Exhibit 10

Modified International Reporting Standards

TRANSITION TO MIFRS

Background

International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), are intended to provide transparency and comparability in a global context. Over one hundred countries worldwide are now required or have committed to conversion to ***IFRS.***

On February 13, 2008, the Canadian Accounting Standards Board ("Canadian AcSB") confirmed that publicly accountable enterprises would be required to adopt IFRS in place of Canadian Generally Accepted Accounting Principles ("CGAAP") for fiscal years beginning on or after January 1, 2011. Government Business Enterprises, e.g. municipally owned utilities such as OPUCN, were also required by the Public Sector Accounting Board to adopt IFRS on January 1, 2011.

On September 10, 2010, the Canadian AcSB issued a decision summary that provided entities with rate-regulated activities an extension of one year to adopt IFRS for fiscal years beginning on or after January 1, 2012.

There are significant differences between CGAAP and IFRS. The areas of impact on OPUCN's financial statements as identified by its auditors, include the following:

1. First time adoption:

    - Generally, IFRS are required to be adopted with full retrospective restatement. However, IFRS 1 provides certain exemptions to this rule through a number of elections and mandatory exemptions.

2. Property, plant & equipment ("PP&E"):

    - Componentization – each part of an item of PP&E with a cost that is significant in relation to its total cost.

    - Depreciation and useful lives – depreciation rates currently stipulated by the Board may not necessarily be reflective of an asset's useful life under and pattern of future consumption of economic benefits.

    - Overhauls – the cost of major overhauls may be capitalized and tracked as a separate component. Any remaining carrying amount of the cost of any previous inspection (as distinct from physical parts) should be derecognized.

    - Cost base – only costs directly attributable to an asset are recognized as capital under IFRS. Certain costs that are eligible for capitalization under CGAAP may be disallowed under IFRS.

    - Capital contributions – Capital contributions received from external parties in order to finance PP&E are recognized as a liability and charged to income over the life of the contributed asset, rather than as contra account to PP&E.

3. Income taxes (PILs):

    - Major differences relate to further taxable temporary differences resulting from de-recognition of regulatory assets and liabilities and changes to capitalization policies.

4. Pension plan:

    - Under IFRS, if sufficient information is provided by OPUCN's plan provider, defined benefit plan accounting is applied as opposed to defined contribution plan under CGAAP.

5. Liability for post-retirement benefits:

    - Calculation of the various components relating to the post-retirement benefit obligation (actuarial gains/losses and past service costs for example) may be different under IFRS.

6. Regulatory assets and liabilities:

    - Generally, regulatory assets and liabilities will not be recognized under IFRS.

Other potential impacts relate primarily to disclosure rules or areas that OPUCN believes are not material in the context of its rate Application.

While early adoption was permitted by the Canadian AcSB, OPUCN elected to defer the adoption of IFRS until January 1, 2012 due to the continued uncertainty around the timing, scope and eventual adoption of a rate-regulated accounting standard under IFRS and its potential material impact on OPUCN's financial statements. The new adoption date of IFRS

is January 1, 2012; however, it requires the restatement, for comparative purposes, of amounts reported for the opening balance sheet as at January 1, 2011 and the year ended December 31, 2011.

IFRS Conversion Project

OPUCN launched its formal IFRS conversion project in 2009. The project governance is monitored by OPUCN's Audit Committee and involves senior level management and external advisors. The key external advisor for the IFRS conversion project is Ernst & Young, OPUCN's auditors. Additionally, OPUCN has utilized consultants to assist with IT systems changes and componentization of PP&E.

OPUCN has assessed the financial impacts of adopting IFRS as identified above and is implementing new processes for its 2012 financial year. The areas with the greatest impact are rate-regulated accounting and accounting for property, plant and equipment ("PP&E"), post-retirement benefits as well as the impact of initial adoption. OPUCN also expects a significant increase in the annual financial statement note disclosure under IFRS.

OPUCN is currently in the implementation phase and is on schedule to report under IFRS for 2012.

First Time adoption ("IFRS 1")

IFRS 1 First-time Adoption of International Financial Reporting Standards ("IFRS 1") is a standard applied by entities during the preparation of their first set of IFRS financial statements. The objective of this standard is to ensure that the first financial statements, "contain high quality information

that: is transparent for users and comparable over all periods presented; provides a suitable starting point 1 for accounting in accordance with IFRS; and can be generated at a cost that does not exceed the benefits".

This standard therefore allows a number of one-time exemptions that an entity can elect to apply. OPUCN plans to elect certain of these exemptions, which will be referred to throughout the remainder of this Exhibit.

