(1)(in)   0   0   16   Reserve for unpaid amounts ss. 20(1)(in)   0   0   16   Reserve for unpaid amounts ss. 20(1)(in)   0   0   16   Reserve for unpaid amounts ss. 20(1)(in)   0   0   16   Reserve for unpaid amounts ss. 20(1)(in)   0   0   0   17   Debt and share issue expenses ss. 20(1)(in)   0   0   0   0   0   0   0   0   0  |    | NAME AN  |   |           |   |                |   |
| 10   TAX RESERVES   |    |  |   |           |   |                |   |
| 10   TAX RESERVES   |    | Reporting period: 2002   |   |           |   |                |   |
| 11   12   Beginning of Year:  |    | TAX RESERVES   |   |           |   |                |   |
| 13   Reserve for doubtful accounts ss. 20(1)(ii)  |    | TAX NEGERVES   |   |           |   |                |   |
| 13   Reserve for doubtful accounts ss. 20(1)(ii)  | 12 | Beginning of Year:   |   |           |   |                |   |
| 15 Reserve for upoids & 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   0   18   Other - Please describe   0   0   0   0   0   0   0   0   0   |    |  |   |           |   |                |   |
| 18 Other - Please describe  |    |  |   |           |   |                |   |
| 19 Other - Please describe  |    |  |   |           |   |                |   |
| 20  |    |  |   |           |   |                |   |
| 21   22   Total (carry forward to the TAXREC worksheet)   |    | Other - Please describe  |   |           |   |                |   |
| 23   Total (carry forward to the TAXREC worksheet)  |    |  |   |           |   |                |   |
| 23  |    | Total (carry forward to the TAXREC worksheet)  |   | 0         | 0 |                |   |
| 25  |    | (Carry Contract of the Contrac |   | -         |   |                |   |
| 26   Reserve for doubtful accounts ss. 20(1)(l)   | 24 | End of Year:   |   |           |   |                |   |
| 27 Reserve for goods & services ss.20(1)(m)   0   0   28 Reserve for unpaid amounts ss.20(1)(n)   0   0   0   0   0   0   0   0   0   |    |  |   |           |   |                |   |
| 28 Reserve for unpaid amounts ss.20(1)(n)   0   0   0   0   0   0   0   0   0   |    |  |   |           |   |                |   |
| 29   Debt and share issue expenses ss.20(1)(e)   0   30   Other - Please describe   0   0   31   Other - Please describe   0   0   32   0   0   33   34   Insert line above this line   0   0   0   0   0   0   0   0   0   |    |  |   |           |   |                |   |
| 30   Other - Please describe   0   0   31   Other - Please describe   0   0   32   0   0   33   Insert line above this line   0   0   0   0   0   0   0   0   0   | 28 | Reserve for unpaid amounts ss.20(1)(n)   |   |           |   |                |   |
| 31   Other - Please describe   0   0   32   33   34   35   36   37   35   36   37   36   37   38   38   38   38   38   38   38  |    |  |   |           |   |                |   |
| 32  |    |  |   |           |   |                |   |
| 33  |    | Other - Please describe  |   |           |   |                |   |
| 34   Insert line above this line  |    |  |   |           |   |                |   |
| 35   Total (carry forward to the TAXREC worksheet)   0   0   0   0   36   36   37   38   FINANCIAL STATEMENT RESERVES   39   40   Beginning of Year: 41   42   0   0   43   Environmental   44   Allowance for doubtful accounts   0   0   45   Inventory obsolescence   0   0   0   46   Property taxes   0   0   0   0   0   0   0   0   0  |    | Insert line above this line  |   |           |   | 0              |   |
| 36  |    |  |   | 0         | 0 | 0              |   |
| 37     38   FINANCIAL STATEMENT RESERVES  |    | Courty formation to the first terms of   |   | · ·       |   |                |   |
| 39   40   Beginning of Year:  |    |  |   |           |   |                |   |
| 40   Beginning of Year:   | 38 | FINANCIAL STATEMENT RESERVES   |   |           |   |                |   |
| 41  |    |  |   |           |   |                |   |
| 42  |    | Beginning of Year:   |   |           |   |                |   |
| 43   Environmental   0   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         50 Total (carry forward to the TAXREC worksheet)       0         51       0         52 End of Year:       0         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 Insert line above this line       0         62 Insert line above this line       0         63 Total (carry forward to the TAXREC worksheet)       0   |    |  |   |           |   |                |   |
| 1   |    |  |   |           |   |                |   |
| 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         51       0         52 End of Year:       0         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       0         63 Total (carry forward to the TAXREC worksheet)       0   |    |  |   |           |   |                |   |
| 47 Other - Please describe       0         48 Other - Please describe       0         49       0         50 Total (carry forward to the TAXREC worksheet)       0       0         51       0         52 End of Year:       0         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       0         63 Total (carry forward to the TAXREC worksheet)       0   |    | ,  |   |           |   |                |   |
| 48 Other - Please describe       0         49       0         50 Total (carry forward to the TAXREC worksheet)       0       0         51       0         52 End of Year:       0         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       0         63 Total (carry forward to the TAXREC worksheet)       0  |    |  |   |           |   |                |   |
| 49  |    |  |   |           |   |                |   |
| 50         Total (carry forward to the TAXREC worksheet)         0         0         0           51         0         0         0         0           52         End of Year:         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       0         62       Insert line above this line       0         63       Total (carry forward to the TAXREC worksheet)       0       0   |    | Total (carry forward to the TAXREC worksheet)  |   | 0         | 0 |                |   |
| 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  |    |  |   |           |   |                |   |
| 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   | 52 | End of Year:   |   |           |   |                |   |
| 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         0           62         Insert line above this line         0           63         Total (carry forward to the TAXREC worksheet)         0         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       0         62 Insert line above this line       0         63 Total (carry forward to the TAXREC worksheet)       0   |    |  |   |           |   |                |   |
| 57         Inventory obsolescence         0           58         Property taxes         0           59         Other - Please describe         0           60         Other - Please describe         0           61         0         0           62         Insert line above this line         0           63         Total (carry forward to the TAXREC worksheet)         0         0  |    |  |   |           |   |                |   |
| 58 Property taxes       0         59 Other - Please describe       0         60 Other - Please describe       0         61       0         62 Insert line above this line       0         63 Total (carry forward to the TAXREC worksheet)       0       0  |    |  |   |           |   |                |   |
| 59 Other - Please describe         0           60 Other - Please describe         0           61 Insert line above this line         0           63 Total (carry forward to the TAXREC worksheet)         0         0   |    |  |   |           |   |                |   |
| 60 Other - Please describe       0         61       0         62 Insert line above this line       0         63 Total (carry forward to the TAXREC worksheet)       0       0   |    |  |   |           |   |                |   |
| 61         0           62 Insert line above this line         0           63 Total (carry forward to the TAXREC worksheet)         0         0  |    |  |   |           |   |                |   |
| 62 Insert line above this line 63 Total (carry forward to the TAXREC worksheet) 0 0 0   |    | Other - Liease describe  |   |           |   |                |   |
| 63 Total (carry forward to the TAXREC worksheet) 0 0 0  |    | Insert line above this line  |   |           |   | U              |   |
|   |    |  |   | n         | n | n              |   |
|   |    | (Same County of the County of  |   |           |   | J              |   |

|          | Λ   | _    |                |               | -              | - |
|----------|---|------|----------------|---------------|----------------|---|
| 1        | Α   | В    | С              | D             | E              | F |
| _        | PILs TAXES - EB-2008-381  | LINE | M of F         | Non-wires     | Wires-only     |   |
|          | TAX RETURN RECONCILIATION (TAXREC 2)  | LINL | Corporate      | Eliminations  | Tax            |   |
|          | (for "wires-only" business - see s. 72 OEB Act)                             |      | Tax            | Liiiiiiddiono | Return         |   |
|          | RATEPAYERS ONLY   |      | Return         |               |                |   |
|          | Shareholder-only Items should be shown on TAXREC 3                          |      |                |               | Version 2009.1 |   |
| 7        |   |      |                |               |                |   |
|          | Utility Name:   |      |                |               |                |   |
|          | Reporting period: 2002  |      | 205            |               |                |   |
|          | Number of days in taxation year:  Materiality Level:                        |      | 365<br>181,491 |               |                |   |
| 12       | inateriality Level.   |      | 101,491        |               |                |   |
| 13       |   |      |                |               |                |   |
| 14       |   |      |                |               |                |   |
|          | Section C: Reconciliation of accounting income to taxable income            |      |                |               |                |   |
| 16       | Add:  |      |                |               |                |   |
| 17       |   | +    |                |               | 0              |   |
|          | Gain on sale of eligible capital property                                   | +    |                |               | 0              |   |
|          | Loss on disposal of assets  | +    |                |               | 0              |   |
|          | Charitable donations (Only if it benefits ratepayers) Taxable capital gains | +    | 0              |               | 0              |   |
| 22       |   | +    | 0              |               | 0              |   |
|          | Scientific research expenditures deducted                                   | +    |                |               | 0              |   |
| 24       | per financial statements  | +    |                |               | 0              |   |
| 25       | Capitalized interest  | +    |                |               | 0              |   |
| 26       | Soft costs on construction and renovation of buildings                      | +    |                |               | 0              |   |
|          | Capital items expensed  | +    |                |               | 0              |   |
|          | Debt issue expense  | +    |                |               | 0              |   |
|          | Financing fees deducted in books Gain on settlement of debt                 | +    | 0              |               | 0              |   |
|          | Interest paid on income debentures  | +    |                |               | 0              |   |
|          | Recapture of SR&ED expenditures   | +    |                |               | 0              |   |
|          | Share issue expense   | +    |                |               | 0              |   |
|          | Write down of capital property  | +    |                |               | 0              |   |
|          | Amounts received in respect of qualifying environment trust                 | +    |                |               | 0              |   |
|          | Provision for bad debts   | +    |                |               | 0              |   |
| 37       |   | +    |                |               | 0              |   |
| 38<br>39 |   | +    |                |               | 0              |   |
|          | Other Additions: (please explain in detail the nature of the item)          | +    |                |               | 0              |   |
| 41       | Other Additions. (please explain in detail the nature of the item)          | +    |                |               | 0              |   |
| 42       |   | +    |                |               | 0              |   |
| 43       |   | +    |                |               | 0              |   |
| 44       |   | +    |                |               | 0              |   |
| 45       | 7 ( 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1                                     | +    |                |               |                |   |
| 46       | Total Additions   | =    | 0              | 0             | 0              |   |
|          | Recap of Material Additions:  |      |                |               |                |   |
| 49       | Treedp of Material Additions.   |      | 0              | 0             | 0              |   |
| 50       |   |      | 0              | 0             | 0              |   |
| 51       |   |      | 0              | 0             | 0              |   |
| 52       |   |      | 0              | 0             | 0              |   |
| 53       |   |      | 0              | 0             | 0              |   |
| 54<br>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<br>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<br>73 |   |      | 0              | 0             | 0              |   |
| 74       |   |      | 0              | 0             | 0              |   |
| 75       |   |      | 0              | 0             | 0              |   |
| 76       |   |      | 0              | 0             | 0              |   |
| _        | Total Material additions  |      | 0              | 0             | 0              |   |
| 78       | Other additions less than materiality level                                 |      | 0              | 0             | 0              |   |
| 79       | Total Additions   |      | 0              | 0             | 0              |   |

| _   |   |      |                        |              | 1                                       |   |
|-----|---|------|------------------------|--------------|---|---|
|     | A   | В    | С                      | D            | Е                                       | F |
| 1   |   |      |                        |              |   |   |
|     | PILs TAXES - EB-2008-381  | LINE | M of F                 | Non-wires    | Wires-only                              |   |
|     | TAX RETURN RECONCILIATION (TAXREC 2)  |      | Corporate              | Eliminations | Tax                                     |   |
|     | (for "wires-only" business - see s. 72 OEB Act)   |      | Tax                    |              | Return                                  |   |
|     | RATEPAYERS ONLY   |      | Return                 |              |   |   |
|     | Shareholder-only Items should be shown on TAXREC 3  |      |                        |              | Version 2009.1                          |   |
| 7   |   |      |                        |              |   |   |
|     | Utility Name:   |      |                        |              |   |   |
|     | Reporting period: 2002  |      |                        |              |   |   |
|     | Number of days in taxation year:  |      | 365                    |              |   |   |
|     | Materiality Level:  |      | 181,491                |              |   |   |
| 12  |   |      |                        |              |   |   |
| 13  |   |      |                        |              |   |   |
| 80  |   |      |                        |              |   |   |
|     | Deduct:   |      |                        |              |   |   |
|     | Gain on disposal of assets per f/s  | -    | 0                      |              | 0                                       |   |
|     | Dividends not taxable under section 83  | -    |                        |              | 0                                       |   |
|     | Terminal loss from Schedule 8   | -    |                        |              | 0                                       |   |
| 85  | Depreciation in inventory, end of prior year  | -    |                        |              | 0                                       |   |
|     | Scientific research expenses claimed in year from Form T661   | -    |                        |              | 0                                       |   |
|     | Bad debts Control of the Control of | -    |                        |              | 0                                       |   |
|     | 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                                       |   |
|     | Other income from financial statements  | -    |                        |              | 0                                       |   |
| 92  |   | -    |                        |              | _                                       |   |
| 93  |   | -    |                        |              | 0                                       |   |
| 94  |   | -    |                        |              | 0                                       |   |
|     | Other deductions: (Please explain in detail the nature of the item)   | -    |                        |              | 0                                       |   |
|     | Non-taxable load transfers  | -    | 0                      |              | 0                                       |   |
|     | Financing Fees Unbilled revenue adjustment  | -    | 0                      |              | •                                       |   |
|     | Total Deductions  | -    | 1,226,183<br>1,226,183 | 0            | 1,226,183<br>1,226,183                  |   |
| 100 | Total Deductions  | =    | 1,220,183              | U            | 1,220,183                               |   |
|     | Recap of Material Deductions:   |      |                        |              |   |   |
| 102 | Recap of Material Deductions.   |      | 0                      | 0            | 0                                       |   |
| 103 |   | +    | 0                      | 0            | 0                                       |   |
| 103 |   | +    | 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                                       |   |
|     | Unbilled revenue adjustment   |      | 1,226,183              | 0            |   |   |
|     | Total Deductions exceed materiality level   |      | 1,226,183              | 0            | 1,226,183                               |   |
|     | Other deductions less than materiality level  |      | 0                      | 0            | 0                                       |   |
|     | Total Deductions  |      | 1,226,183              | 0            | 1,226,183                               |   |
| 122 |   |      |                        |              | , |   |

|          | A  | В    | С                 | D            | Е              | F        |
|----------|--|------|-------------------|--------------|----------------|----------|
| 1        | Α  | ь    | C                 | D            | Е              | Г        |
|          | PILs TAXES - EB-2008-381   |      |                   |              |                |          |
|          | TAX RETURN RECONCILIATION (TAXREC 3)                                   |      |                   |              |                |          |
| 4        | Shareholder-only Items should be shown on TAXREC 3                     | LINE | M of F            | Non-wires    | Wires-only     |          |
|          |  |      | Corporate         |              | Tax            |          |
| 5        | ITEMS ON WHICH TRUE-UP DOES NOT APPLY                                  |      | •                 | Eliminations |                |          |
| 6        | (for "wires-only" business - see s. 72 OEB Act)                        |      | Tax               |              | Return         |          |
| 7        | 0  |      | Return            |              |                |          |
| 8        | Utility Name:  |      |                   |              | Version 2009.1 |          |
| 9        |  |      |                   |              |                |          |
| 10       |  |      |                   |              |                |          |
| 11       | Reporting period: 2002   |      |                   |              |                |          |
|          | Number of days in taxation year:                                       |      | 365               |              |                |          |
| 13       |  |      |                   |              |                |          |
| 14       |  |      |                   |              |                |          |
| 15       |  |      |                   |              |                |          |
|          | Section C: Reconciliation of accounting income to taxable income       |      |                   |              |                |          |
|          | Add:   |      |                   |              |                |          |
| 18       |  |      |                   |              |                |          |
|          | Recapture of capital cost allowance                                    | +    |                   |              | 0              |          |
|          | CCA adjustments  | +    |                   |              | 0              |          |
|          | CEC adjustments  | +    |                   |              | 0              |          |
|          | Gain on sale of non-utility eligible capital property                  | +    |                   |              | 0              |          |
|          | Gain on sale of utility eligible capital property                      | +    |                   |              | 0              |          |
|          | Taxable capital gain   | +    | 28,088            |              |                |          |
|          | Loss from joint ventures or partnerships                               | +    |                   |              | 0              | ļ        |
|          | Deemed dividend income   | +    |                   |              | 0              |          |
|          | Loss in equity of subsidiaries and affiliates                          | +    |                   |              | 0              | _        |
|          | Loss on disposal of utility assets                                     | +    |                   |              | 0              | _        |
|          | Loss on disposal of non-utility assets                                 | +    |                   |              | 0              |          |
|          | Depreciation in inventory -end of year                                 | +    |                   |              | 0              |          |
|          | Depreciation and amortization adjustments                              | +    |                   |              | 0              |          |
|          | Dividends credited to investment account                               | +    | 47.770            |              | 0              | ļ        |
|          | Non-deductible meals   | +    | 17,750            |              | 17,750         | ļ        |
|          | Non-deductible club dues   | +    |                   |              | 0              | ļ        |
|          | Non-deductible automobile costs  | +    |                   |              | 0              | -        |
|          | Donations - amount per books   |      |                   |              | 0              | ļ        |
|          | Interest and penalties on unpaid taxes                                 |      |                   |              | 0              | ļ        |
|          | Management bonuses unpaid after 180 days of year end                   |      |                   |              | 0              | -        |
|          | Imputed interest expense on Regulatory Assets                          |      | 744.040           |              | 744.040        |          |
|          | Debt financing fees  | +    | 744,019           |              | 744,019        | 1        |
|          | Ontario capital tax adjustments  | +    |                   |              | 0              | -        |
|          | Changes in Regulatory Asset balances                                   | +    | 400.444           |              | 0              | -        |
| 43       | Adjustment to Income for Lease Payments                                | +    | 423,144           |              | 423,144        | ļ        |
| 44       | Other Additions: (please explain in detail the nature of the item)     | +    |                   |              | 0              | -        |
| 46       |  | +    |                   |              | 0              | -        |
|          |  | +    |                   |              | 0              | -        |
| 47       | ₩ 4-1 & 1194 12-1 4 1  | +    | 4 040 004         | 0            | 4 404 040      | ļ        |
| 48<br>49 | Total Additions on which true-up does not apply                        | =    | 1,213,001         | 0            | 1,184,913      | -        |
|          | Dadwat   |      |                   |              |                | -        |
| 51       | Deduct:  |      |                   |              |                | -        |
|          | CCA adjustments  |      |                   |              | ^              |          |
|          | CCA adjustments CEC adjustments  | -    |                   |              | 0              | -        |
|          | Depreciation and amortization adjustments                              | -    |                   |              | 0              | _        |
|          | Gain on disposal of assets per financial statements                    |      | 44.440            |              |                | -        |
|          | Financing fee amorization - considered to be interest expense for PILs | -    | 41,146<br>277.119 |              | 41,146         | 1        |
|          | Imputed interest income on Regulatory Assets                           | -    | 277,119           |              | 277,119        |          |
|          | Donations - amount deductible for tax purposes                         | -    |                   |              | 0              |          |
|          | Income from joint ventures or partnerships                             | -    |                   |              | 0              |          |
| 60       | micome nom joint ventures or partnerships                              | -    |                   |              | 0              | _        |
| 61       |  | -    |                   |              | 0              |          |
| 62       |  | -    |                   |              | 0              | _        |
| 63       |  | -    |                   |              | 0              |          |
| 64       |  | -    |                   |              | 0              |          |
| 65       | Ontario capital tax adjustments to current or prior year               | -    |                   |              | 0              |          |
| 66       | ontaino capital tax aujustinents to current or prior year              | -    |                   |              | 0              |          |
| 67       | Changes in Regulatory Asset balances                                   | -    |                   |              | 0              |          |
| 68       | onanges in regulatory Asset Dalances                                   | -    |                   |              | 0              |          |
| 69       | Other deductions: (Please explain in detail the nature of the item)    | -    |                   |              | 0              |          |
| 70       | Unbilled revenue adjustment  | -    | 1,226,183         |              | 1,226,183      |          |
| 71       | Onomica revenue aujusument   | -    | 1,220,183         |              | 1,220,183      | <b>-</b> |
| 72       |  | -    |                   |              | 0              |          |
| 73       |  | -    |                   |              | 0              |          |
| 74       | Total Deductions on which true-up does not apply                       | =    | 1,544,448         | 0            | 1,544,448      |          |
| 75       | rotal beautions on which true-up does not apply                        | =    | 1,044,440         | U            | 1,044,448      |          |
| 76       |  |      |                   |              |                |          |
| . 5      |  |      | ı                 |              |                |          |

| _          | •                                       |              | _                 |             | _          |              |   |   | 0 11 | 0 1 11   | <u> </u> |       |       |       |       |
|------------|---|--------------|-------------------|-------------|------------|--------------|---|---|------|----------|----------|-------|-------|-------|-------|
| 4          | A A                                     | В            | С                 | D           | E          | F            |   | G | G H  | G H      | G H      | G H I | G H I | G H I | G H I |
|            | PILs TAXES - EB-2008-381                |              |                   |             |            | /            |   |   | •    | •        |          |       |       |       |       |
| 2          | Corporate Tax Rates                     |              | •-                |             | ١          | ersion 2009. |   | 1 | 1    | 1        | 1        | 1     | 1     | 1     | 1     |
| 3          | Exemptions, Deductions, o               | r I hreshold | IS                |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Utility Name:                           |              |                   |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Reporting period: 2002                  |              |                   |             |            |              |   |   |      |          |          |       |       |       |       |
| 6          |   |              |                   |             |            |              |   |   |      |          |          |       |       |       |       |
| 7          |   |              |                   |             |            | Table 1      |   |   |      |          |          |       |       |       |       |
| 8          | Rates Used in 2002 RAM PI               | Ls Applicat  |                   | 2           |            |              |   | Ī | İ    | İ        | •        | •     | •     | •     | •     |
|            | Income Range                            |              | 0                 |             | 200,001    |              |   |   |      |          |          |       |       |       |       |
|            | RAM 2002                                |              | to                |             | to         | >700,000     |   |   |      |          |          |       |       |       |       |
| 11         |   | Year         | 200,000           |             | 700,000    |              |   |   |      |          |          |       |       |       |       |
|            | 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            | 1.12%             |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Ontario Capital Tax                     | MAX          |                   |             |            |              |   |   |      |          |          |       |       |       |       |
| 21         | Exemption **                            | \$5MM        | 4,065,000         |             |            |              |   |   |      |          |          |       |       |       |       |
| -          | Federal Large                           |              |                   |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Corporations Tax                        | MAX          | 8,130,000         |             |            |              |   |   |      |          |          |       |       |       |       |
| 22         | Exemption **                            | \$10MM       | 0,130,000         |             |            |              |   |   |      |          |          |       |       |       |       |
|            |   |              | a a susitia tia a | Decard com  |            | 00 DAM       |   | 1 |      |          |          |       |       |       |       |
|            | **Exemption amounts                     | must agre    | ee with the       | Board-app   | roved 20   | UZ KANI      |   |   |      |          |          |       |       |       |       |
| າາ         | PILs filing                             |              |                   |             |            |              |   |   |      |          |          |       |       |       |       |
| 23         |   |              |                   |             |            |              |   |   |      |          |          |       |       |       |       |
| 24         |   |              |                   |             |            | T-11 0       |   |   |      |          |          |       |       |       |       |
| 25         | F                                       | - ( 00       |                   | <b></b>     | - 1 0555   | Table 2      |   |   |      |          |          |       |       |       |       |
|            | Expected Income Tax Rates               | s tor 2002 a |                   | x Exemption |            |              |   | • | •    | •        | 1        | •     | 1     | 1     | 1     |
|            | Income Range                            |              | 0                 |             | 200,001    |              |   |   |      |          |          |       |       |       |       |
|            | Expected Rates                          |              | to                |             | to         | >700,000     |   |   |      |          |          |       |       |       |       |
| 29         |   | Year         | 200,000           |             | 700,000    |              |   |   |      |          |          |       |       |       |       |
|            | Income Tax Rate                         |              |                   |             |            |              |   |   |      |          | ]        | ]     | ]     | ]     | ]     |
| 31         | Current year                            | 2002         |                   |             |            |              | Ì | ] |      |          |          |       |       |       |       |
| 32         | Federal (Includes surtax)               | 2002         | 13.12%            |             | 26.12%     | 26.12%       |   |   | 1    | 1        | ]        | 1     | 1     | 1     | 1     |
| 33         | Ontario                                 | 2002         | 6.00%             |             | 6.00%      | 12.50%       |   | 1 |      |          |          | 1     | 1     | 1     | 1     |
| 34         | Blended rate                            | 2002         | 19.12%            |             | 32.12%     | 38.62%       |   |   |      |          | 1        | 1     | 1     | 1     | 1     |
| 35         |   |              |                   |             |            |              |   | 1 |      | 1        | 1        | 1     | 1     | 1     | 1     |
|            | Capital Tax Rate                        | 2002         | 0.300%            |             |            |              |   |   |      |          |          |       |       |       |       |
| 37         | LCT rate                                | 2002         | 0.225%            |             |            |              |   |   |      |          |          |       |       |       |       |
| 38         | Surtax                                  | 2002         | 1.12%             |             |            |              |   |   |      |          |          |       |       |       |       |
| 50         | Ontario Capital Tax                     | MAX          | 1.1270            |             |            |              |   |   |      |          | 1        | 1     | 1     | 1     | 1     |
|            |   |              | 4,065,000         |             |            |              |   |   |      |          |          |       |       |       |       |
| JJ         | Exemption *** 2002                      | \$5MM        |                   |             |            |              |   | 4 | -    | -        |          | -     | -     | -     | -     |
|            | Federal Large                           | MAX          | 0.400.000         |             |            |              |   |   |      |          |          |       |       |       |       |
| 40         | Corporations Tax                        | \$10MM       | 8,130,000         |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Exemption *** 2002                      | ·            |                   |             |            |              |   |   | _    |          |          |       |       |       |       |
| +1         | ***Allocation of exemp                  |              | st comply v       | with the Bo | ard's inst | ructions     |   |   |      |          |          |       |       |       |       |
| 12         | regarding regulated ac                  | tivities.    |                   |             |            |              |   |   |      |          |          |       |       |       |       |
| 13         | 3 |              |                   |             |            | Table 2      |   |   |      |          |          |       |       |       |       |
|            | Input Information from Utili            | ity's Astuck | 2002 Tay Bar      | turne       |            | Table 3      |   |   |      |          |          |       |       |       |       |
|            |   | ty 5 Actual  |                   | urris       | 200.004    |              |   |   | 1    | 1        | 1        | 1     | 1     | 1     | 1     |
|            | Income Range                            |              | 0                 |             | 200,001    | . 700 000    |   |   |      |          |          |       |       |       |       |
| 46         |   |              | to                |             | to         | >700,000     |   |   |      |          |          |       |       |       |       |
| 47         |   | Year         | 200,000           |             | 700,000    |              |   | 4 | _    |          |          | 4     |       | 4     | 4     |
| 48         | Income Tax Rate                         |              |                   |             |            | ļ            | _ |   |      |          | _        |       |       | 1     |       |
|            | Current year                            | 2002         |                   |             |            |              |   |   | _    |          | ]        | ]     | ]     | ]     | ]     |
| 50         | Federal (Includes surtax)               |              | 13.12%            |             | 22.12%     | 26.12%       |   |   |      |          |          |       |       |       |       |
| 51         | Ontario                                 |              | 6.00%             |             | 9.75%      | 12.50%       |   |   | Ī    |          | 1        | 1     | 1     | 1     | 1     |
| 52         | Blended rate                            | Ī            | 19.12%            |             | 31.87%     | 38.62%       |   |   |      |          |          |       |       | 1     | 1     |
| 53         |   | i            | ,,,,,,            |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Capital Tax Rate                        | İ            | 0.300%            |             |            |              |   |   | †    | †        | 1        | †     | †     | †     | †     |
| 55         | LCT rate                                |              | 0.225%            |             |            |              |   |   | •    |          | 1        | 1     | 1     | 1     | 1     |
|            |   |              |                   |             |            |              |   |   | +    | +        | 1        | 1     | 1     | 1     | 1     |
| JU         | Surtax                                  | BAAV         | 1.12%             |             |            |              |   |   | -    | -        | 4        | -     | -     | -     | -     |
| <b>5</b> 7 | Ontario Capital Tax                     | MAX          | 4,668,892         |             |            |              |   |   |      |          |          |       |       |       |       |
| ე/         | Exemption *                             | \$5MM        | ,,                |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Federal Large                           | MAX          | 10.000            |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Corporations Tax                        | \$10MM       | 10,000,000        |             |            |              |   |   |      |          |          |       |       |       |       |
|            | Exemption *                             |              |                   |             |            |              |   |   | _    |          |          |       |       |       |       |
|            | * Include copies of the                 | actual ta    | x return all      | ocation ca  | culations  | s in vour    |   | _ | =    | <u>-</u> | _        | _     | _     | _     | _     |
|            | submission: Ontario C                   |              |                   |             |            | <b>,</b> 2 2 |   |   |      |          |          |       |       |       |       |
| 60         | SUDINISSION. UNIANO C                   | rzs page     | ii, ieuera        | ai iz Scheo | idle 30    |              |   |   |      |          |          |       |       |       |       |
| 61         |   |              |                   |             |            |              |   |   |      |          |          |       |       |       |       |



|             | A  | В          | С            | D           | Е              |
|-------------|--|------------|--------------|-------------|----------------|
| 1           | SECTION 93 PILs TAX GROSS-UP "SIMPIL"  |            |              |             | Version 2004.2 |
|             | REGULATORY INFORMATION (REGINFO)   |            |              |             | RRR # 2.1.8    |
|             | Utility Name: Enwin Powerlines Ltd.  |            |              |             |                |
|             | Reporting period: 2003   |            |              |             |                |
| 5           | De alla constituta de la constituta della constituta de la constituta de la constituta della constituta dell | 205        | dovo         |             |                |
|             | Days in reporting period: Total days in the calendar year:   | 365<br>365 | days<br>days |             |                |
| 8           | Total days III the Calendar year.  | 303        | uays         |             |                |
|             | BACKGROUND   |            |              |             |                |
|             | 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          | Υ           |                |
|             | Was the utility recently acquired by Hydro One   |            |              |             |                |
| 15          | and now subject to s.89 & 90 PILs?   |            | Y/N          | N           |                |
| 17          | Is the utility a non-profit corporation?   |            | Y/N          | N           |                |
|             | (If it is a non-profit corporation, please contact the Rates Manager at the OEB)   |            | 1/IN         | IN          |                |
|             | Are the Ontario Capital Tax & Large Corporations Tax Exemptions  | OCT        | Y/N          | Υ           |                |
|             | shared among the corporate group?  | LCT        | Y/N          | Ϋ́          |                |
|             | Please identify the % used to allocate the OCT and LCT exemptions in   | OCT        | 1/11         | 100%        |                |
|             | Cells C65 & C74 in the TAXCALC spreadsheet.  | LCT        |              | 100%        |                |
| 23          | ·  |            | D. (         |             |                |
| 24          | Accounting Year End  |            | Date         | 31-Dec      |                |
|             | MARR NO TAX CALCULATIONS   |            |              |             | Regulatory     |
|             | SHEET #7 FINAL RUD MODEL DATA  |            |              |             | Income         |
|             | (FROM 1999 FINANCIAL STATEMENTS)   |            |              |             |                |
| 30          | USE BOARD-APPROVED AMOUNTS   |            |              |             |                |
|             | Rate Base (wires-only)   |            |              | 161,325,087 |                |
| OZ.         |  |            |              |             |                |
| <del></del> | Common Equity Ratio (CER)  |            |              | 45.00%      |                |
| 35          | 1-CER  |            |              | 55.00%      |                |
| 37          | Target Return On Equity  |            |              | 9.88%       |                |
|             | Debt rate  |            |              | 7.00%       |                |
| -0          |  |            |              |             |                |
| 41          | Market Adjusted Revenue Requirement  |            |              | 13,383,529  |                |
| 43          | 1999 return from RUD Sheet #7  |            |              | 7,316,886   | 7,316,886      |
|             | Total Incremental revenue  |            |              | 6,066,643   |                |
|             | Input: Board-approved dollar amounts phased-in   |            |              | , ,         |                |
| 47          | Amount allowed in 2001   |            |              | 2,022,214   | 2,022,214      |
| 48          | Amount allowed in 2002   |            |              | 2,022,214   | 2,022,214      |
| 49          | Amount allowed in 2003 and 2004 (will be zero due to Bill 210  |            |              | 0           | 0              |
| 50          | unless authorized by the Minister and the Board)   |            |              |             | 0              |
| 51<br>52    |  |            |              |             | 0              |
| 53          | Total Regulatory Income  |            |              |             | 11,361,314     |
| 54          | Total Regulatory intention   |            |              |             | 11,001,014     |
|             | Equity   |            |              | 72,596,289  |                |
| 56          |  |            |              |             |                |
|             | Return at target ROE   |            |              | 7,172,513   |                |
| 58          | Ditt   |            |              | 00 700 75   |                |
| 59<br>60    | Debt   |            |              | 88,728,798  |                |
| -           | Deemed interest amount in 100% of MARR   |            |              | 6,211,016   |                |
| 62          | Decined interest amount in 100 /0 of MAINT   |            |              | 0,211,010   |                |
|             | Phase-in of interest - Year 1 (2001)   |            |              | 4,334,081   |                |
| 64          | ((D43+D47)/D41)*D61  |            |              |             |                |
|             | Phase-in of interest - Year 2 (2002)   |            |              | 5,272,548   |                |
| 66          | ((D43+D47+D48)/D41)*D61  |            |              |             |                |
|             | Phase-in of interest - Year 3 (2003) and forward   |            |              | 5,272,548   |                |
| 68          | ((D43+D47+D48)/D41)*D61 (due to Bill 210)  |            |              |             |                |
| 69<br>70    |  |            |              |             |                |
| 71          | SIMPIL MODEL 2004  |            |              |             |                |
|             | OHVII IL MODEL 2004  |            |              |             |                |

|          | A   | В          | С                        | D | Е | F | G | Н               | 1                    | J                  | K                        | L               |
|----------|---|------------|--------------------------|---|---|---|---|-----------------|----------------------|--------------------|--------------------------|-----------------|
| 1        | SECTION 93 PILs TAX GROSS-UP "SIMPIL"   | ITEM       | Initial                  |   |   |   |   |                 | M of F               | M of F             | M of F                   |                 |
| 3        | DEFERRAL/VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC)   |            | Estimate                 |   |   |   |   |                 | Filing<br>Variance   | Filing<br>Variance | Filing                   |                 |
| 4        | ("Wires-only" business - see Tab TAXREC)  |            |                          |   |   |   |   |                 | K-C                  | Explanation        | (June)                   |                 |
|          | RRR # 2.1.8   |            |                          |   |   |   |   |                 | N.O                  | Explanation        | Version 2004.2           |                 |
| 6        |   |            | \$                       |   |   |   |   |                 | \$                   |                    | \$                       |                 |
| 7        | Utility Name: Enwin Powerlines Ltd.   |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 8        | Reporting period: 2003  | 005        | desse                    |   |   |   |   |                 |                      |                    | Column                   |                 |
| 10       | Days in reporting period: Total days in the calendar year:  | 365<br>365 | days<br>days             |   |   |   |   |                 |                      |                    | Brought<br>From          |                 |
| 11       | Total days III the calendar year.   | 303        | uays                     |   |   |   |   |                 |                      |                    | TAXREC                   |                 |
| 12       |   |            |                          |   |   |   |   |                 |                      |                    | TAUREO                   |                 |
| 13       | I) CORPORATE INCOME TAXES   |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 14       |   |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 15<br>16 | Regulatory Net Income REGINFO E53   | 1          | 11,361,314               |   |   |   |   |                 | -2,309,392           |                    | 9,051,922                | <b></b>         |
|          | BOOK TO TAX ADJUSTMENTS   |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 18       | BOOK TO THE MENTO   |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 19       | Additions:  |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
|          | Depreciation & Amortization   | 2          | 7,289,925                |   |   |   |   |                 | 1,262,099            |                    | 8,552,024                |                 |
| 21       | Employee Benefit Plans - Accrued, Not Paid Tax reserves - beginning of year                             | 3          | 593,232                  |   |   |   |   | $\vdash$        | -593,232<br>0        |                    | 0                        | $\vdash \vdash$ |
| 23       | Reserves from financial statements - end of year  | 4          |                          |   |   |   |   |                 | 11,552,011           |                    | 11,552,011               |                 |
| 24       | Regulatory Adjustments - increase in income   | 5          |                          |   |   |   |   |                 | 0                    |                    | 0                        |                 |
| 25       | Other Additions (See Tab entitled "TAXREC")   |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 26       | "Material" Items from "TAXREC" worksheet  | 6          |                          |   |   |   |   |                 | 0                    |                    | 0                        |                 |
| 27       | Other Additions (not "Material") "TAXREC"  "Material Items from "TAXREC 2" worksheet                    | 6          |                          |   |   |   |   | $\vdash$        | 5,200<br>437,880     |                    | 5,200<br>437,880         | $\vdash$        |
| 28<br>29 | Other Additions (not "Material") "TAXREC 2"   | 6          |                          |   |   |   |   | $\vdash$        | 437,880              |                    | 437,880                  |                 |
| 30       | Sales readilities (incl. middella) / minted 2   | 1          |                          |   |   |   |   |                 |                      |                    | 0                        |                 |
| 31       | Deductions: Input positive numbers  |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 32       | Capital Cost Allowance and CEC  | 7          | 5,546,607                |   |   |   | Щ |                 | 4,519,238            |                    | 10,065,845               | Ш               |
| 33       | Employee Benefit Plans - Paid Amounts   | 8          | 285,556                  |   |   |   |   |                 | -285,556             |                    | 0                        |                 |
| 34<br>35 | Items Capitalized for Regulatory Purposes Regulatory Adjustments - deduction for tax purposes in Item 5 | 9<br>10    | 0                        |   |   |   |   |                 | 0                    |                    | 0                        | $\vdash \vdash$ |
|          | Interest Expense Deemed/ Incurred   | 11         | 5,272,548                |   |   |   |   |                 | 854,901              |                    | 6,127,449                |                 |
| 37       | Tax reserves - end of year  | 4          | -,-,-,-,-                |   |   |   |   |                 | 0                    |                    | 0                        |                 |
| 38       | Reserves from financial statements - beginning of year  | 4          |                          |   |   |   |   |                 | 11,108,564           |                    | 11,108,564               |                 |
| 39       | Contributions to deferred income plans  | 3          |                          |   |   |   |   |                 | 0                    |                    | 0                        |                 |
| 40       | Contributions to pension plans<br>Interest capitalized for accounting but deducted for tax              | 3<br>11    |                          |   |   |   |   |                 | 0                    |                    | 0                        |                 |
| 42       | Other Deductions (See Tab entitled "TAXREC")  | 11         |                          |   |   |   |   |                 | U                    |                    | U                        |                 |
| 43       | "Material" Items from "TAXREC" worksheet  | 12         |                          |   |   |   |   |                 | 0                    |                    | 0                        |                 |
| 44       | Other Deductions (not "Material") "TAXREC"  | 12         |                          |   |   |   |   |                 | 0                    |                    | 0                        |                 |
| 45       | Material Items from "TAXREC 2" worksheet  | 12         |                          |   |   |   |   |                 | 0                    |                    | 0                        |                 |
| 46<br>47 | Other Deductions (not "Material") "TAXREC 2"  | 12         |                          |   |   |   |   |                 | 0                    |                    | 0                        | <b></b>         |
| 48       | TAXABLE INCOME/ (LOSS)  |            | 8,139,760                |   |   |   |   |                 | 26,551,712           | Before loss C/F    | 2,297,179                | $\vdash$        |
| 49       | TO TO THE PARTY (LOGO)  |            | 0,100,100                |   |   |   |   |                 | 20,001,112           | 2010101000 0/1     | 2,201,110                |                 |
| 50       | BLENDED INCOME TAX RATE   |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 51       | Tab Tax Rates - Regulatory from Table 1; Actual from Table 3  | 13         | 38.62%                   |   |   |   |   |                 | -38.6200%            |                    | 0.00%                    |                 |
| 52<br>53 | REGULATORY INCOME TAX   |            | 3,143,575                |   |   |   |   |                 | -3,143,575           | Actual             | 0                        |                 |
| 54       | REGULATORT INCOME TAX   | 1          | 3,143,3/5                |   |   |   |   | H               | -3,143,375           | Actual             | U                        | $\vdash$        |
| 55       |   | 1          |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 56       | Miscellaneous Tax Credits   | 14         |                          |   |   |   |   |                 | 0                    | Actual             | 0                        |                 |
| 57       |   |            | 0                        |   |   |   |   | Щ               | g                    |                    |                          | ш               |
| 58       | Total Regulatory Income Tax   | 1          | 3,143,575                |   |   |   | H | Н               | -3,143,575           | Actual             | 0                        | Ш               |
| 59<br>60 |   | +          |                          |   |   |   |   | $\vdash$        |                      |                    |                          | $\vdash$        |
|          | II) CAPITAL TAXES   | 1          |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 62       |   |            |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 63       | Ontario   | 1          |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 64       | Base  | 15         | 161,325,087              |   |   |   |   | $\vdash \vdash$ | 13,872,462           |                    | 175,197,549              |                 |
| 65<br>66 | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital                       | 16         | 3,885,000<br>157,440,087 |   |   |   |   |                 | -1,094<br>13,871,368 |                    | 3,883,906<br>171,313,643 | $\vdash$        |
| 67       | Tanabio Supriai   | 1          | 107,440,007              |   |   |   |   | H               | 10,071,000           |                    | 171,010,043              | $\vdash$        |
| 68       | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3   | 17         | 0.3000%                  |   |   |   |   |                 | 0.0000%              |                    | 0.3000%                  |                 |
| 69       |   | 1          |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 70<br>71 | Ontario Capital Tax   | 1          | 472,320                  |   |   |   |   | $\vdash \vdash$ | 41,621               |                    | 513,941                  | $\vdash \vdash$ |
| 72       | Federal Large Corporations Tax  | 1          |                          |   |   |   |   |                 |                      |                    |                          |                 |
| 73       | Base  | 18         | 161,325,087              |   |   |   |   | H               | 25,534,070           |                    | 186,859,157              |                 |
| 74       | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3                                       | 19         | 7,770,000                |   |   |   |   |                 | 78,988               |                    | 7,848,988                |                 |
| 75       | Taxable Capital   |            | 153,555,087              |   |   |   |   |                 | 25,613,058           |                    | 179,010,169              |                 |
| 76       | Date Tay Dates Developer Table 4 A 4 1 T 11 0   |            | 0.005551                 |   |   |   |   |                 | 0.000551             |                    | 0.005051                 |                 |
| 77<br>78 | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3   | 20         | 0.2250%                  |   |   |   |   | $\vdash$        | 0.0000%              |                    | 0.2250%                  | $\vdash$        |
| 79       | Gross Amount of LCT before surtax offset (Taxable Capital x Rate)                                       | 1          | 345,499                  |   |   |   |   |                 | 57,274               |                    | 402,773                  |                 |
| 80       | Less: Federal Surtax 1.12% x Taxable Income   | 21         | 91,165                   |   |   |   | L |                 | -91,165              |                    | 0                        |                 |
| 81       |   |            |                          | _ |   |   |   |                 |                      |                    |                          |                 |
| 82       | Net LCT   | 1          | 254,334                  |   |   |   |   | Щ               | -33,891              |                    | 402,773                  | igspace         |
| 83       |   |            |                          |   |   |   |   |                 |                      |                    |                          | 1               |