Accounting Basis for 2012 Cost of Service Application

The Ontario Energy Board (the "Board") issued a report in July 2009 with guidance on IFRS within the regulatory environment entitled Report of the Board on the Transition to International Financial Reporting Standards (EB-2008-0408). The Board also issued a clarification letter regarding the capitalization of overhead costs in February 2010. A Board sponsored depreciation study was issued in July of 2010. On November 8, 2010, an amendment to the July report was issued to address the delay in implementing IFRS until January 1, 2012. A letter was also issued on March 15, 2011 to address the use of IFRS in cost of service applications for 2012 rates. Lastly an Addendum to the Report of the Board: Implementing International Financial Reporting Standards in an Incentive Rate Mechanism Environment (EB-2008-0408) was issued on June 13, 2011. Collectively this set of guidance is referred to as the Board's IFRS Guidance throughout this exhibit. The Board's IFRS Guidance uses the term Modified IFRS ("MIFRS") to refer to IFRS accounting, as modified by the Board for regulatory purposes.

Originally, the Board's IFRS Guidance required electricity distributors scheduled to file cost of service applications for 2012 rates to do so using CGAAP. However, in a letter dated March 15, 2011 and subsequent ***EB-2008-0408****, Addendum to Report of the Board: Implementing International Financial Reporting Standards in an Incentive Rate Mechanism Environment* issued on June 13, 2011, the Board directions were updated to include, among other items, the following,

> "Electricity distributors filing cost of service applications for rates for 2012 should make all reasonable efforts to provide the forecasts for the 2012 test year in modified IFRS accounting format. In addition, the electricity distributor must provide the required actual years, the bridge year, and the forecasts for the test year(s) in CGAAP-based format..."

OPUCN Application was prepared using CGAAP for the 2011 bridge year and IFRS for the 2012 test year and has added Exhibit 10 in response to the Board's later guidelines noted above.

Prior to the updates from the Board, OPUCN prepared its application under CGAAP. OPUCN has added prepared Exhibit 10 ("Exhibit") to show the affect of the implementation of IFRS. OPUCN is filing its 2012 rate application under the assumption that MIFRS equates to CGAAP with the exception of the items described within this Exhibit.

Overall Impact

OPUCN has followed the Board's IFRS Guidance, the overall impact to the rate base and revenue requirement are summarized in the following Tables:

Table 1
Impact on Rate Base

Rate Base	CGAAP $000s	MIFRS $000s
2011 Net Fixed Assets	63,152	61,710
2012 Net Fixed Assets	69,013	67,717
Average Fixed Assets	66,083	64,713
Rate Base	66,083	64,713
Increase / (Decrease) in Rate Base		(1,369)

Table 2
Impact on Revenue Requirement

Revenue Requirement		CGAAP $000s	MIFRS $000s	Difference $000s
Depreciation		5,262	5,115	(147)
PILs		1,240	1,285	45
Return on Capital @	6.95%	4,593	4,498	(95)
Revenue Requirement Impact				(197)
MIFRS Deferral Account		0	598	598
Total Impact on Revenue Requirement				400

PP&E

OPUCN's IFRS project involved a significant number of changes relating to PP&E including opening balance sheet accounting, componentization, depreciation, capitalization, disposals, borrowing costs and capital contributions.

The IASB amended IFRS 1 in May 2010 to allow rate-regulated entities to use the previous accounting Net Book Value ("NBV") as the IFRS cost on the date of transition, this is referred to as the deemed cost exemption. Hydro Ottawa elected to utilize this deemed cost exemption for PP&E which allows for the use of the CGAAP NBV on December 31, 2010 as the IFRS opening cost on January 1, 2011. Therefore, on January 1, 2011, the opening accumulated depreciation is therefore nil under IFRS and the opening cost equates to the closing CGAAP NBV.

While on January 1, 2011, the IFRS cost equals the closing CGAAP NBV, as at December 31, 2011 differences do exist between the NBV of PP&E under CGAAP versus IFRS.

Componentization and Depreciation

International Accounting Standard 16 Property, Plant and Equipment ("IAS 16") requires each part of an item of PP&E with a cost that is significant in relation to the total cost of the item to be depreciated separately. This requirement is more stringent than CGAAP. IAS 16 also requires that entities perform a review of its useful lives, depreciation methods, and residual values on an annual basis. Under CGAAP, OPUCN had principally followed the useful lives as prescribed by the Board.

The Board has stated that it will no longer prescribe useful lives for PP&E, however a generic depreciation study may be useful, specifically the Board's IFRS Guidance stated,

> "While utilities remain solely responsible for complying with financial reporting requirements, the Board notes that a generic depreciation study could assist utilities with IFRS compliance in addition to providing considerable regulatory benefits. The study should provide a good starting point for the determination of service lives for distribution assets..."

The Board's objective in providing a generic depreciation study,

> "is to assist the distributors in their transition from Canadian Generally Accepted Accounting Principles applicable in a regulatory environment..."

OPUCN, through internal analysis, has identified the PP&E components and estimated useful lives as part of the IFRS project. OPUCN has compared its determinations of components and estimated useful lives as reported by Kinectrics as a guideline to those determined through OPUCN's internal analysis. OPUCN's estimated useful lives are all within the ranges suggested as a guideline by Kinectrics.

The Table below lists OPUCN's IFRS useful lives by Uniform System of Account ("USofA").

Table 3
PP&E Assets and Estimated Useful Lives

USA Account Number	Description	CGAAP Useful Life (years - average)	IFRS Useful Life (years)
1805	Land	N/A	N/A
1820	Station Buildings - Doors	30	25
1820	Station Buildings - External	29	25
1820	Station Breakers	29	35
1820	Station Buildings	28	50
1820	Station Power Transformers	29	30
1820	Station Relays	27	25
1820	Station Switches	29	30
1820	Station Switchgear	30	30
1830	Poles Concrete	26	50
1830	Poles Cross Arms	25	20
1830	Poles Wood	25	35
1835	Grounding Wire	25	50
1835	O/H Cable	25	50
1835	O/H Switches	25	30
1835	Streetlights	25	50
1845	U/G Cable Chambers	25	50
1845	U/G Cable Primary in Duct	25	35
1845	U/G Cable Secondary Buried	25	25
1845	U/G Cable Secondary in Duct	25	35
1845	U/G Duct Banks	25	35
1845	U/G Ducts	25	30
1845	U/G Pad Mounted Switchgear	28	20
1845	U/G Transformer Foundations	25	35
1845	U/G Transformer Vault	27	25
1845	U/G Pad Mounted Transformers	25	25
1845	U/G Vaults	27	40
1845	U/G Vault Switches	28	20
1850	O/H Transformers	25	30
1860	Meters Commercial	26	25
1860	Meters Current & Potential Transformers	27	35
1860	Meters Residential	26	25
1860	Meters Smart	-	5
1860	Collectors	-	15
1910	Leasehold Improvements	5	5
1915	Office Equipment	10	5
1915	Telephone Equipment	10	5
1920	Computer Hardware	5	3
1925	Computer Software	2	2
1930	Vehicles - Bucket Trucks	8	5
1930	Vehicles - Pickup & Other	5	5
1930	Vehicles - Trailers	9	5
1935	Equipment - Stores	10	5
1940	Equipment - Tools	23	5
1945	Measurement & Testing Equipment	19	5
1975	Scada	10	15

Overall depreciation expense is expected be marginally lower under IFRS. As shown in Table 4, the total reduction in depreciation expense for the 2012 Test year is $147 thousand or less than 3%.

Table 4
CGAAP and MIFRS Depreciation Expense for 2012 Test Year

	$000s
CGAAP DepreciationExpense	5,262
MIFRS DepreciationExpense	5,115
Increase / (Decrease) in Depreciation Expense	(147)

Capitalization

IAS 16 also indicates that only costs that are directly attributable to a specific asset can be capitalized. IAS 16 specifically prohibits the capitalization of administration and other general overhead costs.

In Section 3.3 of the Board's IFRS Guidance, the following guidance is provided regarding capitalization,

> "The Board will require utilities to adhere to IFRS capitalization accounting requirements for rate making and regulatory reporting purposes after the date of adoption of IFRS. The utility will file a copy of its capitalization policy, identifying any updates to the policy, as part of its first cost of service rate filing after IFRS adoption..."

In its letter dated February 24, 2010, the Board indicated that,

- "the test generally applied to determine which overhead costs may be capitalized under IAS 16 is that they be costs that would have been avoided only if the specific asset had not been constructed or acquired..."

- "based on IFRS consultations EB-2008-0104/0408 survey results this may mean a reduction in capitalized overhead for some electricity distributors that have previously capitalized administration and other general over costs ..."

OPUCN's current CGAAP capitalization practice is to capitalize only costs directly attributable to a specific asset including; costs such as materials, outside services (external contractors), labour and fleet costs.

All of these costs are considered directly attributable to specific assets and thus there are no changes to these costs because of IFRS.As a result OPUCN is not reporting any changes to its OM&A costs as filed in its rate Application.

Asset Disposals

IFRS requires recognition of gains or losses on the disposal of PP&E immediately into income as opposed to the current practice of deferral in accumulated depreciation for pooled assets. The Board's IFRS Guidance states,

> "where a utility for financial reporting purposes under IFRS has accounted for the amount of gain or loss on the disposal of assets in a pool of like assets as a charge or credit to income, for reporting and rate application filings the utility shall reclassify such gains and losses as depreciation expense and disclose the amount separately..."