| _          |  | - 1      |                      | _ | T = T         | - I o l |   |                          |                            | 1/               |   |
|------------|--|----------|----------------------|---|---------------|---------|---|--------------------------|----------------------------|------------------|---|
| 4          | A  | В        | C                    | D | Е             | F G     | Н | N of E                   | J                          | K                |   |
| 2          | SECTION 93 PILs TAX GROSS-UP "SIMPIL" DEFERRAL/VARIANCE ACCOUNTS                                   | ITEM     | Initial<br>Estimate  |   |               |         |   | M of F<br>Filing         | M of F<br>Filing           | M of F<br>Filing |   |
| 3          | TAX CALCULATIONS (TAXCALC)   |          | Estillate            |   |               |         |   | Variance                 | Variance                   | Filing           |   |
| 4          | ("Wires-only" business - see Tab TAXREC)   |          |                      |   |               |         |   | K-C                      | Explanation                | (June)           |   |
|            | RRR # 2.1.8  |          |                      |   |               |         |   |                          |                            | Version 2004.2   |   |
| 6          |  |          | \$                   |   |               |         |   | \$                       |                            | \$               | _ |
|            | III) INCLUSION IN RATES  |          |                      |   |               |         |   |                          |                            |                  |   |
| 85         |  |          |                      |   |               |         |   |                          |                            |                  |   |
|            | Income Tax Rate used for gross- up (exclude surtax)  |          | 37.50%               |   |               |         |   |                          |                            |                  |   |
| 87         | <b>-</b> / / / ·   | 00       | 5 000 704            |   |               |         |   |                          |                            |                  |   |
|            | Income Tax (proxy tax is grossed-up) LCT (proxy tax is grossed-up)                                 | 22<br>23 | 5,029,721<br>406,934 |   |               |         |   |                          | Actual 2003<br>Actual 2003 | 0<br>402.773     |   |
| 90         | Ontario Capital Tax (no gross-up since it is deductible)   | 24       | 472,320              |   |               |         |   |                          | Actual 2003                | 513,941          |   |
| 91         | Critatio Capital Tax (110 gross up since it is deduction)  |          | 472,020              |   |               |         |   |                          | Autuai 2000                | 010,041          |   |
| 92         |  |          |                      |   |               |         |   |                          |                            |                  |   |
| 93         | Total PILs for Rate Adjustment MUST AGREE WITH 2002  | 25       | 5,908,975            |   |               |         |   |                          | Actual 2003                | 916,714          |   |
| 94         | RAM DECISION   |          |                      |   |               |         |   |                          |                            |                  |   |
| 95         |  |          |                      |   |               |         |   |                          |                            |                  |   |
| 96         | NA FUTURE TRUE URG   |          |                      |   |               |         |   |                          |                            |                  |   |
|            | IV) FUTURE TRUE-UPS  |          |                      |   |               |         |   | DD/(OD)                  |                            |                  |   |
|            | IV a) Calculation of the True-up Variance In Additions:  |          |                      |   |               |         |   | DR/(CR)                  |                            |                  |   |
|            | Employee Benefit Plans - Accrued, Not Paid   | 3        |                      |   |               |         |   | -593,232                 |                            |                  |   |
|            | Tax reserves deducted in prior year  | 4        |                      |   |               |         |   | 0                        |                            |                  |   |
|            | Reserves from financial statements-end of year   | 4        |                      |   | <u>L</u> l    |         |   | 11,552,011               |                            |                  |   |
|            | Regulatory Adjustments   | 5        | -                    |   |               |         |   | 0                        | -                          |                  |   |
|            | Other additions "Material" Items TAXREC  | 6        |                      |   |               |         |   | 0                        |                            |                  |   |
|            | Other additions "Material" Items TAXREC 2  | 6        |                      |   | ++            |         |   | 437,880                  |                            |                  |   |
|            | In Deductions - positive numbers Employee Benefit Plans - Paid Amounts                             | 8        |                      |   | +             | -       |   | 205 550                  |                            |                  |   |
|            | Items Capitalized for Regulatory Purposes  | 9        |                      |   |               |         |   | -285,556<br>0            |                            | 1                |   |
|            | Regulatory Adjustments   | 10       |                      |   |               |         |   | 0                        |                            |                  |   |
|            | Interest Adjustment for tax purposes (See Below - cell I204)                                       | 11       |                      |   |               |         |   | 0                        |                            |                  |   |
| 111        | Tax reserves claimed in current year   | 4        |                      |   |               |         |   | 0                        |                            |                  |   |
| 112        | Reserves from F/S beginning of year  | 4        |                      |   | $\Box$        |         |   | 11,108,564               |                            |                  |   |
|            | Contributions to deferred income plans   | 3        |                      |   | $\perp \perp$ |         |   | 0                        |                            |                  |   |
|            | Contributions to pension plans   | 3        |                      |   |               |         |   | 0                        |                            |                  |   |
| 115<br>116 | Other deductions "Material" Items TAXREC   | 12       |                      |   |               |         |   | 0                        |                            |                  |   |
| 117        | Other deductions "Material" Item TAXREC 2  | 12       |                      |   |               |         |   | U                        |                            |                  |   |
|            | Total TRUE-UPS before tax effect   | 26       |                      |   |               |         | = | 573,651                  |                            |                  |   |
| 119        | Total Titol of a boloro tax on oct   |          |                      |   |               |         |   | 070,001                  |                            |                  |   |
|            | Income Tax Rate (excluding surtax) from 2003 Utility's tax return                                  |          |                      |   |               |         | Х | 36.62%                   |                            |                  |   |
| 121        |  |          |                      |   |               |         |   |                          |                            |                  |   |
| 122        | Income Tax Effect on True-up adjustments   |          |                      |   |               |         | = | 210,071                  |                            |                  |   |
| 123        | Lasar Missallana area Tarr Oradita   | 4.4      |                      |   |               |         |   | 0                        |                            |                  |   |
| 124<br>125 | Less: Miscellaneous Tax Credits  | 14       |                      |   |               |         |   | 0                        |                            |                  |   |
| 126        | Total Income Tax on True-ups   |          |                      |   |               |         |   | 210,071                  |                            |                  |   |
| 127        | Total moonie raken nae ape   |          |                      |   |               |         |   | 210,071                  |                            |                  |   |
| 128        | Income Tax Rate used for gross-up (exclude surtax)   |          |                      |   |               |         |   | 35.50%                   |                            |                  |   |
| 129        |  |          |                      |   |               |         |   |                          |                            |                  |   |
|            | TRUE-UP VARIANCE ADJUSTMENT  |          |                      |   |               |         |   | 325,691                  |                            |                  |   |
| 131        |  |          |                      |   |               |         |   |                          |                            |                  |   |
| 400        | IV b) Calculation of the Deferral Account Variance caused  |          |                      |   |               |         |   |                          |                            |                  |   |
| 132        | by changes in legislation  |          |                      |   | ++            |         |   |                          |                            |                  |   |
| 133        | REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial                                    |          |                      |   | ++            |         |   |                          |                            |                  |   |
| 134        | estimate column)   |          |                      |   |               |         | = | 8,139,760                |                            |                  |   |
| 135        | ,  |          |                      |   |               |         |   |                          |                            |                  |   |
| 136        | REVISED CORPORATE INCOME TAX RATE  |          | -                    |   |               |         | Χ | 36.62%                   | -                          |                  |   |
| 137        | DEVICED DECLINATION (CONTRACTOR)   |          |                      |   |               |         |   |                          |                            |                  |   |
|            | REVISED REGULATORY INCOME TAX  |          |                      |   | ++            |         | = | 2,980,780                |                            |                  |   |
| 139        | Less: Revised Miscellaneous Tax Credits  |          |                      |   | +             | -       |   | 0                        |                            |                  |   |
| 140        | LOGG. NEVISEU IVIISUEIIAHEUUS TAX UIEURS   |          |                      |   | ++            |         | - | U                        |                            |                  |   |
|            | Total Revised Regulatory Income Tax  |          |                      |   |               |         | = | 2,980,780                |                            |                  |   |
| 143        |  |          |                      |   |               |         |   |                          |                            |                  |   |
|            | Less: Regulatory Income Tax reported in the Initial Estimate Column                                |          |                      |   |               |         |   |                          | -                          |                  |   |
|            | (Cell C58)   |          |                      |   |               |         | - | 3,143,575                |                            |                  |   |
| 145        | Populatory Income Tay Variance   |          |                      |   | ++            |         |   | 400 705                  |                            | -                |   |
| 146<br>147 | Regulatory Income Tax Variance   |          |                      |   | ++            |         | = | -162,795                 |                            |                  |   |
|            | Ontario Capital Tax  |          |                      |   | +             |         |   |                          |                            |                  |   |
|            | Base   |          |                      |   |               |         | = | 161,325,087              |                            |                  |   |
| 150        | Less: Exemption from tab Tax Rates, Table 2, cell C39  |          |                      |   |               |         | - | 3,885,000                |                            |                  | _ |
|            | Revised deemed taxable capital   |          |                      |   |               |         | = | 157,440,087              | -                          |                  |   |
| 152        | D. T. T. D. H.C.   |          |                      |   | $\perp \perp$ |         |   |                          |                            |                  |   |
| 153        | Rate - Tab Tax Rates cell C54  |          |                      |   | ++            | -       | Х | 0.3000%                  |                            |                  |   |
| 154<br>155 | Revised Ontario Capital Tax  |          |                      |   | ++            |         | = | 472,320                  |                            |                  |   |
| 133        | Less: Ontario Capital Tax  Less: Ontario Capital Tax reported in the initial estimate column (Cell |          |                      |   | ++            | +       | - | 412,320                  |                            |                  |   |
| 156        | C70)   |          |                      |   |               |         | _ | 472,320                  |                            |                  |   |
|            | Regulatory Ontario Capital Tax Variance  |          |                      |   |               |         | = | 0                        |                            |                  | _ |
| 158        |  |          |                      |   |               |         |   |                          |                            |                  |   |
|            | Federal LCT  |          |                      |   |               |         |   |                          |                            |                  |   |
|            | Base   |          |                      |   | +             | $\perp$ |   | 161,325,087              |                            |                  |   |
|            | Less: Exemption from tab Tax Rates, Table 2, cell C40 Revised Federal LCT                          |          |                      |   | +             | -       | - | 7,770,000<br>153,555,087 |                            |                  |   |
| 163        | Novided Federal LOT  |          |                      |   | ++            | +       | - | 100,000,007              |                            |                  |   |
| .03        |  |          |                      |   |               | _ I     |   |                          |                            |                  |   |

|     | Α  | В    | С        | D | Е | F | G | Н          | I         | J           | K              | L        |
|-----|--|------|----------|---|---|---|---|------------|-----------|-------------|----------------|----------|
| 1   | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                                | ITEM | Initial  |   |   |   |   |            | M of F    | M of F      | M of F         |          |
| 2   | DEFERRAL/VARIANCE ACCOUNTS   |      | Estimate |   |   |   |   |            | Filing    | Filing      | Filing         |          |
| 3   | TAX CALCULATIONS (TAXCALC)   |      |          |   |   |   |   |            | Variance  | Variance    |                |          |
| 4   | ("Wires-only" business - see Tab TAXREC)                             |      |          |   |   |   |   |            | K-C       | Explanation | (June)         |          |
| 5   | RRR # 2.1.8  |      |          |   |   |   |   |            |           |             | Version 2004.2 |          |
| 6   |  |      | \$       |   |   |   |   |            | \$        |             | \$             |          |
| 164 | Rate (as a result of legislative changes) tab 'Tax Rates' cell C51   |      |          |   |   |   |   |            | 0.2250%   |             |                |          |
| 165 |  |      |          |   |   |   |   |            |           |             |                |          |
| 166 | Gross Amount   |      |          |   |   |   |   |            | 345,499   |             |                |          |
| 167 | Less: Federal surtax   |      |          |   |   |   |   | -          | 91,165    |             |                |          |
| 168 | Revised Net LCT  |      |          |   |   |   |   | =          | 254,334   |             |                |          |
| 169 |  |      |          |   |   |   |   |            |           |             |                |          |
| 170 | Less: Federal LCT reported in the initial estimate column (Cell C82) |      |          |   |   |   |   | -          | 254,334   |             |                |          |
| 171 | Regulatory Federal LCT Variance                                      |      |          |   |   |   |   | =          | 0         |             |                |          |
| 172 |  |      |          |   |   |   |   |            |           |             |                |          |
| 173 | Actual Income Tax Rate used for gross-up (exclude surtax)            |      |          |   |   |   |   |            | 35.50%    |             |                |          |
| 174 |  |      |          |   |   |   |   |            |           |             |                |          |
| 175 | Income Tax (grossed-up)  |      |          |   |   |   |   | +          | -252,396  |             |                |          |
| 176 | LCT (grossed-up)   |      |          |   |   |   |   | +          | 0         |             |                |          |
| 177 | Ontario Capital Tax  |      |          |   |   |   |   | +          | 0         |             |                |          |
| 178 |  |      |          |   |   |   |   |            |           |             |                |          |
| 179 | DEFERRAL ACCOUNT VARIANCE ADJUSTMENT                                 |      |          |   |   |   |   | =          | -252,396  |             |                |          |
| 180 |  |      |          |   |   |   |   |            |           |             |                |          |
|     | TRUE-UP VARIANCE (from cell I130)                                    |      |          |   |   |   |   | +          | 325,691   |             |                |          |
| 182 |  |      |          |   |   |   |   |            |           |             |                |          |
|     | Total Deferral Account Entry (Positive Entry = Debit)                |      |          |   |   |   |   | =          | 73,296    |             |                |          |
|     | (Deferral Account Variance + True-up Variance)                       |      |          |   |   |   |   |            |           |             |                |          |
| 185 |  |      |          |   |   |   |   |            |           |             |                |          |
| 186 |  |      |          |   |   |   |   |            |           |             |                |          |
| 187 |  |      |          |   |   |   |   |            |           |             |                |          |
|     | V) INTEREST PORTION OF TRUE-UP                                       |      |          |   |   |   |   |            |           |             |                |          |
|     | Variance Caused By Phase-in of Deemed Debt                           |      |          |   |   |   |   |            |           |             |                |          |
| 190 |  |      |          |   |   |   |   |            |           |             |                |          |
|     | Total deemed interest (REGINFO)                                      |      |          |   |   |   |   |            | 6,211,016 |             |                |          |
|     | Interest phased-in (Cell C36)  |      |          |   |   |   |   |            | 5,272,548 |             |                |          |
| 193 |  |      |          |   |   |   |   |            |           |             |                |          |
|     | Variance due to phase-in of debt component of MARR in rates          |      |          | 1 |   |   |   |            | 938,468   |             |                | $\perp$  |
| 195 | according to the Board's decision                                    |      |          | 1 |   |   |   |            |           |             |                | $\perp$  |
| 196 |  |      |          |   |   |   |   |            |           |             |                | $\sqcup$ |
|     | Other Interest Variances (i.e. Borrowing Levels                      | 1    |          |   |   |   |   | lacksquare |           |             |                | igspace  |
| 198 | Above Deemed Debt per Rate Handbook)                                 |      |          | 1 |   |   |   |            |           |             |                | $\perp$  |
|     | Interest deducted on MoF filing (Cell K36+K41)                       |      |          |   |   |   |   | igsqcut    | 6,127,449 |             |                | igspace  |
|     | Total deemed interest (REGINFO CELL D61)                             |      |          |   |   |   |   |            | 6,211,016 |             |                | $\sqcup$ |
| 201 |  |      |          |   |   |   |   |            |           |             |                | $\sqcup$ |
|     | Variance caused by excess debt                                       | 1    |          | - | - |   |   |            | 0         |             |                |          |
| 203 |  | 1    |          | - | - |   |   |            | -         |             |                | ₩        |
|     | Interest Adjustment for Tax Purposes (carry forward to Cell I110)    | 1    |          | - | - |   |   |            | 0         |             |                | ₩        |
| 205 |  | 1    |          | - | - |   |   |            | 000 400   |             |                | ₩        |
|     | Total Interest Variance  | 1    |          |   |   |   |   | Ш          | 938,468   |             |                | щ        |
| 207 |  |      |          |   | 1 |   |   |            |           |             | 1              |          |

|    |   |                | 1                  | 1                    |                |   |
|----|---|----------------|--------------------|----------------------|----------------|---|
|    | A   | В              | С                  | D                    | E              | F |
| 1  | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                                   | 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  | RRR # 2.1.8   |                | Return             |                      |                |   |
| 5  |   |                |                    |                      | Version 2004.2 |   |
| 6  | Section A: Identification:  |                |                    |                      |                |   |
| 7  | Utility Name: Enwin Powerlines Ltd.                                     |                |                    |                      |                |   |
|    | Reporting period: 2003  |                |                    |                      |                |   |
|    | Taxation Year's start date: January 1, 2004                             |                |                    |                      |                |   |
|    | Taxation Year's end date: December 31, 2004                             |                |                    |                      |                |   |
| 11 | Number of days in taxation year:  |                | 365                | dave                 |                |   |
| 12 | Number of days in taxation year.  |                | 303                | days                 |                |   |
|    | Diagon autor the Materiality Layer.                                     |                | 181,491            | antor motorialit     | v lovol        |   |
| 14 | Please enter the Materiality Level :                                    | Y/N            | 101,491            | < - enter materialit | y ievei        |   |
|    | (0.25% x Rate Base x CER)   |                |                    |                      |                |   |
| 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?                  | N              |                    |                      |                |   |
| 18 | (Please complete the questionnaire in the Background question           | nnaire         | worksheet.)        |                      |                |   |
| 19 |   |                |                    |                      |                |   |
|    | 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,     | interes        | t expense and prov | rision for income ta | X              |   |
| 26 |   |                |                    |                      |                |   |
| 27 | Please enter the non-wire operation's amount as a positive number       |                |                    | lly treats all amoun | ts             |   |
| 28 | in the "non-wires elimination column" as negative values in TAXRI       | EC and         | TAXREC2.           |                      |                |   |
| 29 |   |                |                    |                      |                |   |
| 30 | Income:   |                |                    |                      |                |   |
| 31 | Energy Sales  | +              |                    |                      | 0              |   |
| 32 | Distribution Revenue  | +              | 221,281,193        |                      | 221,281,193    |   |
| 33 | Other Income  | +              | 3,216,246          |                      | 3,216,246      |   |
| 34 | Miscellaneous income  | +              |                    |                      | 0              |   |
| 35 |   | +              |                    |                      | 0              |   |
| 36 | Revenue should be entered above this line                               |                |                    |                      |                |   |
| 37 |   |                |                    |                      |                |   |
| 38 | Costs and Expenses:   |                |                    |                      |                |   |
| 39 | Cost of energy purchased  | -              | 183,603,793        |                      | 183,603,793    |   |
| 40 | Administration  |                | 100,000,730        |                      | 0              |   |
| 41 | Customer billing and collecting   | -              |                    |                      | 0              |   |
| 42 |   | -              | 22.056.500         |                      |                |   |
| 43 | Operating Expenses Amortization   | -              | 23,056,500         |                      | 23,056,500     |   |
|    |   |                | 8,552,024          |                      | 8,552,024      |   |
| 44 | Ontario Capital Tax   |                |                    |                      | 0              |   |
| 45 | Loss on disposal of capital assets                                      | -              |                    |                      | 0              |   |
| 46 | Restructuring Expense   | -              | 233,200            |                      | 233,200        |   |
| 47 |   | -              |                    |                      | 0              |   |
| 48 |   | -              |                    |                      | 0              |   |
| 49 |   |                |                    |                      |                |   |
| 50 | Net Income Before Interest & Income Taxes EBIT                          | =              | 9,051,922          | 0                    | 9,051,922      |   |
| 51 | Less: Interest expense for accounting purposes                          | -              | 6,127,449          |                      | 6,127,449      |   |
| 52 | Provision for payments in lieu of income taxes                          | -              | 415,000            |                      | 415,000        |   |
| 53 | Net Income (loss)   | =              | 2,509,473          | 0                    | 2,509,473      |   |
|    | (The Net Income (loss) on the MoF column should equal to the net income |                |                    |                      |                |   |
| 54 | (loss) per financial statements on Schedule 1 of the tax return.)       |                |                    |                      |                |   |
| 55 |   |                |                    |                      |                |   |
| 56 | Section C: Reconciliation of accounting income to taxable inco          | me             |                    |                      |                |   |
| 57 | From T2 Schedule 1  |                |                    |                      |                |   |
|    | BOOK TO TAX ADDITIONS:  |                |                    |                      |                |   |
|    | Provision for income tax  | +              | 415,000            | 0                    | 415,000        |   |
|    | Federal large corporation tax   | +              |                    |                      | 0              |   |
|    | Depreciation & Amortization   | +              | 8,552,024          | 0                    | 8,552,024      |   |
|    | Employee benefit plans-accrued, not paid                                | +              |                    | 0                    | 0              |   |
|    | Tax reserves - beginning of year  | +              | 0                  | 0                    | 0              |   |
|    | Reserves from financial statements- end of year                         | +              | 11,552,011         | 0                    | 11,552,011     |   |
|    | Regulatory adjustments  | +              |                    |                      | 0              |   |
|    | Material addition items from TAXREC 2                                   | +              | 437,880            | 0                    | 437,880        |   |
|    | Other addition items (not Material) from TAXREC 2                       | +              | 0                  | 0                    | 0              |   |
| 68 |   |                |                    |                      |                |   |
| 69 | Subtotal  |                | 20,956,915         | 0                    | 20,956,915     |   |
| 70 |   |                |                    |                      |                |   |
| 71 | Other Additions: (Please explain the nature of the additions)           |                |                    |                      |                |   |
| 72 | Recapture of CCA  | +              |                    |                      | 0              |   |
| 73 | Non-deductible meals and entertainment expense                          | +              | 5,200              |                      | 5,200          |   |
| 74 | Capital items expensed  | +              | 2,230              |                      | 0              |   |
| 75 | Adjustment to income for lease payments                                 | +              |                    |                      | 0              |   |
| 76 | Capital tax accrual   | +              |                    |                      | 0              |   |
| 77 | Change in regulatory assets   | +              |                    |                      | 0              |   |
| 78 |   | +              |                    |                      | 0              |   |
| 79 | Total Other Additions   | =              | 5,200              | 0                    | 5,200          |   |
| 80 | Total Outer Hadisons  |                | 5,200              | U                    | 5,200          |   |
| 81 | Total Additions   | =              | 20,962,115         | 0                    | 20,962,115     |   |
| 82 | I Otal Additions  | <del>-</del> - | 20,902,113         | U                    | 20,302,113     |   |
| 83 | Pocan Material Additions:   |                |                    |                      |                |   |
|    | Recap Material Additions:   |                |                    | -                    | -              |   |
| 84 |   |                | 0                  | 0                    | 0              |   |
| 85 |   |                | 0                  | 0                    | 0              |   |
| 86 |   |                | 0                  | 0                    | 0              |   |
| 87 |   |                | 0                  | 0                    | 0              |   |
| 88 |   |                | 0                  | 0                    | 0              |   |
| 89 |   |                | 0                  | 0                    | 0              |   |
| 90 |   |                | 0                  | 0                    | 0              |   |
| 91 | Total Other additions >materiality level                                |                | 0                  | 0                    | 0              |   |
| 92 | Other deductions (less than materiality level)                          |                | 5,200              | 0                    | 5,200          |   |
|    | Total Other Additions   |                | 5,200              | 0                    | 5,200          |   |
| 94 |   |                |                    |                      |                |   |
|    |   |                |                    |                      |                |   |

|               | A  | В     | С                        | D            | E                        | F |
|---------------|--|-------|--------------------------|--------------|--------------------------|---|
| 1             |  | LINE  | M of F                   | Non-wires    | Wires-only               | Г |
| 2             |  | LIIVL | Corporate                | Eliminations | Tax                      |   |
| 3             |  |       | Tax                      |              | Return                   |   |
| <u>4</u><br>5 | RRR # 2.1.8  |       | Return                   |              | V 0004.0                 |   |
| _             | BOOK TO TAX DEDUCTIONS:  |       |                          |              | Version 2004.2           |   |
|               | Capital cost allowance   | -     | 9,282,457                |              | 9,282,457                |   |
|               | Cumulative eligible capital deduction  | -     | 783,388                  |              | 783,388                  |   |
|               | Employee benefit plans-paid amounts  | -     |                          |              | 0                        |   |
|               | Items capitalized for regulatory purposes  Regulatory adjustments:   | -     |                          |              | 0                        |   |
| 101           | CCA CCA  |       |                          |              | 0                        |   |
| 102           |  | -     |                          |              | 0                        |   |
|               | Tax reserves - end of year Reserves from financial statements- beginning of year   | -     | 0                        | 0            | 0<br>11,108,564          |   |
| 105           |  | -     | 11,108,564               | 0            | 11,108,364               |   |
| 106           | Contributions to pension plans   |       |                          |              | 0                        |   |
|               | Interest capitalized for accounting deducted for tax   |       |                          |              | 0                        |   |
|               | Material deduction items from TAXREC 2 Other deduction items (not Material) from TAXREC 2  | -     | 0                        | 0            | 0                        |   |
| 110           |  |       | U                        | 0            | 0                        |   |
| 111           | Subtotal   | =     | 21,174,409               | 0            | 21,174,409               |   |
|               | Other deductions (Please explain the nature of the deductions)   |       |                          |              |                          |   |
|               | Charitable donations - tax basis Gain on disposal of assets  | -     |                          |              | 0                        |   |
|               | Financing Fees   | -     |                          |              | 0                        |   |
|               | Capital tax per CT23   |       |                          |              | 0                        |   |
| 117           | T. (10)  |       |                          |              | 0                        |   |
| 118<br>119    | Total Other Deductions   | =     | 0                        | 0            | 0                        |   |
| 120           | Total Deductions   | =     | 21,174,409               | 0            | 21,174,409               |   |
| 121           |  |       | ,,                       |              | , .,,                    |   |
|               | Recap Material Deductions:   |       |                          |              |                          |   |
| 123<br>124    |  |       | 0                        | 0            | 0                        |   |
| 125           |  |       | 0                        | 0            | 0                        |   |
| 126           |  |       | 0                        | 0            | 0                        |   |
| 127           | Total Others Dephasitions of the Control of the Con |       | 0                        | 0            | 0                        |   |
| 128<br>129    | Total Other Deductions exceed materiality level Other Deductions less than materiality level   |       | 0                        | 0            | 0                        |   |
| 130           |  |       | 0                        | 0            | 0                        |   |
| 131           |  |       |                          |              |                          |   |
|               | TAXABLE INCOME   | =     | 2,297,179                | 0            | 2,297,179                |   |
|               | DEDUCT:  Non-capital loss applied positive number  | _     |                          |              | 0                        |   |
| 135           |  | -     |                          |              | 0                        |   |
| 136           |  |       |                          |              | 0                        |   |
|               | NET TAXABLE INCOME   | =     | 2,297,179                | 0            | 2,297,179                |   |
| 138           | FROM ACTUAL TAX RETURNS  |       |                          |              |                          |   |
|               | Net Federal Income Tax (Must agree with tax return)  | +     |                          |              | 0                        |   |
| -             | Net Ontario Income Tax (Must agree with tax return)  | +     |                          |              | 0                        |   |
| 142           | Subtotal   | =     | 0                        | 0            | 0                        |   |
|               | Less: Miscellaneous tax credits (Must agree with tax returns)  Total Income Tax  | -     | 0                        | 0            | 0                        |   |
| 145           |  |       |                          |              |                          |   |
| 146           | FROM ACTUAL TAX RETURNS  |       |                          |              |                          |   |
|               | Net Federal Income Tax Rate (Must agree with tax return) Net Ontario Income Tax Rate (Must agree with tax return)  |       |                          |              | 0.00%<br>0.00%           |   |
| 148           | Blended Income Tax Rate (Must agree with tax return)   |       | 0.00%                    |              | 0.00%                    |   |
| 150           |  |       | 0.0076                   |              | 0.0070                   |   |
|               | Section D: Detailed calculation of Ontario Capital Tax   |       |                          |              |                          |   |
| 152<br>153    | ONTARIO CAPITAL TAX  |       |                          |              |                          |   |
|               | (From Ontario CT23)  |       |                          |              |                          |   |
| 155           | PAID-UP CAPITAL  |       |                          |              |                          |   |
| 156           |  |       | 60 547 564               |              | 60 547 501               |   |
|               | Paid-up capital stock Retained earnings (if deficit, deduct)   | +/-   | 62,547,581<br>68,401     |              | 62,547,581<br>68,401     |   |
|               | Capital and other surplus excluding  | +     | 516,528                  |              | 516,528                  |   |
| 160           | appraisal surplus  | +     | •                        |              | 0                        |   |
|               | Loans and advances   | +     | 18,086,681               |              | 18,086,681               |   |
|               | Bank loans Bankers acceptances   | +     | 18,919,703<br>28,808,360 |              | 18,919,703<br>28,808,360 |   |
|               | Bonds and debentures payable   | +     | 50,000,000               |              | 50,000,000               |   |
| 165           | Mortgages payable  | +     |                          |              | 0                        |   |
|               | Lien notes payable   | +     |                          |              | 0                        |   |
|               | Deferred credits Contingent, investment, inventory and similar reserves  | +     |                          |              | 0                        |   |
| 169           | Other reserves not allowed as deductions   | +     | 11,552,011               |              | 11,552,011               |   |
| 170           | Share of partnership(s), joint venture(s) paid-up capital  | +     | 422.22.22                |              | 0                        |   |
| 171           | Sub-total<br>Subtract:   | =     | 190,499,265              | 0            | 190,499,265              |   |
| 1/2           | Amounts deducted for income tax purposes in excess of amounts  | -     |                          |              |                          |   |
| 173           | booked   |       | 12,029,311               |              | 12,029,311               |   |
| 174           | Deductible R&D expenditures and ONTTI costs deferred for   | -     |                          |              |                          |   |
| 174<br>175    | income tax Total (Net) Paid-up Capital   | _     | 178,469,954              | 0            | 0<br>178,469,954         |   |
| 176           | rous (Het) i aid-up capitai  | _     | 170,703,334              |              | 170,700,304              |   |
| 177           | ELIGIBLE INVESTMENTS   |       |                          |              |                          |   |
| 178           | Panda lian notae interest services   |       |                          |              |                          |   |
|               | Bonds, lien notes, interest coupons  Mortgages due from other corporations   | +     |                          |              | 0                        |   |
|               | Shares in other corporations   | +     |                          |              | 0                        |   |
| 182           | Loans and advances to unrelated corporations   | +     |                          |              | 0                        |   |
|               | Eligible loans and advances to related corporations  | +     | 3,640,108                |              | 3,640,108                |   |
|               | Share of partnership(s) or joint venture(s) eligible investments   | +     |                          |              | 0                        |   |
| C RA          | PIL MODEL 2004   |       |                          |              |                          |   |

|     | Α   | В    | С         | D            | E              | F |
|-----|---|------|-----------|--------------|----------------|---|
| 1   | SECTION 93 PILs TAX GROSS-UP "SIMPIL"           | 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   | RRR # 2.1.8                                     |      | Return    |              |                |   |
| 5   |   |      |           |              | Version 2004.2 |   |
| 186 | Total Eligible Investments                      | =    | 3,640,108 | 0            | 3,640,108      |   |
| 187 |   |      |           | •            |                |   |

|             | A  | В     | С            | D             | Е               | F |
|-------------|--|-------|--------------|---------------|-----------------|---|
| 1           | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                                | LINE  | M of F       | Non-wires     | L<br>Wires-only | - |
| 2           | TAX RETURN RECONCILIATION (TAXREC)                                   | LINE  | Corporate    | Eliminations  | Tax             |   |
| 3           | (for "wires-only" business - see s. 72 OEB Act)                      |       | Tax          | Liiiiiiauoiis | Return          |   |
| 4           | RRR # 2.1.8  |       | Return       |               | Return          |   |
| 5           |  |       |              |               | Version 2004.2  |   |
| 188         |  |       |              |               |                 |   |
| 189         | TOTAL ASSETS   |       |              |               |                 |   |
| 190         |  |       |              |               |                 |   |
| 191         | Total assets per balance sheet                                       | +     | 210,552,973  |               | 210,552,973     |   |
| 192         | Mortgages or other liabilities deducted from assets                  | +     |              |               | 0               |   |
| 193         | Share of partnership(s)/ joint venture(s) total assets               | +     |              |               | 0               |   |
| 194         | Subtract: Investment in partnership(s)/joint venture(s)              | -     |              |               | 0               |   |
| 195         |  |       |              |               |                 |   |
| 196         | Total assets as adjusted   | =     | 210,552,973  | 0             | 210,552,973     |   |
| 197         |  |       |              |               |                 |   |
| 198         | Add: (if deducted from assets)                                       |       |              |               |                 |   |
| 199         | Contingent, investment, inventory and similar reserves               | +     |              |               | 0               |   |
| 200         | Other reserves not allowed as deductions                             | +     |              |               | 0               |   |
| 201         | Subtract:  |       |              |               | 0               |   |
| 202         | Amounts deducted for income tax purposes in excess of amounts booked | -     | 12 020 211   |               | 12,029,311      |   |
| 202         | Deductible R&D expenditures and ONTTI costs deferred                 | _     | 12,029,311   |               | 12,029,311      |   |
| 203         | for income tax   | -     |              |               | U               |   |
|             | Subtract: Appraisal surplus if booked                                | -     |              |               | 0               |   |
|             | Add or subtract: Other adjustments                                   | +/-   |              |               | 0               |   |
| 206         | 5. Subtract. Onto: dajuorinomo                                       | 1,7." |              |               | U               |   |
| 207         | Total Assets   | =     | 198,523,662  | 0             | 198,523,662     |   |
| 208         |  |       | . 50,020,002 |               | .00,020,002     |   |
| 209         |  |       |              |               |                 |   |
| 210         | Investment Allowance   |       | 3,272,405    | 0             | 3,272,405       |   |
| 211         |  |       |              |               |                 |   |
| 212         | Taxable Capital  |       |              |               |                 |   |
| 213         |  |       |              |               |                 |   |
| 214         | Net paid-up capital  | +     | 178,469,954  | 0             | 178,469,954     |   |
| 215         | Subtract: Investment Allowance                                       | -     | 3,272,405    | 0             | 3,272,405       |   |
| 216         |  |       |              | -             |                 |   |
| 217         | Taxable Capital  | =     | 175,197,549  | 0             | 175,197,549     |   |
| 218         |  |       |              |               |                 |   |
| 219         | Capital Tax Calculation  |       |              | _             |                 |   |
| 220         | Deduction from taxable capital up to maximum of \$5,000,000          |       | 3,883,906    | 0             | 3,883,906       |   |
| 221         | (Input in tab Tax Rates)   |       | 474 040 040  | 0             | 474 040 040     |   |
| 222<br>223  | Net Taxable Capital  |       | 171,313,643  | 0             | 171,313,643     |   |
| 224         | Rate   |       | 0.3000%      | 0.3000%       | 0.3000%         |   |
| 225         | rate   |       | 0.3000%      | 0.3000%       | 0.3000%         |   |
| 226         | Days in taxation year  |       | 365          | 365           | 365             |   |
| 227         | Divide days by 365   |       | 1.00         | 1.00          | 1.00            |   |
| 228         | 2.mac days by occ  |       | 1.00         | 1.00          | 1.00            |   |
| 229         | Ontario Capital Tax (Must agree with CT23 return)                    |       | 513.941      | 0             | 513.941         |   |
| 230         |  |       |              | -             |                 |   |
| 231         | Section E: Detailed calculation of Large Corporation Tax             |       |              |               |                 |   |
| 232         |  |       |              |               |                 |   |
|             | LARGE CORPORATION TAX  |       |              |               |                 |   |
|             | (From Federal Schedule 33)   |       |              |               |                 |   |
|             | CAPITAL  |       |              |               |                 |   |
| 236         | ADD:   |       |              |               |                 |   |
| 00-         | Reserves that have not been deducted in computing income for         | +     | 44 550 0 : : |               | 44 550 0        |   |
|             | the year under Part I  |       | 11,552,011   |               | 11,552,011      |   |
| 238         | Capital stock  | +     | 62,547,581   |               | 62,547,581      |   |
|             | Retained earnings Contributed surplus                                | +     | 68,401       |               | 68,401          |   |
|             | Any other surpluses  | +     | 516,528      |               | 0<br>516,528    |   |
|             | Deferred unrealized foreign exchange gains                           | +     | 310,328      |               | 510,528         |   |
|             | All loans and advances to the corporation                            | +     |              |               | 0               |   |
| 3           | All indebtedness- bonds, debentures, notes, mortgages, bankers       |       |              |               | U               |   |
| 244         | acceptances, or similar obligations                                  | +     | 115,814,744  |               | 115,814,744     |   |
| 245         | Any dividends declared but not paid                                  | +     | , ,          |               | 0               |   |
| 246         | All other indebtedness outstanding for more than 365 days            | +     |              |               | 0               |   |
| 247         | .,,  |       |              |               |                 |   |
| 248         | Subtotal   | =     | 190,499,265  | 0             | 190,499,265     |   |
| 249         |  |       |              |               |                 |   |
|             | DEDUCT:  |       |              |               |                 |   |
| 251         | Deferred tax debit balance   | -     |              |               | 0               |   |
| 252         | Any deficit deducted in computing shareholders' equity               | -     |              |               | 0               |   |
| <sub></sub> | Any patronage dividends 135(1) deducted in computing income          | -     |              |               |                 |   |
| 253         | under Part I included in amounts above                               |       |              |               | 0               |   |
| 254         | Deferred unrealized foreign exchange losses                          | -     |              |               | 0               |   |
| 255         | Cubtotal   |       |              |               |                 |   |
| 256<br>257  | Subtotal   | =     | 0            | 0             | 0               |   |
| 258         | Conital for the year   |       | 190,499,265  | 0             | 190,499,265     |   |
| 259         | Capital for the year   |       | 190,499,205  | U             | 190,499,205     |   |
| 200         |  |       |              |               |                 |   |