OPUCN does not have sufficient historical data for reliable trend analysis on which to base a forecast of the amount of gains or losses expected as a result of derecognizing pooled assets.

Gains can only arise where proceeds of sales are received; losses arise when the NBV on the date of disposal is greater than nil. For example, if a pole were knocked down by a storm, the NBV of that specific asset would be shown as a loss on disposal and as noted above, reclassified to depreciation expense for MIFRS. A new pole would have a higher net book value than an older pole and thus a higher loss. Losses on pooled asset disposals will largely result from early asset disposals due to unforeseen or unplanned events on which OPUCN does not have any data to support an accurate forecast. Planned replacements only occur when the asset has reached the end of its useful life thus where the NBV is nil.

Due to the reasons noted above, nothing has been included in OPUCN's rate Application as estimation of gains or losses for disposals of pooled assets.

There is no change between IFRS and CGAAP for asset disposals for non-pooled assets such as fleet.

Borrowing Costs

IFRS dictates that directly attributable borrowing costs are capitalized upon qualifying assets only, whereas CGAAP permitted interest to be capitalized on all assets. International Accounting Standard 23 Borrowing Costs ("IAS 23") indicates that "a qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale".

OPUCN's previous policy was for financing charges to be applied against projects with construction duration of greater than two months and that the financing charge will be at the rate deemed by the Board.

The IAS 23 standard does not indicate how long the period must be to be considered substantial. OPUCN followed Hydro Ottawa Limited and has determined that any asset that takes greater than six months to complete is a qualifying asset under IFRS. As a result, borrowing costs have been calculated on Construction Work in Progress ("CIP") where it is expected that the duration of the project will exceed six months.

The November 8, 2010 amendment to the Board's IFRS Guidance includes the following,

> "The Board will continue to publish interest rates for CWIP as it does now. Where incurred debt is acquired on an arms length basis, the actual borrowing cost should be used for determining the amount of carrying charges to be capitalized to CWIP for rate making during the period, in accordance with IFRS. Where incurred debt is not acquired on an arm's length basis, the actual borrowing costs may be used for rate making, provided that the interest rate is no greater than the Board's published rates. Otherwise, the distributor should use the Board's published rates."

OPUCN has utilized the Board's prescribed rate for short term debt for the purposes of determining the interest rate as per IAS 23.

Capital Contributions

OPUCN's previous policy under CGAAP was to treat capital contributions as contra accounts within capital assets. These contra accounts were netted against capital assets to provide the net cost. The amounts were then amortized at a rate equivalent to that used for the related asset. Under IFRS, capital contributions cannot be included as an offset to PP&E. These amounts must either be deferred as a liability and amortized into income as revenue, or recognized immediately as revenue.

The November 8, 2010 amendment to the Board's IFRS Guidance includes the following,

> "For regulatory reporting and rate making purposes, customer contributions will be treated as deferred revenue to be included as an offset to rate base and amortized to income over the life of the facilities to which they relate..."

Consistent with the Board's guidance, OPUCN will defer capital contributions as a liability and amortize to income over the life of the asset. For rate Application purposes, capital contributions are included as an offset to rate base. OPUCN has elected to use the IFRS 1 exemption regarding the treatment of capital contributions and thus only capital contributions received after January 1, 2011 are treated as a liability. All capital contributions as of December 31, 2010 have been netted against the related assets. On January 1, 2011, the opening balance of capital contributions is nil.

Pensions

International Accounting Standard 19 Employee Benefits ("IAS 19") prescribes the accounting treatment for employee benefits. IAS 19 dictates that the standard must be applied on a retroactive basis, i.e. OPUCN would be required to rework the accounting standard as if it had always applied. For post retirement benefits, this means IAS 19 should apply from the inception of the benefit plans in order to determine the amounts that would have been recognized on the balance sheet at the date of transition. Applying IFRS retrospectively is not an option for OPUCN due to the lack of associated information and time requirements to obtain same; therefore, OPUCN elected to apply the IFRS 1 exemption to recognize all cumulative actuarial losses in retained earnings at the date of transition. The impact to the balance sheet is an increase in the liability and a decrease in retained earnings of $2.6million as of January 1, 2011. Under CGAAP, this amount would have been included in OM&A over time. As a result, post retirement expense in OM&A for the 2012 test year will be lower under IFRS than CGAAP by approximately $94 thousand.

OPUCN is requesting a new deferral account to capture the one-time adjustment of $2.6 million to the post retirement liability as a result of this Exhibit.

Gross Assets – PP&E

The tables set out below provide the MIFRS equivalent of the CGAAP tables set out in OPUCN's rate Application.