|            | Δ.  | -          | 0           | ь .          | - 1            | - |
|------------|---|------------|-------------|--------------|----------------|---|
|            | Α   | В          | С           | D            | E              | F |
|            | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                         | LINE       | M of F      | Non-wires    | Wires-only     |   |
|            | TAX RETURN RECONCILIATION (TAXREC)                            |            | Corporate   | Eliminations | Tax            |   |
|            | (for "wires-only" business - see s. 72 OEB Act)               |            | Tax         |              | Return         |   |
|            | RRR # 2.1.8   |            | Return      |              |                |   |
| 5          |   |            |             |              | Version 2004.2 |   |
|            | INVESTMENT ALLOWANCE  |            |             |              |                |   |
| 261        |   |            |             |              |                |   |
|            | Shares in another corporation                                 | +          |             |              | 0              |   |
|            | Loan or advance to another corporation                        | +          | 3,640,108   |              | 3,640,108      |   |
|            | Bond, debenture, note, mortgage, or                           | +          |             |              | 0              |   |
| 265        | similar obligation of another corporation                     | +          |             |              | 0              |   |
|            | Long term debt of financial institution                       | +          |             |              | 0              |   |
| 267        | Dividend receivable from another corporation                  | +          |             |              | 0              |   |
|            | Debts of corporate partnerships that were not exempt from tax | +          |             |              |                |   |
|            | under Part I.3  | <b>+</b> . |             |              | 0              |   |
| 269<br>270 | Interest in a partnership                                     | +          |             |              | 0              |   |
| 271        | Investment Allowance  | -          | 3,640,108   | 0            | 3,640,108      |   |
| 272        | HIV GOLINGIIL MIIUWAIICG                                      | +=-        | 3,040,108   | U            | 3,040,108      |   |
| 273        |   |            |             |              |                |   |
| 274        | TAXABLE CAPITAL   |            |             |              |                |   |
| 275        | TAXABLE ON TIAL   |            |             |              |                |   |
| 276        | Capital for the year  | =          | 190,499,265 | 0            | 190,499,265    |   |
| 277        |   |            |             | -            |                |   |
| 278        | Deduct: Investment allowance                                  | -          | 3.640.108   | 0            | 3.640.108      |   |
| 279        |   |            | -,,         |              | -,,            |   |
| 280        | Taxable Capital for taxation year                             | =          | 186,859,157 | 0            | 186,859,157    |   |
| 281        | •   |            |             |              |                |   |
| 282        | Deduct: Capital Deduction - maximum of \$50,000,000           | -          | 7,848,988   | 0            | 7,848,988      |   |
| 283        | (Input in tab 'Tax Rates')                                    |            |             |              |                |   |
| 284        | Taxable Capital   | =          | 179,010,169 | 0            | 179,010,169    |   |
| 285        |   |            |             |              |                |   |
| 286        | Rate 0.225% in 2002 and 2003; 0.200% in 2004                  |            | 0.22500%    | 0.22500%     | 0.22500%       |   |
| 287        |   |            |             |              |                |   |
| 288        | Days in year  |            | 365         | 365          | 365            |   |
| 289        | Divide days by 366  |            | 1.0000      | 1.0000       | 1.0000         |   |
| 290        |   |            |             | _            |                |   |
| 291<br>292 | Gross Part I.3 Tax LCT (Must agree with tax return)           | =          | 402,773     | 0            | 402,773        |   |
| 292        | Federal Surtax Rate   | 1          | 1.1200%     | 1.1200%      | 1.1200%        |   |
| 293        | reuerai ouriax rale   |            | 1.1200%     | 1.1200%      | 1.1200%        |   |
| 295        | Less: Federal Surtax = Actual Surtax from tax return          | -          |             |              | 0              |   |
| 296        | 2033. I Guerai Guitax - Actual Guitax II Olli tax I etulli    |            |             |              | 0              |   |
| 297        | Net Part I.3 Tax - LCT Payable (Must agree with tax return)   | =          | 402,773     | 0            | 402,773        |   |
| 298        | (If surtax is greater than Gross LCT, then zero)              |            | 702,173     | - 0          | 702,173        |   |
| 299        | A. Tallanda G. Tallon and in Oroco 20 1, anon 2010)           |            |             |              |                |   |
|            | Section F: Income and Capital Taxes                           |            |             |              |                |   |
| 301        | 19099   |            |             |              |                |   |
| 302        | RECAP FROM ABOVE:   |            |             |              |                |   |
|            | Total Income Taxes  | +          | 0           | 0            | 0              |   |
| 304        | Ontario Capital Tax   | +          | 513,941     | 0            | 513,941        |   |
| 305        | Federal Large Corporations Tax                                | +          | 402,773     | 0            | 402,773        |   |
| 306        |   |            | _           |              |                |   |
| 307        | Total income and capital taxes                                | =          | 916,714     | 0            | 916,714        |   |
| 308        |   |            |             |              |                |   |

|          | A  | В    | С          | D            | Е              | F |
|----------|--|------|------------|--------------|----------------|---|
| 1        | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                      | LINE | M of F     | Non-wires    | Wires-only     |   |
| 2        | Tax and Accounting Reserves                                |      | Corporate  | Eliminations | Tax            |   |
|          | For MoF Column of TAXCALC                                  |      | Tax        |              | Return         |   |
| 4        | (for "wires-only" business - see s. 72 OEB Act)            |      | Return     |              |                |   |
| 5        | RRR # 2.1.8  |      |            |              | Version 2004.2 |   |
| 7        | Halitar Names - Engris Deventings Ltd                      |      |            |              |                |   |
| 8        | Utility Name: Enwin Powerlines Ltd. Reporting period: 2003 |      |            |              |                |   |
| 9        | Reporting period. 2003                                     |      |            |              |                |   |
| 10       | TAX RESERVES   |      |            |              |                |   |
| 11       |  |      |            |              |                |   |
| 12       | Beginning of Year:   |      |            |              |                |   |
| 13       |  |      |            |              | 0              |   |
|          | Reserve for doubtful accounts ss. 20(1)(I)                 |      |            |              | 0              |   |
| 15       | Reserve for goods & services ss.20(1)(m)                   |      |            |              | 0              |   |
|          | Reserve for unpaid amounts ss.20(1)(n)                     |      |            |              | 0              |   |
| 18       | Debt and share issue expenses ss.20(1)(e) Other            |      |            |              | 0              |   |
| 19       | Other  | +    |            |              | 0              |   |
| 20       | Citici   |      |            |              | 0              |   |
| 21       |  |      |            |              | 0              |   |
| 22       | Total (carry forward to the TAXREC worksheet)              |      | 0          | 0            | 0              |   |
| 23       |  |      |            |              |                |   |
| 24       | End of Year:   |      |            |              |                |   |
| 25       |  |      |            |              | 0              |   |
|          | Reserve for doubtful accounts ss. 20(1)(I)                 |      |            |              | 0              |   |
|          | Reserve for goods & services ss.20(1)(m)                   |      |            |              | 0              |   |
|          | Reserve for unpaid amounts ss.20(1)(n)                     |      |            |              | 0              |   |
| 29<br>30 | Debt and share issue expenses ss.20(1)(e) Other            |      |            |              | 0              |   |
| 31       | Other  | +    |            |              | 0              |   |
| 32       | Other  | +    |            |              | 0              |   |
| 33       |  |      |            |              | 0              |   |
|          | Insert line above this line                                |      |            |              | Ü              |   |
| 35       | Total (carry forward to the TAXREC worksheet)              |      | 0          | 0            | 0              |   |
| 36       |  |      |            |              |                |   |
| 37       |  |      |            |              |                |   |
| 38       | FINANCIAL STATEMENT RESERVES                               |      |            |              |                |   |
| 39       | D : 1 ()/  |      |            |              |                |   |
| 40       | Beginning of Year:   |      |            |              | 0              |   |
| 41       |  |      |            |              | 0              |   |
|          | Environmental  |      |            |              | 0              |   |
|          | Allowance for doubtful accounts                            |      |            |              | 0              |   |
|          | Inventory obsolescence                                     |      |            |              | 0              |   |
|          | Property taxes   |      |            |              | 0              |   |
| 47       | Employee future benefits                                   |      | 11,108,564 |              | 11,108,564     |   |
|          | Other  |      |            |              | 0              |   |
| 49       |  |      |            |              | 0              |   |
| 50       | Total (carry forward to the TAXREC worksheet)              |      | 11,108,564 | 0            | 11,108,564     |   |
| 51       | Find of Vocan  |      |            |              |                |   |
| 52<br>53 | End of Year:   |      |            |              | 0              |   |
| 54       |  | 1    |            |              | 0              |   |
|          | Environmental  | +    |            |              | 0              |   |
|          | Allowance for doubtful accounts                            |      |            |              | 0              |   |
|          | Inventory obsolescence                                     |      |            |              | 0              |   |
| 58       | Property taxes   |      |            |              | 0              |   |
|          | Employee future benefits                                   |      | 11,552,011 |              | 11,552,011     |   |
| 60       | Other  |      |            |              | 0              |   |
| 61       |  |      |            |              | 0              |   |
|          | Insert line above this line                                |      |            |              |                |   |
| 63       | Total (carry forward to the TAXREC worksheet)              |      | 11,552,011 | 0            | 11,552,011     |   |
| 64       |  |      |            |              |                |   |

|          | A   | В     | С         | D              | Е              | F |
|----------|---|-------|-----------|----------------|----------------|---|
| 1        | ^   | D     | C         | Б              | <u> </u>       |   |
|          | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                                     | LINE  | M of F    | Non-wires      | Wires-only     |   |
|          | TAX RETURN RECONCILIATION (TAXREC 2)                                      | LIIVE | Corporate | Eliminations   | Tax            |   |
|          | (for "wires-only" business - see s. 72 OEB Act)                           |       | Tax       | Liiiiiiiations | Return         |   |
|          | RRR # 2.1.8   |       | Return    |                | Hotum          |   |
| 6        | THE TENTO   |       | rtotam    |                | Version 2004.2 |   |
| 7        |   |       |           |                |                |   |
|          | Utility Name: Enwin Powerlines Ltd.                                       |       |           |                |                |   |
|          | Reporting period: 2003  |       |           |                |                |   |
|          | Number of days in taxation year:  |       | 365       |                |                |   |
|          | Materiality Level:  |       | 181,491   |                |                |   |
| 12       |   |       |           |                |                |   |
| 13       | Section C: Reconciliation of accounting income to taxable income          |       |           |                |                |   |
|          | Add:  |       |           |                |                |   |
| 15       | Recapture of capital cost allowance                                       | +     |           |                | 0              |   |
| 16       | Gain on sale of eligible capital property                                 | +     |           |                | 0              |   |
| 17       | Income or loss for tax purposes- joint ventures or partnerships           | +     |           |                | 0              |   |
|          | Loss in equity of subsidiaries and affiliates                             | +     |           |                | 0              |   |
|          | Loss on disposal of assets  | +     |           |                | 0              |   |
|          | Charitable donations  | +     |           |                | 0              |   |
|          | Taxable capital gains   | +     |           |                | 0              |   |
|          | Depreciation in inventory -end of year                                    | +     |           |                | 0              | - |
|          | Scientific research expenditures deducted                                 | +     |           |                | 0              |   |
|          | per financial statements  | +     |           |                | 0              |   |
|          | Capitalized interest  | +     |           |                | 0              |   |
|          | Non-deductible club dues and fees   | +     |           |                | 0              |   |
|          | Non-deductible automobile expenses Non-deductible life insurance premiums | +     |           |                | 0              |   |
|          | Soft costs on construction and renovation of buildings                    | +     |           |                | 0              |   |
|          | Non-deductible meals and entertainment                                    | +     |           |                | 0              | - |
|          | Book loss on joint ventures or partnerships                               | +     |           |                | 0              |   |
|          | Capital items expensed  | +     |           |                | 0              |   |
|          | Debt issue expense  | +     |           |                | 0              |   |
|          | Deemed dividend income  | +     |           |                | 0              |   |
|          | Dividends credited to investment account                                  | +     |           |                | 0              |   |
|          | Financing fees deducted in books  | +     |           |                | 0              |   |
|          | Gain on settlement of debt  | +     |           |                | 0              |   |
|          | Interest paid on income debentures  | +     |           |                | 0              |   |
|          | Recapture of SR&ED expenditures   | +     |           |                | 0              |   |
|          | Share issue expense   | +     |           |                | 0              |   |
|          | Write down of capital property  | +     |           |                | 0              |   |
|          | Amounts received in respect of qualifying environment trust               | +     |           |                | 0              |   |
| 43       | Other Additions: (please explain in detail the nature of the item)        | +     |           |                | 0              |   |
|          | Debt financing expenses   | +     |           |                | 0              |   |
|          | Adjustment to income for lease payments                                   | +     | 437,880   |                | 437,880        |   |
|          | Capital Tax accrual   | +     |           |                | 0              |   |
| 47       |   | +     |           |                | 0              |   |
| 48       |   | +     |           |                | 0              |   |
| 49       |   | +     |           |                | 0              |   |
| 50       |   | +     |           |                | 0              |   |
| 51       |   | +     |           |                | 0              |   |
| 52<br>53 |   | +     |           |                | 0              |   |
| 53       | Total Additions   | +     | 407.000   | ^              | 407.000        |   |
| 55       | Total Additions   | =     | 437,880   | 0              | 437,880        |   |
| _        | Recap of Material Additions:  |       |           |                |                |   |
| 57       | nocup of iviaterial Additions.  |       | 0         | 0              | 0              |   |
| 58       |   |       | 0         | 0              |                |   |
| 59       |   |       | 0         | 0              |                |   |
| 60       |   |       | 0         | 0              |                |   |
| 61       |   |       | 0         | 0              |                |   |
| 62       |   |       | 0         | 0              |                |   |
| 63       |   |       | 0         | 0              |                |   |
| 64       |   |       | 0         | 0              |                |   |
| 65       |   |       | 0         | 0              | 0              |   |
| 66       |   |       | 0         | 0              |                |   |
| 67       |   |       | 0         | 0              |                |   |
| 68       |   |       | 0         | 0              |                |   |
| 69       |   |       | 0         | 0              |                |   |
| 70       |   |       | 0         | 0              |                |   |
| 71       |   |       | 0         | 0              |                |   |
| 72       |   |       | 0         | 0              |                |   |
| 73       |   |       | 0         | 0              |                |   |
| 74       |   |       | 0         | 0              |                | - |
| 75       |   |       | 0         | 0              |                | ļ |
| 76<br>77 |   |       | 0         | 0              |                | - |
| 77       |   |       | 0         | 0              |                | - |
| 78<br>79 |   |       | 0         | 0              |                |   |
| 80       |   |       | 0         | 0              |                |   |
| 81       | -   |       | 0         | 0              |                |   |
| 82       |   |       | 0         | 0              |                |   |
| UZ       |   | 1     | U         | 0              | U              |   |

| 92   93   0   0   0   0   0   0   0   0   0   |     |   |      |           |              |                |   |
|---|-----|---|------|-----------|--------------|----------------|---|
| 3   TAX RETURN RECONCLIATION (TAXREC 2)   |     | A   | В    | С         | D            | Е              | F |
| 3   TAX RETURN RECONCLIATION (TAKREC 2)   | 2   | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                       | LINE | M of F    | Non-wires    | Wires-only     |   |
| A   (not "interes only" business - see s. 72 CEB Act)   Tax   Return  | 3   | TAX RETURN RECONCILIATION (TAXREC 2)                        |      | Corporate | Eliminations |                |   |
| 5 RRF 2.1.8   Return   Version 2004_2   |     |   |      |           |              | Return         |   |
| 8   Version 2004.2   80   0   0   0   0   81   0   0   0   0   81   0   0   0   0   82   Adjustment to income for lease payments  |     |   |      |           |              |                |   |
| 38  |     |   |      |           |              | Version 2004.2 |   |
| 94  |     |   |      | 0         | 0            |                |   |
| 86 Adjustment to income for lease payments 97   |     |   |      |           |              |                |   |
| 88 Adjustment to income for lease payments 77 88 97 88 98 90 90 90 90 90 90 90 90 90 90 90 90 90  |     |   |      |           |              |                |   |
| 87   0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0  |     |   |      |           |              |                |   |
| 88   0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0  |     | Adjustment to income for lease payments                     |      |           |              |                |   |
| 10  |     |   |      |           |              |                |   |
| 90 91   |     |   |      |           |              |                |   |
| 91  |     |   |      |           |              |                |   |
| 92   93   0   0   0   0   0   0   0   0   0   |     |   |      | 0         | 0            | 0              |   |
| 93  | 91  |   |      | 0         | 0            | 0              |   |
| 94   95   Total Material additions   95   Total Material additions   96   Other additions less than materiality level   0 0 0 0 437,880   98   99   Deduct:   | 92  |   |      | 0         | 0            | 0              |   |
| 94   95   Total Material additions   95   Total Material additions   96   Other additions less than materiality level   0 0 0 0 437,880   98   99   Deduct:   | 93  |   |      | 0         | 0            | 0              |   |
| 96   Other additions less than materiality level  | 94  |   |      |           |              |                |   |
| 96   Other additions less than materiality level  | 95  | Total Material additions                                    |      | 437 880   | 0            | 437 880        |   |
| 97 Total Additions  |     |   |      |           |              |                |   |
| 98   Deduct:  |     |   |      |           |              |                |   |
| 99   Deduct:  |     |   |      | 431,080   | U            | 437,080        |   |
| 100   Gain on disposal of assets per f/s  |     |   |      |           |              |                |   |
| 101   Dividends not taxable under section 83   -  |     |   |      |           |              |                |   |
| 102 Terminal loss from Schedule 8   | 100 | Gain on disposal of assets per t/s                          |      |           |              |                |   |
| 1030   Depreciation in inventory, end of prior year   | 101 | Dividends not taxable under section 83                      |      |           |              |                |   |
| 104  Scientific research expenses claimed in year from Form T661   .     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     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     0   0     0     0     0     0     0     0     0     0     0     0   0       0       0       0       0       0       0  |     |   | -    |           |              |                |   |
| 104  Scientific research expenses claimed in year from Form T661   .     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     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     0   0     0     0     0     0     0     0     0     0     0     0   0       0       0       0       0       0       0  | 103 | Depreciation in inventory, end of prior year                |      |           |              |                |   |
| 106 Book income of joint venture or partnership   -   | 104 | Scientific research expenses claimed in year from Form T661 | LT   |           |              | 0              |   |
| 107   Equity in income from subsidiary or affiliates   -     0   0   0   0   0   0   0   0  | 105 | Bad debts   | -    |           |              | 0              |   |
| 107   Equity in income from subsidiary or affiliates   -     0   0   0   0   0   0   0   0  | 106 | Book income of joint venture or partnership                 | -    |           |              | 0              |   |
| 108   Contributions to a qualifying environment trust   |     |   | -    |           |              |                |   |
| 109   Other income from financial statements  |     |   | _    |           |              |                |   |
| 110 Other deductions:   Please explain in detail the nature of the item)   -  |     |   |      |           |              |                |   |
| 111   Imputed interest on Reg Assets  |     |   | -    |           |              | 0              |   |
| 112   Financing Fees  |     |   |      |           |              | 0              |   |
| 113   Capital tax per CT23  |     |   |      |           |              |                |   |
| 114   |     |   |      |           |              |                |   |
| 115   |     |   |      |           |              |                |   |
| 118   |     |   | -    |           |              |                |   |
| 117   |     |   | -    |           |              |                |   |
| 118   |     |   | -    |           |              |                |   |
| 119   | 117 |   | -    |           |              | 0              |   |
| 120   | 118 |   | -    |           |              | 0              |   |
| 121   | 119 |   | -    |           |              | 0              |   |
| Total Deductions  | 120 |   | -    |           |              | 0              |   |
| 123   | 121 |   | -    |           |              | 0              |   |
| 123   | 122 | Total Deductions  | =    | 0         | 0            | 0              |   |
|   | 123 |   |      |           | -            |                |   |
| 125   |     |   |      |           |              |                |   |
| 126   |     |   |      | 0         | 0            | 0              |   |
| 127   |     |   |      |           |              |                |   |
| 128   |     |   |      | 0         |              | -              |   |
| 129   | 120 |   |      |           |              |                |   |
| 130   | 120 |   |      |           |              |                |   |
| 131   |     |   |      |           |              |                |   |
| 132   |     |   |      |           |              |                |   |
| 133   |     |   |      |           |              |                |   |
| 134   | 132 |   |      |           |              |                |   |
| 135   | 133 |   |      |           |              |                |   |
| 136   | 134 |   |      |           |              | 0              |   |
| 136   | 135 |   |      | 0         | 0            | 0              |   |
| 137   | 136 |   |      |           |              | 0              |   |
| 138   | 137 |   |      |           |              |                |   |
| 139   | 138 |   |      |           |              |                |   |
| 140     0   0   0   0   0   141   141   141   142   143   143   144   144   145   145   145   145   145   146   146   146   146   146   147   147   148 |     |   |      |           |              |                |   |
| 141   |     |   |      |           |              |                |   |
| 142   |     |   |      |           |              |                |   |
| 143   |     |   |      |           |              |                |   |
| 144   |     |   |      |           |              |                |   |
| 145   |     |   |      |           |              |                |   |
| 146 Total Deductions exceed materiality level       0       0       0         147 Other deductions less than materiality level       0       0       0         148 Total Deductions       0       0       0   |     |   |      |           |              |                |   |
| 147 Other deductions less than materiality level         0         0         0           148 Total Deductions         0         0         0   | 145 |   |      |           |              |                |   |
| 148 Total Deductions 0 0 0  |     |   |      |           |              | 0              |   |
|   | 147 | Other deductions less than materiality level                |      | 0         | 0            | 0              |   |
|   | 148 | Total Deductions  |      | 0         | 0            | 0              |   |
|   | 149 |   |      |           |              |                |   |

| A SECTION 93 PILS TAX GRO   |   | _  |                 |               |                  |   |   |  |
|---|---|--|-----------------|---------------|------------------|---|---|--|
|   | В                                       | С  | D               | E             | F                | G | Н |  |
|   | SS-UP "SII                              | MPIL"  |                 | _             |                  | _ |   |  |
| Corporate Tax Rates   |   |  |                 | ٧             | ersion 2004.2    | 2 |   |  |
| Exemptions, Deductions, or  |   | S  |                 |               | RRR # 2.1.8      |   |   |  |
| Utility Name: Enwin Powe  | rlines Ltd.                             |  |                 |               |                  |   |   |  |
| Reporting period: 2003  |   |  |                 |               |                  |   |   |  |
| <u> </u>  |   |  |                 |               |                  |   |   |  |
| 7   |   |  |                 |               | Table 1          |   |   |  |
| Rates Used in 2002 RAM PI   | Ls Applicati                            | ons  |                 |               |                  |   |   |  |
| Income Range  |   | 0  |                 | 200,001       |                  |   |   |  |
| 0 RAM 2002  |   | to   |                 | to            | >700,000         |   |   |  |
| 1   | Year                                    | 200,000  |                 | 700,000       |                  |   |   |  |
| 2 Income Tax Rate   |   |  |                 |               |                  |   |   |  |
| 3 Proxy Tax Year  | 2002                                    |  |                 |               |                  |   |   |  |
| 4 Federal (Includes surtax)   |   | 0.00%  |                 |               |                  |   |   |  |
| 5 and Ontario blended   |   | 19.12%   |                 | 34.12%        | 38.62%           |   |   |  |
| 6 Blended rate  |   | 19.12%   | 0.00%           | 34.12%        | 38.62%           |   |   |  |
| 7   |   | 13.1270  | 0.0070          | 04.1270       | 00.0270          |   |   |  |
|   |   | 0.2000/  |                 |               |                  |   |   |  |
| 8 Capital Tax Rate  |   | 0.300%   |                 |               |                  |   |   |  |
| 9 LCT rate  |   | 0.225%   |                 |               |                  |   |   |  |
| 0 Surtax  |   | 1.12%  |                 |               |                  |   |   |  |
| Ontario Capital Tax   | MAX                                     | 3,885,000  |                 |               |                  |   |   |  |
| 1 Exemption **  | \$5MM                                   | 0,000,000  |                 |               |                  |   |   |  |
| Federal Large   | MAX                                     |  |                 |               |                  |   |   |  |
| Corporations Tax  |   | 7,770,000  |                 |               |                  |   |   |  |
| 2 Exemption **  | \$10MM                                  |  |                 |               |                  |   |   |  |
| 3 **Exemption amounts must  | agree with                              | the Board-an   | proved 2002     | RAM PILs f    | iling            |   |   |  |
| 4   | 5                                       |  |                 |               | 3                |   |   |  |
| <u>.</u><br>5   |   |  |                 |               | Table 2          |   |   |  |
| 6 Expected Rates and Exemp  | tions for 20                            | 03   |                 |               | . 30.0 4         |   |   |  |
| 7 Income Range  |   | 0  | 250,001         | 400,001       |                  |   |   |  |
| 8 Expected Rates 2003   |   | to   | 230,001<br>to   | 400,001<br>to | >1,128,000       |   |   |  |
| 9   | Voor                                    |  |                 |               | >1,120,000       |   |   |  |
|   | Year                                    | 250,000  | 400,000         | 1,128,000     |                  |   |   |  |
| 0 Income Tax Rate   |   |  |                 |               |                  |   |   |  |
| 1 Current year  | 2003                                    |  |                 |               |                  |   |   |  |
| 2 Federal (Includes surtax)   |   | 13.12%   | 22.12%          | 22.12%        | 24.12%           |   |   |  |
| 3 <b>Ontario</b>  |   | 5.50%  | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 4 Blended rate  |   | 18.62%   | 27.62%          | 31.87%        | 36.62%           |   |   |  |
| 5   |   |  |                 |               |                  |   |   |  |
| 6 Capital Tax Rate  |   | 0.300%   |                 |               |                  |   |   |  |
| 7 LCT rate  |   | 0.200%   |                 |               |                  |   |   |  |
| 8 Surtax  |   | 1.12%  |                 |               |                  |   |   |  |
| Ontario Capital Tax   | MAX                                     |  |                 |               |                  |   |   |  |
| 9 Exemption ***   | \$5MM                                   | 3,885,000  |                 |               |                  |   |   |  |
| Federal Large   | POININ                                  |  |                 |               |                  |   |   |  |
| _   | MAX                                     | 7 770 000  |                 |               |                  |   |   |  |
| Corporations Tax  0 Exemption ***   | \$50MM                                  | 7,770,000  |                 |               |                  |   |   |  |
| Exciliption   |   |  |                 |               |                  |   |   |  |
| 1 ***Allocation of exemptions   | must comp                               | ny with the B  | para's instru   | ctions regar  | aing             |   |   |  |
| regulated activities.   |   |  |                 |               |                  |   |   |  |
| 3   |   |  |                 |               | Table 3          |   |   |  |
| 4 Input Information from Utilit   | y's Actual 2                            |  |                 |               |                  |   |   |  |
| 5 Income Range  |   | 0  | 250,001         | 400,001       |                  |   |   |  |
| 6   |   | to   | to              | to            | >1,128,000       |   |   |  |
| 7   | Year                                    | 250,000  | 400,000         | 1,128,000     |                  |   |   |  |
| 8 Ilnoomo Toy Boto  |   |  |                 |               |                  |   |   |  |
|   | 2003                                    |  |                 |               |                  |   |   |  |
| 8 Income Tax Rate<br>9 Current year   |   |  | 00 1001         | 00.400/       | 24.12%           |   |   |  |
|   |   | 13.12%   | 22.12%          | 22.12%        | 24.12/0          |   |   |  |
| 9 Current year  |   | 13.12%<br>5.50%  | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year<br>0 Federal (Includes surtax)   |   |  |                 |               |                  |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario  |   | 5.50%  | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3   |   | 5.50%<br>18.62%  | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate  |   | 5.50%<br>18.62%<br>0.300%  | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate   |   | 5.50%<br>18.62%<br>0.300%<br>0.225%                                    | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax  | MAY                                     | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%                           | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year 10 Federal (Includes surtax) 11 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax  | MAX                                     | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%                           | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Exemption *  | MAX<br>\$5MM                            | 5.50%<br>18.62%<br>0.300%<br>0.225%                                    | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Federal Large  | \$5MM                                   | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906              | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax 7 Exemption * Federal Large Corporations Tax   | \$5MM<br>MAX                            | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%                           | 5.50%           | 9.75%         | 12.50%           |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax 7 Exemption * Federal Large Corporations Tax 8 Exemption *   | \$5MM<br>MAX<br>\$50MM                  | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax 7 Exemption * Federal Large Corporations Tax   | \$5MM<br>MAX<br>\$50MM                  | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax 7 Exemption * Federal Large Corporations Tax 8 Exemption *   | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax 7 Exemption * Federal Large Corporations Tax 8 Exemption * 9 * Include copies of the actual                                  | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * 9 *Include copies of the actu- Ontario CT23 page 11; federal          | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax 8 Exemption * 9 * Include copies of the actual Ontario CT23 page 11; federal 2    | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * 9 *Include copies of the actu- Ontario CT23 page 11; federal          | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax 8 Exemption * 9 * Include copies of the actual Ontario CT23 page 11; federal 2    | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax 8 Exemption * 9 * Include copies of the actual Ontario CT23 page 11; federal 2    | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax 8 Exemption * 9 * Include copies of the actual Ontario CT23 page 11; federal 2    | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |
| 9 Current year 0 Federal (Includes surtax) 1 Ontario 2 Blended rate 3 4 Capital Tax Rate 5 LCT rate 6 Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax 8 Exemption * 9 * Include copies of the actual Ontario CT23 page 11; federal CT23 | \$5MM<br>MAX<br>\$50MM<br>al tax return | 5.50%<br>18.62%<br>0.300%<br>0.225%<br>1.12%<br>3,883,906<br>7,848,988 | 5.50%<br>27.62% | 9.75% 31.87%  | 12.50%<br>36.62% |   |   |  |

|    | Α        | В  | С        | D              |
|----|----------|--|----------|----------------|
| 1  |          | SECTION 93 PILs TAX GROSS-UP "SIMPIL"  |          |                |
| 2  |          | Filing Requirements related to the "SIMPIL" model                                |          | Version 2004.2 |
| 3  |          | Utility Name: Enwin Powerlines Ltd.  |          | RRR # 2.1.8    |
| 4  |          | Reporting period: 2003   |          |                |
| 5  |          |  |          |                |
| 6  |          |  |          |                |
| 7  |          |  |          |                |
| 8  |          | Documents to be submitted to the Board when filing the Ministry of Finance Colum | n info   | rmetion        |
| 10 |          | (Stage 3 filing: normally in July of the year following the reporting period)    | n inic   | mation:        |
| 11 |          | (Stage 5 ming. normally in stary of the year following the reporting period)     |          |                |
| 12 |          | Please file 3 copies of each paper document and 1 CD or disk                     |          |                |
| 13 |          | Trouble into a september of such paper assument and the second                   |          |                |
| 14 | 1)       | REGINFO  | Χ        |                |
| 15 |          |  |          |                |
| 16 | 2)       | TAXCALC  | Х        |                |
| 17 | <i>'</i> |  |          |                |
| 18 | 3)       | TAXREC   | Χ        |                |
| 19 | •        |  |          |                |
| 20 | 4)       | Tax Reserves   | Χ        |                |
| 21 |          |  |          |                |
|    | 5)       | TAXREC 2   | Χ        |                |
| 23 |          |  |          |                |
| 24 | 6)       | Tax Rates  | Χ        |                |
| 25 |          |  |          |                |
| 26 | 7)       | Checklist  | Χ        |                |
| 27 |          |  |          |                |
| 28 | 8)       | Background Questionnaire   | Χ        |                |
| 29 |          |  |          |                |
| 30 | 9)       | PILs Variance Analysis   | Χ        |                |
| 31 |          |  |          |                |
|    | 10)      | Financial statements used to prepare tax returns if different from the audited   |          |                |
| 32 |          | financial statements submitted to the Board in April 2005                        |          |                |
| 33 |          |  |          |                |
| 34 | 11)      | Electronic Excel format of the SIMPIL worksheets                                 | Χ        |                |
| 35 | 40\      | Nations of accompants, and any to accompants for                                 |          |                |
| 37 | 12)      | Notices of assessments, and any re-assessments, for: 200                         | 1 ~      |                |
| 38 |          | 200  |          |                |
| 39 |          | 200  | ^<br>2 Y |                |
| 40 |          | 200  |          |                |
| 41 |          |  | •        |                |
| 42 | 13)      | Schedules or pages from CT23 and T2 tax returns                                  | Х        |                |
| 43 | 13)      | ochedules of pages from 0120 and 12 tax feturns                                  | ^        |                |
| 44 |          |  |          |                |
| 45 |          |  |          |                |
| 46 |          |  |          |                |
| 47 |          |  |          |                |
| 48 |          |  |          |                |
| 49 |          |  |          |                |
| 50 |          |  |          |                |

| 1        |   | В  | С              |
|----------|---|--|----------------|
| -        |   | SECTION 93 PILs TAX GROSS-UP "SIMPIL"  | -              |
| 2        |   | Background Questionnaire   | Version 2004.2 |
| 3        |   | Utility Name: Enwin Powerlines Ltd.  | RRR # 2.1.8    |
| 4        |   | Reporting period: 2003   |                |
| 5        |   |  |                |
| 6        | 1 | Does the company engage in non-regulated activities?                                       |                |
| 7        |   | Answer: No   |                |
| 8        |   |  |                |
| 9        |   |  |                |
| 10       |   | If the answer to question 1 is "NO", please skip questions 2 to 6.                         |                |
| 11       |   |  |                |
| 12       |   | Please identify the types of non-wire operations carried on by the LDC.                    |                |
| 13       |   | Answer:  |                |
| 14       |   |  |                |
| 15       |   |  |                |
| 16       | _ | Deep the LDC intend to transfer the new using amountions to a consent level antity and the |                |
| 17       |   | Does the LDC intend to transfer the non-wire operations to a separate legal entity and the |                |
| 17<br>18 |   | expected date?   |                |
| 19       |   | Answer:  |                |
| 20       |   |  |                |
| 21       |   |  |                |
| 21       | 1 | Please identify the percentage and amount of gross revenues arising from non-wire          |                |
| 22       |   | operations.  |                |
| 23       |   | Answer:  |                |
| 24       |   | Allowor.   |                |
| 25       |   |  |                |
|          | 5 | Please identify the percentage and amount of operating expense incurred pertaining to non- |                |
| 26       |   | wire operations.   |                |
| 27       |   | Answer:  |                |
| 28       |   |  |                |
| 29       |   |  |                |
|          | 6 | Please identify the percentage and amount of depreciation and capital cost allowance       |                |
| 30       |   | expenses pertaining to non-wire operations.  |                |
| 31       |   | Answer:  |                |
| 32       |   |  |                |
| 33       |   |  |                |
| 34       |   |  |                |
|          |   | Did the company incur any OPEBs (post employment benefits other than pensions) for         |                |
| 35       |   | accounting and tax purposes? (Please identify the amount.)                                 |                |
| 36       |   | Answer: No   |                |
| 37<br>38 |   |  |                |
| SÖ       |   | Did the company have any recorned for essenting and toy name and (Disease identify the     |                |
| 20       |   | Did the company have any reserves for accounting and tax purposes? (Please identify the    |                |
| 39<br>40 |   | amount.) Answer: No  |                |
| 41       |   | Allower. INC   |                |
| 42       |   |  |                |
| 43       |   |  |                |
| 44       |   |  |                |

|     | Α  | В      | С               | D   | Е               | F    | G          | Н | I          | J | K          | Ν | 0              |
|-----|--|--------|-----------------|-----|-----------------|------|------------|---|------------|---|------------|---|----------------|
| 1   | SECTION 93 PILs TAX GROS                                       | S-UP   | "SIMPIL"        |     |                 |      |            |   |            |   |            |   |                |
| 2   | 2 Analysis of Account 1562: Deferred Payments in lieu of Taxes |        |                 |     |                 |      |            |   |            |   |            |   |                |
| 3   | Utility Name: Enwin Powerl                                     | ines L | td.             |     |                 |      |            |   |            |   |            |   | Version 2004.2 |
| 4   | Reporting period: 2003   |        |                 |     |                 |      |            |   |            |   |            |   | RRR # 2.1.8    |
| 5   |  |        | Sign Convention | on: | + for increase; | - fo | r decrease |   |            |   |            |   |                |
| 6   |  |        |                 |     |                 |      |            |   |            |   |            |   |                |
| 7   |  |        |                 |     |                 |      |            |   |            |   |            |   |                |
| 8   |  |        |                 |     |                 |      |            |   |            |   |            |   |                |
| 9   | Year start:  |        | 01/10/2001      |     | 01/01/2002      |      | 01/01/2003 |   | 01/01/2004 |   | 01/01/2005 |   |                |
| 10  | Year end:  |        | 31/12/2001      |     | 31/12/2002      |      | 31/12/2003 |   | 31/12/2004 |   | 31/12/2005 |   | Total          |
| 11  |  |        |                 |     |                 |      |            |   |            |   |            |   |                |
| 12  | Opening balance:   | =      |                 |     | 1,866,278       |      | 2,237,152  |   | -2,948,067 |   | -1,311,954 |   | 0              |
|     | Initial Estimate PILs Rate                                     | +/-    |                 |     |                 |      |            |   |            |   |            |   |                |
| 13  | Adjustment (1)   |        | 1,859,048       |     | 5,896,261       |      | 5,896,261  |   | 6,973,041  |   |            |   | 20,624,611     |
|     | True-up Variance   | +/-    |                 |     |                 |      |            |   |            |   |            |   |                |
| 14  | Adjustment (2)   |        |                 |     |                 |      | -2,940,338 |   | 1,150,369  |   | 325,691    |   | -1,464,278     |
|     | Deferral Account Variance                                      | +/-    |                 |     |                 |      |            |   |            |   |            |   |                |
| 15  | Adjustment (3)   |        |                 |     |                 |      |            |   |            |   | -252,396   |   | -252,396       |
| ١   | Adjustments to reported  |        |                 |     |                 |      |            |   |            |   |            |   | _              |
| 16  | prior years' variances (4)                                     |        |                 |     |                 |      |            |   |            |   |            |   | 0              |
| 17  | Carrying charges   | +/-    | 7,230           |     | 190,953         |      | -24,074    |   | -201,717   |   |            |   | -27,608        |
|     | PILs collected from  | -      |                 |     |                 |      |            |   |            |   |            |   |                |
|     | customers - Proxv (5)  |        | 0               |     | -5,716,340      |      | -8,117,068 |   | -6,285,580 |   |            |   | -20,118,988    |
| 19  |  |        |                 |     |                 |      |            |   |            |   |            |   |                |
|     | Ending balance: # 1562   |        | 1,866,278       |     | 2,237,152       |      | -2,948,067 |   | -1,311,954 |   | -1,238,658 |   | -1,238,658     |
| 21  |  |        |                 |     |                 |      |            |   |            |   |            |   |                |
|     | PILs collected from  | -      |                 |     |                 |      |            |   |            |   |            |   |                |
| 0.5 | customers - Reg Assets (6)                                     |        |                 |     |                 |      |            |   |            |   |            |   |                |
| 22  |  |        | 0               |     | 0               |      | 0          |   | 0          |   | 0          |   | 0              |
| 23  |  |        |                 |     |                 |      |            |   |            |   |            |   |                |

## 24 Note:

The purposes of this worksheet is to show the movement in Account 1562.

26 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities

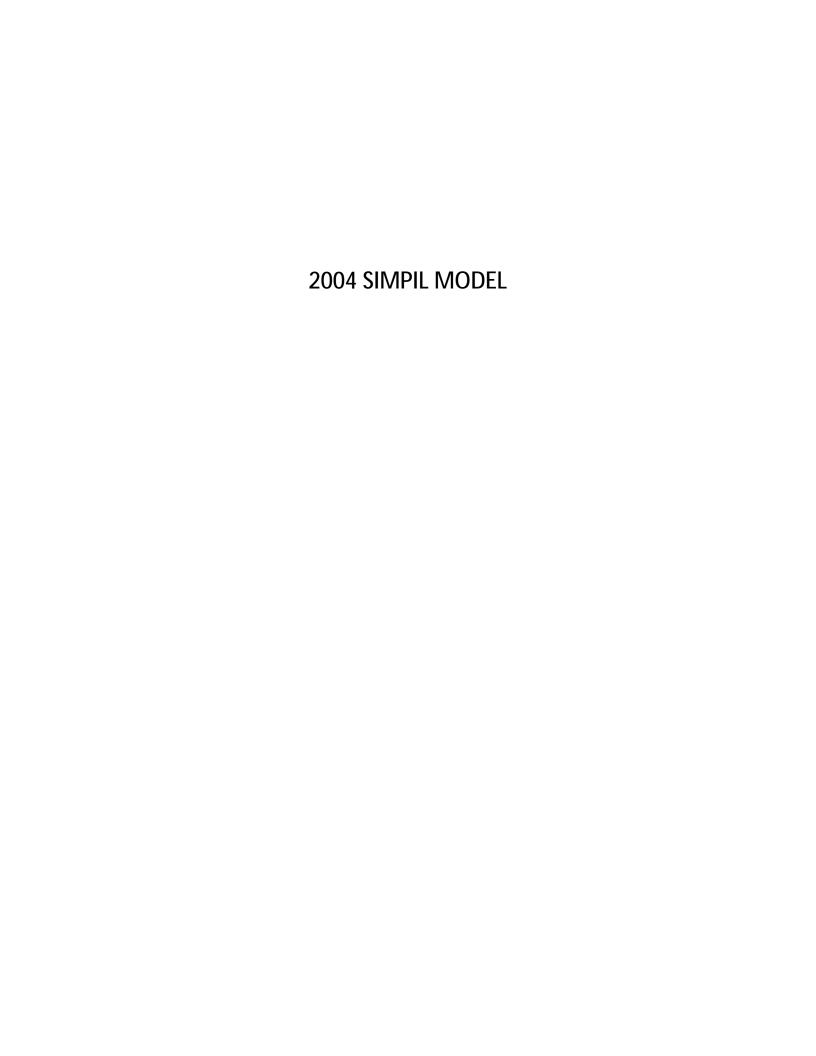
Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery.

29 Answer: Method 3

- (1) (i) From the Initial Estimate Column, under Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
  - (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.
- (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I130, of the TAXCALC spreadsheet
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I179, of the TAXCALC spreadsheet
- (4) 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.
- (5) (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 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 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 kWhs or kWs for the period (including net unbilled at period end), multiplied 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; 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.
- (6) Any interim PILs recovery from the Reg Asset decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.



| Ī        | A  | В          | С            | D           | Е              |
|----------|--|------------|--------------|-------------|----------------|
| 1        | SECTION 93 PILs TAX GROSS-UP "SIMPIL"  |            | Ŭ            | J           | Version 2004.2 |
|          | REGULATORY INFORMATION (REGINFO)   |            |              |             | RRR # 2.1.8    |
|          | Utility Name: Enwin Powerlines Ltd.  |            |              |             |                |
|          | Reporting period: 2004   |            |              |             |                |
| 5        | De la la constanta de la const | 200        | dove         |             |                |
| 7        | Days in reporting period: Total days in the calendar year:   | 366<br>366 | days<br>days |             |                |
| 8        | Total days III the calendar year.  | 300        | uays         |             |                |
| 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          | Υ           |                |
|          | Was the utility recently acquired by Hydro One   |            |              |             |                |
| 15       | and now subject to s.89 & 90 PILs?   |            | Y/N          | N           |                |
| 17       | Is the utility a non-profit corporation?   |            | Y/N          | N           |                |
|          | (If it is a non-profit corporation, please contact the Rates Manager at the OEB)   |            | 1/IN         | IN          |                |
| 10       | Are the Ontario Capital Tax & Large Corporations Tax Exemptions  | OCT        | Y/N          | Υ           |                |
|          | shared among the corporate group?  | LCT        | Y/N          | Ϋ́          |                |
|          | Please identify the % used to allocate the OCT and LCT exemptions in   | OCT        | 1/11         | 100%        |                |
|          | Cells C65 & C74 in the TAXCALC spreadsheet.  | LCT        |              | 100%        |                |
| 23       | ·  |            | D. 1         |             |                |
| 24       | Accounting Year End  |            | Date         | 12-31-2004  |                |
|          | MARR NO TAX CALCULATIONS   |            |              |             | Regulatory     |
|          | SHEET #7 FINAL RUD MODEL DATA  |            |              |             | Income         |
|          | (FROM 1999 FINANCIAL STATEMENTS)   |            |              |             |                |
| 30       | USE BOARD-APPROVED AMOUNTS   |            |              |             |                |
|          | Rate Base (wires-only)   |            |              | 161,325,087 |                |
| 02       |  |            |              |             |                |
| 33       | Common Equity Ratio (CER)  |            |              | 45.00%      |                |
| 35       | 1-CER  |            |              | 55.00%      |                |
| 37       | Target Return On Equity  |            |              | 9.88%       |                |
|          | Debt rate  |            |              | 7.00%       |                |
| -0       |  |            |              |             |                |
| 41       | Market Adjusted Revenue Requirement  |            |              | 13,383,529  |                |
| 43       | 1999 return from RUD Sheet #7  |            |              | 7,316,886   | 7,316,886      |
|          | Total Incremental revenue  |            |              | 6,066,643   |                |
| 46       | Input: Board-approved dollar amounts phased-in   |            |              |             |                |
| 47       | Amount allowed in 2001   |            |              | 2,022,214   |                |
| 48       | Amount allowed in 2002   |            |              | 2,022,214   | 2,022,214      |
| 49       | Amount allowed in 2003 and 2004 (will be zero due to Bill 210  |            |              | 0           | 0              |
| 50       | unless authorized by the Minister and the Board)   |            |              |             | 0              |
| 51<br>52 |  |            |              |             | 0              |
| 53       | Total Regulatory Income  |            |              |             | 11,361,314     |
| 54       | . otal regulatory intollio   |            |              |             | , 50 1 , 51 1  |
| 55       | Equity   |            |              | 72,596,289  |                |
| 56       |  |            |              |             |                |
|          | Return at target ROE   |            |              | 7,172,513   |                |
| 58       | Debt   |            |              | 00 700 700  |                |
| 60       | Debt   |            |              | 88,728,798  |                |
|          | Deemed interest amount in 100% of MARR   |            |              | 6,211,016   |                |
| 62       | 2007100 IIROFOOT GITTOUTH IT TOO /0 OF WINTER  |            |              | 0,211,010   |                |
|          | Phase-in of interest - Year 1 (2001)   |            |              | 4,334,081   |                |
| 64       | ((D43+D47)/D41)*D61  |            |              |             |                |
|          | Phase-in of interest - Year 2 (2002)   |            |              | 5,272,548   |                |
| 66       | ((D43+D47+D48)/D41)*D61  |            |              |             |                |
|          | Phase-in of interest - Year 3 (2003) and forward   |            |              | 5,272,548   |                |
| 68<br>69 | ((D43+D47+D48)/D41)*D61 (due to Bill 210)  |            |              |             |                |
| 70       |  |            |              |             |                |
| 71       | SIMPIL MODEL 2004  |            |              |             |                |
|          | J III O D L L L U U I  |            | 1            |             |                |

|          | A   | В          | С                                       | D | Е | F | G        | Н               | 1                        | J                  | K                        | L                      |
|----------|---|------------|---|---|---|---|----------|-----------------|--------------------------|--------------------|--------------------------|------------------------|
|          | SECTION 93 PILS TAX GROSS-UP "SIMPIL"   | ITEM       | Initial                                 |   |   |   |          |                 | M of F                   | M of F             | M of F                   | $\vdash \vdash \vdash$ |
| 3        | DEFERRAL/VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC)   |            | Estimate                                |   |   |   |          |                 | Filing<br>Variance       | Filing<br>Variance | Filing                   |                        |
| 4        | ("Wires-only" business - see Tab TAXREC)  |            |   |   |   |   |          |                 | K-C                      | Explanation        | (June)                   |                        |
|          | RRR # 2.1.8   |            |   |   |   |   |          |                 |                          |                    | Version 2004.2           |                        |
| 6        |   |            | \$                                      |   |   |   |          |                 | \$                       |                    | \$                       |                        |
| 7        | Utility Name: Enwin Powerlines Ltd.   |            |   |   |   |   |          |                 |                          |                    |                          | 1                      |
| 8        | Reporting period: 2004  | 200        | daye                                    |   |   |   |          |                 |                          |                    | Column                   | $\vdash$               |
| 9<br>10  | Days in reporting period: Total days in the calendar year:  | 366<br>366 | days<br>days                            |   |   |   |          |                 |                          |                    | Brought<br>From          |                        |
| 11       | Total days III tile caleridal year.   | 300        | uays                                    |   |   |   |          |                 |                          |                    | TAXREC                   |                        |
| 12       |   |            |   |   |   |   |          |                 |                          |                    |                          |                        |
| 13       | I) CORPORATE INCOME TAXES   |            |   |   |   |   |          |                 |                          |                    |                          |                        |
| 14       | D. J. J. J. J. DECINES FOR  |            | 11.001.011                              |   |   |   |          |                 | 10.071.050               |                    | 4 000 050                |                        |
| 16       | Regulatory Net Income REGINFO E53   | 1          | 11,361,314                              |   |   |   |          |                 | -10,271,956              |                    | 1,089,358                | $\vdash$               |
|          | BOOK TO TAX ADJUSTMENTS   |            |   |   |   |   |          |                 |                          |                    |                          | $\vdash$               |
| 18       | BOOK TO THE MENTO   |            |   |   |   |   |          |                 |                          |                    |                          |                        |
| 19       | Additions:  |            |   |   |   |   |          |                 |                          |                    |                          |                        |
|          | Depreciation & Amortization   | 2          | 7,289,925                               |   |   |   |          |                 | 1,642,797                |                    | 8,932,722                | ш                      |
| 21       | Employee Benefit Plans - Accrued, Not Paid  | 3          | 593,232                                 |   |   |   |          |                 | -593,232<br>0            |                    | 0                        | $\vdash \vdash$        |
| 22       | Tax reserves - beginning of year  Reserves from financial statements - end of year                      | 4          |   |   |   |   |          | H               | 11,955,417               |                    | 11,955,417               | $\vdash$               |
|          | Regulatory Adjustments - increase in income   | 5          |   |   |   |   |          | H               | 11,933,417               |                    | 0                        |                        |
|          | Other Additions (See Tab entitled "TAXREC")   |            |   |   |   |   |          |                 |                          |                    |                          |                        |
| 26       | "Material" Items from "TAXREC" worksheet  | 6          |   |   |   |   |          |                 | 397,769                  |                    | 397,769                  |                        |
| 27       | Other Additions (not "Material") "TAXREC"   | 6          |   |   |   |   |          | $\vdash \vdash$ | 7,158                    |                    | 7,158                    | $\vdash$               |
| 28<br>29 | "Material Items from "TAXREC 2" worksheet Other Additions (not "Material") "TAXREC 2"                   | 6          |   |   |   |   |          | $\vdash$        | 0<br>6,171               |                    | 6,171                    |                        |
| 30       | Carol Additions (not material) IAANLO2  | 1          |   |   |   |   |          |                 | 0,171                    |                    | 0,171                    | $\vdash$               |
| 31       | Deductions: Input positive numbers  | 1          |   |   |   |   |          |                 |                          |                    |                          |                        |
|          | Capital Cost Allowance and CEC  | 7          | 5,546,607                               |   |   |   |          |                 | 4,408,130                |                    | 9,954,737                |                        |
| 33       | Employee Benefit Plans - Paid Amounts   | 8          | 285,556                                 |   |   |   |          |                 | -285,556                 |                    | 0                        | $\longmapsto$          |
| 34<br>35 | Items Capitalized for Regulatory Purposes Regulatory Adjustments - deduction for tax purposes in Item 5 | 9<br>10    | 0                                       |   |   |   |          |                 | 0                        |                    | 0                        | $\vdash \vdash$        |
|          | Interest Expense Deemed/ Incurred   | 11         | 5,272,548                               |   |   |   |          |                 | 292,854                  |                    | 5.565.402                |                        |
|          | Tax reserves - end of year  | 4          | -,-,-,-,-                               |   |   |   |          |                 | 0                        |                    | 0                        |                        |
| 38       | Reserves from financial statements - beginning of year  | 4          |   |   |   |   |          |                 | 11,552,011               |                    | 11,552,011               |                        |
| 39       | Contributions to deferred income plans  | 3          |   |   |   |   |          |                 | 0                        |                    | 0                        | $\longmapsto$          |
| 40       | Contributions to pension plans<br>Interest capitalized for accounting but deducted for tax              | 3<br>11    |   |   |   |   |          |                 | 0                        |                    | 0                        |                        |
| 42       | Other Deductions (See Tab entitled "TAXREC")  | - ''       |   |   |   |   |          |                 | U                        |                    | 0                        | $\vdash$               |
| 43       | "Material" Items from "TAXREC" worksheet  | 12         |   |   |   |   |          |                 | 0                        |                    | 0                        |                        |
| 44       | Other Deductions (not "Material") "TAXREC"  | 12         |   |   |   |   |          |                 | 0                        |                    | 0                        |                        |
| 45       | Material Items from "TAXREC 2" worksheet  | 12         |   |   |   |   |          |                 | 0                        |                    | 0                        | Ш                      |
| 46<br>47 | Other Deductions (not "Material") "TAXREC 2"  | 12         |   |   |   |   |          |                 | 0                        |                    | 0                        | $\vdash$               |
| 48       | TAXABLE INCOME/ (LOSS)  |            | 8,139,760                               |   |   |   |          |                 | 19,111,562               | Before loss C/F    | -4,683,555               |                        |
| 49       |   |            | -,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |   |   |   |          |                 | ,,                       |                    | 1,000,000                |                        |
| 50       | BLENDED INCOME TAX RATE   |            |   |   |   |   |          |                 |                          |                    |                          |                        |
| 51       | Tab Tax Rates - Regulatory from Table 1; Actual from Table 3  | 13         | 38.62%                                  |   |   |   |          |                 | -38.6200%                |                    | 0.00%                    | $\longmapsto$          |
| 52<br>53 | REGULATORY INCOME TAX   |            | 3,143,575                               |   |   |   |          |                 | -3,143,575               | Actual             | 0                        | $\vdash$               |
| 54       |   |            | 0,1-10,010                              |   |   |   |          |                 | 0,170,070                | Actual             | 0                        | $\sqcap$               |
| 55       |   |            |   |   |   |   |          |                 |                          |                    |                          |                        |
| 56       | Miscellaneous Tax Credits   | 14         |   |   |   |   |          |                 | 0                        | Actual             | 0                        | 凵                      |
| 57<br>58 | Total Demilatory Income T   | 1          | 0.440.575                               |   |   |   |          | H               | 0.440.575                | A -4 1             |                          | igwdapsilon            |
| 59       | Total Regulatory Income Tax   | 1          | 3,143,575                               |   |   |   | H        | H               | -3,143,575               | Actual             | 0                        | $\vdash$               |
| 60       |   | 1          |   |   |   |   |          | $\vdash$        |                          |                    |                          |                        |
| 61       | II) CAPITAL TAXES   |            |   |   |   |   |          |                 |                          |                    |                          |                        |
| 62       |   |            |   |   |   |   |          |                 |                          |                    |                          |                        |
| 63       | Ontario   | 1          | 404.05=                                 |   |   |   |          | Щ               | 10.051.51                |                    | 470 500 50               | igwdot                 |
| 64<br>65 | Base Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3                                  | 15<br>16   | 161,325,087<br>5.000,000                |   |   |   |          | Н               | 12,201,613<br>-1.094.572 |                    | 173,526,700<br>3,905,428 | $\vdash$               |
| 66       | Taxable Capital   | 10         | 156,325,087                             |   |   |   |          |                 | -1,094,572<br>11,107,041 |                    | 3,905,428<br>169,621,272 | $\vdash$               |
| 67       |   | <u> </u>   | 11,020,007                              |   |   |   |          |                 | ,,.                      |                    | ,52.,272                 |                        |
| 68       | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3   | 17         | 0.3000%                                 |   |   |   |          |                 | 0.0000%                  |                    | 0.3000%                  |                        |
| 69       | Ontaria Canital Tay   | 1          | 100 0==                                 |   |   |   |          | $\vdash \vdash$ | 00.00                    |                    | F00.00:                  | $\vdash$               |
| 70<br>71 | Ontario Capital Tax   | 1          | 468,975                                 |   |   |   | $\vdash$ | $\vdash$        | 39,889                   |                    | 508,864                  | $\vdash$               |
| 72       | Federal Large Corporations Tax  | 1          |   |   |   |   |          | $\vdash$        |                          |                    |                          |                        |
| 73       | Base  | 18         | 161,325,087                             |   |   |   |          |                 | 14,175,109               |                    | 175,500,196              |                        |
| 74       | Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3                                       | 19         | 10,000,000                              |   |   |   |          |                 | 2,008,000                |                    | 12,008,000               |                        |
| 75       | Taxable Capital   |            | 151,325,087                             |   |   |   |          | Ш               | 16,183,109               |                    | 163,492,196              | $\vdash \vdash$        |
| 76<br>77 | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3   | 20         | 0.2250%                                 |   |   |   |          | $\vdash$        | -0.0250%                 |                    | 0.2000%                  | $\vdash$               |
| 78       | Traile - Tax males - megulatory, Table 1; Actual, Table 3   | ∠∪         | 0.2250%                                 |   |   |   |          | $\vdash$        | -0.0250%                 |                    | 0.2000%                  |                        |
| 79       | Gross Amount of LCT before surtax offset (Taxable Capital x Rate)                                       | <u> </u>   | 340,481                                 |   |   |   |          |                 | -13,497                  |                    | 326,984                  |                        |
| 80       | Less: Federal Surtax 1.12% x Taxable Income   | 21         | 91,165                                  |   |   |   |          |                 | -91,165                  |                    | 0                        |                        |
| 81       | Net OT  |            | 0.40.01.5                               |   |   |   |          |                 | 101.055                  |                    | 000.05                   | $\vdash$               |
| 82<br>83 | Net LCT   | 1          | 249,316                                 |   |   |   |          | H               | -104,662                 |                    | 326,984                  | $\vdash$               |
| 03       |   |            | 1                                       |   |   |   | 1        |                 |                          |                    |                          |                        |

| SECTION 25 Piles TAX GROSS-UP **SERPL**   TIME   Institute   Time   Ti | -   |  | -       | _          | _ | T = T    | - 10 |    |                  |              | 1/             |             |
|--|-----|--|---------|------------|---|----------|------|----|------------------|--------------|----------------|-------------|
| DEPERMENT AND COLOURS   Estimate   | 1   | A  | В       | C          | D | Е        | F G  | Н  | M of E           | J            | K              | <u> </u>    |
| TAX ACACUATIONS TRACKACION   |     |  | IIEM    |            |   |          |      |    |                  |              |                |             |
| A Company Control Co |     |  |         | LStilliate |   |          |      |    |                  |              | rillig         |             |
| Commonwealth   Comm |     |  |         |            |   |          |      |    |                  |              | (June)         | i           |
| Description   Part    | 5   |  |         |            |   |          |      |    |                  | *            | Version 2004.2 |             |
| Description   Tax Reserved for grosser-up lecellude surtant    27 55/05  | -   |  |         | \$         |   | <u> </u> |      |    | \$               |              | \$             |             |
| Section   Table   Section   Sectio |     | III) INCLUSION IN RATES  |         |            |   |          |      |    |                  |              |                | <b> </b>    |
| Proceedings   December   Decemb |     | In a control of the c |         | 07.500/    |   |          |      |    |                  |              |                | <b>—</b>    |
| Bit  |     | income Tax Rate used for gross- up (exclude surfax)  | -       | 37.50%     |   |          |      |    |                  |              |                |             |
| 20   |     | Income Tax (proxy tax is grossed-up)   | 22      | 5 029 721  |   |          |      |    |                  | Actual 2004  | 0              |             |
| Both   Committee       |  |         |            |   |          |      |    |                  |              | 326,984        |             |
| Total Piss for Rate Adjustment - MUST AGREE W777 2002   25   5.807-000   | 90  | Ontario Capital Tax (no gross-up since it is deductible)   | 24      | 468,975    |   |          |      |    |                  | Actual 2004  | 508,864        |             |
| Actual 2004   Stock   Actual 2004   Stock   Actual 2004   Stock   Stock   Actual 2004   Stock   Stock   Actual 2004   Stock   Stock   Actual 2004   Stock    |     |  |         |            |   |          |      |    |                  |              |                | <b> </b>    |
| RAM DECISION   |     |  |         |            |   |          |      |    |                  |              |                | <b>—</b>    |
| State  |     |  | 25      | 5,897,602  |   |          |      |    |                  | Actual 2004  | 835,848        | ı —         |
| Section   Continued   Contin |     | RAM DECISION   |         |            |   |          |      |    |                  |              |                |             |
| Description    | _   |  |         |            |   |          |      |    |                  |              |                |             |
| Bit   An Admillores  |     | IV) FUTURE TRUE-UPS  |         |            |   |          |      |    |                  |              |                |             |
| 100  |     |  |         |            |   |          |      |    | DR/(CR)          |              |                |             |
| 10   Tax reserves deducted in prior year   |     |  |         |            |   | $\vdash$ |      |    |                  |              |                | <b> </b>    |
| 100  |     |  |         |            |   | ++       | -+   |    |                  |              |                |             |
| 103 Regulation Adjustments   5   0   0   0   0   0   0   0   0   0   |     |  |         |            |   | +        |      |    | 0                |              |                |             |
| 100   Dire additions "Material Rems TAXREC   6   0   0   0   0   0   0   0   0   0   |     |  |         |            |   |          |      |    | 11,000,417       |              |                |             |
| 105 Other additions "Material" Items TAXREC 2  | 104 | Other additions "Material" Items TAXREC  |         |            |   |          |      |    | 397,769          |              |                | L           |
| 107 Employee Benefit Plants - Paid Amounts   | 105 | Other additions "Material" Items TAXREC 2  | 6       |            |   |          |      |    | 0                |              |                |             |
| 108   Interest Capitalized for Regulatory Purposes   9   0   0   0   110   Interest Adjustment to tax purposes   100   0   0   110   Interest Adjustment to tax purposes   100   0   0   110   Interest Adjustment to tax purposes   100   0   0   110   Interest Adjustment to tax purposes   100   0   0   110   Interest Adjustment to tax purposes   100   0   0   110   Interest Adjustment to tax purposes   100   0   0   110   Interest Adjustment to tax purposes   100   0   0   115   Interest Adjustment to tax purposes   100   Interest Adjustment to tax  |     |  |         |            |   | $\vdash$ |      |    |                  |              |                | <b> </b>    |
| 100  |     |  |         |            |   | ++       | -    |    |                  |              |                |             |
| 110 Interest Adjustment for tax purposes (See Below - cell 1204)   11  |     |  |         |            |   | ++       |      |    |                  |              |                |             |
| 11   Tar reserves claimed in current year  |     |  |         |            |   | +        | _    |    |                  |              |                |             |
| 113 Contributions to pension plans   3   | 111 | Tax reserves claimed in current year   | 4       |            |   |          |      |    | 0                |              |                |             |
| 114 Contributions to pension plans   3   | 112 | Reserves from F/S beginning of year  |         |            |   | igspace  |      |    | 11-              |              |                | -<br>       |
| 115 Other deductions 'Material' Rem TAXREC   |     |  |         |            |   |          |      |    |                  |              |                | -           |
| 116 Other deductions "Material" item TAXREC 2  |     |  |         |            |   | ++       |      |    |                  |              | -              |             |
| 118  Total TRUE-UPS before tax effect  |     |  |         |            |   |          |      |    |                  |              |                |             |
| 118   Total TRUE-UPS before tax effect   | 117 |  |         |            |   |          |      |    |                  |              |                |             |
| 120   Income Tax Rate (excluding surtaxy from 2004 Unlity's tax return   | 118 | Total TRUE-UPS before tax effect   | 26      |            |   |          |      | =  | 493,499          |              |                |             |
| 122   Income Tax Effect on True-up adjustments   |     |  |         |            |   | igspace  |      |    |                  |              |                | <del></del> |
| 122  |     | Income Tax Rate (excluding surtax) from 2004 Utility's tax return  |         |            |   |          |      | Х  | 36.12%           |              |                | -           |
| 122   Less: Miscellaneous Tax Credits  |     | Income Tay Effect on True up adjustments   |         |            |   |          |      | _  | 179 252          |              |                |             |
| 124   Less: Miscellaneous Tax Credits  |     | income Tax Effect on True-up adjustments   |         |            |   |          |      | -  | 170,232          |              |                |             |
| 128   Total Income Tax on True-ups   |     | Less: Miscellaneous Tax Credits  | 14      |            |   |          |      |    | 0                |              |                | ·           |
| 122   Income Tax Rate used for gross-up (exclude surtax)   |     |  |         |            |   |          |      |    |                  |              |                | <u> </u>    |
| 128   Income Tax Rate used for gross-up (exclude surtax)   |     | Total Income Tax on True-ups   |         |            |   |          |      |    | 178,252          |              |                | <b>—</b>    |
| 129   130 TRUE-UP VARIANCE ADJUSTMENT  |     | Income Tay Rate used for gross up (evalude surtey)   |         |            |   |          |      |    | 3E 000/          |              |                |             |
| 130 TRUE-UP VARIANCE ADJUSTMENT  |     | income rax reate used for gross-up (exclude surfax)  |         |            |   |          |      |    | 33.00 /6         |              |                |             |
| V b) Calculation of the Deferral Account Variance caused   |     | TRUE-UP VARIANCE ADJUSTMENT  |         |            |   |          |      |    | 274,234          |              |                |             |
| 132   bv changes in legislation  | 131 |  |         |            |   |          |      |    |                  |              |                | Ь—          |
| 133   REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial  | 400 |  |         |            |   |          |      |    |                  |              |                | l           |
| REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial setimate column)   | 132 | by changes in legislation  |         |            |   |          |      |    |                  |              |                |             |
| 134 estimate column    35  | 100 | REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial  |         |            |   |          |      |    |                  |              |                |             |
| 136   REVISED CORPORATE INCOME TAX RATE  | 134 |  |         |            |   |          |      | _= | 8,139,760        |              | <u> </u>       | <u></u>     |
| 137  | 135 | ,  |         |            |   |          |      |    |                  |              |                |             |
| REVISED REGULATORY INCOME TAX  |     | REVISED CORPORATE INCOME TAX RATE  |         |            |   | 1        |      | Х  | 36.12%           |              |                | _           |
| 139  |     | DEVISED DECLII ATODY INCOME TAY  |         |            |   | ++       | -    | _  | 2 040 004        |              |                |             |
| 140   Less: Revised Miscellaneous Tax Credits  |     | INLVIOLD NEGULATOR I INCOINE TAX   |         |            |   | +        |      | =  | 2,940,081        |              |                |             |
| 141  |     | Less: Revised Miscellaneous Tax Credits  |         |            |   |          |      | -  | 0                |              |                |             |
| Less: Regulatory Income Tax reported in the Initial Estimate Column   Less: Regulatory Income Tax reported in the Initial Estimate Column   Less: Regulatory Income Tax Variance   = -203,494   Less: Column   Less: Exemption from tab Tax Rates, Table 2, cell C39   = 161,325,087   Less: Exemption from tab Tax Rates cell C54   x   | 141 |  |         |            |   |          |      |    |                  |              |                |             |
| Less: Regulatory Income Tax reported in the Initial Estimate Column  |     | Total Revised Regulatory Income Tax  |         |            |   |          |      | =  | 2,940,081        |              |                | <u> </u>    |
| 144 (Cell C58)   - 3,143,575   | 143 | Loos Pagulatan Income Tay reported in the Initial Estimate Column  |         |            |   | ++       |      |    |                  |              |                |             |
| 145         146 Regulatory Income Tax Variance       = -203,494         147       = -203,494         148 Ontario Capital Tax       = 161,325,087         149 Base       = 161,325,087         150 Less: Exemption from tab Tax Rates, Table 2, cell C39       - 5,000,000         151 Revised deemed taxable capital       = 156,325,087         152       = 156,325,087         153 Rate - Tab Tax Rates cell C54       x 0,3000%         154       = 468,975         Less: Ontario Capital Tax       = 468,975         Less: Ontario Capital Tax reported in the initial estimate column (Cell       - 468,975         157 Regulatory Ontario Capital Tax Variance       = 0         158       = 0         159 Federal LCT       161 Less: Exemption from tab Tax Rates, Table 2, cell C40       - 50,000,000         162 Revised Federal LCT       = 111,325,087  | 1// |  |         |            |   |          |      |    | 3 1/3 575        |              |                | ı           |
| 146   Regulatory Income Tax Variance   |     | ((0011 000)  |         |            |   | +        | _    |    | 3,143,373        |              |                |             |
| 147  | 146 | Regulatory Income Tax Variance   |         |            |   |          |      | _= | <u>-2</u> 03,494 |              |                |             |
| 149   Base   | 147 |  |         |            |   |          |      |    |                  |              |                |             |
| 150   Less: Exemption from tab Tax Rates, Table 2, cell C39   - 5,000,000     151   Revised deemed taxable capital   - 156,325,087     152   - 156,325,087     153   Rate - Tab Tax Rates cell C54   x 0.3000%     154   - 155   Revised Ontario Capital Tax   = 468,975     Less: Ontario Capital Tax reported in the initial estimate column (Cell   156 (C70)   - 468,975     157   Regulatory Ontario Capital Tax Variance   = 0     158   - 159   Federal LCT   160   Base   161,325,087     161   Less: Exemption from tab Tax Rates, Table 2, cell C40   - 50,000,000     162   Revised Federal LCT   = 111,325,087   |     |  |         |            |   | $\vdash$ |      |    | 404 005 007      |              |                | <b> </b>    |
| 151   Revised deemed taxable capital   |     |  |         |            |   | ++       |      |    |                  |              | -              | _           |
| 152  |     |  | <b></b> |            |   | +        | -    |    |                  |              | <del> </del>   |             |
| 154  |     |  |         |            |   |          |      |    |                  |              |                |             |
| 155   Revised Ontario Capital Tax  |     | Rate - Tab Tax Rates cell C54  |         |            |   |          |      | Х  | 0.3000%          | <del>.</del> |                | -           |
| Less: Ontario Capital Tax reported in the initial estimate column (Cell  |     | Dayland Ontaria One tal Tay  |         |            |   | 1        |      |    |                  |              |                | _           |
| 156   C70   - 468,975       - 468,975  | 155 |  |         |            |   | ++       |      | =  | 468,975          |              |                |             |
| 157   Regulatory Ontario Capital Tax Variance  | 156 |  |         |            |   |          |      | _  | 468 975          |              |                | ı           |
| 158  |     |  |         |            |   |          |      | =  |                  |              |                |             |
| 160 Base       161,325,087         161 Less: Exemption from tab Tax Rates, Table 2, cell C40       - 50,000,000         162 Revised Federal LCT       = 111,325,087  | 158 |  |         |            |   |          |      |    |                  |              |                |             |
| 161 Less: Exemption from tab Tax Rates, Table 2, cell C40       -       50,000,000         162 Revised Federal LCT       =       111,325,087   |     |  |         |            |   | 1        |      |    | 404.0===:        |              |                | <u> </u>    |
| 162 Revised Federal LCT = 111,325,087  |     |  |         |            |   | -        | -    |    | 161,325,087      |              | -              |             |
|  |     |  | <b></b> |            |   | +        | -    | =  |                  |              | <del> </del>   |             |
| 163  |     | ****   |         |            |   |          |      |    | ,520,001         |              |                |             |

|     | Α  | В    | С        | D | Е | F | G        | Н |           | J           | K              | L        |
|-----|--|------|----------|---|---|---|----------|---|-----------|-------------|----------------|----------|
| 1   | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                                | ITEM | Initial  |   |   |   |          |   | M of F    | M of F      | M of F         |          |
| 2   | DEFERRAL/VARIANCE ACCOUNTS   |      | Estimate |   |   |   |          |   | Filing    | Filing      | Filing         |          |
| 3   | TAX CALCULATIONS (TAXCALC)   |      |          |   |   |   |          |   | Variance  | Variance    |                |          |
| 4   | ("Wires-only" business - see Tab TAXREC)                             |      |          |   |   |   |          |   | K-C       | Explanation | (June)         |          |
| 5   | RRR # 2.1.8  |      |          |   |   |   |          |   |           |             | Version 2004.2 |          |
| 6   |  |      | \$       |   |   |   |          |   | \$        |             | \$             |          |
| 164 | Rate (as a result of legislative changes) tab 'Tax Rates' cell C51   |      |          |   |   |   |          |   | 0.2000%   |             |                |          |
| 165 |  |      |          |   |   |   |          |   |           |             |                |          |
| 166 | Gross Amount   |      |          |   |   |   |          |   | 222,650   |             |                |          |
| 167 | Less: Federal surtax   |      |          |   |   |   |          | - | 91,165    |             |                |          |
| 168 | Revised Net LCT  |      |          |   |   |   |          | = | 131,485   |             |                |          |
| 169 |  |      |          |   |   |   |          |   |           |             |                |          |
| 170 | Less: Federal LCT reported in the initial estimate column (Cell C82) |      |          |   |   |   |          | - | 249,316   |             |                |          |
| 171 | Regulatory Federal LCT Variance                                      |      |          |   |   |   |          | = | -117,831  |             |                |          |
| 172 |  |      |          |   |   |   |          |   |           |             |                |          |
| 173 | Actual Income Tax Rate used for gross-up (exclude surtax)            |      |          |   |   |   |          |   | 35.00%    |             |                |          |
| 174 |  |      |          |   |   |   |          |   |           |             |                |          |
| 175 | Income Tax (grossed-up)  |      |          |   |   |   |          | + | -313,068  |             |                |          |
| 176 | LCT (grossed-up)   |      |          |   |   |   |          | + | -181,279  |             |                |          |
| 177 | Ontario Capital Tax  |      |          |   |   |   |          | + | 0         |             |                |          |
| 178 |  |      |          |   |   |   |          |   |           |             |                |          |
| 179 | DEFERRAL ACCOUNT VARIANCE ADJUSTMENT                                 |      |          |   |   |   |          | = | -494,347  |             |                |          |
| 180 |  |      |          |   |   |   |          |   |           |             |                |          |
|     | TRUE-UP VARIANCE (from cell I130)                                    |      |          |   |   |   |          | + | 274,234   |             |                |          |
| 182 |  |      |          |   |   |   |          |   |           |             |                |          |
| 183 | Total Deferral Account Entry (Positive Entry = Debit)                |      |          |   |   |   |          | = | -220,113  |             |                |          |
|     | (Deferral Account Variance + True-up Variance)                       |      |          |   |   |   |          |   |           |             |                |          |
| 185 |  |      |          |   |   |   |          |   |           |             |                |          |
| 186 |  |      |          |   |   |   |          |   |           |             |                |          |
| 187 |  |      |          |   |   |   |          |   |           |             |                |          |
| 188 | V) INTEREST PORTION OF TRUE-UP                                       |      |          |   |   |   |          |   |           |             |                |          |
| 189 | Variance Caused By Phase-in of Deemed Debt                           |      |          |   |   |   |          |   |           |             |                |          |
| 190 |  |      |          |   |   |   |          |   |           |             |                |          |
|     | Total deemed interest (REGINFO)                                      |      |          |   |   |   |          |   | 6,211,016 |             |                |          |
|     | Interest phased-in (Cell C36)  |      |          |   |   |   |          |   | 5,272,548 |             |                |          |
| 193 |  |      |          |   |   |   |          |   |           |             |                |          |
|     | Variance due to phase-in of debt component of MARR in rates          |      |          |   |   |   |          |   | 938,468   |             |                |          |
| 195 | according to the Board's decision                                    |      |          |   |   |   |          |   |           |             |                |          |
| 196 |  |      |          |   |   |   |          |   |           |             |                |          |
|     | Other Interest Variances (i.e. Borrowing Levels                      |      |          |   |   |   |          |   |           |             |                |          |
| 198 | Above Deemed Debt per Rate Handbook)                                 |      |          |   |   |   |          |   |           |             |                |          |
|     | Interest deducted on MoF filing (Cell K36+K41)                       |      |          |   |   |   |          |   | 5,565,402 |             |                |          |
|     | Total deemed interest (REGINFO CELL D61)                             |      |          |   |   |   | <u> </u> |   | 6,211,016 |             |                | igspace  |
| 201 |  |      |          |   |   |   | <u> </u> |   |           |             |                | igspace  |
|     | Variance caused by excess debt                                       | 1    |          |   |   |   |          |   | 0         |             |                | $\sqcup$ |
| 203 |  | 1    |          |   |   |   |          |   |           |             |                |          |
|     | Interest Adjustment for Tax Purposes (carry forward to Cell I110)    | 1    |          |   |   |   |          |   | 0         |             |                | $\sqcup$ |
| 205 |  | 1 1  |          |   |   |   |          |   | /         |             |                | $\sqcup$ |
|     | Total Interest Variance  | 1    |          |   |   |   | <u> </u> |   | 938,468   |             |                | Щ        |
| 207 |  |      |          |   |   |   |          |   |           |             |                |          |

| Table   Company   Compan | _  |   | -        |                    | -                     |                |   |
|--|----|---|----------|--------------------|-----------------------|----------------|---|
| 2   TAX RETURN RECONCILATION (TAXREC)   Corporate   Elminations   Fax   Return   R |    | A   | В        | С                  | D                     | E              | F |
| 1  |    |   | LINE     |                    |                       |                |   |
| Section A. Identification:   Varian 2004.2.  |    |   |          |                    | Eliminations          |                |   |
| Section A. Heartification:   |    |   |          |                    |                       | Return         |   |
| Section A Identification:  |    | KKK # 2.1.8   |          | Return             |                       | Versier 2004.2 |   |
| 2   Utility Name: Envir Powerlines Ltd.  | -  | Section A. Identification   |          |                    |                       | version 2004.2 |   |
| Procedure period: 2004   |    |   |          |                    |                       |                |   |
| 1   Taxasion Year's end date: December 31, 2004  |    |   |          |                    |                       |                |   |
| 10   Taxaton Year's and date: December 31, 2004  |    |   |          |                    |                       |                |   |
| 1  |    |   |          |                    |                       |                |   |
| Please enter the Materiality Level :   |    |   |          | 366                | days                  |                |   |
| 13   Prese enter the Materiality Level   |    | rumber of days in taxation year.                                  |          | 300                | days                  |                |   |
| 1.0  |    | Please enter the Materiality Level :                              |          | 181 491            | < - enter materialit  | / level        |   |
| 15   10, 25% x Net Assets)   | 14 |   | Y/N      | .01,101            | · onto materialit     | , .0.0.        |   |
| Contemporation   Cont |    |   |          |                    |                       |                |   |
| Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Top   Description   Description   Top   Description   Top   Description    |    |   |          |                    |                       |                |   |
| 15   Piesae complete the questionnaire in the Background questionnaire worksheet.  |    |   |          |                    |                       |                |   |
| 13   |    |   |          | vorksheet )        |                       |                |   |
| 2   Section 8. Financial statements data:  |    | ti loudo dempioto ino quodioniumo in mio zuorigi duniu quodion    |          |                    |                       |                |   |
|  |    | Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K     |          |                    |                       |                |   |
| 22   Injury unconsolicitated interactive lates submitted with Tax returns.   |    |   |          |                    |                       |                |   |
| 27   Injury unconsolicitated financial statement data submitted with Tax returns.  |    | Section B: Financial statements data:                             |          |                    |                       |                |   |
| 22   The actual categories of the income statements should be used.  | 23 |   | returns. |                    |                       |                |   |
| 25   | 24 |   |          |                    |                       |                |   |
| 25   Pelesse enter the non-wire operation's amount as a positive number, the program automatically reats all amounts   | 25 |   | interes  | t expense and prov | rision for income tax | (              |   |
| 27   Please enter the non-view 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.   |    | Please enter the non-wire operation's amount as a positive number | r, the p | rogram automatica  | lly treats all amoun  | ts             |   |
| 23   Directions  |    |   |          |                    |                       |                |   |
| 31   Energy Sales  | 29 |   |          |                    |                       |                |   |
| 1.00   |    |   |          |                    |                       |                |   |
| A  |    |   | +        |                    |                       | -              |   |
| Miscollaneous income   |    |   | +        |                    |                       |                |   |
| 36   Revenue should be entered above this line   |    |   | +        | 3,081,655          |                       | 3,081,655      |   |
| 37   |    | Miscellaneous income  | +        |                    |                       | 0              |   |
| 37   38   Costs and Expenses:  |    |   | +        |                    |                       | 0              |   |
| 33   Costs and Expenses:   |    | Revenue should be entered above this line                         |          |                    |                       |                |   |
| Ost of energy purchased   -  |    |   |          |                    |                       |                |   |
| Administration   |    |   |          |                    |                       |                |   |
| 1  |    |   |          |                    |                       |                |   |
| Questing Expenses   -   23,78,422   23,78,422   3,78,422   43   Amortization   -   8,932,722   44   Ontario Capital Tax   -   -   -   -   -   -   -   -   -  |    |   |          |                    |                       |                |   |
| Amortization   -   |    |   |          |                    |                       |                |   |
| Additional Capital Tax   |    |   |          |                    |                       |                |   |
| 1.5  |    |   |          | 8,932,722          |                       | 8,932,722      |   |
| Impairment of regulatory assets   - 6,000,000   6,000,000   6,000,000   7  |    |   | -        |                    |                       | 0              |   |
| 1  |    |   |          |                    |                       |                |   |
| 1.089.358  |    | Impairment of regulatory assets                                   | -        | 6,000,000          |                       |                |   |
| S0   Net Income Before Interest & Income Taxes   EBIT  |    |   |          |                    |                       |                |   |
| To   Net Income Before Interest & Income Taxes   EBIT  |    |   | -        |                    |                       | 0              |   |
| Section C: Reconciliation of accounting purposes   .   5,565,402   5,565,402   52   70   | -  |   |          |                    |                       |                |   |
| Section C: Reconciliation of payments in lieu of income taxes   277,500   277,500  |    |   |          |                    | 0                     |                |   |
| Sal Net Income (loss)  |    |   |          |                    |                       |                |   |
| Company   Comp |    |   |          |                    | 0                     |                |   |
| Section C: Reconcilitation of accounting income to taxable income  | 53 |   | =        | -4,/53,544         | 0                     | -4,/53,544     |   |
| Section C: Reconciliation of accounting income to taxable income   ST   From T2   Schedule 1   | 54 |   |          |                    |                       |                |   |
| Section C: Reconciliation of accounting income to taxable income   |    | 1055) per illiandial statements on generalic For the tax retain.  |          |                    |                       |                |   |
| 57   From 72 Schedule 1  |    | Section C: Reconciliation of accounting income to taxable inco    | me       |                    |                       |                |   |
| BOOK TO TAX ADDITIONS:   | 57 |   |          |                    |                       |                |   |
| 59   Provision for income tax  | 58 |   |          |                    |                       |                |   |
| Federal large corporation tax  |    |   | +        | 277.500            | 0                     | 277.500        |   |
| Bepreciation & Amortization   +   8,932,722   0   8,932,722   0   6,932,723   0   6,932,723  |    |   |          |                    |                       |                |   |
| Employee benefit plans-accrued, not paid   | 61 | Depreciation & Amortization                                       |          | 8,932,722          | 0                     |                |   |
| 64 Reserves from financial statements- end of year       +       11,955,417       0       11,955,417         65 Regulatory adjustments       +       0       0       0         66 Material addition items from TAXREC 2       +       0       0       0         67 Other addition items (not Material) from TAXREC 2       +       6,171       0       6,171         68 Subtotal       21,171,810       0       21,171,810       0       21,171,810         70 Tother Additions: (Please explain the nature of the additions)       2       2       2       0       0       0         73 Non-deductible meals and entertainment expense       +       7,158       7,158       7,158       7       7,158       7,158       7,158       7,158       7       7,158       7,158       7,158       7,158       7,158       7,158       7       7,158       7,158       7,158       7,158       7,158       7,158       7       7,158       7,158       7,158       7,158       7,158       7       7       7,158       7,158       7,158       7,158       7       7       0       21,171,810       0       0       0       0       0       0       0       0       0       0       0       0   | 62 | Employee benefit plans-accrued, not paid                          | +        |                    | 0                     |                |   |
| 65   Regulatory adjustments  |    |   | +        |                    |                       |                |   |
| 66 Material addition items from TAXREC 2         +         0         0         0           67 Other addition items (not Material) from TAXREC 2         +         6,171         0         6,171           68         - <td></td> <td></td> <td></td> <td>11,955,417</td> <td>0</td> <td></td> <td></td>  |    |   |          | 11,955,417         | 0                     |                |   |
| 67 Other addition items (not Material) from TAXREC 2   |    |   |          |                    |                       |                |   |
| Subtotal   Subtotal   21,171,810   0 21,171,810   |    |   |          | 0                  |                       |                |   |
| Subtotal   21,171,810   0   21,171,810   |    | Other addition items (not Material) from TAXREC 2                 | +        | 6,171              | 0                     | 6,171          |   |
| 70   Other Additions: (Please explain the nature of the additions)   |    | 0.1:::  | ļ        | 0                  |                       | 04 :=: -::     |   |
| 71   Other Additions: (Please explain the nature of the additions)   |    | Subtotal  |          | 21,171,810         | 0                     | 21,171,810     |   |
| Recapture of CCA   |    | Others Additioner (Disease 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2  |          |                    |                       |                |   |
| 73 Non-deductible meals and entertainment expense  |    |   |          |                    |                       |                |   |
| 74       Capital items expensed       +       397,769       397,769         76       Capital tax accrual       +       0         77       Change in regulatory assets       +       0         78       +       0         79       Total Other Additions       =       404,927       0       404,927         80       =       21,576,737       0       21,576,737         82       =       21,576,737       0       21,576,737         83       Recap Material Additions:       -       0       0       0         84       0       0       0       0       0         85       0       0       0       0       0         86       0       0       0       0       0         87       Adjustment to income for lease payments       397,769       0       397,769         88       0       0       0       0       0         89       0       0       0       0       0         90       0       0       0       0       0         90       0       0       0       0       0         91       Total Other a  |    |   |          | 7.450              |                       |                |   |
| 75 Adjustment to income for lease payments   |    |   |          | 7,158              |                       | 7,158          |   |
| 76 Capital tax accrual       +       0         77 Change in regulatory assets       +       0         78       +       0         79       Total Other Additions       =       404,927       0       404,927         80       -   |    |   |          | 207.702            |                       | 207.700        |   |
| 77 Change in regulatory assets       +       0         78       +       0         79       Total Other Additions       =       404,927       0       404,927         80       -  |    |   |          | 397,769            |                       | 397,769        |   |
| Total Other Additions  |    |   |          |                    |                       | 0              |   |
| Total Other Additions  |    | Onango III regulatory assets                                      |          |                    |                       |                |   |
| 80     Total Additions     =     21,576,737     0     21,576,737       82     33 Recap Material Additions:     0     0     0     0       84     0     0     0     0     0       85     0     0     0     0     0       86     0     0     0     0     0       87     Adjustment to income for lease payments     397,769     0     397,769       88     0     0     0     0       89     0     0     0     0       90     0     0     0     0       91     Total Other additions > materiality level     397,769     0     397,769       92     Other deductions (less than materiality level)     7,158     0     7,158       93     Total Other Additions     404,927     0     404,927  |    | Total Other Additions   |          | 404 927            | 0                     |                |   |
| 81     Total Additions     =     21,576,737     0     21,576,737       82     Recap Material Additions:       84     0     0     0     0       85     0     0     0     0       86     0     0     0     0       87     Adjustment to income for lease payments     397,769     0     397,769       88     0     0     0     0       89     0     0     0     0       90     0     0     0     0       91     Total Other additions > materiality level     397,769     0     397,769       92     Other deductions (less than materiality level)     7,158     0     7,158       93     Total Other Additions     404,927     0     404,927   |    | , star Garot / tandono  |          | 707,021            | U                     | 707,027        |   |
| 82       Recap Material Additions:         84       0       0       0       0         85       0       0       0       0       0         86       0       0       0       0       0         87       Adjustment to income for lease payments       397,769       0       397,769         88       0       0       0       0         89       0       0       0       0         90       0       0       0       0         91       Total Other additions >materiality level       397,769       0       397,769         92       Other deductions (less than materiality level)       7,158       0       7,158         93       Total Other Additions       404,927       0       404,927   |    | Total Additions   | _        | 21,576 737         | n                     | 21,576,737     |   |
| 83     Recap Material Additions:       84     0     0     0       85     0     0     0     0       86     0     0     0     0       87     Adjustment to income for lease payments     397,769     0     397,769       88     0     0     0     0       89     0     0     0     0       90     0     0     0     0       91     Total Other additions >materiality level     397,769     0     397,769       92     Other deductions (less than materiality level)     7,158     0     7,158       93     Total Other Additions     404,927     0     404,927   |    |   | _        | 2.,570,707         | 0                     | 2.,0.0,707     |   |
| 84     0     0     0     0       85     0     0     0     0       86     0     0     0     0       87 Adjustment to income for lease payments     397,769     0     397,769       88     0     0     0     0       89     0     0     0     0       90     0     0     0     0       91     7 total Other additions > materiality level     397,769     0     397,769       92     Other deductions (less than materiality level)     7,158     0     7,158       93     Total Other Additions     404,927     0     404,927   |    | Recap Material Additions:   | 1        |                    |                       |                |   |
| 85     0     0     0     0       86     0     0     0     0       87     Adjustment to income for lease payments     397,769     0     397,769       88     0     0     0     0       89     0     0     0     0       90     0     0     0     0       91     7 total Other additions > materiality level     397,769     0     397,769       92     Other deductions (less than materiality level)     7,158     0     7,158       93     Total Other Additions     404,927     0     404,927  |    |   |          | 0                  | n                     | 0              |   |
| 86     0     0     0       87     Adjustment to income for lease payments     397,769     0     397,769       88     0     0     0     0       89     0     0     0     0       90     0     0     0     0       91     7 total Other additions >materiality level     397,769     0     397,769       92     Other deductions (less than materiality level)     7,158     0     7,158       93     Total Other Additions     404,927     0     404,927  |    |   |          |                    |                       |                |   |
| 87     Adjustment to income for lease payments     397,769     0     397,769       88     0     0     0     0       89     0     0     0     0       90     0     0     0     0       91 Total Other additions >materiality level     397,769     0     397,769       92 Other deductions (less than materiality level)     7,158     0     7,158       93 Total Other Additions     404,927     0     404,927   |    |   |          |                    |                       |                |   |
| 88     0     0     0       89     0     0     0       90     0     0     0       91 Total Other additions >materiality level     397,769     0     397,769       92 Other deductions (less than materiality level)     7,158     0     7,158       93 Total Other Additions     404,927     0     404,927  |    | Adjustment to income for lease payments                           |          |                    |                       |                |   |
| 89     0     0     0       90     0     0     0       91 Total Other additions >materiality level     397,769     0     397,769       92 Other deductions (less than materiality level)     7,158     0     7,158       93 Total Other Additions     404,927     0     404,927   |    |   |          |                    |                       |                |   |
| 90         0         0         0           91         Total Other additions > materiality level         397,769         0         397,769           92         Other deductions (less than materiality level)         7,158         0         7,158           93         Total Other Additions         404,927         0         404,927   |    |   |          |                    |                       |                |   |
| 91     Total Other additions > materiality level     397,769     0     397,769       92     Other deductions (less than materiality level)     7,158     0     7,158       93     Total Other Additions     404,927     0     404,927  |    |   |          |                    |                       |                |   |
| 92 Other deductions (less than materiality level)         7,158         0         7,158           93 Total Other Additions         404,927         0         404,927   |    | Total Other additions >materiality level                          |          |                    |                       |                |   |
| 93 Total Other Additions 404,927 0 404,927   |    |   |          |                    |                       |                |   |
|  |    | Total Other Additions   |          | 404,927            | 0                     | 404,927        |   |
|  | 94 |   |          |                    |                       |                |   |