Table 5 provides the 2010 CGAAP ending balances and the required adjustments for the MIFRS Opening balances. As previously noted, OPUCN elected to use the IFRS 1 First-time Adoption of Internal Financial Reporting Standards exemption whereby OPUCN is using the CGAAP carrying amounts, i.e. net book value as the deemed cost under IFRS. On January 1, 2011, the opening accumulated depreciation is nil under IFRS - this is shown within Table 5 as the accumulated depreciation adjustment.

As also noted above, OPUCN has elected another exemption under IFRS 1 allowing it to apply International Financial Reporting Interpretations Committee Interpretation Transfers of Assets from Customers to transfers from customers received after January 1, 2011. On January 1, 2011, all previous customer contributions have been netted against the related asset as shown in Table 1, titled customer contribution adjustment.

Tables 6 and 7 provide the MIFRS equivalent of CGAAP Tables included in OPUCN's rate Application.

Tables 9 and 10 contain Fixed Asset Continuity Schedules by Uniform System of Account ("USofA") for 2011 and 2012 under MIFRS. Table 8 also contains a transitional continuity schedule displaying the adjustments required to the CGAAP 2010 ending balances in order to arrive at the opening MIFRS balances.

Table 5
Transition of 2010 Ending CGAAP Balances to Opening MIFRS Balances

Asset Group	CGAAP 2010 Closing Cost (A) $000s	Accumulated Depreciation Adjustment (B) $000s	Capital Contribution Adjustment (C) $000s	MIFRS 2011 Opening Balances (A+B+C) $000s
Land and Buildings	808	(242)	0	566
DS Equipment	13,625	(8,571)	(574)	4,480
Poles, Wires	119,338	(59,750)	(20,725)	38,863
Line Transformers	10,127	(7,093)	(626)	2,408
Meters	7,319	(4,493)	(126)	2,701
General Plant	1,158	(956)	0	202
IT Assets	2,326	(2,245)	0	81
Vehicles	3,623	(3,095)	0	528
Equipment	2,832	(1,772)	(59)	1,002
Other Distribution Assets	1,315	(1,018)	0	297
GROSS ASSETS	162,472	(89,234)	(22,110)	51,127
Contributions and Grants	(28,455)	6,344	22,110	0
Depreciation				
TOTAL NET ASSETS	134,017	(82,890)	0	51,127

Table 6
MIFRS Bridge Year Gross and Net Fixed Assets

Asset Group	MIFRS 2011 Opening Balances $000s	MIFRS 2011 Additions $000s	MIFRS 2011 Additions - Smart Meters $000s	MIFRS 2011 Closing Balances $000s
Land and Buildings	566	0		566
DS Equipment	4,480	3,853		8,333
Poles, Wires	38,863	6,208		45,071
Line Transformers	2,408	170		2,578
Meters	2,701	690	6,385	9,775
General Plant	202	260		462
IT Assets	81	309		390
Vehicles	528	1,040		1,568
Equipment	1,002	97		1,098
Other Distribution Assets	297	108		404
GROSS ASSETS	51,127	12,734	6,385	70,246
Contributions and Grants	0	(1,994)		(1,994)
Depreciation	0	(5,097)	(1,445)	(6,542)
TOTAL NET ASSETS	51,127	5,643	4,939	61,710

Table 7
MIFRS 2012 Test Year Gross and Net Fixed Assets

Asset Group	MIFRS 2012 Opening Balances $000s	MIFRS 2012 Additions $000s	MIFRS 2012 Closing Balances $000s
Land and Buildings	566	0	566
DS Equipment	8,333	5,574	13,907
Poles, Wires	45,071	5,813	50,885
Line Transformers	2,578	147	2,725
Meters	9,775	384	10,159
General Plant	462	25	487
IT Assets	390	100	490
Vehicles	1,568	1,220	2,788
Equipment	1,098	50	1,148
Other Distribution Assets	404	450	854
GROSS ASSETS	70,246	13,764	84,010
Contributions and Grants	(1,994)	(2,641)	(4,636)
Depreciation	(6,542)	(5,115)	(11,657)
TOTAL NET ASSETS	61,710	6,008	67,717

Table 8

Restatement of January 1, 2011 Opening Balances - Fixed Asset Continuity Schedule

		Cost				Accumulated Depreciation			
USA	Description	CGAAP Opening Balance (Revised)	Accumulated Depreciation Adjustment	Capital Contribution Adjustment	MIFRS Opening Cost	CGAAP Opening Balance (Revised)	Accumulated Depreciation Adjustment	MIFRS Opening Accumulated Depreciation	MIFRS Net Book Value Jan 1, 2011
1805	Land	293,875	0		293,875	0	0	0	293,875
1806	Land Rights	0	0		0	0	0	0	0
1808	Buildings and Fixtures	514,520	(242,374)		272,147	242,374	(242,374)	0	272,147
1810	Leasehold Improvements	0	0		0	0	0	0	0
1815	Transformer Station Equipment - Primary above 50 kV	0	0		0	0	0	0	0
1820	Distribution Station Equipment - Primary below 50 kV	13,625,078	(8,570,989)	(574,483)	4,479,606	8,570,989	(8,570,989)	0	4,479,606
1825	Storage Battery Equipment	0	0		0	0	0	0	0
1830	Poles, Towers and Fixtures	27,466,625	(13,775,311)	(4,398,362)	9,292,951	13,775,311	(13,775,311)	0	9,292,951
1835	Overhead Conductors and Devices	17,761,382	(9,058,610)	(2,528,250)	6,174,521	9,058,610	(9,058,610)	0	6,174,521
1840	Underground Conduit	0	0		0	0	0	0	0
1845	Underground Conductors and Devices	74,110,285	(36,915,811)	(13,798,587)	23,395,886	36,915,811	(36,915,811)	0	23,395,886
1850	Line Transformers	10,127,279	(7,092,962)	(626,128)	2,408,190	7,092,962	(7,092,962)	0	2,408,190
1855	Services	0	0		0	0	0	0	0
1860	Meters	7,319,009	(4,492,511)	(125,859)	2,700,638	4,492,511	(4,492,511)	0	2,700,638
1865	Other Installations on Customer's Premises	0	0		0	0	0	0	0
1905	Land	0	0		0	0	0	0	0
1906	Land Rights	0	0		0	0	0	0	0
1908	Buildings and Fixtures	0	0		0	0	0	0	0
1910	Leasehold Improvements	296,465	(148,221)		148,244	148,221	(148,221)	0	148,244
1915	Office Furniture and Equipment	861,503	(807,818)		53,686	807,818	(807,818)	0	53,686
1920	Computer Equipment - Hardware	2,090,184	(2,014,111)		76,073	2,014,111	(2,014,111)	0	76,073
1925	Computer Software	235,770	(230,850)		4,920	230,850	(230,850)	0	4,920
1930	Transportation Equipment	3,622,595	(3,094,846)		527,750	3,094,846	(3,094,846)	0	527,750
1935	Stores Equipment	38,638	(25,353)		13,285	25,353	(25,353)	0	13,285
1940	Tools, Shop and Garage Equipment	2,046,882	(1,159,687)	(54,367)	832,827	1,159,687	(1,159,687)	0	832,827
1945	Measurement and Testing Equipment	649,931	(490,038)	(4,419)	155,475	490,038	(490,038)	0	155,475
1950	Power Operated Equipment	0	0		0	0	0	0	0
1955	Communication Equipment	96,488	(96,488)		0	96,488	(96,488)	0	0
1960	Miscellaneous Equipment	0	0		0	0	0	0	0
1970	Load Management Controls - Customer Premises	0	0		0	0	0	0	0
1975	Load Management Controls - Utility Premises	1,021,693	(724,891)		296,802	724,891	(724,891)	0	296,802
1980	System Supervisory Equipment	293,582	(293,582)		0	293,582	(293,582)	0	0
1985	Sentinel Lighting Rentals	0	0		0	0	0	0	0
1990	Other Tangible Property	0	0		0	0	0	0	0
1995	Contributions and Grants	(28,454,846)	6,344,389	22,110,457	0	(6,344,389)	6,344,389	0	0
	Total	**134,016,940**	**(82,890,063)**	**0**	**51,126,876**	**82,890,063**	**(82,890,063)**	**0**	**51,126,876**