|  | A  | В             | С                                       | D            | Е   | F |
|--|--|---------------|---|--------------|---|---|
| 1  | <u>J</u>   | LINE          | M of F                                  | Non-wires    | Wires-only  | Г |
| 2  |  | LIIVL         | Corporate                               | Eliminations | Tax   |   |
| 3  |  |               | Tax                                     |              | Return  |   |
| 5  | RRR # 2.1.8  |               | Return                                  |              | V   |   |
| _  | BOOK TO TAX DEDUCTIONS:  |               |   |              | Version 2004.2                                    |   |
|  | Capital cost allowance   | -             | 9,226,186                               |              | 9,226,186   |   |
|  | Cumulative eligible capital deduction  | -             | 728,551                                 |              | 728,551   |   |
|  | Employee benefit plans-paid amounts  | -             |   |              | 0   |   |
|  | Items capitalized for regulatory purposes  Regulatory adjustments:   | -             |   |              | 0   |   |
| 101  |  | -             |   |              | 0   |   |
| 102  |  |               |   |              | 0   |   |
|  | Tax reserves - end of year   | -             | 0                                       | 0            | 0   |   |
| 104  | Reserves from financial statements- beginning of year Contributions to deferred income plans   | -             | 11,552,011                              | 0            | 11,552,011<br>0                                   |   |
| 106  |  | -             |   |              | 0   |   |
|  | Interest capitalized for accounting deducted for tax   | -             |   |              | 0   |   |
|  | Material deduction items from TAXREC 2   | -             | 0                                       | 0            | 0   |   |
| 110  | Other deduction items (not Material) from TAXREC 2   | -             | 0                                       | 0            | 0   |   |
| 111  |  | =             | 21,506,748                              | 0            | 21,506,748  |   |
|  | Other deductions (Please explain the nature of the deductions)   |               | ,,,,,                                   |              | 1   |   |
|  | Charitable donations - tax basis   | -             |   |              | 0   |   |
|  | Gain on disposal of assets Financing Fees  | -             |   |              | 0   |   |
|  | Capital tax per CT23   | -             |   |              | 0   |   |
| 117  | , en en en en en en en en en en en en en   | -             |   |              | 0   |   |
| 118  | Total Other Deductions   | =             | 0                                       | 0            | 0   |   |
| 119  | Total Dadustiana   |               | 04 500 740                              |              | 04 500 740  |   |
| 120<br>121   | Total Deductions   | =             | 21,506,748                              | 0            | 21,506,748  |   |
|  | Recap Material Deductions:   |               |   |              |   |   |
| 123  |  |               | 0                                       | 0            | 0   |   |
| 124  |  |               | 0                                       | 0            | 0   |   |
| 125<br>126   |  |               | 0                                       | 0            | 0   |   |
| 127  |  |               | 0                                       | 0            | 0   |   |
|  | Total Other Deductions exceed materiality level  |               | 0                                       | 0            | 0   |   |
| 129  |  |               | 0                                       | 0            | 0   |   |
| 130<br>131   |  |               | 0                                       | 0            | 0   |   |
|  | TAXABLE INCOME   |               | -4,683,555                              | 0            | -4,683,555  |   |
|  | DEDUCT:  |               | 4,000,000                               | · ·          | 4,000,000   |   |
|  | Non-capital loss applied positive number   | -             | 5,289,164                               |              | 5,289,164   |   |
| 135  |  | -             |   |              | 0   |   |
| 136  | NET TAXABLE INCOME   | =             | -9,972,719                              | 0            | -9,972,719  |   |
| 138  |  | _             | -9,972,719                              | U            | -9,912,119  |   |
| 139  | FROM ACTUAL TAX RETURNS  |               |   |              |   |   |
|  | Net Federal Income Tax (Must agree with tax return)  | +             |   |              | 0   |   |
| 141  | Net Ontario Income Tax (Must agree with tax return) Subtotal   | +             | 0                                       | 0            | 0   |   |
|  | Less: Miscellaneous tax credits (Must agree with tax returns)  | -             | U                                       | 0            | 0   |   |
|  | Total Income Tax   | =             | 0                                       | 0            | 0   |   |
| 145  |  |               |   |              |   |   |
| 146  | FROM ACTUAL TAX RETURNS  Net Federal Income Tax Rate (Must agree with tax return)  |               |   |              | 0.00%   |   |
|  | Net Ontario Income Tax Rate (Must agree with tax return)   |               |   |              | 0.00%   |   |
| 149  |  |               | 0.00%                                   |              | 0.00%   |   |
| 150  |  |               |   |              |   |   |
| 151<br>152   | Section D: Detailed calculation of Ontario Capital Tax   |               |   |              |   |   |
|  | ONTARIO CAPITAL TAX  |               |   |              |   |   |
| 154  | (From Ontario CT23)  |               |   |              |   |   |
| 155  | PAID-UP CAPITAL  |               |   |              |   |   |
| 156  |  |               | 61,447,581                              |              | 61 447 504  |   |
|  | Paid-up capital stock Retained earnings (if deficit, deduct)   | +/-           | -4,685,143                              |              | 61,447,581<br>-4,685,143                          |   |
| 159  | Capital and other surplus excluding  | +             | 516,528                                 |              | 516,528   |   |
| 160  | appraisal surplus  | +             |   |              | 0   |   |
|  | Loans and advances Bank loans  | +             | 16,632,822                              |              | 16,632,822  |   |
|  | Bank loans Bankers acceptances   | +             | 20,101,252<br>25,054,400                |              | 20,101,252<br>25,054,400                          |   |
|  | Bonds and debentures payable   | +             | 50,000,000                              |              | 50,000,000  |   |
| 165  | Mortgages payable  | +             |   |              | 0   |   |
|  | Lien notes payable   | +             |   |              | 0   |   |
| 167  | Deferred credits   | +             |   |              | 0   |   |
| 168  | Contingent investment inventory and similar reserves   |               | 11,955,417                              |              | 11,955,417  |   |
|  | Contingent, investment, inventory and similar reserves Other reserves not allowed as deductions  | +             |   |              |   |   |
| 169<br>170   | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital   | +             |   |              | 0   |   |
| 169<br>170<br>171  | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total   |               | 181,022,857                             | 0            | 0<br>181,022,857                                  |   |
| 169<br>170<br>171  | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract:   | +             |   | 0            | 0<br>181,022,857                                  |   |
| 169<br>170<br>171<br>172   | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked  | +             |   | 0            | 0<br>181,022,857<br>2,638,370                     |   |
| 169<br>170<br>171<br>172<br>173  | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for   | +             | 181,022,857                             | 0            |   |   |
| 169<br>170<br>171<br>172<br>173  | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for income tax  | -             | 181,022,857<br>2,638,370                |              | 2,638,370   |   |
| 169<br>170<br>171<br>172<br>173<br>174<br>175  | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for income tax Total (Net) Paid-up Capital  | + =           | 181,022,857                             | 0            |   |   |
| 169<br>170<br>171<br>172<br>173<br>174<br>175<br>176   | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for income tax Total (Net) Paid-up Capital  | -             | 181,022,857<br>2,638,370                |              | 2,638,370   |   |
| 169<br>170<br>171<br>172<br>173<br>174<br>175<br>176<br>177                                    | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for income tax Total (Net) Paid-up Capital  ELIGIBLE INVESTMENTS  | -             | 181,022,857<br>2,638,370                |              | 2,638,370<br>0<br>178,384,487                     |   |
| 169<br>170<br>171<br>172<br>173<br>174<br>175<br>176<br>177<br>178                             | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for income tax Total (Net) Paid-up Capital  ELIGIBLE INVESTMENTS  Bonds, lien notes, interest coupons   | + = +         | 181,022,857<br>2,638,370                |              | 2,638,370<br>0<br>178,384,487                     |   |
| 169<br>170<br>171<br>172<br>173<br>174<br>175<br>176<br>177<br>178<br>179                      | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for income tax Total (Net) Paid-up Capital  ELIGIBLE INVESTMENTS  Bonds, lien notes, interest coupons Mortgages due from other corporations   | + = = = + + + | 181,022,857<br>2,638,370                |              | 2,638,370<br>0<br>178,384,487<br>0<br>0           |   |
| 169<br>170<br>171<br>172<br>173<br>174<br>175<br>176<br>177<br>178<br>180<br>181               | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTII costs deferred for income tax Total (Net) Paid-up Capital  ELIGIBLE INVESTMENTS  Bonds, lien notes, interest coupons Mortgages due from other corporations Shares in other corporations  | + = +         | 181,022,857<br>2,638,370                |              | 2,638,370<br>0<br>178,384,487                     |   |
| 169<br>170<br>171<br>172<br>173<br>174<br>175<br>176<br>177<br>178<br>179<br>180<br>181<br>182 | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for income tax Total (Net) Paid-up Capital  ELIGIBLE INVESTMENTS  Bonds, lien notes, interest coupons Mortgages due from other corporations   | + = = + + + + | 181,022,857<br>2,638,370                |              | 2,638,370<br>0<br>178,384,487<br>0<br>0<br>0      |   |
| 171<br>172<br>173<br>174<br>175<br>176<br>177<br>178<br>180<br>181<br>182<br>183<br>184        | Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred for income tax Total (Net) Paid-up Capital  ELIGIBLE INVESTMENTS  Bonds, lien notes, interest coupons Mortgages due from other corporations Shares in other corporations Loans and advances to unrelated corporations | + + + + + +   | 181,022,857<br>2,638,370<br>178,384,487 |              | 2,638,370<br>0<br>178,384,487<br>0<br>0<br>0<br>0 |   |

|     | Α   | В    | С         | D            | E              | F |
|-----|---|------|-----------|--------------|----------------|---|
| 1   | SECTION 93 PILs TAX GROSS-UP "SIMPIL"           | 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   | RRR # 2.1.8                                     |      | Return    |              |                |   |
| 5   |   |      |           |              | Version 2004.2 |   |
| 186 | Total Eligible Investments                      | =    | 5,522,661 | 0            | 5,522,661      |   |
| 187 |   |      |           |              |                |   |

|            | Α  | ь.        | ^           | ь .                       | - 1               | _ |
|------------|--|-----------|-------------|---------------------------|-------------------|---|
| 1          | A SECTION OF BILL TAY OF COLUMN HOMBIL!  | B<br>LINE | C<br>M of F | D<br>Non wires            | E                 | F |
| 2          | SECTION 93 PILS TAX GROSS-UP "SIMPIL" TAX RETURN RECONCILIATION (TAXREC)   | LINE      | Corporate   | Non-wires<br>Eliminations | Wires-only<br>Tax |   |
| 3          | (for "wires-only" business - see s. 72 OEB Act)  |           | Tax         | Liiiiiialions             | Return            |   |
| 4          | RRR # 2.1.8  |           | Return      |                           | Rotuin            |   |
| 5          |  |           |             |                           | Version 2004.2    |   |
| 188        |  |           |             |                           |                   |   |
| 189        | TOTAL ASSETS   |           |             |                           |                   |   |
| 190        |  |           |             |                           |                   |   |
| 191<br>192 | Total assets per balance sheet   | +         | 205,437,942 |                           | 205,437,942       |   |
| 193        | Mortgages or other liabilities deducted from assets Share of partnership(s)/ joint venture(s) total assets         | +         |             |                           | 0                 |   |
| 194        | Subtract: Investment in partnership(s)/joint venture(s)  | -         |             |                           | 0                 |   |
| 195        |  |           |             |                           |                   |   |
| 196        | Total assets as adjusted   | =         | 205,437,942 | 0                         | 205,437,942       |   |
| 197        |  |           |             |                           |                   |   |
| 198<br>199 | Add: (if deducted from assets)   |           |             |                           | 0                 |   |
| 200        | Contingent, investment, inventory and similar reserves Other reserves not allowed as deductions                    | +         |             |                           | 0                 |   |
| 201        | Subtract:  | -         |             |                           | 0                 |   |
|            | Amounts deducted for income tax purposes in excess of amounts booked   | -         | 2,638,370   |                           | 2,638,370         |   |
|            | Deductible R&D expenditures and ONTTI costs deferred   | -         | _,000,070   |                           | 0                 |   |
|            | for income tax   |           |             |                           |                   |   |
|            | Subtract: Appraisal surplus if booked  | -         |             |                           | 0                 |   |
| 205        | Add or subtract: Other adjustments   | +/-       |             |                           | 0                 |   |
| 206<br>207 | Total Assets   | =         | 202,799,572 | 0                         | 202,799,572       |   |
| 208        | TVIIII POODIO  |           | 202,133,312 | 0                         | 202,133,312       |   |
| 209        |  |           |             |                           |                   |   |
| 210        | Investment Allowance   |           | 4,857,787   | 0                         | 4,857,787         |   |
| 211        | Tarrable Carifel   |           |             |                           |                   |   |
| 212<br>213 | Taxable Capital  |           |             |                           |                   |   |
| 214        | Net paid-up capital  | +         | 178,384,487 | 0                         | 178,384,487       |   |
| 215        | Subtract: Investment Allowance   | -         | 4,857,787   | 0                         | 4,857,787         |   |
| 216        |  |           | .,,         | -                         | .,,.              |   |
| 217        | Taxable Capital  | =         | 173,526,700 | 0                         | 173,526,700       |   |
| 218        |  |           |             |                           |                   |   |
| 219<br>220 | Capital Tax Calculation  Deduction from tayable capital up to maximum of \$5,000,000                               |           | 2.005.420   | 0                         | 2.005.400         |   |
| 221        | Deduction from taxable capital up to maximum of \$5,000,000 (Input in tab Tax Rates)                               |           | 3,905,428   | 0                         | 3,905,428         |   |
| 222        | Net Taxable Capital  |           | 169,621,272 | 0                         | 169,621,272       |   |
| 223        |  |           |             |                           |                   |   |
| 224        | Rate   |           | 0.3000%     | 0.3000%                   | 0.3000%           |   |
| 225<br>226 | Dave in toyation year  |           | 200         | 200                       | 200               |   |
| 227        | Days in taxation year Divide days by 366   |           | 366<br>1.00 | 366<br>1.00               | 366<br>1.00       |   |
| 228        | Divide days by see   |           | 1.00        | 1.00                      | 1.00              |   |
| 229        | Ontario Capital Tax (Must agree with CT23 return)  |           | 508,864     | 0                         | 508,864           |   |
| 230        |  |           |             |                           |                   |   |
| 231        | Section E: Detailed calculation of Large Corporation Tax   |           |             |                           |                   |   |
| 232        | LARGE CORRORATION TAY  |           |             |                           |                   |   |
| 233<br>234 | LARGE CORPORATION TAX (From Federal Schedule 33)   |           |             |                           |                   |   |
| 235        | CAPITAL  |           |             |                           |                   |   |
| 236        | ADD:   |           |             |                           |                   |   |
|            | Reserves that have not been deducted in computing income for   | +         |             |                           |                   |   |
| 237        | the year under Part I  |           | 11,955,417  |                           | 11,955,417        |   |
|            | Capital stock  | +         | 61,447,581  |                           | 61,447,581        |   |
| 239<br>240 | Retained earnings Contributed surplus  | +         |             |                           | 0                 |   |
| 241        | Any other surpluses  | +         | 516,528     |                           | 516,528           |   |
|            | Deferred unrealized foreign exchange gains   | +         | 0.0,020     |                           | 0                 |   |
| 243        | All loans and advances to the corporation  | +         |             |                           | 0                 |   |
|            | All indebtedness- bonds, debentures, notes, mortgages, bankers   | +         | 424 =65 :   |                           | 444 =6            |   |
| 244<br>245 | acceptances, or similar obligations  | +         | 111,788,474 |                           | 111,788,474       |   |
| 245        | Any dividends declared but not paid All other indebtedness outstanding for more than 365 days                      | +         |             |                           | 0                 |   |
| 247        | 2 more than 500 days   |           |             |                           | O O               |   |
| 248        | Subtotal   | =         | 185,708,000 | 0                         | 185,708,000       |   |
| 249        |  |           |             |                           |                   |   |
| 250        | DEDUCT:  |           |             |                           |                   |   |
| 251<br>252 | Deferred tax debit balance  Any deficit deducted in computing shareholders' equity                                 | -         | 4,685,143   |                           | 0<br>4,685,143    |   |
| 232        | Any deficit deducted in computing snareholders equity  Any patronage dividends 135(1) deducted in computing income | -         | 4,000,143   |                           | 4,000,143         |   |
| 253        | under Part I included in amounts above   |           |             |                           | 0                 |   |
| 254        | Deferred unrealized foreign exchange losses  | -         |             |                           | 0                 |   |
| 255        |  |           |             |                           |                   |   |
| 256        | Subtotal   | =         | 4,685,143   | 0                         | 4,685,143         |   |
| 257<br>258 | Capital for the year   |           | 181,022,857 | 0                         | 181,022,857       |   |
| 259        | Suprice 101 tile year  |           | 101,022,037 | U                         | 101,022,007       |   |
|            |  |           |             |                           |                   |   |

|            | Δ.  |  | ^           | ь .          | - 1            | - |
|------------|---|--|-------------|--------------|----------------|---|
|            | A   | В  | С           | D            | E              | F |
|            | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                         | LINE   | M of F      | Non-wires    | Wires-only     |   |
|            | TAX RETURN RECONCILIATION (TAXREC)                            |  | Corporate   | Eliminations | Tax            |   |
|            | (for "wires-only" business - see s. 72 OEB Act)               |  | Tax         |              | Return         |   |
|            | RRR # 2.1.8   |  | Return      |              |                |   |
| 5          |   |  |             |              | Version 2004.2 |   |
|            | INVESTMENT ALLOWANCE  |  |             |              |                |   |
| 261        |   |  |             |              |                |   |
|            | Shares in another corporation                                 | +  |             |              | 0              |   |
|            | Loan or advance to another corporation                        | +  | 5,522,661   |              | 5,522,661      |   |
|            | Bond, debenture, note, mortgage, or                           | +  |             |              | 0              |   |
| 265        | similar obligation of another corporation                     | +  |             |              | 0              |   |
|            | Long term debt of financial institution                       | +  |             |              | 0              |   |
| 267        | Dividend receivable from another corporation                  | +  |             |              | 0              |   |
|            | Debts of corporate partnerships that were not exempt from tax | +  |             |              |                |   |
|            | under Part I.3  |  |             |              | 0              |   |
| 269<br>270 | Interest in a partnership                                     | +  |             |              | 0              |   |
| 271        | Investment Allowance  | -  | 5,522,661   | 0            | 5,522,661      |   |
| 272        | HIVESUIREHL AHOWANGE  | -  | 3,322,001   | 0            | 5,522,001      |   |
| 273        |   |  |             |              |                |   |
| 274        | TAXABLE CAPITAL   | 1  |             |              |                |   |
| 275        | TAXABLE CAPITAL   |  |             |              |                |   |
| 276        | Capital for the year  | =  | 181,022,857 | 0            | 181,022,857    |   |
| 277        | Suprice for the year  |  | 101,022,007 | Ü            | 101,022,007    |   |
| 278        | Deduct: Investment allowance                                  | -  | 5,522,661   | 0            | 5.522.661      |   |
| 279        | Boddon invocation difference                                  |  | 0,022,001   |              | 0,022,001      |   |
| 280        | Taxable Capital for taxation year                             | =  | 175,500,196 | 0            | 175,500,196    |   |
| 281        |   |  |             |              |                |   |
| 282        | Deduct: Capital Deduction - maximum of \$50,000,000           | -  | 12,008,000  | 0            | 12,008,000     |   |
| 283        | (Input in tab 'Tax Rates')                                    |  |             |              |                |   |
| 284        | Taxable Capital   | =  | 163,492,196 | 0            | 163,492,196    |   |
| 285        |   |  |             |              |                |   |
| 286        | Rate 0.225% in 2002 and 2003; 0.200% in 2004                  |  | 0.20000%    | 0.20000%     | 0.20000%       |   |
| 287        |   |  |             |              |                |   |
| 288        | Days in year  |  | 366         | 366          | 366            |   |
| 289        | Divide days by 366  |  | 1.0000      | 1.0000       | 1.0000         |   |
| 290        |   | <del>                                     </del> |             |              |                |   |
| 291        | Gross Part I.3 Tax LCT (Must agree with tax return)           | =  | 326,984     | 0            | 326,984        |   |
| 292        | Fordered Contact Date   | 1 -  | 4.400004    | 4.400004     | 4.400004       |   |
| 293<br>294 | Federal Surtax Rate   |  | 1.1200%     | 1.1200%      | 1.1200%        |   |
| 294        | Less: Federal Surtax = Actual Surtax from tax return          | -  |             |              | 0              |   |
| 295        | Less. Federal Sultax = Actual Surtax from tax return          | -  |             |              | 0              |   |
| 297        | Net Part I.3 Tax - LCT Payable (Must agree with tax return)   | =  | 326,984     | 0            | 326,984        |   |
| 298        | (If surtax is greater than Gross LCT, then zero)              | -  | 320,984     | U            | 320,984        |   |
| 299        | I Sultax is greater than Gross LOT, then Zeroj                |  |             |              |                |   |
|            | Section F: Income and Capital Taxes                           | 1  |             |              |                |   |
| 301        | Occion I . moone and Capital Taxes                            |  |             |              |                |   |
|            | RECAP FROM ABOVE:   |  |             |              |                |   |
|            | Total Income Taxes  | +  | 0           | 0            | 0              |   |
| 304        | Ontario Capital Tax   | +  | 508,864     | 0            | 508,864        |   |
|            | Federal Large Corporations Tax                                | +  | 326,984     | 0            | 326,984        |   |
| 306        | ¥ 1   |  | , , ,       | -            |                |   |
| 307        | Total income and capital taxes                                | =  | 835,848     | 0            | 835,848        |   |
| 308        | -   |  |             |              |                |   |

|          | A  | В    | С          | D            | Е              | F |
|----------|--|------|------------|--------------|----------------|---|
| 1        | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                      | LINE | M of F     | Non-wires    | Wires-only     |   |
| 2        | Tax and Accounting Reserves                                |      | Corporate  | Eliminations | Tax            |   |
|          | For MoF Column of TAXCALC                                  |      | Tax        |              | Return         |   |
| 4        | (for "wires-only" business - see s. 72 OEB Act)            |      | Return     |              |                |   |
| 5        | RRR # 2.1.8  |      |            |              | Version 2004.2 |   |
| 7        | Halitar Names - Engris Deventings Ltd                      |      |            |              |                |   |
| 8        | Utility Name: Enwin Powerlines Ltd. Reporting period: 2004 |      |            |              |                |   |
| 9        | Reporting period. 2004                                     |      |            |              |                |   |
| 10       | TAX RESERVES   |      |            |              |                |   |
| 11       |  |      |            |              |                |   |
| 12       | Beginning of Year:   |      |            |              |                |   |
| 13       |  |      |            |              | 0              |   |
|          | Reserve for doubtful accounts ss. 20(1)(I)                 |      |            |              | 0              |   |
| 15       | Reserve for goods & services ss.20(1)(m)                   |      |            |              | 0              |   |
|          | Reserve for unpaid amounts ss.20(1)(n)                     | +    |            |              | 0              |   |
| 18       | Debt and share issue expenses ss.20(1)(e) Other            | +    |            |              | 0              |   |
| 19       | Other  |      |            |              | 0              |   |
| 20       | Citici   |      |            |              | 0              |   |
| 21       |  |      |            |              | 0              |   |
| 22       | Total (carry forward to the TAXREC worksheet)              |      | 0          | 0            | 0              |   |
| 23       |  |      |            |              |                |   |
| 24       | End of Year:   |      |            |              |                |   |
| 25       |  |      |            |              | 0              |   |
|          | Reserve for doubtful accounts ss. 20(1)(I)                 |      |            |              | 0              |   |
|          | Reserve for goods & services ss.20(1)(m)                   |      |            |              | 0              |   |
|          | Reserve for unpaid amounts ss.20(1)(n)                     |      |            |              | 0              |   |
| 29<br>30 | Debt and share issue expenses ss.20(1)(e) Other            |      |            |              | 0              |   |
| 31       | Other  | +    |            |              | 0              |   |
| 32       | Other  | +    |            |              | 0              |   |
| 33       |  |      |            |              | 0              |   |
|          | Insert line above this line                                |      |            |              | J              |   |
| 35       | Total (carry forward to the TAXREC worksheet)              |      | 0          | 0            | 0              |   |
| 36       |  |      |            |              |                |   |
| 37       |  |      |            |              |                |   |
| 38       | FINANCIAL STATEMENT RESERVES                               |      |            |              |                |   |
| 39       | D : 1 ()/  |      |            |              |                |   |
| 40       | Beginning of Year:   |      |            |              | 0              |   |
| 41       |  |      |            |              | 0              |   |
|          | Environmental  |      |            |              | 0              |   |
|          | Allowance for doubtful accounts                            | 1    |            |              | 0              |   |
|          | Inventory obsolescence                                     |      |            |              | 0              |   |
|          | Property taxes   |      |            |              | 0              |   |
| 47       | Employee future benefits                                   |      | 11,552,011 |              | 11,552,011     |   |
|          | Other  |      |            |              | 0              |   |
| 49       |  |      |            |              | 0              |   |
| 50       | Total (carry forward to the TAXREC worksheet)              |      | 11,552,011 | 0            | 11,552,011     |   |
| 51       | End of Voor  |      |            |              |                |   |
| 52<br>53 | End of Year:   |      |            |              | 0              |   |
| 54       |  | 1    |            |              | 0              |   |
|          | Environmental  | +    |            |              | 0              |   |
|          | Allowance for doubtful accounts                            |      |            |              | 0              |   |
|          | Inventory obsolescence                                     |      |            |              | 0              |   |
| 58       | Property taxes   |      |            |              | 0              |   |
|          | Employee future benefits                                   |      | 11,955,417 |              | 11,955,417     |   |
| 60       | Other  |      |            |              | 0              |   |
| 61       |  |      |            |              | 0              |   |
|          | Insert line above this line                                |      |            |              |                |   |
| 63       | Total (carry forward to the TAXREC worksheet)              |      | 11,955,417 | 0            | 11,955,417     |   |
| 64       |  |      |            |              |                |   |

|          | A   | В     | С         | D               | Е              | F |
|----------|---|-------|-----------|-----------------|----------------|---|
| 1        | ^   | ь     | C         | D               | L              | ' |
|          | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                                 | LINE  | M of F    | Non-wires       | Wires-only     |   |
|          | TAX RETURN RECONCILIATION (TAXREC 2)                                  | LIINL | Corporate | Eliminations    | Tax            |   |
|          | (for "wires-only" business - see s. 72 OEB Act)                       |       | Tax       | Liiiiiiiddioiis | Return         |   |
|          | RRR # 2.1.8   |       | Return    |                 | Hotain         |   |
| 6        |   |       | rtotum    |                 | Version 2004.2 |   |
| 7        |   |       |           |                 | 10.0.0         |   |
|          | Utility Name: Enwin Powerlines Ltd.                                   |       |           |                 |                |   |
|          | Reporting period: 2004  |       |           |                 |                |   |
|          | Number of days in taxation year:                                      |       | 366       |                 |                |   |
|          | Materiality Level:  |       | 181,491   |                 |                |   |
| 12       | •   |       | ,         |                 |                |   |
| 13       | Section C: Reconciliation of accounting income to taxable income      |       |           |                 |                |   |
|          | Add:  |       |           |                 |                |   |
|          | Recapture of capital cost allowance                                   | +     |           |                 | 0              |   |
| 16       | Gain on sale of eligible capital property                             | +     |           |                 | 0              |   |
|          | Income or loss for tax purposes- joint ventures or partnerships       | +     |           |                 | 0              |   |
|          | Loss in equity of subsidiaries and affiliates                         | +     |           |                 | 0              |   |
|          | Loss on disposal of assets  | +     | 6,171     |                 | 6,171          |   |
|          | Charitable donations  | +     |           |                 | 0              |   |
|          | Taxable capital gains   | +     |           |                 | 0              | - |
|          | Depreciation in inventory -end of year                                | +     |           |                 | 0              |   |
|          | Scientific research expenditures deducted                             | +     |           |                 | 0              |   |
|          | per financial statements Capitalized interest                         | +     |           |                 | 0              |   |
|          | Non-deductible club dues and fees                                     | +     |           |                 | 0              |   |
|          | Non-deductible club dues and rees  Non-deductible automobile expenses | +     |           |                 | 0              |   |
|          | Non-deductible life insurance premiums                                | +     |           |                 | 0              |   |
|          | Soft costs on construction and renovation of buildings                | +     |           |                 | 0              |   |
|          | Non-deductible meals and entertainment                                | +     |           |                 | 0              |   |
|          | Book loss on joint ventures or partnerships                           | +     |           |                 | 0              |   |
|          | Capital items expensed  | +     |           |                 | 0              |   |
|          | Debt issue expense  | +     |           |                 | 0              |   |
|          | Deemed dividend income  | +     |           |                 | 0              |   |
|          | Dividends credited to investment account                              | +     |           |                 | 0              |   |
| 36       | Financing fees deducted in books                                      | +     |           |                 | 0              |   |
| 37       | Gain on settlement of debt  | +     |           |                 | 0              |   |
| 38       | Interest paid on income debentures                                    | +     |           |                 | 0              |   |
| 39       | Recapture of SR&ED expenditures                                       | +     |           |                 | 0              |   |
|          | Share issue expense   | +     |           |                 | 0              |   |
| 41       | Write down of capital property  | +     |           |                 | 0              |   |
| 42       | Amounts received in respect of qualifying environment trust           | +     |           |                 | 0              |   |
|          | Other Additions: (please explain in detail the nature of the item)    | +     |           |                 | 0              |   |
| 44       | Debt financing expenses   | +     |           |                 | 0              |   |
| 45       |   | +     |           |                 | 0              |   |
| 46       |   | +     |           |                 | 0              |   |
| 47       |   | +     |           |                 | 0              |   |
| 48<br>49 |   | +     |           |                 | 0              |   |
| 50       |   | +     |           |                 | 0              |   |
| 51       |   | +     |           |                 | 0              |   |
| 52       |   | +     |           |                 | 0              |   |
| 53       |   | +     |           |                 | U              |   |
| 54       | Total Additions   | =     | 6,171     | 0               | 6,171          |   |
| 55       | i otal / taditiono  | -     | 0,171     | 0               | 0,171          |   |
|          | Recap of Material Additions:  |       |           |                 |                |   |
| 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              | ļ |
| 66       |   |       | 0         | 0               | 0              | - |
| 67       |   |       | 0         | 0               | 0              |   |
| 68<br>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       |   |       | 0         | 0               | 0              |   |
| 78       |   |       | 0         | 0               | 0              |   |
| 79       |   |       | 0         | 0               | 0              |   |
| 80       |   |       | 0         | 0               | 0              |   |
| 81       |   |       | 0         | 0               | 0              |   |
| 82       |   |       | 0         | 0               | 0              |   |
|          |   |       |           |                 |                |   |

|            | A   | В            | С         | D            | E              | F |
|------------|---|--------------|-----------|--------------|----------------|---|
|            | SECTION 93 PILs TAX GROSS-UP "SIMPIL"                               | LINE         | M of F    | Non-wires    | Wires-only     |   |
|            | TAX RETURN RECONCILIATION (TAXREC 2)                                |              | Corporate | Eliminations | Tax            |   |
|            | (for "wires-only" business - see s. 72 OEB Act)                     |              | Tax       |              | Return         |   |
|            | RRR # 2.1.8   |              | Return    |              |                |   |
| 6          |   |              |           |              | Version 2004.2 |   |
| 83         |   |              | 0         | 0            | 0              |   |
| 84         |   |              | 0         | 0            | 0              |   |
| 85         |   |              | 0         | 0            | 0              |   |
| 86         |   |              | 0         | 0            | 0              |   |
| 87         |   |              | 0         | 0            | 0              |   |
| 88         |   |              | 0         | 0            | 0              |   |
| 89         |   |              | 0         | 0            | 0              |   |
| 90         |   |              | 0         | 0            | 0              |   |
| 91         |   |              | 0         | 0            | 0              |   |
| 92         |   |              | 0         | 0            | 0              |   |
| 93         |   |              | 0         | 0            | 0              |   |
| 94         | Total Managini additions  |              | 0         |              | 0              |   |
|            | Total Material additions  |              | 0         | 0            | 0              |   |
|            | Other additions less than materiality level                         |              | 6,171     | 0            | 6,171          |   |
| 98         | Total Additions   |              | 6,171     | 0            | 6,171          |   |
|            | Deduct:   |              |           |              |                |   |
|            | Gain on disposal of assets per f/s                                  | -            |           |              | 0              |   |
| 100        | Dividends not taxable under section 83                              | -            |           |              | 0              |   |
|            | Terminal loss from Schedule 8                                       | <del>-</del> |           |              | 0              |   |
|            | Depreciation in inventory, end of prior year                        | -            |           |              | 0              |   |
| 104        | Scientific research expenses claimed in year from Form T661         | + -          |           |              | 0              |   |
|            | Bad debts   | + -          |           |              | 0              |   |
|            | Book income of joint venture or partnership                         | + -          |           |              | 0              |   |
| 107        | Equity in income from subsidiary or affiliates                      |              |           |              | 0              |   |
|            | Contributions to a qualifying environment trust                     | -            |           |              | 0              |   |
|            | Other income from financial statements                              | -            |           |              | 0              |   |
|            | Other deductions: (Please explain in detail the nature of the item) | -            |           |              | - U            |   |
| 111        |   | -            |           |              | 0              |   |
| 112        |   | -            |           |              | 0              |   |
| 113        |   | -            |           |              | 0              |   |
| 114        |   | -            |           |              | 0              |   |
| 115        |   | -            |           |              | 0              |   |
| 116        |   | -            |           |              | 0              |   |
| 117        |   | -            |           |              | 0              |   |
| 118        |   | -            |           |              | 0              |   |
| 119        |   | -            |           |              | 0              |   |
| 120        |   | -            |           |              | 0              |   |
| 121        |   | -            |           |              | 0              |   |
|            | Total Deductions  | =            | 0         | 0            | 0              |   |
| 123        |   |              |           |              |                |   |
|            | Recap of Material Deductions:                                       |              |           |              |                |   |
| 125        |   |              | 0         | 0            | 0              |   |
| 126        |   |              | 0         | 0            | 0              |   |
| 127        |   |              | 0         | 0            | 0              |   |
| 128        |   |              | 0         | 0            | 0              |   |
| 129        |   |              | 0         | 0            | 0              |   |
| 130        |   |              | 0         | 0            | 0              |   |
| 131        |   |              | 0         | 0            | 0              |   |
| 132        |   |              | 0         | 0            | 0              |   |
| 133        |   |              | 0         | 0            | 0              |   |
| 134        |   |              | 0         | 0            | 0              |   |
| 135        |   |              | 0         | 0            | 0              |   |
| 136<br>137 |   |              | 0         | 0            | 0              |   |
| 137        |   |              | 0         | 0            | 0              |   |
| 139        |   |              | 0         | 0            | 0              |   |
| 140        |   |              | 0         | 0            | 0              |   |
| 141        |   |              | 0         | 0            | 0              |   |
| 141        |   |              | 0         | 0            | 0              |   |
| 143        |   |              | 0         | 0            | 0              |   |
| 143        |   |              | 0         | 0            | 0              |   |
| 145        |   |              | 0         | 0            | 0              |   |
|            | Total Deductions exceed materiality level                           |              | 0         | 0            | 0              |   |
|            | Other deductions less than materiality level                        |              | 0         | 0            | 0              |   |
|            | Total Deductions  |              | 0         | 0            | 0              |   |
| 149        | . Julius Double in Community  |              | U         | 0            | U              |   |
| . 73       |   | 1            |           |              | i l            |   |