Table 9

2011 MIFRS - Fixed Asset Continuity Schedule

		Cost				Accumulated Depreciation				
USA	Description	Opening Balance	Additions	Add Smart Meters	Closing Balance	Opening Balance	Additions	Add Smart Meters	Closing Balance	Net Book Value
1805	Land	293,875	0		293,875	0	0		0	293,875
1806	Land Rights	0	0		0	0	0		0	0
1808	Buildings and Fixtures	272,147	0		272,147	0	9,958		9,958	262,189
1810	Leasehold Improvements	0	0		0	0	0		0	0
1815	Transformer Station Equipment - Primary above 50 kV	0	0		0	0	0		0	0
1820	Distribution Station Equipment - Primary below 50 kV	4,479,606	3,852,959		8,332,565	0	651,335		651,335	7,681,230
1825	Storage Battery Equipment	0	0		0	0	0		0	0
1830	Poles, Towers and Fixtures	9,292,951	1,407,221		10,700,173	0	370,928		370,928	10,329,245
1835	Overhead Conductors and Devices	6,174,521	980,310		7,154,832	0	211,426		211,426	6,943,405
1840	Underground Conduit	0	0		0	0	0		0	0
1845	Underground Conductors and Devices	23,395,886	3,820,596		27,216,482	0	1,995,831		1,995,831	25,220,651
1850	Line Transformers	2,408,190	169,768		2,577,958	0	162,847		162,847	2,415,111
1855	Services	0	0		0	0	0		0	0
1860	Meters	2,700,638	690,083		3,390,721	0	310,492		310,492	3,080,228
1860	Smart Meters	0		6,384,742	6,384,742	0		1,445,364	1,445,364	4,939,379
1905	Land	0	0		0	0	0		0	0
1906	Land Rights	0	0		0	0	0		0	0
1908	Buildings and Fixtures	0	0		0	0	0		0	0
1910	Leasehold Improvements	148,244	260,000		408,244	0	73,715		73,715	334,529
1915	Office Furniture and Equipment	53,686	0		53,686	0	46,759		46,759	6,927
1920	Computer Equipment - Hardware	76,073	154,500		230,573	0	95,857		95,857	134,716
1925	Computer Software	4,920	154,500		159,420	0	43,545		43,545	115,875
1930	Transportation Equipment	527,750	1,040,000		1,567,750	0	447,646		447,646	1,120,103
1935	Stores Equipment	13,285	0		13,285	0	3,752		3,752	9,532
1940	Tools, Shop and Garage Equipment	832,827	96,829		929,656	0	599,773		599,773	329,883
1945	Measurement and Testing Equipment	155,475	0		155,475	0	76,877		76,877	78,597
1950	Power Operated Equipment	0	0		0	0	0		0	0
1955	Communication Equipment	0	0		0	0	0		0	0
1960	Miscellaneous Equipment	0	0		0	0	0		0	0
1970	Load Management Controls - Customer Premises	0	0		0	0	0		0	0
1975	Load Management Controls - Utility Premises	296,802	107,500		404,302	0	28,319		28,319	375,983
1980	System Supervisory Equipment	0	0		0	0	0		0	0
1985	Sentinel Lighting Rentals	0	0		0	0	0		0	0
1990	Other Tangible Property	0	0		0	0	0		0	0
1995	Contributions and Grants	0	(1,994,208)		(1,994,208)	0	(32,265)		(32,265)	(1,961,943)
	Total	**51,126,876**	**10,740,058**	**6,384,742**	**68,251,677**	**0**	**5,096,798**	**1,445,364**	**6,542,162**	**61,709,515**

Table 10

2012 MIFRS - Fixed Asset Continuity Schedule

		Cost			Accumulated Depreciation			
USA	Description	Opening Balance	Additions	Closing Balance	Opening Balance	Additions	Closing Balance	Net Book Value
1805	Land	293,875	0	293,875	0	0	0	293,875
1806	Land Rights	0	0	0	0	0	0	0
1808	Buildings and Fixtures	272,147	0	272,147	9,958	9,958	19,916	252,231
1810	Leasehold Improvements	0	0	0	0	0	0	0
1815	Transformer Station Equipment - Primary above 50 kV	0	0	0	0	0	0	0
1820	Distribution Station Equipment - Primary below 50 kV	8,332,565	5,574,429	13,906,994	651,335	541,826	1,193,161	12,713,833
1825	Storage Battery Equipment	0	0	0	0	0	0	0
1830	Poles, Towers and Fixtures	10,700,173	1,397,133	12,097,305	370,928	407,104	778,032	11,319,273
1835	Overhead Conductors and Devices	7,154,832	930,948	8,085,779	211,426	214,681	426,108	7,659,672
1840	Underground Conduit	0	0	0	0	0	0	0
1845	Underground Conductors and Devices	27,216,482	3,485,307	30,701,789	1,995,831	1,536,199	3,532,030	27,169,759
1850	Line Transformers	2,577,958	146,865	2,724,823	162,847	154,850	317,697	2,407,126
1855	Services	0	0	0	0	0	0	0
1860	Meters	3,390,721	383,974	3,774,695	310,492	1,322,151	1,632,643	2,142,052
1865	Other Installations on Customer's Premises	6,384,742	0	6,384,742	1,445,364	0	1,445,364	4,939,379
1905	Land	0	0	0	0	0	0	0
1906	Land Rights	0	0	0	0	0	0	0
1908	Buildings and Fixtures	0	0	0	0	0	0	0
1910	Leasehold Improvements	408,244	25,000	433,244	73,715	102,215	175,931	257,314
1915	Office Furniture and Equipment	53,686	0	53,686	46,759	2,615	49,373	4,312
1920	Computer Equipment - Hardware	230,573	50,000	280,573	95,857	67,380	163,237	117,336
1925	Computer Software	159,420	50,000	209,420	43,545	214,750	258,295	(48,875)
1930	Transportation Equipment	1,567,750	1,220,000	2,787,750	447,646	391,368	839,014	1,948,736
1935	Stores Equipment	13,285	0	13,285	3,752	3,177	6,930	6,355
1940	Tools, Shop and Garage Equipment	929,656	50,000	979,656	599,773	180,343	780,116	199,540
1945	Measurement and Testing Equipment	155,475	0	155,475	76,877	27,588	104,465	51,009
1950	Power Operated Equipment	0	0	0	0	0	0	0
1955	Communication Equipment	0	0	0	0	0	0	0
1960	Miscellaneous Equipment	0	0	0	0	0	0	0
1970	Load Management Controls - Customer Premises	0	0	0	0	0	0	0
1975	Load Management Controls - Utility Premises	404,302	450,000	854,302	28,319	46,902	75,221	779,081
1980	System Supervisory Equipment	0	0	0	0	0	0	0
1985	Sentinel Lighting Rentals	0	0	0	0	0	0	0
1990	Other Tangible Property	0	0	0	0	0	0	0
1995	Contributions and Grants	(1,994,208)	(2,641,312)	(4,635,520)	(32,265)	(108,554)	(140,819)	(4,494,701)
	Total	**68,251,677**	**11,122,343**	**79,374,020**	**6,542,162**	**5,114,553**	**11,656,714**	**67,717,306**