| 1  |  |   |   |   |   |   |   |   |   | _ |
|--|--|---|---|---|---|---|---|---|---|---|
| _  | A A  | В   | С   | D   | E   | F                                       | G | Н | ı | - |
| _  | SECTION 93 PILs TAX GRO<br>Corporate Tax Rates   | SS-UP "SI   | MPIL"   |   |   | ersion 2004.                            | 2 |   |   |   |
| 3  | Exemptions, Deductions, or   | Threshold   | e   |   | v   | RRR # 2.1.8                             |   |   |   |   |
| 4  | Utility Name: Enwin Powe   |   | •   |   |   | 1(1(1) # 2.1.0                          |   |   |   |   |
| 5  | Reporting period: 2004   |   |   |   |   |   |   |   |   |   |
| 6  |  |   |   |   |   |   |   |   |   |   |
| 7  |  |   |   |   |   | Table 1                                 |   |   |   |   |
| 8  | Rates Used in 2002 RAM PII   | s Applicati   |   | ı   |   |   |   |   |   |   |
| 9  | Income Range   |   | 0   |   | 200,001   | 700 000                                 |   |   |   |   |
| 10<br>11   | RAM 2002   | Year  | to<br>200,000   |   | to<br>700,000   | >700,000                                |   |   |   |   |
| 12   | Income Tax Rate  | i cai   | 200,000   |   | 700,000   |   |   |   |   |   |
| 13   |  | 2002  |   |   |   |   |   |   |   |   |
|  | Federal (Includes surtax)  |   | 0.00%   |   |   |   |   |   |   |   |
| 15   | and Ontario blended  |   | 19.12%  |   | 34.12%  | 38.62%                                  |   |   |   |   |
| 16   | Blended rate   |   | 19.12%  | 0.00%   | 34.12%  | 38.62%                                  | 1 |   |   |   |
| 17   |  |   |   |   |   |   |   |   |   |   |
|  | Capital Tax Rate   |   | 0.300%  |   |   |   |   |   |   |   |
|  | LCT rate   |   | 0.225%  |   |   |   |   |   |   |   |
| 20   | Surtax   | 1447/   | 1.12%   |   |   |   |   |   |   |   |
| 21   | Ontario Capital Tax Exemption **   | MAX   | 5,000,000   |   |   |   |   |   |   |   |
| <u> </u>   | Federal Large  | \$5MM   |   |   |   |   |   |   |   |   |
|  | Corporations Tax   | MAX   | 10,000,000  |   |   |   |   |   |   |   |
| 22   | Exemption **   | \$10MM  | .,,,,,,,,,,   |   |   |   |   |   |   |   |
| 23   | **Exemption amounts must   | agree with  | the Board-ap  | proved 2002   | RAM PILs f  | iling                                   |   |   |   |   |
| 24   |  |   |   |   |   | _                                       |   |   |   |   |
| 25   |  |   |   |   |   | Table 2                                 |   |   |   |   |
|  | Expected Rates and Exemp   | tions for 20  |   | 050 004   | 100.004   |   |   |   |   |   |
| 2 <i>1</i><br>28   | Income Range   |   | 0   | 250,001   | 400,001   | - 1 129 000                             |   |   |   |   |
| 20<br>29   | Expected Rates 2004  | Year  | to<br>250,000   | to<br>400,000   | to<br>1,128,000   | >1,128,000                              |   |   |   |   |
|  | Income Tax Rate  | I Gai   | 230,000   | 400,000   | 1,120,000   |   |   |   |   |   |
|  | Current year   | 2004  |   |   |   |   |   |   |   |   |
| 32   | Federal (Includes surtax)  | 2007  | 13.12%  | 22.12%  | 22.12%  | 22.12%                                  |   |   |   |   |
| 33   | Ontario  |   | 5.50%   | 5.50%   | 9.75%   | 14.00%                                  |   |   |   |   |
| 34   | Blended rate   |   | 18.62%  | 27.62%  | 31.87%  | 36.12%                                  | ) |   |   |   |
| 35   |  |   |   |   |   |   |   |   |   |   |
|  | Capital Tax Rate   |   | 0.300%  |   |   |   |   |   |   |   |
|  | LCT rate   |   | 0.200%  |   |   |   |   |   |   |   |
| 38   | Surtax   |   | 1.12%   |   |   |   |   |   |   |   |
| _  | Ontario Capital Tax  | MAX   | 5,000,000   |   |   |   |   |   |   |   |
| 20   | 444  |   |   |   |   |   |   |   |   |   |
| 39   | Exemption ***  | \$5MM   |   |   |   |   |   |   |   |   |
| 39   | Federal Large  | MAX   | 50,000,000  |   |   |   |   |   |   |   |
|  | Federal Large<br>Corporations Tax  |   | 50,000,000  |   |   |   |   |   |   |   |
| 40   | Federal Large  | MAX<br>\$50MM   | , ,   | oard's instru   | ctions regar  | ding                                    |   |   |   |   |
| 40<br>41<br>42   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions  | MAX<br>\$50MM   | , ,   | oard's instru   | ctions regar  | ding                                    |   |   |   |   |
| 40<br>41<br>42<br>43   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  | MAX<br>\$50MM<br>must comp  | bly with the Bo   |   | ctions regar  | ding Table 3                            |   |   |   |   |
| 40<br>41<br>42<br>43   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit   | MAX<br>\$50MM<br>must comp  | oly with the Bo   | ırns  |   | _                                       |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  | MAX<br>\$50MM<br>must comp  | oly with the Bo<br>2004 Tax Retu<br>0   | ırns<br>250,001                                       | 400,001   | Table 3                                 |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit   | MAX<br>\$50MM<br>must comp  | 2004 Tax Retu   | urns<br>250,001<br>to                                 | 400,001<br>to   | _                                       |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  | MAX<br>\$50MM<br>must comp  | oly with the Bo<br>2004 Tax Retu<br>0   | ırns<br>250,001                                       | 400,001   | Table 3                                 |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate   | MAX<br>\$50MM<br>must comp  | 2004 Tax Retu   | urns<br>250,001<br>to                                 | 400,001<br>to   | Table 3                                 |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate   | MAX<br>\$50MM<br>must comp<br>y's Actual 2  | 2004 Tax Retu   | urns<br>250,001<br>to                                 | 400,001<br>to   | Table 3                                 |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year  | MAX<br>\$50MM<br>must comp<br>y's Actual 2  | 2004 Tax Retu<br>0<br>to<br>250,000   | 250,001<br>to<br>400,000                              | 400,001<br>to<br>1,128,000                              | Table 3                                 |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax)  | MAX<br>\$50MM<br>must comp<br>y's Actual 2  | 2004 Tax Retu<br>0<br>to<br>250,000   | 250,001<br>to<br>400,000                              | 400,001<br>to<br>1,128,000<br>22.12%                    | Table 3                                 |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate   | MAX<br>\$50MM<br>must comp<br>y's Actual 2  | 0 to 250,000 13.12% 5.50%   | 250,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%           | Table 3 >1,128,000 22.12% 14.00%        |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate   | MAX<br>\$50MM<br>must comp<br>y's Actual 2  | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%   | 250,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%           | Table 3 >1,128,000 22.12% 14.00%        |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate  | MAX<br>\$50MM<br>must comp<br>y's Actual 2  | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%   | 250,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%           | Table 3 >1,128,000 22.12% 14.00%        |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax   | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004                                  | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%   | 250,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%           | Table 3 >1,128,000 22.12% 14.00%        |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax   | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004                                  | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%   | 250,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%           | Table 3 >1,128,000 22.12% 14.00%        |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *   | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004                                  | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%                            | 250,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%           | Table 3 >1,128,000 22.12% 14.00%        |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large   | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX           | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428               | 250,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%           | Table 3 >1,128,000 22.12% 14.00%        |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>55<br>56   | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax  | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM                  | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%                            | 250,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%           | Table 3 >1,128,000 22.12% 14.00%        |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56                                     | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large   | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX<br>\$50MM | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428<br>12,008,000 | 250,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87% | Table 3 >1,128,000 22.12% 14.00% 36.12% |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57                               | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *                                | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX<br>\$50MM | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428<br>12,008,000 | 250,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87% | Table 3 >1,128,000 22.12% 14.00% 36.12% |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57                               | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX<br>\$50MM | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428<br>12,008,000 | 250,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87% | Table 3 >1,128,000 22.12% 14.00% 36.12% |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57<br>58<br>59<br>60<br>61<br>62 | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX<br>\$50MM | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428<br>12,008,000 | 250,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87% | Table 3 >1,128,000 22.12% 14.00% 36.12% |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57<br>58<br>60<br>61<br>62       | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX<br>\$50MM | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428<br>12,008,000 | 250,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87% | Table 3 >1,128,000 22.12% 14.00% 36.12% |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57<br>58<br>60<br>61<br>62       | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX<br>\$50MM | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428<br>12,008,000 | 250,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87% | Table 3 >1,128,000 22.12% 14.00% 36.12% |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57<br>58<br>60<br>61<br>62       | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX<br>\$50MM | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428<br>12,008,000 | 250,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87% | Table 3 >1,128,000 22.12% 14.00% 36.12% |   |   |   |   |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57                               | Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | MAX<br>\$50MM<br>must comp<br>y's Actual 2<br>Year<br>2004<br>MAX<br>\$5MM<br>MAX<br>\$50MM | 0 to 250,000<br>13.12%<br>5.50%<br>18.62%<br>0.300%<br>0.200%<br>1.12%<br>3,905,428<br>12,008,000 | 250,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87% | Table 3 >1,128,000 22.12% 14.00% 36.12% |   |   |   |   |

|    | Α   | В  | С        | D              |
|----|-----|--|----------|----------------|
| 1  |     | SECTION 93 PILs TAX GROSS-UP "SIMPIL"  |          |                |
| 2  |     | Filing Requirements related to the "SIMPIL" model  |          | Version 2004.2 |
| 3  |     | Utility Name: Enwin Powerlines Ltd.  |          | RRR # 2.1.8    |
| 4  |     | Reporting period: 2004   |          |                |
| 5  |     |  |          |                |
| 6  |     |  |          |                |
| 7  |     |  |          |                |
| 8  |     | Decrepants to be submitted to the Decret when filling the Ministry of Finance Column   | n infa   | rmation.       |
| 10 |     | Documents to be submitted to the Board when filing the Ministry of Finance Colum (Stage 3 filing: normally in July of the year following the reporting period) | n into   | ormation:      |
| 11 |     | (Stage 3 ming, normally in July of the year following the reporting period)  |          |                |
| 12 |     | Please file 3 copies of each paper document and 1 CD or disk   |          |                |
| 13 |     | Trease the 3 copies of each paper document and 1 ob or disk  |          |                |
| 14 | 1)  | REGINFO  | Х        |                |
| 15 | •,  | N. Commo   | Λ.       |                |
| 16 | 2)  | TAXCALC  | Х        |                |
| 17 | -,  |  | -        |                |
|    | 3)  | TAXREC   | Х        | 1              |
| 19 | ٠,  | · · · · · · · ·  | <u> </u> |                |
|    | 4)  | Tax Reserves   | Х        | 1              |
| 21 | ٠,  | TAX 13331733   | , ,      |                |
|    | 5)  | TAXREC 2   | Χ        |                |
| 23 | ٠,  |  | , ,      |                |
| 24 | 6)  | Tax Rates  | Х        |                |
| 25 | ٠,  | TWA THAT OF  | -        |                |
| 26 | 7)  | Checklist  | Χ        |                |
| 27 | -,  |  |          |                |
| 28 | 8)  | Background Questionnaire   | Χ        |                |
| 29 | -,  |  |          |                |
| 30 | 9)  | PILs Variance Analysis   | Х        |                |
| 31 | -,  |  |          |                |
|    | 10) | Financial statements used to prepare tax returns if different from the audited   |          |                |
| 32 | ,   | financial statements submitted to the Board in April 2005  |          |                |
| 33 |     | •  |          |                |
| 34 | 11) | Electronic Excel format of the SIMPIL worksheets   | Χ        |                |
| 35 |     |  |          |                |
| 36 | 12) | Notices of assessments, and any re-assessments, for:   |          |                |
| 37 |     | 200  |          |                |
| 38 |     | 200  | 2 X      |                |
| 39 |     | 200  |          |                |
| 40 |     | 200  |          |                |
| 41 |     |  |          |                |
| 42 | 13) | Schedules or pages from CT23 and T2 tax returns  | Χ        |                |
| 43 |     |  |          |                |
| 44 |     |  |          |                |
| 45 |     |  |          |                |
| 46 |     |  |          |                |
| 47 |     |  |          |                |
| 48 |     |  |          |                |
| 49 |     |  |          |                |
| 50 |     |  |          |                |

|          | Α   | В  | С              |
|----------|-----|--|----------------|
| 1        |     | SECTION 93 PILs TAX GROSS-UP "SIMPIL"  |                |
| 2        |     | Background Questionnaire   | Version 2004.2 |
| 3        |     | Utility Name: Enwin Powerlines Ltd.  | RRR # 2.1.8    |
| 4        |     | Reporting period: 2004   |                |
| 5        |     |  |                |
| 6        | 1   | Does the company engage in non-regulated activities?                                       |                |
| 7        |     | Answer: No   |                |
| 8        |     |  |                |
| 9        |     |  |                |
| 10       |     | If the answer to question 1 is "NO", please skip questions 2 to 6.                         |                |
| 11       |     |  |                |
| 12       | 2   | Please identify the types of non-wire operations carried on by the LDC.                    |                |
| 13       |     | Answer:  |                |
| 14       |     |  |                |
| 15       |     |  |                |
| 16       |     |  |                |
| 4-7      | 3   | Does the LDC intend to transfer the non-wire operations to a separate legal entity and the |                |
| 17       |     | expected date?   |                |
| 18       |     | Answer:  |                |
| 19<br>20 |     |  |                |
| 21       |     |  |                |
| Z1       | _   | Diagon identify the percentage and amount of group revenues arising from non-vivo          |                |
| 22       | 4   | Please identify the percentage and amount of gross revenues arising from non-wire          |                |
| 23       |     | operations. Answer:  |                |
| 24       |     | AllSwer:   |                |
| 25       |     |  |                |
| 23       | -5  | Please identify the percentage and amount of operating expense incurred pertaining to non- |                |
| 26       | , J | wire operations.   |                |
| 27       |     | Answer:  |                |
| 28       |     | Allower:   |                |
| 29       |     |  |                |
|          | 6   | Please identify the percentage and amount of depreciation and capital cost allowance       |                |
| 30       |     | expenses pertaining to non-wire operations.  |                |
| 31       |     | Answer:  |                |
| 32       |     |  |                |
| 33       |     |  |                |
| 34       |     |  |                |
|          | 7   | Did the company incur any OPEBs (post employment benefits other than pensions) for         |                |
| 35       |     | accounting and tax purposes? (Please identify the amount.)                                 |                |
| 36       |     | Answer: No   |                |
| 37       |     |  |                |
| 38       |     |  |                |
|          | 8   | Did the company have any reserves for accounting and tax purposes? (Please identify the    |                |
| 39       |     | amount.)   |                |
| 40       |     | Answer: No   |                |
| 41       |     |  |                |
| 42       |     |  |                |
| 43       |     |  |                |
| 44       |     |  |                |

|     | А                          | В      | С               | D     | Е               | F    | G          | Н | 1          | J | K          | Ν | 0              |
|-----|----------------------------|--------|-----------------|-------|-----------------|------|------------|---|------------|---|------------|---|----------------|
| 1   | SECTION 93 PILs TAX GROS   | S-UP   | "SIMPIL"        |       |                 |      |            |   |            |   |            |   |                |
| 2   | Analysis of Account 1562:  | Defer  | red Payments i  | n lie | eu of Taxes     |      |            |   |            |   |            |   |                |
| 3   | Utility Name: Enwin Powerl | ines L | td.             |       |                 |      |            |   |            |   |            |   | Version 2004.2 |
| 4   | Reporting period: 2004     |        |                 |       |                 |      |            |   |            |   |            |   | RRR # 2.1.8    |
| 5   |                            |        | Sign Convention | on:   | + for increase; | - fo | r decrease |   |            |   |            |   |                |
| 6   |                            |        |                 |       |                 |      |            |   |            |   |            |   |                |
| 7   |                            |        |                 |       |                 |      |            |   |            |   |            |   |                |
| 8   |                            |        |                 |       |                 |      |            |   |            |   |            |   |                |
| 9   | Year start:                |        | 01/10/2001      |       | 01/01/2002      |      | 01/01/2003 |   | 01/01/2004 |   | 01/01/2005 |   |                |
| 10  | Year end:                  |        | 31/12/2001      |       | 31/12/2002      |      | 31/12/2003 |   | 31/12/2004 |   | 31/12/2005 |   | Total          |
| 11  |                            |        |                 |       |                 |      |            |   |            |   |            |   |                |
| 12  | Opening balance:           | =      |                 |       | 1,866,278       |      | 2,237,152  |   | -2,948,067 |   | -1,311,954 |   | 0              |
|     | Initial Estimate PILs Rate | +/-    |                 |       |                 |      |            |   |            |   |            |   |                |
| 13  | Adjustment (1)             |        | 1,859,048       |       | 5,896,261       |      | 5,896,261  |   | 6,973,041  |   |            |   | 20,624,611     |
|     | True-up Variance           | +/-    |                 |       |                 |      |            |   |            |   |            |   |                |
| 14  | Adjustment (2)             |        |                 |       |                 |      | -2,940,338 |   | 1,150,369  |   | 274,234    |   | -1,515,735     |
|     | Deferral Account Variance  | +/-    |                 |       |                 |      |            |   |            |   |            |   |                |
| 15  | Adjustment (3)             |        |                 |       |                 |      |            |   |            |   | -494,347   |   | -494,347       |
| 4.0 | Adjustments to reported    |        |                 |       |                 |      |            |   |            |   |            |   |                |
| 16  | prior years' variances (4) |        |                 |       |                 |      |            |   |            |   |            |   | 0              |
| 17  | Carrying charges           | +/-    | 7,230           |       | 190,953         |      | -24,074    |   | -201,717   |   |            |   | -27,608        |
|     | PILs collected from        | -      |                 |       |                 |      |            |   |            |   |            |   |                |
|     | customers - Proxv (5)      |        | 0               |       | -5,716,340      |      | -8,117,068 |   | -6,285,580 |   |            |   | -20,118,988    |
| 19  |                            |        |                 |       |                 |      |            |   |            |   |            |   |                |
|     | Ending balance: # 1562     |        | 1,866,278       |       | 2,237,152       |      | -2,948,067 |   | -1,311,954 |   | -1,532,067 |   | -1,532,067     |
| 21  |                            |        |                 |       |                 |      |            |   |            |   |            |   |                |
|     | PILs collected from        | -      |                 |       |                 |      |            |   |            |   |            |   |                |
|     | customers - Reg Assets (6) |        |                 |       |                 |      |            |   |            |   |            |   |                |
| 22  |                            |        | 0               |       | 0               |      | 0          |   | 0          |   | 0          |   | 0              |
| 23  |                            |        |                 |       |                 |      |            |   |            |   |            |   |                |

## 24 Note:

The purposes of this worksheet is to show the movement in Account 1562.

For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities 26

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

Answer: Method 3 30

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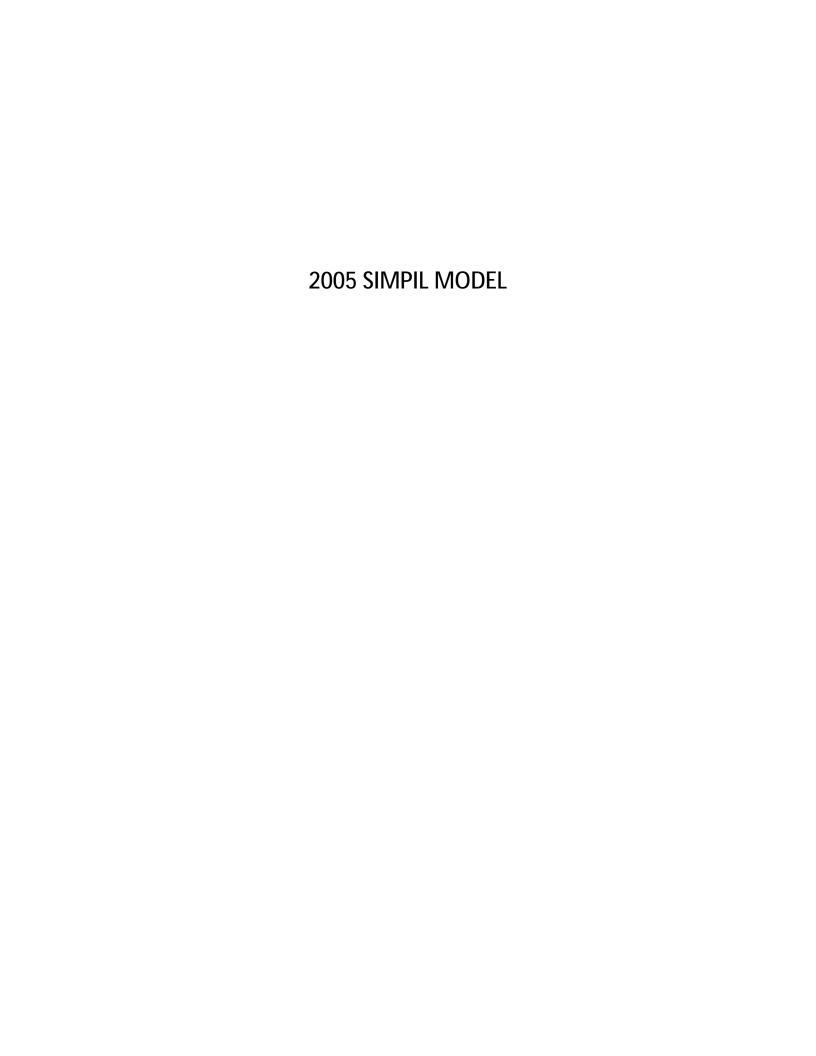
58 59

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- 33 (1) (i) From the Initial Estimate Column, under Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. 34
  - (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.
  - (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I130, of the TAXCALC spreadsheet
  - (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I179, of the TAXCALC spreadsheet
  - (4) 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.
  - (5) (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 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 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 kWhs or kWs 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.
- (6) Any interim PILs recovery from the Reg Asset decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.



|          | A  | В   | С    | D               | Е              |
|----------|--|-----|------|-----------------|----------------|
| 1        | SIMPIL RRR FILING  | _   | -    | _               | Version 2005.1 |
| 2        | REGULATORY INFORMATION (REGINFO)   |     |      |                 | RRR # 2.1.8    |
| 3        | Utility Name: Enwin Powerlines Ltd.  |     |      | 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   |     |      |                 |                |
|          | 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  | Υ               |                |
| 14       | Was the utility recently acquired by Hydro One                                   |     |      |                 |                |
| 15       | and now subject to s.89 & 90 PILs?   |     | Y/N  | N               |                |
| 10       | ·  |     |      |                 |                |
| 17       | Is the utility a non-profit corporation?   |     | Y/N  | 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  | Υ               |                |
|          | shared among the corporate group?  | LCT | Y/N  | Υ               |                |
|          | Please identify the % used to allocate the OCT and LCT exemptions in             | OCT |      | 100%            |                |
| 22       | Cells C68 & C77 in the TAXCALC spreadsheet.                                      | LCT |      | 100%            |                |
|          | Accounting Year End  |     | Date | 12-31-2005      |                |
| 20       |  |     | Date | 12 01 2000      |                |
|          | MARR NO TAX CALCULATIONS   |     |      |                 | Regulatory     |
|          | SHEET #7 FINAL RUD MODEL DATA  |     |      |                 | Income         |
|          | (FROM 1999 FINANCIAL STATEMENTS)   |     |      |                 |                |
|          | USE BOARD-APPROVED AMOUNTS   |     |      |                 |                |
| 30       |  |     |      | 400 774 040     |                |
| 31       | Rate Base (wires-only)   |     |      | 180,774,240     |                |
| 33       | Common Equity Ratio (CER)  |     |      | 45.00%          |                |
| 35       | 1-CER  |     |      | 55.00%          |                |
| 90       |  |     |      |                 |                |
| 37       | Target Return On Equity  |     |      | 9.88%           |                |
| 39       | Debt rate  |     |      | 7.00%           |                |
| 41       | Market Adjusted Revenue Requirement  |     |      | 14,997,031      |                |
| TZ       |  |     |      |                 |                |
| 43       | 1999 return from RUD Sheet #7  |     |      | 7,316,886       | 7,316,886      |
| 45       | Total Incremental revenue  |     |      | 7,680,145       |                |
|          | Input: Board-approved dollar amounts phased-in                                   |     |      |                 |                |
| 47       | Amount allowed in Year 1 - 2001  |     |      | 2,560,048       | 2,560,048      |
| 48       | Amount allowed in Year 2 - 2002  |     |      | 2,560,048       | 2,560,048      |
| 49       | Amount allowed in 2003 and 2004 (will be zero due to Bill 210;                   |     |      | _               |                |
| 50       | unless authorized by the Minister and the Board)                                 |     |      | _               | 0              |
| 51       | Amount allowed in Year 3 - 2005; no gross-up; (with approved CDM pl              | an) |      | 2,253,649       | 2,253,649      |
| 52       | Other adjustments approved by the Board  |     |      | 1,275,377       | 1,275,377      |
| 53       | T / I B   I / I  |     |      |                 | 0              |
| 54       | Total Regulatory Income  |     |      |                 | 15,966,008     |
| 55<br>56 | Equity   |     |      | 04 040 400      |                |
| 57       | Equity   |     |      | 81,348,408      |                |
|          | Return at target ROE   |     |      | 8,037,223       |                |
| 59       | meium at larget NOL  |     |      | 0,037,223       |                |
|          | Debt   |     |      | 99,425,832      |                |
| 61       |  |     |      | 00, 120,002     |                |
|          | Deemed interest amount in 100% of MARR   |     |      | 6,959,808       |                |
| 63       |  |     |      | 2,200,000       |                |
|          | Phase-in of interest - Year 1 (2001)   |     |      | 4,583,678       |                |
| 65       | ((D43+D47)/D41)*D62  |     |      |                 |                |
| 66       | Phase-in of interest - Years 2, 3 & 4 (2002, 2003,2004)                          |     |      | 5,771,743       |                |
| 67       | ((D43+D47+D48)/D41)*D62 (Due to Bill 210)  |     |      |                 |                |
| 68       | Phase-in of interest - Year 3 (2005) and forward                                 |     |      | 6,959,808       |                |
| 69       |  |     |      |                 |                |
| 70       |  |     |      |                 |                |
| 71       |  |     |      |                 |                |
| 72       |  |     |      |                 |                |

| A  |    | Δ  | В        | 0           | _ | - T          | ГС  | 1            |             |                 | V           | _  |
|--|----|--|----------|-------------|---|--------------|-----|--------------|-------------|-----------------|-------------|--|
| Filting  | 1  | A SIMBIL DDD EILING  | B        | C           | D | Е            | F G | П            | I<br>M of F | J<br>M of F     | K<br>M of E |  |
| 3 TAX ACCULATIONS (TAXACALO) 1 Vertically invested - sets the Invitation 1 Vertically invested - sets the Invitation 2 An analysis of the Common Comm |    |  | II E IVI |             |   |              |     |              |             |                 |             |  |
| BRIDE   1.0  |    |  |          |             |   |              |     |              |             |                 | 9           |  |
| Commonwealth   Comm   |    |  |          |             |   |              |     |              | K-C         | Explanation     |             |  |
| Papering prefix 2606   300     |    | RRR # 2.1.8  |          | •           |   |              |     | 1            | ¢.          |                 |             |  |
| Description periods  | -  | Utility Name: Enwin Powerlines I td                          |          | Ď.          |   |              |     | 1            | D.          |                 | Ď           |  |
| 10   Total advan in the calendar years:  |    |  |          |             |   |              |     |              |             |                 | Column      |  |
| 13   |    |  |          |             |   |              |     |              |             |                 |             |  |
|  |    | Total days in the calendar year:                             | 365      | days        |   |              |     | 1            |             |                 |             |  |
| 1   15,986,000   1   15,986,000   1   15,986,000   1   15,986,000   1   15,986,000   1   15,986,000   1   15,986,000   1   15,986,000   1   1   15,986,000   1   1   15,986,000   1   1   15,986,000   1   1   1   1   1   1   1   1   1   |    |  |          |             |   |              |     | 1            |             |                 | TAXREC      |  |
| 1.5   Regulation / Additions   |    | I) CORPORATE INCOME TAXES                                    |          |             |   |              |     |              |             |                 |             |  |
| 15   |    |  |          |             |   |              |     |              |             |                 |             |  |
| 12 SOR TO TAX ADJUSTINENTS   |    | Regulatory Net Income REGINFO E54                            | 1        | 15,966,008  |   |              |     | 1            | -7,501,534  |                 | 8,464,474   |  |
|  |    | BOOK TO TAX ADJUSTMENTS                                      |          |             |   |              |     |              |             |                 |             | -  |
| 2  |    |  |          |             |   |              |     |              |             |                 |             |  |
| 22   Employee Brenth Panns - Accrused, Nor Pands   |    |  |          |             |   |              |     |              |             |                 |             |  |
| 22 Tax meseroes: beginning of year   |    |  |          | 8,284,076   |   |              |     | 1            |             |                 |             |  |
| 22   Regulatory Asserts - In Inflamoral statements - end of year   4   1   1   1   1   200,045   1   2   2   2   2   2   2   2   2   2   |    |  |          |             |   |              |     | 1            |             |                 |             |  |
| 22   Regulatory Assets - to balance to tax return  | 23 | Reserves from financial statements - end of year             | 4        |             |   |              |     |              |             |                 | 13,030,843  |  |
| 20   |    |  | 5        |             |   |              |     | -            |             |                 |             | <u> </u>   |
| 22   Milestral from TANTEC   vooksheet   6   0   0   0   0   0   0   0   0   0   |    |  | 1        |             |   | $\vdash$     | -   | -            | 0           |                 | 0           | <b> </b>   |
| 22 Other Additions (not "Materials" "TAXREC"   6   439,869   439   |    |  | 6        |             |   |              | -   |              | 0           |                 | 0           |  |
| 33   Observations (por "National") "TAXREC 2"   6   33.425   33.   | 28 | Other Additions (not "Material") "TAXREC"                    | 6        |             |   |              |     |              |             |                 |             |  |
| 30   Deductions: Imput positive numbers  |    |  |          |             |   | -            |     | -            |             |                 |             | -  |
| Sequence    |    | Other Additions (not "Material") "TAXREC 2"                  | 6        |             |   |              |     |              | 33,425      |                 | 33,425      |  |
| 32   Capital Cost Allowance and CEC   7   5,946,684   4,009,778   9,966,462   0   0   0   0   0   0   0   0   0  |    | Deductions: Input positive numbers                           | 1        |             |   |              | -   |              |             |                 |             |  |
| 38   Berns Capitalized for Regulatory Purposes   9   0   0   0   0   0   0   0   0   0   | 33 | Capital Cost Allowance and CEC                               |          |             |   |              |     |              |             |                 |             |  |
| 38   Regulatory Adjustments - deduction for tax purposes in Item 5   |    |  |          | 285,556     |   |              |     | 1            |             |                 |             |  |
| 0  |    |  |          |             |   |              |     |              |             |                 |             |  |
| 39   Tax Reserves - end of year  |    |  | 10       |             |   |              |     |              |             |                 |             |  |
| 4   Nesewes from financial statements - beginning of year   4  |    |  |          | 6,959,808   |   |              |     |              |             |                 |             |  |
| 41 Contributions to deferred income plans   3  |    |  |          |             |   |              |     | 1            |             |                 |             |  |
| 1  |    |  |          |             |   |              |     |              |             |                 |             | <del> </del>                                     |
| 44 Other Deductions (See Tab entitled "TAKREC")  |    |  |          |             |   |              |     |              |             |                 |             |  |
| 12   396,103   0   0   0   0   0   0   0   0   0   |    |  | 11       |             |   |              |     |              | 0           |                 | 0           |  |
| Material* Items from *TAXREC* worksheet   12   |    |  | 12       | 206 102     |   |              |     | 1            | 206 402     |                 | 0           |  |
| A  |    |  |          | 390,103     |   |              |     | 1            |             |                 |             |  |
| 49 Other Deductions (not "Material") 'TAXREC 2"   12   | 47 | Other Deductions (not "Material") "TAXREC"                   | 12       |             |   |              |     |              |             |                 |             |  |
| 1   TAXABLE INCOME (LOSS)   10,661,933   1   |    |  |          |             |   |              |     | 1            |             |                 | 550,000     |  |
| 1  |    | Other Deductions (not "Material") "TAXREC 2"                 | 12       |             |   |              |     | 1            | 0           |                 | 0           | -  |
| Same      |    | TAXABLE INCOME/ (LOSS)                                       |          | 10,661,933  |   |              |     |              | -7,520,174  | Before loss C/F | 3,141,759   |  |
| 13   36.12%  | 52 |  |          | -,,         |   |              |     |              | 1           |                 |             |  |
| Section  |    |  | 40       | 00.400/     |   |              |     | 1            | 0.00000/    | F               | 00.400/     |  |
| Second   S   |    | Tab Tax Rates - Regulatory from Table 1; Actual from Table 3 | 13       | 36.12%      |   |              |     |              | 0.0000%     | Formula         | 36.12%      |  |
| State  |    | REGULATORY INCOME TAX  | 1        | 3,851,090   | _ |              |     | L            | -3,851,090  | Actual          | 0           |  |
| Miscellaneous Tax Credits  | 57 |  |          |             |   |              |     |              |             |                 |             |  |
| Total Regulatory Income Tax   3,851,090   3,851,090   Actual   0   |    | Missellaneous Tay Credite                                    | 4.4      |             |   | -            |     |              |             | A a4 1          |             | -  |
| State   Total Regulatory Income Tax   3,851,090   -3,851,090   Actual   0  |    | MISCELLATIEUUS TAX CIEURS                                    | 14       |             |   | $\vdash$     | -   |              | 0           | Actual          | 0           | <b>-</b>   |
| 63   63   64   II) CAPITAL TAXES   65   66   67   68   68   69   69   69   69   69   69  | -  | Total Regulatory Income Tax                                  | 1        | 3,851,090   |   |              |     |              | -3,851,090  | Actual          | 0           |  |
| Section   Capital Tax   Section      |    | •  |          |             |   |              |     |              |             |                 |             |  |
| 66 Ontario 67 Base 15 180,774,240 1-15,321,131 165,453,109 68 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 16 7,500,000 1-1,749,392 5,750,608 69 Taxable Capital 173,274,240 1-17,070,523 159,702,501 71 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 17 0.3000% 0.3000% 0.3000% 72 17 Contario Capital Tax 151,000,000 10,0000% 0.3000% 0.3000% 73 Ontario Capital Tax 151,000,000 10,0000% 0.3000% 0.3000% 74 155 Federal Large Corporations Tax 151,000,000 10,000,000 10,000,000 10,000,00   |    | II) CADITAL TAVES  | 1        |             |   | -            | -   |              |             |                 |             |  |
| 66 Ontario 67 Base 68 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 68 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 69 Taxable Capital 70 70 71 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 72 73 Ontario Capital Tax 74 75 Federal Large Corporations Tax 76 Base 77 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 77 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 78 Taxable Capital 79 So,000,000 70 Solve  |    | II) CAPITAL TAXES  | 1        |             |   |              | +   |              |             |                 |             | <del>                                     </del> |
| 67 Base       15       180,774,240       -15,321,131       165,453,109         68 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       16       7,500,000       -1,749,392       5,750,608         69 Taxable Capital       173,274,240       -17,070,523       159,702,501         70       -18 Actual, Table 1; Actual, Table 3       17       0.3000%       0.3000%       0.3000%         72       -18 Actual, Table 3       519,823       -40,715       479,108         73       Ontario Capital Tax       519,823       -40,715       479,108         74       -5 Federal Large Corporations Tax       -8 18 180,774,240       -18,405,475       162,368,765         76 Base       18 180,774,240       -39,257,085       10,742,915         78 Taxable Capital       130,774,240       -39,257,085       10,742,915         79 Taxable Capital       130,774,240       -57,662,560       151,625,850         79 State - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.1750%       0.0000%       0.1750%         80 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.1750%       0.0000%       0.1750%         81 Less: Federal Surtax 1.12% x Taxable Income       21       119,414       -119,414       0  |    | Ontario  | 1        |             |   |              |     | L            |             |                 |             |  |
| 173,274,240   173,274,240   173,070,523   159,702,501     70   | 67 |  |          |             |   |              |     |              |             |                 |             |  |
| 70   Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3   17   0.3000%   0.30000%   0.30000%   0.30000%   0.30000%   0.30000%   0.30000%   0.30000%   0.30000%   0.30000%   0.300000%   0.300000%   0.300000%   0.300000%   0.300000%   0.3000000%   0.3000000%   0.3000000%   0.3000000%   0.3000000%   0.30000000%   0.30000000%   0.30000000%   0.30000000%   0.3000000000%   0.300000000%   0.30000000000000000000000000000000000   |    |  | 16       |             |   | -            | +   | -            |             |                 |             |  |
| The control of the    |    | талаше Сарпат  | 1        | 1/3,2/4,240 |   | $\vdash$     | +   |              | -17,070,523 |                 | 159,702,501 | 1  |
| 72 Ontario Capital Tax 519,823 -40,715 479,108 74 -5 Federal Large Corporations Tax 18 180,774,240 -18,405,475 162,368,765 77 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 19 50,000,000 -39,257,085 10,742,915 78 Taxable Capital 130,774,240 -57,662,560 151,625,850 9 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.1750% 0.0000% 0.1750% 81 2 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 228,855 36,490 265,345 83 Less: Federal Surtax 1.12% x Taxable Income 21 119,414 -119,414 0 85 Net LCT 109,441 155,904 265,345   |    | Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3      | 17       | 0.3000%     |   |              |     | L            | 0.3000%     |                 | 0.3000%     |  |
| 74       15       Federal Large Corporations Tax       18       180,774,240       -18,405,475       162,368,765         76       Base       18       180,774,240       -39,257,085       10,742,915         78       Taxable Capital       130,774,240       -57,662,560       151,625,850         79       -79       -70,662,560       151,625,850         80       Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.1750%       0.0000%       0.1750%         81       -70,662,560       0.0000%       0.1750%       0.0000%       0.1750%         82       Gross Amount of LCT before surtax offset (Taxable Capital x Rate)       228,855       36,490       265,345         83       Less: Federal Surtax 1.12% x Taxable income       21       119,414       -119,414       0         84       -70,441       155,904       265,345   |    | •  |          |             |   |              |     |              |             |                 |             |  |
| 75   Federal Large Corporations Tax  |    | Ontario Capital Tax  | 1        | 519,823     |   | -            | +   | _            | -40,715     |                 | 479,108     |  |
| 76 Base       18 180,774,240       -18,405,475       162,368,765         77 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3       19 50,000,000       -39,257,085       10,742,915         78 Taxable Capital       130,774,240       -57,662,560       151,625,850         80 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20 0.1750%       0.0000%       0.1750%         81 Sess: Federal Surtax offset (Taxable Capital x Rate)       228,855       36,490       265,345         83 Less: Federal Surtax 1.12% x Taxable Income       21 119,414       -119,414       0         85 Net LCT       109,441       155,904       265,345   |    | Federal Large Corporations Tax                               | +        |             |   |              | +   | <u> </u>     |             |                 |             | <del>                                     </del> |
| 77 Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3     19     50,000,000     -39,257,085     10,742,915       78 Taxable Capital     130,774,240     -57,662,560     151,625,850       80 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3     20     0.1750%     0.0000%     0.1750%       81     26 Gross Amount of LCT before surtax offset (Taxable Capital x Rate)     228,855     36,490     265,345       83 Less: Federal Surtax 1.12% x Taxable Income     21     119,414     -119,414     0       84     109,441     155,904     265,345  |    | Base   | 18       |             |   |              | ᆂ   |              |             |                 |             |  |
| 79 80 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3 20 0.1750% 81 82 Gross Amount of LCT before surtax offset (Taxable Capital x Rate) 83 Less: Federal Surtax 1.12% x Taxable Income 84 85 Net LCT 86 90 0.1750% 90 0.0000% 90 0.0000% 90 0.1750%  |    |  | 19       |             |   |              |     |              | -39,257,085 |                 |             |  |
| 80 Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3       20       0.1750%       0.0000%       0.1750%         81       2       0.0000%       0.0000%       0.1750%         82 Gross Amount of LCT before surtax offset (Taxable Capital x Rate)       228,855       36,490       265,345         83 Less: Federal Surtax 1.12% x Taxable Income       21       119,414       -119,414       0         85 Net LCT       109,441       155,904       265,345   |    | Taxable Capital  | 1        | 130,774,240 |   | $\vdash$     |     | -            | -57,662,560 |                 | 151,625,850 | -  |
| 81       26       36,490       265,345         82       36,490       265,345       36,490       265,345         83       Less: Federal Surtax 1.12% x Taxable Income       21       119,414       -119,414       0         84       85       Net LCT       109,441       155,904       265,345   |    | Rate - Tax Rates - Regulatory, Table 1: Actual, Table 3      | 20       | 0.1750%     |   | $\vdash$     |     | 1            | 0.0000%     |                 | 0.1750%     | -  |
| 83 Less: Federal Surtax 1.12% x Taxable Income     21     119,414     -119,414     0       84 85 Net LCT     109,441     155,904     265,345   | 81 |  |          | 00376       |   |              |     |              | 0.000070    |                 | 31.1.0370   |  |
| 84 85 Net LCT 109,441 155,904 265,345  |    |  |          |             |   | $oxed{\Box}$ |     | $oxed{\Box}$ |             |                 | 265,345     |  |
| 85 Net LCT 109,441 155,904 265,345   |    | Less: Federal Surtax 1.12% x Taxable Income                  | 21       | 119,414     |   | $\vdash$     |     |              | -119,414    |                 | 0           | -  |
|  |    | Net LCT  | 1        | 109.441     |   |              | _   |              | 155.904     |                 | 265.345     | <b>†</b>   |
|  |    |  |          |             |   |              |     |              |             |                 |             |  |

| SIMPLY NET PLUNG   Filling   Filli |             | Λ.  | р    |           | _ | T e T  | <b>.</b> . |   |   |              | V  |   |
|--|-------------|---|------|-----------|---|--------|------------|---|---|--------------|--|---|
| 2   DEFERMALVASHANCE ACCOUNTS  | 1           | A<br>SIMDII DDD EII ING   | В    | C         | D | Е      | F G        | П | I<br>M of F                             | J<br>M of F  | K<br>M of E                                      | L |
| 2 AN ACQUIATIONS FARACACID   |             |   | IIEW |           |   |        |            |   |   |              |  |   |
| A  |             |   |      |           |   |        |            |   |   |              | g  |   |
| Section   Sect |             | ("Wires-only" business - see Tab TAXREC)                        |      |           |   |        |            |   |   |              |  |   |
| 27   |             | RRR # 2.1.8   |      |           |   |        |            |   |   |              |  |   |
| 19   |             |   |      | \$        |   | + +    |            |   | \$                                      |              | \$   |   |
| 28   December 1   December 1   December 2                | III) INCLUSION IN RATES   |      |           |   |        |            |   |   |              |  |   |
| 10   |             | Income Tay Rate used for gross- up                              |      | 36 12%    |   |        |            |   |   |              |  |   |
| 22   6.026.832   |             | ilicollie Tax Itale used for gross- up                          |      | 30.12 /6  |   |        |            |   |   |              |  |   |
| 22   | 91          | Income Tax (proxy tax is grossed-up)                            | 22   | 6,028,632 |   |        |            |   |   | Actual 2005  | 0  |   |
| 15   15   15   15   15   15   15   15  | 92          |   | 23   | 171,323   |   |        |            |   |   |              | 265,345  |   |
| Total PILs for Rate Adjustment - MUST AGREE WITH 2005   25   6,719,775   Actual 2005   744,453   | 93          | Ontario Capital Tax (no gross-up since it is deductible)        | 24   | 519,823   |   |        |            |   |   | Actual 2005  | 479,108  |   |
| BE   Total PILL   Ser Rea Adjustment -   MUST AGNEE WITH 2005     25   0,719,779   | 94          |   |      |           |   |        |            |   |   |              |  |   |
| 17   |             | Total Dilla fan Data Adhardarant MUOT AODES WITH COOK           | 0.5  | 0.740.770 |   |        |            |   |   | A - 1 1 000F | 744 450  |   |
| 198  |             |   | 25   | 6,719,778 |   |        |            |   |   | Actual 2005  | 744,453  |   |
| 100   N   FUTURE TRUE-UPS  | 98          | RAW DECISION  |      |           |   |        |            |   |   |              |  |   |
| 150 N PATURE TRUE-UPS  |             |   |      |           |   |        |            |   |   |              |  |   |
| 10,0   Inchestions   |             | IV) FUTURE TRUE-UPS   |      |           |   |        |            |   |   |              |  |   |
| 100   Employee Benefit Plants - Accrued, Not Plaid   3   1   1   1   1   1   1   1   1   1   |             |   |      |           |   |        |            |   | DR/(CR)                                 |              |  |   |
| 190   Tark reserves deducted in plor year  |             |   |      |           |   | $\Box$ | _          |   |   |              |  |   |
| 198   Reserves from Internated statements end of year  |             |   |      |           |   | 1      | -          |   |   |              |  |   |
| 100 Regulatory Adjustments   5   0   0   0   0   0   0   0   0   0   |             |   |      |           |   | + +    |            |   |   |              |  |   |
| 190   Other additions / Material Rems TAXREC   6   9   439,889   100   Other additions / Material Rems TAXREC   6   9   439,889   100   Other additions / Material Rems TAXREC   6   9   439,889   100   Other additions / Material Rems TAXREC   6   9   439,889   100   10 |             |   |      |           |   | + +    | -          |   |   |              |  |   |
| 1980   Chee additions   Material thems TAXREC   6  |             |   |      |           |   |        |            |   |   |              |  |   |
| 100 In Declaritions - Dockholm numbers   | 108         | Other additions "Material" Items TAXREC 2                       |      |           |   |        |            |   |   |              |  |   |
| 111 Name Capitalized for Regulatory Purposes   9   0   0   1   1   1   1   1   1   1   1   | 109         | In Deductions - positive numbers                                |      |           |   |        |            |   |   |              |  |   |
| 12   Regulatory Adjustments   0   0   1   1   1   1   1   1   1   1  |             |   |      |           |   |        |            |   |   |              | ļ  |   |
| 113  Interest Adjustment for tax purposes   (See Below - cell 1207)   11   0   1   1   1   1   0   1   1   |             |   |      |           |   | 1      |            |   |   |              |  |   |
| 1.1 Tax reserves claimed in current year   |             |   |      |           |   |        |            |   |   |              |  |   |
| 11.5 Reserves from F/S beginning of year   |             |   |      |           |   |        |            |   |   |              |  |   |
| 116   Contributions to deferred income plans   3   0   1   1   1   1   1   1   1   1   1   |             |   |      |           |   |        |            |   |   |              |  |   |
| 118   Other deductions "Material" terms TAXREC   12   550,000   12   12   13   15   15   15   15   15   15   15  |             |   | 3    |           |   |        |            |   |   |              |  |   |
| 115   Other deductions "Material" Item TAXREC 2   12   |             |   | 3    |           |   |        |            |   | 0                                       |              |  |   |
| 120  |             |   |      |           |   |        |            |   |   |              |  |   |
| 121   Total TRUE-UPS before tax effect   26  |             | Other deductions "Material" Item TAXREC 2                       | 12   |           |   |        |            |   | 550,000                                 |              |  |   |
| 122  |             | Total TDUE LIDC hafara toy offers                               | 200  |           |   |        |            |   | 4.050.074                               |              |  |   |
| 123   Drome Tax Rate from 2005 Utility's tax return  |             | Total TRUE-UPS belore tax effect                                | 20   |           |   |        |            | = | 1,250,671                               |              |  |   |
| 125  |             | Income Tax Rate from 2005 Utility's tax return                  |      |           |   |        |            | x | 36 12%                                  |              |  |   |
| 128  | 124         |   |      |           |   |        |            |   |   |              |  |   |
| 127   Less: Miscellaneous Tax Credits  | 125         | Income Tax Effect on True-up adjustments                        |      |           |   |        |            | = | 451,742                                 |              |  |   |
| 128   129   Total Income Tax On True-ups   | 126         |   |      |           |   |        |            |   |   |              |  |   |
| 129 Total Income Tax On True-ups   |             | Less: Miscellaneous Tax Credits                                 | 14   |           |   |        |            |   | 0                                       |              |  |   |
| 130   Income Tax Rate used for gross-up   35.00%       131   Income Tax Rate used for gross-up   35.00%       132   ITURE-UP VARIANCE ADJUSTMENT   694,988       133   TRUE-UP VARIANCE ADJUSTMENT   694,988       134   IV b) Calculation of the Deferral Account Variance caused       155   IV chances in ledislation         136   IR EGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial             137   estimate column                 138                         139   REVISED CORPORATE INCOME TAX RATE                   140                             141                               142                               143   Less: Revised Miscellaneous Tax Credits                     144                               145   Total Revised Regulatory Income Tax                       146                               147   Cell C61)                       149   Regulatory Income Tax variance                       140                               141                                   142                                     143   Revised deemed taxable capital                               150   Rate - Tab Tax Rates cell C54   |             | Total Income Tay on True upo                                    |      |           |   |        |            |   | 4E4 740                                 |              |  |   |
| 131   Income Tax Rate used for gross-up  |             | Total income Tax on True-ups                                    |      |           |   |        |            |   | 451,742                                 |              |  |   |
| 132   TRUE-UP VARIANCE ADJUSTMENT  |             | Income Tax Rate used for gross-up                               |      |           |   |        |            |   | 35.00%                                  |              |  |   |
| 134  | 132         |   |      |           |   |        |            |   |   |              |  |   |
| V b) Calculation of the Deferral Account Variance caused   | 133         | TRUE-UP VARIANCE ADJUSTMENT                                     |      |           |   |        |            |   | 694,988                                 |              |  |   |
| 135 by changes in legislation  | 134         |   |      |           |   |        |            | _ |   |              |  |   |
| REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial stimate column)  | ا ـ ـ ـ ـ ا |   |      |           |   |        |            |   |   |              |  |   |
| REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial stimate column)  | 135         | by changes in legislation                                       |      |           |   |        |            | _ |   |              |  |   |
| 137   estimate column  | 130         | REGULATORY TAXABLE INCOME //LOSSES) (as reported in the initial |      |           |   |        |            |   |   |              |  |   |
| 138  | 137         |   |      |           |   |        |            | = | 10.661.933                              |              |  |   |
| 139 REVISED CORPORATE INCOME TAX RATE  | 138         | ·   |      |           |   |        |            |   | -,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |              |  |   |
| REVISED REGULATORY INCOME TAX  | 139         | REVISED CORPORATE INCOME TAX RATE                               |      |           |   |        |            | Х | 36.12%                                  |              |  |   |
| 142  | 140         | DELWOED DECLINATION / NICES TO THE                              |      |           |   |        | -          |   |   |              |  |   |
| 143   Less: Revised Miscellaneous Tax Credits   - 0  |             | REVISED REGULATORY INCOME TAX                                   |      |           |   | +      | -+         | = | 3,851,090                               |              |  |   |
| 144  |             | Less: Revised Miscellaneous Tay Credits                         |      |           |   | + +    |            | - | 0                                       |              |  |   |
| Total Revised Regulatory Income Tax  | 143         | LOGO. MOVISCU IVIISCOIIGIICOUS TAX OTCUIIS                      |      |           |   |        | _          | Ė | U                                       |              |  |   |
| 146   Less: Regulatory Income Tax reported in the Initial Estimate Column   Less: Regulatory Income Tax reported in the Initial Estimate Column   Less: Regulatory Income Tax Variance   | 145         | Total Revised Regulatory Income Tax                             |      |           |   |        |            | = | 3,851,090                               |              |  |   |
| 147 (Cell C61)   - 3,851,090   | 146         |   |      |           |   |        |            |   |   |              |  |   |
| 148       149       Regulatory Income Tax Variance       =       0         150       151       Ontario Capital Tax       =       180,774,240         152       Base       =       180,774,240         153       Less: Exemption from tab Tax Rates, Table 2, cell C39       -       7,500,000         154       Revised deemed taxable capital       =       173,274,240         155       =       173,274,240         156       Rate - Tab Tax Rates cell C54       x       0.3000%         157       -       519,823         Less: Ontario Capital Tax reported in the initial estimate column (Cell       -       519,823   |             |   |      |           |   |        |            |   |   |              |  |   |
| 149   Regulatory Income Tax Variance   |             | (Cell C61)  |      |           |   |        |            | - | 3,851,090                               |              |  |   |
| 150   151   152   152   153   154   155  |             | Pogulatory Income Tay Variance                                  |      |           |   | +      |            | - | -                                       |              |  |   |
| 151   Ontario Capital Tax  |             | regulatory income rax variance                                  |      |           |   | + +    |            | = | 0                                       |              |  |   |
| 152   Base   |             | Ontario Capital Tax   |      |           |   |        |            |   |   |              |  |   |
| 153   Less: Exemption from tab Tax Rates, Table 2, cell C39   - 7,500,000     154   Revised deemed taxable capital   = 173,274,240     155   |             |   |      |           |   |        |            | = | 180,774,240                             |              | 1  |   |
| 155         156 Rate - Tab Tax Rates cell C54       x       0.3000%         157         158 Revised Ontario Capital Tax       =       519,823         Less: Ontario Capital Tax reported in the initial estimate column (Cell       -       519,823         159 C73)       -       519,823   | 153         | Less: Exemption from tab Tax Rates, Table 2, cell C39           |      |           |   |        |            | - | 7,500,000                               |              |  |   |
| 156   Rate - Tab Tax Rates cell C54  | 154         | Revised deemed taxable capital                                  |      |           |   |        |            | = | 173,274,240                             |              |  |   |
| 157  | 155         | Date. Tale Tau Dates and OF4                                    |      |           |   | 1      |            | - | 0.000551                                |              |  |   |
| 158 Revised Ontario Capital Tax = 519,823  |             | Kate - Iab Iax Kates cell C54                                   |      |           |   |        |            | Х | 0.3000%                                 |              | <del>                                     </del> |   |
| Less: Ontario Capital Tax reported in the initial estimate column (Cell 159 C73) - 519,823   |             | Revised Ontario Capital Tax                                     |      |           |   |        | -          | - | 510 822                                 |              | 1  |   |
| 159 C73)   | .55         |   |      |           |   |        |            | - | 313,023                                 |              |  |   |
|  |             | C73)  |      |           |   |        |            | - | 519,823                                 |              |  |   |
|  |             |   |      |           |   |        |            | = |   |              |  |   |

|            | A  | В    | С        | D        | Е | F | G | Н | ı           | J           | К              | П            |
|------------|--|------|----------|----------|---|---|---|---|-------------|-------------|----------------|--------------|
| 1          | SIMPIL RRR FILING  | ITEM | Initial  | Ť        | Ė | Ė | Ť | Ë | M of F      | M of F      | M of F         | H            |
| 2          | DEFERRAL/VARIANCE ACCOUNTS   | 11.  | Estimate | 1        |   |   |   |   | Filing      | Filing      | Filing         |              |
| 3          | TAX CALCULATIONS (TAXCALC)   |      | Latinate |          |   |   |   |   | Variance    | Variance    | rining         |              |
| 4          | ("Wires-only" business - see Tab TAXREC)                             |      |          |          |   |   |   |   | K-C         | Explanation | (June)         |              |
|            | RRR # 2.1.8  |      |          |          |   |   |   |   |             | z/pranation | Version 2005.1 |              |
| 6          |  |      | \$       |          |   |   |   |   | \$          |             | \$             |              |
| 161        |  |      | <u> </u> | 1        |   |   |   |   | Ÿ           |             |                | $\vdash$     |
|            | Federal LCT  |      |          | 1        |   |   |   |   |             |             |                | -            |
|            | Base   |      |          |          |   |   |   |   | 180,774,240 |             |                |              |
| 164        | Less: Exemption from tab Tax Rates, Table 2, cell C40                |      |          | 1        |   |   |   | - | 50,000,000  |             |                |              |
|            | Revised Federal LCT  |      |          | 1        |   |   |   | = | 130,774,240 |             |                |              |
| 166        |  |      |          |          |   |   |   |   | ,,          |             |                |              |
| 167        | Rate (as a result of legislative changes) tab 'Tax Rates' cell C55   |      |          |          |   |   |   |   | 0.1750%     |             |                |              |
| 168        |  |      |          |          |   |   |   |   |             |             |                |              |
| 169        | Gross Amount   |      |          |          |   |   |   |   | 228,855     |             |                |              |
| 170        | Less: Federal surtax   |      |          |          |   |   |   | - | 119,414     |             |                |              |
| 171        | Revised Net LCT  |      |          |          |   |   |   | = | 109,441     |             |                |              |
| 172        |  |      |          |          |   |   |   |   |             |             |                |              |
| 173        | Less: Federal LCT reported in the initial estimate column (Cell C85) |      |          |          |   |   |   | - | 109,441     |             |                |              |
|            | Regulatory Federal LCT Variance                                      |      |          |          |   |   |   | = | 0           |             |                |              |
| 175        |  |      |          |          |   |   |   |   |             |             |                |              |
|            | Actual Income Tax Rate used for gross-up                             |      |          |          |   |   |   |   | 35.00%      |             |                |              |
| 177        |  |      |          |          |   |   |   |   |             |             |                |              |
|            | Income Tax (grossed-up)  |      |          |          |   |   |   | + | 0           |             |                |              |
| 179        | LCT (grossed-up)   |      |          |          |   |   |   | + | 0           |             |                |              |
|            | Ontario Capital Tax  |      |          |          |   |   |   | + | 0           |             |                |              |
| 181        |  |      |          |          |   |   |   |   | _           |             |                | 1            |
|            | DEFERRAL ACCOUNT VARIANCE ADJUSTMENT                                 |      |          |          |   |   |   | = | 0           |             |                |              |
| 183        | TOUE UD VARIANCE (Construction)                                      |      |          | -        |   |   |   | + | 694,988     |             |                |              |
| 185        | TRUE-UP VARIANCE (from cell I133)                                    |      |          |          |   |   |   | + | 094,900     |             |                |              |
|            | Total Deferral Account Entry (Positive Entry = Debit)                |      |          |          |   |   |   | = | 694,988     |             |                | $\vdash$     |
|            | (Deferral Account Variance + True-up Variance)                       |      |          |          |   |   |   | - | 034,300     |             |                |              |
| 188        | Deletral Account Variance + True-up Variance)                        |      |          |          |   |   |   |   |             |             |                | $\vdash$     |
| 189        |  |      |          |          |   |   |   |   |             |             |                |              |
| 190        |  |      |          |          |   |   |   |   |             |             |                |              |
|            | V) INTEREST PORTION OF TRUE-UP                                       |      |          |          |   |   |   |   |             |             |                | $\vdash$     |
|            | Variance Caused By Phase-in of Deemed Debt                           |      |          |          |   |   |   |   |             |             |                |              |
| 193        |  |      |          |          |   |   |   |   |             |             |                |              |
| 194        | Total deemed interest (REGINFO)                                      |      |          |          |   |   |   |   | 6,959,808   |             |                |              |
| 195        | Interest phased-in (Cell C38)  |      |          |          |   |   |   |   | 6,959,808   |             |                |              |
| 196        |  |      |          |          |   |   |   |   |             |             |                |              |
|            | Variance due to phase-in of debt component of MARR in rates          |      |          |          |   |   |   |   | 0           |             |                |              |
| 198        | according to the Board's decision                                    |      |          |          |   |   |   |   |             |             |                |              |
| 199        |  |      |          |          |   |   |   |   |             |             |                |              |
| 200        | Other Interest Variances (i.e. Borrowing Levels                      |      |          | <u> </u> |   |   |   |   |             |             |                | $oxed{oxed}$ |
| 201        | Above Deemed Debt per Rate Handbook)                                 |      |          | 1        |   |   | 1 |   | E ET        |             |                |              |
|            | Interest deducted on MoF filing (Cell K38+K43)                       |      |          | 1        |   |   |   |   | 5,571,275   |             | 1              | $\vdash$     |
| 203<br>204 | Total deemed interest (REGINFO CELL D62)                             |      |          | 1        |   |   |   |   | 6,959,808   |             |                | $\vdash$     |
| 204        | Variance caused by excess debt                                       | 1    |          | 1        | - |   | 1 |   | 0           |             | 1              | $\vdash$     |
| 206        | variance caused by excess debt                                       |      |          | 1        | - | - | 1 |   | 0           |             | 1              |              |
|            | Interest Adjustment for Tax Purposes (carry forward to Cell I113)    | 1    |          | 1        |   | - |   |   | 0           |             |                | $\vdash$     |
| 208        | interest Aujustinent for Tax Purposes (Carry forward to Cell 1113)   |      |          | 1        | l | - | 1 |   | 0           |             |                | $\vdash$     |
| 209        | Total Interest Variance  |      |          | 1        |   |   |   |   | 0           |             |                | $\vdash$     |
| 210        |  |      |          | 1        |   |   |   |   | J           |             | 1              | $\vdash$     |
| 210        |  |      |          |          |   |   | 1 | 1 |             |             | 1              |              |

| _             |   |          |                    |                                    |                 |   |
|---------------|---|----------|--------------------|------------------------------------|-----------------|---|
|               | Α   | В        | С                  | D                                  | E               | F |
| 1             | SIMPIL RRR FILING   | LINE     | M of F             | Non-wires                          | Wires-only      |   |
| 2             | TAX RETURN RECONCILIATION (TAXREC)  |          | Corporate          | Eliminations<br>(positive numbers) | Tax             |   |
| 3             | (for "wires-only" business - see s. 72 OEB Act)   |          | Tax                | (positive numbers)                 | Return          |   |
| <u>4</u><br>5 | RRR # 2.1.8   |          | Return             |                                    | Version 2005.1  |   |
| 6             | Section A: Identification:  |          |                    |                                    | version 2005.1  |   |
| 7             | Utility Name: Enwin Powerlines Ltd.   |          |                    |                                    |                 |   |
| 8             |   | _        |                    |                                    |                 |   |
| 9             | Taxation Year's start date:   |          | Jan 1/05           |                                    |                 |   |
| _             | Taxation Year's end date:   |          | Dec 31/05          |                                    |                 |   |
| 11            | Number of days in taxation year:  |          | 365                | days                               |                 |   |
| 12            | Number of days in taxation year.  |          |                    | dayo                               |                 |   |
| _             | Please enter the Materiality Level :  |          | 203,371            | < - enter materiality              | v level         |   |
| 14            | (0.25% x Rate Base x CER)   | Y/N      | Y                  |                                    | ,               |   |
| 15            | (0.25% x Net Assets)  | Y/N      | N                  |                                    |                 |   |
| 16            | Or other measure (please provide the basis of the amount)   | Y/N      | N                  |                                    |                 |   |
|               | Does the utility carry on non-wires related operation?  | Y/N      | N                  |                                    |                 |   |
| 18            | (Please complete the questionnaire in the Background questio  | nnaire   | worksheet.)        |                                    |                 |   |
| 19            |   |          | -                  |                                    |                 |   |
| 20            | Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K   |          |                    |                                    |                 |   |
| 21            |   |          |                    |                                    |                 |   |
| 22            | Section B: Financial statement data:  |          |                    |                                    |                 |   |
| 23            | Input unconsolidated financial statement data submitted with Tax re   | eturns.  |                    |                                    |                 |   |
| 24            | The actual categories of the income statements should be used.  |          |                    |                                    |                 |   |
| 25            | If required please change the descriptions except for amortization, in  | nterest  | expense and provis | ion for income tax                 |                 |   |
| 26            |   |          |                    |                                    |                 |   |
| 27            | Please enter the non-wire operation's amount as a positive number,  |          |                    | treats all amounts                 |                 |   |
| 28            | in the "non-wires elimination column" as negative values in TAXRE   | C and 1  | AXREC2.            |                                    |                 |   |
| 29            |   |          |                    |                                    |                 |   |
|               | Income:   |          |                    |                                    |                 |   |
| 31            | Energy Sales  | +        | 00.571.05          |                                    | 0               |   |
| 32            | Distribution Revenue  | +        | 36,574,280         |                                    | 36,574,280      |   |
| 33            | Other Income  | +        | 2,944,810          |                                    | 2,944,810       |   |
| 34<br>35      | Miscellaneous income  | +        |                    |                                    | 0               |   |
|               | December 111 control of the control | +        |                    |                                    | 0               |   |
| 36            | Revenue should be entered above this line   |          |                    |                                    |                 |   |
| 37            | Contained Francisco   |          |                    |                                    |                 |   |
| 38            | Costs and Expenses:   |          |                    |                                    |                 |   |
| 39<br>40      | Cost of energy purchased Operating Expenses   | -        | 21,854,973         |                                    | 0<br>21,854,973 |   |
| 41            | Customer billing and collecting   | -        | 21,004,973         |                                    | 21,654,973      |   |
| 42            | Operations and maintenance  | -        |                    |                                    | 0               |   |
| 43            | Amortization (links to C61 below)   | -        | 9,266,493          |                                    | 9,266,493       |   |
| 44            | Ontario Capital Tax   |          | 9,200,493          |                                    | 9,266,493       |   |
| 45            | CDM Expenses for 2005   | -        |                    |                                    | 0               |   |
| 46            | Loss (gain) on disposal of capital assets   | -        | -66,850            |                                    | -66,850         |   |
| 47            | Loss (gain) on disposal of capital assets   | -        | -00,030            |                                    | -00,030         |   |
| 48            |   | -        |                    |                                    | 0               |   |
| 49            |   | -        |                    |                                    | U               |   |
| 50            | Net Income Before Interest & Income Taxes EBIT  | =        | 8,464,474          | 0                                  | 8,464,474       |   |
| 51            | Less: Interest expense for accounting purposes  | -        | 5,571,275          | U                                  | 5,571,275       |   |
| 52            | Provision for payments in lieu of income taxes  | -        | 376,268            |                                    | 376,268         |   |
| 53            | Net Income (loss)   | =        | 2,516,931          | 0                                  | 2,516,931       |   |
|               | (The Net Income (loss) in the MoF column should equal to the net income   |          | -,,                |                                    | .,,             |   |
| 54            | (loss) per financial statements on Schedule 1 of the tax return. )  |          |                    |                                    |                 |   |
| 55            |   |          |                    |                                    |                 |   |
|               | Section C: Reconciliation of accounting income to taxable inco  | me       |                    |                                    |                 |   |
| 57            |   |          |                    |                                    |                 |   |
|               | BOOK TO TAX ADDITIONS:  |          |                    |                                    |                 |   |
| 59            | Provision for income tax  | +        | 376,268            | 0                                  | 376,268         |   |
|               | Federal large corporations tax  | +        | 0.000 15           |                                    | 0               |   |
|               | Depreciation & Amortization   | +        | 9,266,493          | 0                                  | 9,266,493       |   |
|               | Employee benefit plans-accrued, not paid  | +        |                    | 0                                  | 0               |   |
|               | Tax reserves - beginning of year  | +        | 40,000,010         | 0                                  | 12 020 942      |   |
|               | Reserves from financial statements- end of year Regulatory adjustments  | +        | 13,030,843         | 0                                  | 13,030,843      |   |
|               | Regulatory Assets changes   | +        |                    |                                    | 0               |   |
| 67            | Material addition items from TAXREC 2   | +        | 439,689            | 0                                  | 439,689         |   |
| 68            | Other addition items (not Material) from TAXREC 2   | +        | 33,425             | 0                                  | 33,425          |   |
| 69            | Carlo addition to the material) Holl TAXILO 2   | -        | 30,420             | - 0                                | 55,725          |   |
| 70            | Subtotal  |          | 23,146,718         | 0                                  | 23,146,718      |   |
| 71            | Captotal  |          | _3,1.10,1.10       | - 0                                | _3,,            |   |
| 72            | Other Additions: (Please explain the nature of the additions)   |          |                    |                                    |                 |   |
| 73            | Recapture of CCA  | +        |                    |                                    | 0               |   |
| 74            | Non-deductible meals and entertainment expense  | +        | 6,839              |                                    | 6,839           |   |
| 75            | Capital items expensed  | +        |                    |                                    | 0               |   |
| 76            | ·   | +        |                    |                                    | 0               |   |
| 77            | Capital tax accrued in income statement   | +        |                    |                                    | 0               |   |
| 78            |   | +        |                    |                                    | 0               |   |
| 79            |   | +        |                    |                                    | 0               |   |
| 80            | Total Other Additions   | =        | 6,839              | 0                                  | 6,839           |   |
| 81            |   |          |                    |                                    |                 |   |
| 82            | Total Additions   | =        | 23,153,557         | 0                                  | 23,153,557      |   |
| 83            |   | ļ        |                    |                                    |                 |   |
| 84            | Recap Material Additions:   | <u> </u> |                    |                                    |                 |   |
| 85            |   |          | 0                  | 0                                  | 0               |   |
| 86            |   |          | 0                  | 0                                  | 0               |   |
| 87            |   |          | 0                  | 0                                  | 0               |   |
| 88            |   |          | 0                  | 0                                  | 0               |   |
| 89            |   |          | 0                  | 0                                  | 0               |   |
| 90            |   |          | 0                  | 0                                  | 0               |   |
| 91            | Total Other additions - restariality lavel  |          | 0                  | 0                                  | 0               |   |
| 92            | Total Other additions >materiality level  |          |                    | 0                                  | 6,839           |   |
| 93<br>94      | Other deductions (less than materiality level) Total Other Additions  |          | 6,839              | 0                                  |                 |   |
| 95            | Total Other Additions   |          | 6,839              | 0                                  | 6,839           |   |
| ჟე            |   |          |                    |                                    |                 |   |

|            | A  | В    | С                        | D                  | E                        | F |
|------------|--|------|--------------------------|--------------------|--------------------------|---|
| 1          | SIMPIL RRR FILING  | 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                      | (positive numbers) | Return                   |   |
| 4          | RRR # 2.1.8  |      | Return                   |                    |                          |   |
| 5          |  |      |                          |                    | Version 2005.1           |   |
| 96<br>97   | BOOK TO TAX DEDUCTIONS: Capital cost allowance                                     |      | 9,278,909                |                    | 0.070.000                |   |
| 98         | Cumulative eligible capital deduction  | -    | 9,278,909                |                    | 9,278,909<br>677,553     |   |
| 99         | Employee benefit plans-paid amounts  | -    | 677,555                  |                    | 077,555                  |   |
| 100        | Items capitalized for regulatory purposes  | -    |                          |                    | 0                        |   |
| 101        | Regulatory adjustments :   | -    |                          |                    | 0                        |   |
| 102        | CCA  | -    |                          |                    | 0                        |   |
| 103        | other deductions   | -    |                          |                    | 0                        |   |
| 104        | Regulatory Assets changes  |      | _                        |                    | 0                        |   |
| 105        | Tax reserves - end of year   | -    | 0                        | 0                  | 0                        |   |
| 106<br>107 | Reserves from financial statements- beginning of year                              | -    | 11,955,417               | 0                  | 11,955,417<br>0          |   |
| 107        | Contributions to deferred income plans Contributions to pension plans              | -    |                          |                    | 0                        |   |
| 100        | Interest capitalized for accounting deducted for tax                               | -    |                          |                    | 0                        |   |
| 110        | Material deduction items from TAXREC 2   | -    | 550,000                  | 0                  | 550,000                  |   |
| 111        | Other deduction items (not Material) from TAXREC 2                                 | -    | 0                        | 0                  | 0                        |   |
| 112        |  |      |                          |                    |                          |   |
| 113        | Subtotal   | =    | 22,461,879               | 0                  | 22,461,879               |   |
| 114        | Other deductions (Please explain the nature of the deductions)                     |      |                          |                    |                          |   |
| 115        | Charitable donations - tax basis   | -    | 00.050                   |                    | 66.850                   |   |
| 116<br>117 | Gain on disposal of assets   | -    | 66,850                   |                    | 66,850<br>0              |   |
| 117        | Capital tax per CT23   | -    |                          |                    | 0                        |   |
| 119        | Suprice (an poi 0120   | -    |                          |                    | 0                        |   |
| 120        | Total Other Deductions   | =    | 66,850                   | 0                  | 66,850                   |   |
| 121        |  |      |                          |                    |                          |   |
| 122        | Total Deductions   | =    | 22,528,729               | 0                  | 22,528,729               |   |
| 123        |  |      |                          |                    |                          |   |
| 124        | Recap Material Deductions:   |      |                          |                    |                          |   |
| 125        |  |      | 0                        | 0                  | 0                        |   |
| 126<br>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                                       |      | 66,850                   | 0                  | 66,850                   |   |
| 132        | Total Other Deductions   |      | 66,850                   | 0                  | 66,850                   |   |
| 133        |  |      |                          |                    |                          |   |
| 134        | TAXABLE INCOME   | =    | 3,141,759                | 0                  | 3,141,759                |   |
| 135        | DEDUCT:  |      | 7 005 700                |                    | 7.005.700                |   |
| 136<br>137 | Non-capital loss applied positive number  Net capital loss applied positive number | -    | 7,935,702<br>14,767      |                    | 7,935,702<br>14,767      |   |
| 138        | Net capital loss applied positive Humber   | _    | 14,707                   |                    | 14,707                   |   |
| 139        | NET TAXABLE INCOME   | =    | -4,808,709               | 0                  | -4,808,709               |   |
| 140        |  |      | ,,                       | -                  | , ,                      |   |
| 141        | FROM ACTUAL TAX RETURNS  |      |                          |                    |                          |   |
| 142        | Net Federal Income Tax (Must agree with tax return)                                | +    | 0                        |                    | 0                        |   |
| 143        | Net Ontario Income Tax (Must agree with tax return)                                | +    | 0                        |                    | 0                        |   |
| 144<br>145 | Subtotal Less: Miscellaneous tax credits (Must agree with tax returns)             | -    | 0                        | 0                  | 0                        |   |
| 146        | Less: Miscellaneous tax credits (Must agree with tax returns) Total Income Tax     | =    | 0                        | 0                  | 0                        |   |
| 147        | Total Income Tax   | _    | U                        | U                  | U                        |   |
| 148        | APPLICABLE TAX RATES FROM ACTUAL TAX RETURNS                                       |      |                          |                    |                          |   |
| 149        | Net Federal Income Tax Rate (Must agree with tax status)                           |      | 22.12%                   |                    | 22.12%                   |   |
|            | Net Ontario Income Tax Rate (Must agree with tax status)                           |      | 14.00%                   |                    | 14.00%                   |   |
| 151        | Blended Income Tax Rate  |      | 36.12%                   |                    | 36.12%                   |   |
| 152        |  |      |                          |                    |                          |   |
| 153        | Section D: Detailed calculation of Ontario Capital Tax                             |      |                          |                    |                          |   |
| 154<br>155 | ONTARIO CAPITAL TAX  |      |                          |                    |                          |   |
| 156        | (From Ontario CT23)  |      |                          |                    |                          |   |
| 157        | PAID-UP CAPITAL  |      |                          |                    |                          |   |
| 158        |  |      |                          |                    |                          |   |
| 159        | Paid-up capital stock  | +    | 61,447,581               |                    | 61,447,581               |   |
|            | Retained earnings (if deficit, deduct)   | +/-  | -3,268,212               |                    | -3,268,212               |   |
|            | Capital and other surplus excluding  | +    | 516,527                  |                    | 516,527                  |   |
| 162        | appraisal surplus  | +    | 14 000 400               |                    | 14.989.139               |   |
| 163<br>164 | Loans and advances Bank loans  | +    | 14,989,139<br>11,443,028 |                    | 14,989,139<br>11,443,028 |   |
|            | Bankers acceptances  | +    | 22,739,520               |                    | 22,739,520               |   |
|            | Bonds and debentures payable   | +    | 50,000,000               |                    | 50,000,000               |   |
|            | Mortgages payable  | +    |                          |                    | 0                        |   |
|            | Lien notes payable   | +    |                          |                    | 0                        |   |
| 169        | Deferred credits   | +    |                          |                    | 0                        |   |
| 170        | Contingent, investment, inventory and similar reserves                             | +    |                          |                    | 0                        |   |
|            | Other reserves not allowed as deductions   | +    | 14,327,926               |                    | 14,327,926               |   |
| 172        | Share of partnership(s), joint venture(s) paid-up capital                          | +    | 470 405 500              | 0                  | 170 405 500              |   |
| 173        | Sub-total Subtract:  | =    | 172,195,509              | 0                  | 172,195,509              |   |
| 1/4        | Amounts deducted for income tax purposes in excess of amounts                      | -    |                          |                    |                          |   |
| 175        | Amounts deducted for income tax purposes in excess of amounts booked               | -    |                          |                    | 0                        |   |
| -,,3       | Deductible R&D expenditures and ONTTI costs deferred for                           | -    |                          |                    | 0                        |   |
| 176        | income tax   |      |                          |                    | 0                        |   |
| 177        | Total (Net) Paid-up Capital  | =    | 172,195,509              | 0                  | 172,195,509              |   |
|            |  |      |                          |                    |                          |   |

|            | A   | В    | С                        | D                  | Е                        | F |
|------------|---|------|--------------------------|--------------------|--------------------------|---|
| 1          | SIMPIL RRR FILING   | 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<br>Return            | (positive numbers) | Return                   |   |
| 5          | RRR # 2.1.8   |      | Retuin                   |                    | Version 2005.1           |   |
| 178        |   |      |                          |                    |                          |   |
| 179        | ELIGIBLE INVESTMENTS  |      |                          |                    |                          |   |
| 180<br>181 | Bonds, lien notes, interest coupons   | +    |                          |                    | 0                        |   |
| 182        | Mortgages due from other corporations   | +    |                          |                    | 0                        |   |
| 183        | Shares in other corporations  | +    |                          |                    | 0                        |   |
| 184        | Loans and advances to unrelated corporations  Eligible loans and advances to related corporations | +    | 7 070 004                |                    | 7,979,661                |   |
| 185<br>186 | Share of partnership(s) or joint venture(s) eligible investments                                  | +    | 7,979,661                |                    | 7,979,061                |   |
| 187        |   |      |                          |                    |                          |   |
| 188<br>189 | Total Eligible Investments  | =    | 7,979,661                | 0                  | 7,979,661                |   |
| 190        |   |      |                          |                    |                          |   |
| 191        | TOTAL ASSETS  |      |                          |                    |                          |   |
| 192        |   |      | 224 222 222              |                    | 004.000.000              |   |
| 193<br>194 | Total assets per balance sheet  Mortgages or other liabilities deducted from assets               | +    | 201,983,060              |                    | 201,983,060              |   |
| 195        | Share of partnership(s)/ joint venture(s) total assets  | +    |                          |                    | 0                        |   |
| 196        | Subtract: Investment in partnership(s)/joint venture(s)   | -    |                          |                    | 0                        |   |
| 197<br>198 | Total accets as adjusted  | _    | 201,983,060              | 0                  | 201,983,060              |   |
| 198        | Total assets as adjusted  | =    | 201,363,060              | 0                  | 201,983,060              |   |
| 200        | Add: (if deducted from assets)  |      |                          |                    |                          |   |
| 201        | Contingent, investment, inventory and similar reserves  | +    | 4 044 447                |                    | 1 911 117                |   |
| 202        | Other reserves not allowed as deductions Subtract:  | +    | 1,811,117                |                    | 1,811,117<br>0           |   |
|            | Amounts deducted for income tax purposes in excess of amounts                                     | _    |                          |                    |                          |   |
| 204        | booked  |      |                          |                    | 0                        |   |
| 205        | Deductible R&D expenditures and ONTTI costs deferred for income tax                               | -    |                          |                    | 0                        |   |
| 206        | Subtract: Appraisal surplus if booked   | -    |                          |                    | 0                        |   |
| 207        | Add or subtract: Other adjustments  | +/-  |                          |                    | 0                        |   |
| 208<br>209 | Total Assets  | =    | 203,794,177              | 0                  | 203,794,177              |   |
| 210        | Total Assets  | _    | 200,794,177              | O                  | 203,734,177              |   |
| 211        |   |      |                          |                    |                          |   |
| 212<br>213 | Investment Allowance  |      | 6,742,400                | 0                  | 6,742,400                |   |
| 214        | Taxable Capital   |      |                          |                    |                          |   |
| 215        | ·   |      |                          |                    |                          |   |
| 216<br>217 | Net paid-up capital Subtract: Investment Allowance  | +    | 172,195,509<br>6,742,400 | 0                  | 172,195,509<br>6,742,400 |   |
| 218        | Subtract. Investment Allowance  | -    | 0,742,400                | U                  | 6,742,400                |   |
| 219        | Taxable Capital   | =    | 165,453,109              | 0                  | 165,453,109              |   |
| 220<br>221 | Comital Tay Coloniation   |      |                          |                    |                          |   |
| 222        | Capital Tax Calculation  Deduction from taxable capital up to maximum of \$7,5000,000             |      | 5,750,608                | 0                  | 5,750,608                |   |
| 223        | (Input in tab Tax Rates)  |      |                          |                    |                          |   |
| 224<br>225 | Net Taxable Capital   |      | 159,702,501              | 0                  | 159,702,501              |   |
| 225        | Rate  |      | 0.3000%                  | 0.3000%            | 0.3000%                  |   |
| 227        |   |      |                          |                    | 0.000076                 |   |
| 228        | Days in taxation year   |      | 365                      | 365                | 365                      |   |
| 229        | Divide days by 365  |      | 1.00                     | 1.00               | 1.00                     |   |
| 231        | Ontario Capital Tax (as calculated)   |      | 479,108                  | 0                  | 479,108                  |   |
| 232        |   |      |                          |                    |                          |   |
| 233<br>234 | Ontario Capital Tax (Must agree with CT23 return)   |      | 479,108                  | 0                  | 479,108                  |   |
| 235        | Section E: Detailed calculation of Large Corporations Tax   |      |                          |                    |                          |   |
| 236        |   |      |                          |                    |                          |   |
| 237        | LARGE CORPORATIONS TAX (From Federal Schedule 33)   |      |                          |                    |                          |   |
|            | CAPITAL   |      |                          |                    |                          |   |
|            | ADD:  |      |                          |                    |                          |   |
| 2/11       | Reserves that have not been deducted in computing income for the year under Part I                | +    | 12,480,843               |                    | 12,480,843               |   |
| 241        | the year under Part I Capital stock   | +    | 61,447,581               |                    | 61,447,581               |   |
| 243        | Retained earnings   | +    | ,,                       |                    | 0                        |   |
|            | Contributed surplus   | +    | E40 E07                  |                    | 0<br>516 527             |   |
|            | Any other surpluses Deferred unrealized foreign exchange gains                                    | +    | 516,527                  |                    | 516,527<br>0             |   |
|            | All loans and advances to the corporation   | +    | 26,432,167               |                    | 26,432,167               |   |
| ٠          | All indebtedness- bonds, debentures, notes, mortgages, bankers                                    | +    | 70 700 700               |                    | 70 700 7                 |   |
| 248<br>249 | acceptances, or similar obliqations  Any dividends declared but not paid                          | +    | 72,739,520               |                    | 72,739,520<br>0          |   |
| 250        | All other indebtedness outstanding for more than 365 days   | +    |                          |                    | 0                        |   |
| 251        |   |      |                          |                    |                          |   |
| 252        | Subtotal  | =    | 173,616,638              | 0                  | 173,616,638              |   |

|            | A   | В        | С                                       | D                  | Е               | F |
|------------|---|----------|---|--------------------|-----------------|---|
| 1          | SIMPIL RRR FILING   | LINE     | M of F                                  | Non-wires          | ⊏<br>Wires-only | F |
| 2          | TAX RETURN RECONCILIATION (TAXREC)                            | LIINE    | Corporate                               | Eliminations       | Tax             |   |
| 3          | (for "wires-only" business - see s. 72 OEB Act)               |          | Tax                                     | (positive numbers) | Return          |   |
| 4          | RRR # 2.1.8   |          | Return                                  | (2-0               | Ketuiii         |   |
| 5          | NAN # 2.1.0   |          | rtotam                                  |                    | Version 2005.1  |   |
| 253        |   |          |   |                    | VC131011 2000.1 |   |
| 254        | DEDUCT:   |          |   |                    |                 |   |
| 255        | Deferred tax debit balance                                    | - 1      |   |                    | 0               |   |
| 256        | Any deficit deducted in computing shareholders' equity        | -        | 3,268,212                               |                    | 3,268,212       |   |
|            | Any patronage dividends 135(1) deducted in computing income   | -        | ., ,                                    |                    | ., ,            |   |
| 257        | under Part I included in amounts above                        |          |   |                    | 0               |   |
| 258        | Deferred unrealized foreign exchange losses                   | -        |   |                    | 0               |   |
| 259        |   |          |   |                    |                 |   |
| 260        | Subtotal  | =        | 3,268,212                               | 0                  | 3,268,212       |   |
| 261        |   |          |   |                    |                 |   |
| 262        | Capital for the year  |          | 170,348,426                             | 0                  | 170,348,426     |   |
| 263        |   |          |   |                    |                 |   |
| 264<br>265 | INVESTMENT ALLOWANCE  |          |   |                    |                 |   |
| 266        | Shares in another corporation                                 | +        |   |                    | 0               |   |
| 267        | Loan or advance to another corporation                        | +        | 7.979.661                               |                    | 7.979.661       |   |
|            | Bond, debenture, note, mortgage, or                           | +        | 1,313,001                               |                    | 7,979,001       |   |
| 269        | similar obligation of another corporation                     | +        |   |                    | 0               |   |
|            | Long term debt of financial institution                       | +        |   |                    | 0               |   |
| 271        | Dividend receivable from another corporation                  | +        |   |                    | 0               |   |
|            | Debts of corporate partnerships that were not exempt from tax |          |   |                    |                 |   |
| 272        | under Part I.3  | +        |   |                    | 0               |   |
| 273        | Interest in a partnership                                     | +        |   |                    | 0               |   |
| 274        |   |          |   |                    |                 |   |
| 275        | Investment Allowance  | =        | 7,979,661                               | 0                  | 7,979,661       |   |
| 276        |   |          |   |                    |                 |   |
| 277        |   |          |   |                    |                 |   |
| 278        | TAXABLE CAPITAL   |          |   |                    |                 |   |
| 279        | One had for the course  |          | 470.040.400                             | 0                  | 470.040.400     |   |
| 280        | Capital for the year  | =        | 170,348,426                             | 0                  | 170,348,426     |   |
| 281<br>282 | Deduct: Investment allowance                                  | -        | 7,979,661                               | 0                  | 7,979,661       |   |
| 283        | Deduct. Investment anowance                                   |          | 7,979,001                               | U                  | 7,979,001       |   |
| 284        | Taxable Capital for taxation year                             | =        | 162,368,765                             | 0                  | 162,368,765     |   |
| 285        |   |          | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, |                    | ,               |   |
| 286        | Deduct: Capital Deduction - maximum of \$50,000,000           | -        | 10,742,915                              | 0                  | 10,742,915      |   |
| 287        | (Input in tab Tax Rates)                                      |          |   |                    |                 |   |
| 288        | Taxable Capital   | =        | 151,625,850                             | 0                  | 151,625,850     |   |
| 289        |   |          |   |                    |                 |   |
| 290        | Rate 0.225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005  |          | 0.17500%                                | 0.17500%           | 0.17500%        |   |
| 291        | Description   | ļ.,      | 0                                       | 8                  | 0               |   |
| 292        | Days in year  |          | 365                                     | 365                | 365             |   |
| 293<br>294 | Divide days by 365  |          | 1.0000                                  | 1.0000             | 1.0000          |   |
| 294        | Gross Part I.3 Tax LCT (Must agree with tax return)           | =        | 265,345                                 | 0                  | 265,345         |   |
| 296        | UNUSE AGREE WILL LOT (MUSE AGREE WILL LAX PELLITI)            |          | 200,345                                 | U                  | 200,345         |   |
| 297        | Federal Surtax Rate   |          | 1.1200%                                 | 1.1200%            | 1.1200%         |   |
| 298        |   |          | 5676                                    | 5070               | 3070            |   |
| 299        | Less: Federal Surtax = Actual Surtax from tax return          | -        | 0                                       |                    | 0               |   |
| 300        |   |          |   |                    |                 |   |
| 301        | Net Part I.3 Tax - LCT Payable (Must agree with tax return)   | =        | 265,345                                 | 0                  | 265,345         |   |
| 302        | (If surtax is greater than Gross LCT, then zero)              |          |   |                    |                 |   |
| 303        |   |          |   |                    |                 |   |
| 304        | Section F: Income and Capital Taxes                           |          |   |                    |                 |   |
| 305        |   |          |   |                    |                 |   |
| 306        | RECAP FROM ABOVE:   | ļ        |   |                    |                 |   |
| 307        | Total Income Taxes  | +        | 470.400                                 | 0                  | 0               |   |
| 308        | Ontario Capital Tax   | +        | 479,108                                 | 0                  | 479,108         |   |
| 309        | Federal Large Corporations Tax                                | +        | 265,345                                 | 0                  | 265,345         |   |
| 310        | Total income and capital taxes                                | <u> </u> | 744,453                                 | 0                  | 744,453         |   |
| 311        | rotal income and capital taxes                                | =        | 144,403                                 | U                  | 144,453         |   |
| JIZ        |   | 1        |   |                    |                 |   |

|          | A  | В    | С          | D                  | Е              | F |
|----------|--|------|------------|--------------------|----------------|---|
| 1        | SIMPIL RRR FILING                                | LINE | M of F     | Non-wires          | Wires-only     | • |
| 2        | Tax and Accounting Reserves                      |      | Corporate  | Eliminations       | Tax            |   |
| 3        | For MoF Column of TAXCALC                        |      | Tax        | (positive numbers) | Return         |   |
| 4        | (for "wires-only" business - see s. 72 OEB Act)  |      | Return     |                    |                |   |
|          | RRR # 2.1.8                                      |      |            |                    | Version 2005.1 |   |
| 6        |  |      |            |                    |                |   |
|          | Utility Name: Enwin Powerlines Ltd.              |      |            |                    |                |   |
| 8<br>9   | Reporting period: 2005                           |      |            |                    |                |   |
|          | TAX RESERVES                                     |      |            |                    |                |   |
| 11       | TAX NEOLINVEO                                    |      |            |                    |                |   |
|          | Beginning of Year:                               |      |            |                    |                |   |
| 13       | 3 3  |      |            |                    | 0              |   |
|          | Reserve for doubtful accounts ss. 20(1)(I)       |      |            |                    | 0              |   |
| 15       | Reserve for goods & services ss.20(1)(m)         |      |            |                    | 0              |   |
|          | Reserve for unpaid amounts ss.20(1)(n)           |      |            |                    | 0              |   |
|          | Debt and share issue expenses ss.20(1)(e)        |      |            |                    | 0              |   |
|          | Other  |      |            |                    | 0              |   |
| 19       | Other  |      |            |                    | 0              |   |
| 20       |  |      |            |                    | 0              |   |
| 21<br>22 | Total (carry forward to the TAXREC worksheet)    |      | 0          | 0                  | 0              |   |
| 23       | Total (carry forward to the TAXREC worksheet)    |      | U          | 0                  | U              |   |
|          | End of Year:                                     |      |            |                    |                |   |
| 25       | End of Tour.                                     |      |            |                    | 0              |   |
|          | Reserve for doubtful accounts ss. 20(1)(I)       |      |            |                    | 0              |   |
|          | Reserve for goods & services ss.20(1)(m)         |      |            |                    | 0              |   |
|          | Reserve for unpaid amounts ss.20(1)(n)           |      |            |                    | 0              |   |
|          | Debt and share issue expenses ss.20(1)(e)        |      |            |                    | 0              |   |
| 30       | Other  |      |            |                    | 0              |   |
|          | Other  |      |            |                    | 0              |   |
| 32       |  |      |            |                    | 0              |   |
| 33       |  |      |            |                    | 0              |   |
| _        | Insert line above this line                      |      | 0          |                    | 0              |   |
| 35       | Total (carry forward to the TAXREC worksheet)    |      | 0          | 0                  | 0              |   |
| 36<br>37 |  |      |            |                    |                |   |
|          | FINANCIAL STATEMENT RESERVES                     |      |            |                    |                |   |
| 39       | THANOIAL OTATEMENT RECEIVED                      |      |            |                    |                |   |
|          | Beginning of Year:                               |      |            |                    |                |   |
| 41       | - 5  |      |            |                    | 0              |   |
| 42       |  |      |            |                    | 0              |   |
| 43       | Environmental                                    |      |            |                    | 0              |   |
|          | Allowance for doubtful accounts                  |      | 0          |                    | 0              |   |
|          | Inventory obsolescence                           |      |            |                    | 0              |   |
|          | Property taxes                                   |      | 44.055.417 |                    | 0              |   |
|          | Other - Post Retirement Benefits                 |      | 11,955,417 |                    | 11,955,417     |   |
| 48<br>49 | Other  | + +  |            |                    | 0              |   |
|          | Total (carry forward to the TAXREC worksheet)    |      | 11,955,417 | 0                  | 11,955,417     |   |
| 51       | 1. O. C. LOUIS TO MAIG TO THE TANKE O WOINSHIEGE |      | 11,000,417 | 0                  | 11,000,417     |   |
|          | End of Year:                                     |      |            |                    |                |   |
| 53       | ***  |      |            |                    | 0              |   |
| 54       |  |      |            |                    | 0              |   |
|          | Environmental                                    |      |            |                    | 0              |   |
|          | Allowance for doubtful accounts                  |      | 550,000    |                    | 550,000        |   |
|          | Inventory obsolescence                           |      |            |                    | 0              |   |
|          | Property taxes                                   |      |            |                    | 0              |   |
|          | Other - Post Retirement Benefits                 |      | 12,480,843 |                    | 12,480,843     |   |
|          | Other  | 1    |            |                    | 0              |   |
| 61       | Insert line above this line                      | +    |            |                    | 0              |   |
| 63       | Total (carry forward to the TAXREC worksheet)    |      | 13,030,843 | 0                  | 13,030,843     |   |
| 64       | Total (carry lorward to the TAXNEC WORKSHEEL)    |      | 13,030,043 | U                  | 13,030,043     |   |
| J-1      |  |      |            |                    |                |   |

|          | A   | В    | С         | D                  | Е              | F |
|----------|---|------|-----------|--------------------|----------------|---|
| 1        | ^   | D    | U         | <u> </u>           | <u> </u>       | ' |
|          | SIMPIL RRR FILING   | LINE | M of F    | Non-wires          | Wires-only     |   |
|          | TAX RETURN RECONCILIATION (TAXREC 2)                                  |      | Corporate | Eliminations       | Tax            |   |
|          | (for "wires-only" business - see s. 72 OEB Act)                       |      | Tax       | (positive numbers) | Return         |   |
| 5        | RRR # 2.1.8   |      | Return    |                    |                |   |
| 6        |   |      |           |                    | Version 2005.1 |   |
| 7        |   |      |           |                    |                |   |
|          | Utility Name: Enwin Powerlines Ltd.                                   |      |           |                    |                |   |
|          | Reporting period: 2005  |      |           |                    |                |   |
|          | Number of days in taxation year:                                      |      | 365       |                    |                |   |
|          | Materiality Level:  |      | 203,371   |                    |                |   |
| 12       |   |      |           |                    |                |   |
|          | Section C: Reconciliation of accounting income to taxable income Add: |      |           |                    |                |   |
|          | Recapture of capital cost allowance                                   | +    |           |                    | 0              |   |
|          | Gain on sale of eligible capital property                             | +    |           |                    | 0              |   |
|          | Income or loss for tax purposes- joint ventures or partnerships       | +    |           |                    | 0              |   |
|          | Loss in equity of subsidiaries and affiliates                         | +    |           |                    | 0              |   |
|          | Loss on disposal of assets  | +    |           |                    | 0              |   |
|          | Charitable donations  | +    |           |                    | 0              |   |
|          | Taxable capital gains   | +    | 33,425    |                    | 33,425         |   |
|          | Depreciation in inventory -end of year                                | +    |           |                    | 0              |   |
|          | Scientific research expenditures deducted                             | +    |           |                    | 0              |   |
| 24       |   | +    |           |                    | 0              |   |
|          | Capitalized interest  | +    |           |                    | 0              |   |
|          | Non-deductible club dues and fees                                     | +    |           |                    | 0              |   |
|          | Non-deductible automobile expenses                                    | +    |           |                    | 0              |   |
|          | Non-deductible life insurance premiums                                | +    |           |                    | 0              |   |
|          | Soft costs on construction and renovation of buildings                | +    |           |                    | 0              |   |
|          | Non-deductible meals and entertainment                                | +    |           |                    | 0              |   |
|          | Book loss on joint ventures or partnerships                           | +    |           |                    | 0              |   |
|          | Capital items expensed  | +    |           |                    | 0              |   |
|          | Debt issue expense  | +    |           |                    | 0              |   |
|          | Deemed dividend income  | +    |           |                    | 0              |   |
|          | Dividends credited to investment account                              | +    |           |                    | 0              |   |
|          | Financing fees deducted in books Gain on settlement of debt           | +    |           |                    | 0              |   |
|          | Interest paid on income debentures                                    | +    |           |                    | 0              |   |
|          | Recapture of SR&ED expenditures                                       | +    |           |                    | 0              |   |
|          | Share issue expense   | +    |           |                    | 0              |   |
|          | Write down of capital property  | +    |           |                    | 0              |   |
|          | Amounts received in respect of qualifying environment trust           | +    |           |                    | 0              |   |
|          | Other Additions: (please explain in detail the nature of the item)    | +    |           |                    | 0              |   |
| 44       |   | +    |           |                    | 0              |   |
| 45       |   | +    | 439,689   |                    | 439,689        |   |
| 46       |   | +    | 100,000   |                    | 0              |   |
| 47       | S.12(1)(x)  | +    |           |                    | 0              |   |
| 48       |   | +    |           |                    | 0              |   |
| 49       |   | +    |           |                    | 0              |   |
| 50       |   | +    |           |                    | 0              |   |
| 51       |   | +    |           |                    | 0              |   |
| 52       |   | +    |           |                    | 0              |   |
| 53       |   | +    |           |                    |                |   |
| 54       | Total Additions   | =    | 473,114   | 0                  | 473,114        | J |
| 55       | Decem of Material Additional  |      |           |                    |                |   |
| 56<br>57 | Recap of Material Additions:  |      |           | ^                  | ^              |   |
| 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<br>77 |   |      | 0         | 0                  | 0              |   |
| 77       |   |      | 0         | 0                  | 0              |   |
| 78<br>79 |   |      | 0         | 0                  | 0              |   |
| 80       |   |      | 0         | 0                  | 0              |   |
| 81       |   |      | 0         | 0                  |                |   |
| 82       |   |      | 0         | 0                  | 0              |   |
| 02       |   | ı    | U         | U                  | U              |   |

|            | Δ.   | В    | С         | D                         | -               | F |
|------------|--|------|-----------|---------------------------|-----------------|---|
| 2          | A SIMPIL RRR FILING  | LINE | M of F    |                           | E<br>Wires-only | Г |
|            | TAX RETURN RECONCILIATION (TAXREC 2)                                 | LINE | Corporate | Non-wires<br>Eliminations | Tax             |   |
|            | (for "wires-only" business - see s. 72 OEB Act)                      |      | Tax       | (positive numbers)        | Return          |   |
|            | RRR # 2.1.8  |      | Return    | (1                        | Neturn          |   |
| 6          | Μ(( # 2.1.0  |      | rectairi  |                           | Version 2005.1  |   |
| 83         |  |      | 0         | 0                         | 0               |   |
| 84         |  |      | 0         | 0                         | 0               |   |
| 85         |  |      | 0         | 0                         | 0               |   |
| 86         | Adjustment to income for lease payments                              |      | 439,689   | 0                         | 439,689         |   |
| 87         |  |      | 0         | 0                         | 0               |   |
| 88         |  |      | 0         | 0                         | 0               |   |
| 89         |  |      | 0         | 0                         | 0               |   |
| 90         |  |      | 0         | 0                         | 0               |   |
| 91         |  |      | 0         | 0                         | 0               |   |
| 92         |  |      | 0         | 0                         | 0               |   |
| 93         |  |      | 0         | 0                         | 0               |   |
| 94         | Takel Makasial additiona   |      | 400.000   | 0                         | 100.000         |   |
|            | Total Material additions Other additions less than materiality level | -    | 439,689   | 0                         | 439,689         |   |
| 97         | Total Additions  |      | 33,425    | 0                         | 33,425          |   |
| 98         | i otal / taalitotto  |      | 473,114   | U                         | 473,114         |   |
|            | Deduct:  |      |           |                           |                 |   |
|            | Gain on disposal of assets per f/s                                   | -    |           |                           | 0               |   |
|            | Dividends not taxable under section 83                               | -    |           |                           | 0               |   |
|            | Terminal loss from Schedule 8  | -    |           |                           | 0               |   |
| 103        | Depreciation in inventory, end of prior year                         | -    |           |                           | 0               |   |
| 104        | Scientific research expenses claimed in year from Form T661          | -    |           |                           | 0               |   |
|            | Bad debts  | -    |           |                           | 0               |   |
| 106        | Book income of joint venture or partnership                          | -    |           |                           | 0               |   |
| 107        | Equity in income from subsidiary or affiliates                       | -    |           |                           | 0               |   |
|            | Contributions to a qualifying environment trust                      | -    |           |                           | 0               |   |
|            | Other income from financial statements                               | -    |           |                           | 0               |   |
|            | Other deductions: (Please explain in detail the nature of the item)  | -    |           |                           |                 |   |
|            | Imputed interest on Reg Assets                                       | -    |           |                           | 0               |   |
| 112        | SEC 20(1) (e) Capital gains adjustment                               | -    |           |                           | 0               |   |
| 114        |  | -    |           |                           | 0               |   |
| 115        | Equipment  |      |           |                           | 0               |   |
|            | s.13(7.4)  | _    |           |                           | 0               |   |
| 117        | 51.5(1.1)  | -    |           |                           | 0               |   |
| 118        | Tax reserves claimed in current year                                 | -    | 550,000   |                           | 550,000         |   |
| 119        |  | -    |           |                           | 0               |   |
| 120        |  | -    |           |                           | 0               |   |
|            | Total Deductions   | =    | 550,000   | 0                         | 550,000         |   |
| 122        |  |      |           |                           |                 |   |
| 123        |  |      |           |                           |                 |   |
|            | Recap of Material Deductions:  |      |           |                           |                 |   |
| 125<br>126 |  |      | 0         | 0                         | 0               |   |
| 126        |  | -    | 0         | 0                         | 0               |   |
| 128        |  |      | 0         | 0                         | 0               |   |
| 129        |  |      | 0         | 0                         | 0               |   |
| 130        |  |      | 0         | 0                         | 0               |   |
| 131        |  |      | 0         | 0                         | 0               |   |
| 132        |  |      | 0         | 0                         | 0               |   |
| 133        |  |      | 0         | 0                         | 0               |   |
| 134        |  |      | 0         | 0                         | 0               |   |
| 135        |  |      | 0         | 0                         | 0               |   |
| 136        |  |      | 0         | 0                         | 0               |   |
| 137        |  |      | 0         | 0                         | 0               |   |
| 138        |  |      | 0         | 0                         | 0               |   |
| 139        |  |      | 0         | 0                         | 0               |   |
| 140<br>141 |  |      | 0         | 0                         | 0               |   |
| 141        |  |      | 0         | 0                         | 0               |   |
| 143        | Tax reserves claimed in current year                                 |      | 550,000   | 0                         | 550,000         |   |
| 144        | Tax 10001100 dialified in dufferit your                              |      | 0         | 0                         | 0               |   |
| 145        |  |      | 0         | 0                         | 0               |   |
|            | Total Deductions exceed materiality level                            |      | 550,000   | 0                         | 550,000         |   |
|            | Other deductions less than materiality level                         |      | 0         | 0                         | 0               |   |
|            | Total Deductions   |      | 550,000   | 0                         | 550,000         |   |
| 149        |  |      |           |                           |                 |   |

| 1 2 3  | Α   | В  | С  | D   | E  | F   | G | Н |          |  |
|--|---|--|--|---|--|---|---|---|----------|--|
| 2  | SIMPIL RRR FILING   |  | Ü  |   |  | · · · · · ·                                   |   |   | <u> </u> |  |
| _  | Corporate Tax Rates   |  |  |   | V  | ersion 2005.                                  | 1 |   |          |  |
|  | Exemptions, Deductions, or  | Threshold  | s  |   |  | RRR # 2.1.8                                   |   |   |          |  |
| 4  | <b>Utility Name: Enwin Powerl</b>   |  |  |   |  |   |   |   |          |  |
| 5  | Reporting period: 2005  |  |  |   |  |   |   |   |          |  |
| 6  |   |  |  |   |  |   |   |   |          |  |
| 7  |   |  |  |   |  | Table 1                                       |   |   |          |  |
| 8  | Rates Used in 2005 RAM PIL  | s Applicati  | ons  |   |  |   |   |   |          |  |
|  | Income Range  |  | 0  |   | 400,001  |   |   |   |          |  |
|  | RAM 2005  |  | to   |   | to   | >1,128,000                                    |   |   |          |  |
| 11   |   | Year   | 400,000  |   | 1,128,000  |   |   |   |          |  |
|  | Income Tax Rate   |  |  |   |  |   |   |   |          |  |
| _  | Proxy Tax Year  | 2005   |  |   |  |   |   |   |          |  |
| 14   | Federal (Includes surtax)   |  | 13.12%   |   | 17.75%   | 22.12%  |   |   |          |  |
| 15   | Ontario   |  | 5.50%  |   | 9.75%  | 14.00%  | n |   |          |  |
| 16   | Blended rate  |  | 18.62%   | 0.00%   | 27.50%   | 36.12%  |   |   |          |  |
| 17   |   |  |  |   |  |   |   |   |          |  |
| 18   | Capital Tax Rate  |  | 0.300%   |   | Input in C18   |   |   |   |          |  |
|  | LCT rate  |  | 0.175%   |   | Input in C19   |   |   |   |          |  |
| 20   | Surtax  |  | 1.12%  |   | Input in C20   |   |   |   |          |  |
|  | Ontario Capital Tax   | MAX  | 7,500,000  |   | Input in C21   |   |   |   |          |  |
| 21   | Exemption **  | \$7.5MM  | ,,   |   |  |   |   |   |          |  |
|  | Federal Large   | MAX  |  |   |  |   |   |   |          |  |
| 20   | Corporations Tax  | \$50MM   | 50,000,000   |   | Input in C22   |   |   |   |          |  |
| 22   | Exemption **  | •  |  |   | D.441-D.   |   |   |   |          |  |
|  | **Exemption amounts must  | agree with   | tne Board-ap   | proved 2005   | RAM PILs f   | ılıng   |   |   |          |  |
| 24<br>25   |   |  |  |   |  | Table 0                                       |   |   |          |  |
|  | Expected Rates and Exemp  | tions for 20   | 05   |   |  | Table 2                                       |   |   |          |  |
|  | Income Range  | LIONS IOI ZU   | 0  | 300,001   | 400,001  |   |   |   |          |  |
| _  | Expected Rates 2005   |  | to   | to  | 400,001  | >1,128,000                                    |   |   |          |  |
| 29   | Expected Nates 2003   | Year   | 300,000  | 400,000   | 1,128,000  | >1,120,000                                    |   |   |          |  |
|  | Income Tax Rate   | i cai  | 300,000  | 400,000   | 1,120,000  |   |   |   |          |  |
| 31   | Current year  | 2005   |  |   |  |   |   |   |          |  |
| _  | Federal (Includes surtax)   | 2000   | 13.12%   | 22.12%  | 22.12%   | 22.12%  |   |   |          |  |
| 33   | Ontario   |  | 5.50%  | 5.50%   | 9.75%  | 14.00%  |   |   |          |  |
| 34   | Blended rate  |  | 18.62%   | 27.62%  | 31.87%   | 36.12%  | ı |   |          |  |
| 35   | Dichaed rate  |  | 10.0270  | 27.0270   | 01.0770  | 00.1270                                       |   |   |          |  |
|  | Capital Tax Rate  |  | 0.300%   |   | Input in C36   |   |   |   |          |  |
|  | LCT rate  |  | 0.300%   |   | Input in C37   |   |   |   |          |  |
| _  | Surtax  |  | 1.12%  |   | Input in C38   |   |   |   |          |  |
| 00   | Ontario Capital Tax   | MAX  |  |   | input in 000   |   |   |   |          |  |
|  |   |  |  |   |  |   |   |   |          |  |
| 39   |   |  | 7,500,000  |   | Input in C39   |   |   |   |          |  |
| 39   | Exemption ***   | \$7.5MM  | 7,500,000  |   | Input in C39   |   |   |   |          |  |
| 39   | Exemption *** Federal Large   | \$7.5MM<br>MAX   |  |   |  |   |   |   |          |  |
|  | Exemption *** Federal Large Corporations Tax  | \$7.5MM  | 7,500,000  |   | Input in C39 Input in C40  |   |   |   |          |  |
| 40   | Exemption *** Federal Large Corporations Tax Exemption ***  | \$7.5MM<br>MAX<br>\$50MM   | 50,000,000   | oard's instru   | Input in C40   |   |   |   |          |  |
| 40<br>41   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions  | \$7.5MM<br>MAX<br>\$50MM   | 50,000,000   | oard's instru   | Input in C40   |   |   |   |          |  |
| 40<br>41   | Exemption *** Federal Large Corporations Tax Exemption ***  | \$7.5MM<br>MAX<br>\$50MM   | 50,000,000   | oard's instru   | Input in C40   |   |   |   |          |  |
| 40<br>41<br>42<br>43   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions  | \$7.5MM<br>MAX<br>\$50MM<br>must comp  | 50,000,000<br>oly with the Bo  |   | Input in C40   | ding  |   |   |          |  |
| 40<br>41<br>42<br>43   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  | \$7.5MM<br>MAX<br>\$50MM<br>must comp  | 50,000,000<br>oly with the Bo  |   | Input in C40   | ding  |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities. Input Information from Utility   | \$7.5MM<br>MAX<br>\$50MM<br>must comp  | 50,000,000<br>bly with the Bo<br>2005 Tax Retu<br>0<br>to  | ırns  | Input in C40 ctions regar 400,001 to   | ding  |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities. Input Information from Utilit Income Range   | \$7.5MM<br>MAX<br>\$50MM<br>must comp  | 50,000,000<br>bly with the Bo  | irns<br>300,001                                       | Input in C40 ctions regar  | ding<br>Table 3                               |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities. Input Information from Utilit Income Range Income Tax Rate   | \$7.5MM  MAX \$50MM  must comp   | 50,000,000<br>bly with the Bo<br>2005 Tax Retu<br>0<br>to  | irns<br>300,001<br>to                                 | Input in C40 ctions regar 400,001 to   | ding<br>Table 3                               |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities. Input Information from Utilit Income Range Income Tax Rate Current year  | \$7.5MM MAX \$50MM must comp   | 50,000,000<br>bly with the Bo<br>2005 Tax Retu<br>0<br>to<br>300,000   | 300,001<br>to<br>400,000                              | Input in C40 ctions regar 400,001 to 1,128,000   | ding Table 3 >1,128,000                       |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities. Input Information from Utilit Income Range Income Tax Rate Current year Federal (Includes surtax)  | \$7.5MM  MAX \$50MM  must comp   | 50,000,000<br>bly with the Bo<br>2005 Tax Retu<br>0<br>to<br>300,000   | 300,001<br>to<br>400,000                              | Input in C40 ctions regar 400,001 to 1,128,000   | ding Table 3 >1,128,000 22.12%                |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario  | \$7.5MM  MAX \$50MM  must comp   | 50,000,000 bly with the Book of to 300,000  13.12% 5.50%   | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | Input in C40 ctions regar 400,001 to 1,128,000 22.12% 9.75%  | ding Table 3 >1,128,000  22.12% 14.00%        |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities. Input Information from Utilit Income Range Income Tax Rate Current year Federal (Includes surtax)  | \$7.5MM  MAX \$50MM  must comp   | 50,000,000<br>bly with the Bo<br>2005 Tax Retu<br>0<br>to<br>300,000   | 300,001<br>to<br>400,000                              | Input in C40 ctions regar 400,001 to 1,128,000   | ding Table 3 >1,128,000 22.12%                |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate   | \$7.5MM  MAX \$50MM  must comp   | 50,000,000<br>bly with the Bo<br>2005 Tax Retu<br>0<br>to<br>300,000<br>13.12%<br>5.50%<br>18.62%  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | Input in C40 ctions regar 400,001 to 1,128,000 22.12% 9.75% 31.87%   | ding Table 3 >1,128,000  22.12% 14.00%        |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54                                     | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate   | \$7.5MM  MAX \$50MM  must comp   | 50,000,000 bly with the Book of to 300,000  13.12% 5.50% 18.62%  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | Input in C40 ctions regar 400,001 to 1,128,000 22.12% 9.75% 31.87% Input in C54  | Table 3 >1,128,000  22.12% 14.00% 36.12%      |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>53                                     | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate  | \$7.5MM  MAX \$50MM  must comp   | 50,000,000 by with the Boot to 300,000  13.12% 5.50% 18.62%  0.300% 0.175%   | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C55                            | Table 3 >1,128,000  22.12% 14.00% 36.12%      |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>53                                     | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax   | \$7.5MM MAX \$50MM must comp y's Actual 2 Year 2005                            | 50,000,000 bly with the Book of to 300,000  13.12% 5.50% 18.62%  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | Input in C40 ctions regar 400,001 to 1,128,000 22.12% 9.75% 31.87% Input in C54  | Table 3 >1,128,000  22.12% 14.00% 36.12%      |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56                         | Exemption *** Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax  | \$7.5MM MAX \$50MM must comp y's Actual 2 Year 2005                            | 50,000,000 bly with the Book of the Book o | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87%<br>Input in C54<br>Input in C55<br>Input in C56                    | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56                         | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *   | \$7.5MM MAX \$50MM must comp y's Actual 2 Year 2005                            | 50,000,000 by with the Boot to 300,000  13.12% 5.50% 18.62%  0.300% 0.175%   | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C55                            | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56                         | Exemption *** Federal Large Corporations Tax Exemption ***  ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large  | \$7.5MM MAX \$50MM must comp y's Actual 2 Year 2005 MAX \$7.5MM                | 50,000,000  Sty with the Botto  0 to 300,000  13.12% 5.50% 18.62%  0.300% 0.175% 1.12% 5,750,608   | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C55 Input in C57               | ding Table 3 >1,128,000 22.12% 14.00% 36.12%  |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>55<br>56                   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax  | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX        | 50,000,000 bly with the Book of the Book o | 300,001<br>to<br>400,000<br>22.12%<br>5.50%           | 400,001<br>to<br>1,128,000<br>22.12%<br>9.75%<br>31.87%<br>Input in C54<br>Input in C55<br>Input in C56                    | ding Table 3 >1,128,000 22.12% 14.00% 36.12%  |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57                   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *                                | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C58 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57                   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C58 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>56<br>57                   | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *                                | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C58 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>55<br>56<br>57             | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C58 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>50<br>51<br>55<br>55<br>55<br>56<br>57<br>58<br>59<br>60<br>61<br>62       | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C58 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>48<br>49<br>50<br>51<br>52<br>53<br>54<br>55<br>55<br>56<br>57             | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C57 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>50<br>51<br>55<br>55<br>55<br>56<br>57<br>58<br>59<br>60<br>61<br>62       | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C57 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>50<br>51<br>55<br>55<br>55<br>56<br>57<br>58<br>59<br>60<br>61<br>62       | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C57 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>50<br>51<br>55<br>55<br>55<br>56<br>57<br>58<br>59<br>60<br>61<br>62       | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C57 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |
| 40<br>41<br>42<br>43<br>44<br>45<br>46<br>47<br>50<br>51<br>55<br>55<br>55<br>55<br>57<br>57<br>58<br>59<br>60<br>61<br>62 | Exemption *** Federal Large Corporations Tax Exemption *** ***Allocation of exemptions regulated activities.  Input Information from Utilit Income Range  Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate  Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual | \$7.5MM MAX \$50MM must comp  y's Actual 2  Year  2005  MAX \$7.5MM MAX \$50MM | 50,000,000 bly with the Botto 0 to 300,000  13.12% 5.50% 18.62% 0.300% 0.175% 1.12% 5,750,608  | 300,001<br>to<br>400,000<br>22.12%<br>5.50%<br>27.62% | Input in C40 ctions regar  400,001 to 1,128,000  22.12% 9.75% 31.87%  Input in C54 Input in C56 Input in C57  Input in C57 | ding Table 3 >1,128,000  22.12% 14.00% 36.12% |   |   |          |  |

|    | А                            | В       | С               | D     | Е             | F     | G             | Н    | I          | J | K          | L | M          | Ν | 0              |
|----|------------------------------|---------|-----------------|-------|---------------|-------|---------------|------|------------|---|------------|---|------------|---|----------------|
| 1  | SIMPIL RRR FILING            |         |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 2  | Analysis of Account 1562:    | Defer   | red Payments in | n lie | eu of Taxes   |       |               |      |            |   |            |   |            |   |                |
| 3  | Utility Name: Enwin Powerlir | nes Ltd | d.              |       |               |       |               |      |            |   |            |   |            |   | Version 2005.1 |
| 4  | Reporting period: 2005       |         |                 |       | Sign Conventi | on: · | for increase; | - fo | r decrease |   |            |   |            |   | RRR # 2.1.8    |
| 5  |                              |         |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 6  |                              |         |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 7  |                              |         |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 8  | Year start:                  |         | 01/10/2001      |       | 01/01/2002    |       | 01/01/2003    |      | 01/01/2004 |   | 01/01/2005 |   | 01/01/2006 |   |                |
| 9  | Year end:                    |         | 31/12/2001      |       | 31/12/2002    |       | 31/12/2003    |      | 31/12/2004 |   | 31/12/2005 |   | 30/04/2006 |   | Total          |
| 10 |                              |         |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 11 | Opening balance:             | =       | 0               |       | 1,859,048     |       | 2,159,433     |      | -1,107,094 |   | 1,151,025  |   | 8,021,177  |   | 0              |
|    | Board-approved PILs tax      | +/-     |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 12 | proxy from Decisions (1)     |         | 1,859,048       |       | 5,896,261     |       | 7,755,309     |      | 7,437,803  |   | 6,872,825  |   | 2,239,926  |   | 32,061,173     |
|    | True-up Variance             | +/-     |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 13 | Adjustment Q4, 2001 (2)      |         |                 |       |               |       |               |      |            |   |            |   | 0          |   | 0              |
|    | True-up Variance             | +/-     |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 14 | Adjustment (3)               |         | _               |       | _             |       | -2,940,338    |      | 1,150,369  |   | 5,635,656  |   | 694,988    |   | 4,540,675      |
|    | Deferral Account Variance    |         |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 15 | Adjustment Q4, 2001 (4)      |         |                 |       |               |       |               |      |            |   |            |   |            |   | 0              |
|    | Deferral Account Variance    | +/-     |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 16 | Adjustment (5)               |         | _               |       | _             |       |               |      |            |   | -494,347   |   | 0          |   | -494,347       |
|    | Adjustments to reported      | +/-     |                 |       |               |       |               |      |            |   |            |   |            |   |                |
| 17 | prior years' variances (6)   |         | _               |       | _             |       |               |      |            |   |            |   | _          |   | 0              |
| 18 | Carrying charges (7)         | +/-     |                 |       | 120,464       |       | 35,570        |      | -44,473    |   | 245,360    |   | 183,295    |   | 540,216        |
|    | PILs collected from          | -       |                 |       |               |       |               |      |            |   |            |   |            |   |                |
|    | customers - Proxv (8)        |         | 0               |       | -5,716,340    |       | -8,117,068    |      | -6,285,580 |   | -5,389,343 |   | -1,652,028 |   | -27,160,359    |
| 20 |                              |         |                 |       |               |       |               |      |            |   |            |   |            |   |                |
|    | Ending balance: # 1562       |         | 1,859,048       |       | 2,159,433     |       | -1,107,094    |      | 1,151,025  |   | 8,021,177  |   | 9,487,358  |   | 9,487,358      |
| 22 | 1                            |         |                 |       |               |       |               |      |            |   |            |   |            |   |                |

24 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:

- (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. Per APH entries began October 1, 2001.
  - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C12 and E12.
  - (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 In 2006, the prorated 2005 PILs tax proxy will used for the period from January 1, 2006 to April 30, 2006.
- (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I133, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
- 29 30 31 32 33 34 35 36 37 38 40 41 42 43 44 45 46 47 48 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I133, 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 I182, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued 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 I182, 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.
- 49 50 51 52 53 54 55 56 60 62 63 65 66 67 71 72 73 74 75 76 (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. Input negative number for collections.
    - (ii) Collections should equal; (a) the actual volumes/ load (kWhs. kWs. Kva) for the period (including net unbilled at period end), multiplied 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; 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.
      - In 2006, 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 January 1 to April 30, 2006.

|          | Α   | В  | С            | D            | E                 |
|----------|-----|--|--------------|--------------|-------------------|
| 1        |     | SIMPIL RRR FILING  |              |              | _                 |
| 2        |     | Filing Requirements related to the SIMPIL model  | Number       |              | Version 2005.1    |
| 3        |     | Utility Name: Enwin Powerlines Ltd.  | of Copies    |              | RRR # 2.1.8       |
| 4        |     | Reporting period: 2005   |              |              |                   |
| 5        |     |  |              |              |                   |
| 6        |     | Name of person to contact about this SIMPIL filing: =========>                           | Alison Keys  |              |                   |
| 7        |     | Contact Telephone Number: =========>   | (519) 255-28 |              |                   |
| 8        |     | Contact Email Address: =========>  | akeys@enw    | <u>in.co</u> | <u>m</u>          |
| 9        |     | Documents to be submitted to the Board when filing the Ministry of Finance Column in     | nformation:  |              |                   |
| 11       |     | (Normally in July of the year following the reporting period)                            |              |              |                   |
| 12       |     |  |              |              |                   |
| 13       |     | Please file 2 sets of copies of the SIMPIL worksheets and 1 CD or disk                   |              |              |                   |
| 14       |     |  |              |              |                   |
| 15       | 1)  | REGINFO  | 2            | 2            |                   |
| 16       |     |  |              |              |                   |
| 17       | 2)  | TAXCALC  | 2            | 2            |                   |
| 18       |     |  |              |              |                   |
| 19       | 3)  | TAXREC   | 2            | 2            |                   |
| 20       |     |  |              |              |                   |
| 21       | 4)  | Tax Reserves   | 2            | 2            |                   |
| 22       |     |  | _            | _            |                   |
| 23       | 5)  | TAXREC 2   | 2            | 2            |                   |
| 24       |     |  |              |              |                   |
| 25       | 6)  | Tax Rates  | 2            | 2            |                   |
| 26       | -\  | DII. 4500 0 1 1 4  |              | _            |                   |
| 27       | 7)  | PILs 1562 Calculation  | 2            | 2            |                   |
| 28<br>29 | ٥١  | Charlist   | 2            | _            |                   |
| 30       | 8)  | Checklist  | 2            | 2            |                   |
| 31       |     |  |              |              |                   |
| - 01     | 9)  | Financial statements used to prepare tax returns if different from the audited financial | 2            |              |                   |
| 32       | 9)  | statements submitted to the Board in April 2006 (See 12, 13)                             | 2            |              |                   |
| 33       |     | Statements submitted to the Board in April 2000 (Occ 12, 10)                             |              |              |                   |
| 34       | 10) | Electronic Excel format of the SIMPIL worksheets on disk or CD                           | 1            | 1            |                   |
| 35       | 10) | Electronic Executorination the diffinite worksheets on disk of ob                        | •            | -            |                   |
| 36       | 11) | Notices of Assessments, Re-assessments, Statement of Adjustments for:                    |              |              |                   |
| 37       | -,  | 2001   | 1            | 1            |                   |
| 38       |     | 2002   | 1            | 1            |                   |
| 39       |     | 2003   | 1            | 1            |                   |
| 40       |     | 2004   | 1            | 1            |                   |
| 41       |     | 2005   | 1            |              | not yet available |
| 42       |     |  |              |              | -                 |
| 43       | 12) | Federal T2 tax return and schedules (with dollar amounts) 2005                           | 1            | 1            |                   |
| 44       |     |  |              |              |                   |
| 45       | 13) | Ontario CT23 tax return and schedules 2005   | 1            | 1            |                   |
| 46       | -   |  |              |              |                   |
| 47       |     | NOTE: These are the tax returns that were sent to the Ontario Minstry of Finance,        |              |              |                   |
| 48       |     | not the NIL tax returns sent to the Canada Revenue Agency.                               |              |              |                   |
| 49       |     |  |              |              |                   |
| 50       |     |  |              |              |                   |
| 51       |     |  |              |              |                   |
| 52       |     |  |              |              |                   |