MIFRS Depreciation

The following Tables provide the MIFRS depreciation in comparison to the CGAAP depreciation for each asset group for both the 2011 Bridge Year and the 2012 Test Year.

Table 11
MIFRS Depreciation 2011 Bridge Year

Asset Group	CGAAP 2011 $000s	MIFRS 2011 $000s	Variance $000s
Land and Buildings	19	10	9
DS Equipment	348	651	(303)
Poles, Wires	3,916	2,578	1,338
Line Transformers	397	163	234
Meters	291	310	(20)
General Plant	29	120	(91)
IT Assets	83	139	(57)
Vehicles	212	448	(236)
Equipment	159	680	(521)
Other Distribution Assets	48	28	20
Contributions and Grants	(1,138)	(32)	(1,106)
TOTAL	4,363	5,097	(734)

Table 12
MIFRS Depreciation 2012 Test Year

Asset Group	CGAAP 2012 $000s	MIFRS 2012 $000s	Variance $000s
Land and Buildings	35	10	25
DS Equipment	382	542	(160)
Poles, Wires	4,010	2,158	1,852
Line Transformers	453	155	298
Meters	703	1,322	(619)
General Plant	36	105	(69)
IT Assets	248	282	(35)
Vehicles	295	391	(97)
Equipment	163	211	(48)
Other Distribution Assets	76	47	29
Contributions and Grants	(1,138)	(109)	(1,030)
TOTAL	5,262	5,115	147

PROPOSED NEW MIFRS DEFERRAL AND VARIANCE ACCOUNTS

Approval for New Deferral and Variance Accounts

OPUCN is seeking the Board's approval for two new deferral accounts as part of its MIFRS portion of the rate application.

Deferral Account in Relation to PP&E Components of Rate Base

OPUCN is requesting approval for a deferral account to capture the difference in the closing NBV of PP&E between CGAAP and MIFRS as at December 31, 2011. OPUCN is adopting IFRS on January 1, 2012 but in order to present comparative financial information, it must effectively adopt IFRS at the beginning of the prior year and this is commonly referred to as the transition date or opening balance sheet date. Since the MIFRS PP&E is used as the rate base going forward, it is important for the continuity of rate base that the 2011 CGAAP versus MIFRS differences be recovered or refunded. OPUCN calculated this difference as illustrated in Appendix A in the Board's Staff Discussion Paper – Transition to IFRS – Implementation in an IRM Environment (EB-22 2008-0408) dated March 31, 2011 referred to as the Staff Discussion Paper throughout this Exhibit. The difference between CGAAP ending NBV and MIFRS ending NBV as at December 31, 2011 is $1,871 thousand as shown in Table 13. OPUCN is proposing that the balance be cleared on the basis of the forecast value over a four year period, consistent with the illustrative example in the above noted Staff Discussion Paper.

Deferral Account in Relation to Pensions

OPUCN is requesting approval for a deferral account to capture the opening balance sheet adjustment required to pensions as a result of converting to IFRS. As noted above, on January 1, 2011, a liability of approximately $2.6 million is required to be set up to recognize all the cumulative actuarial losses at the date of transition to IFRS. This adjustment will flow through opening retained earnings. Under CGAAP, this amount would have been recovered through rates through OM&A as a portion of this amount was recognized as an expense each year. In the Staff Discussion Paper, the Board staff submitted “that a generic account to capture Pension and Other Post Employment Benefits (“P&OPEB”) differences driven by the transition to IFRS is not required”. The Board staff also stated that “utilities who expect to experience a large cost impact upon transition to IFRS for non-PP&E related items may apply to the Board on an individual basis for appropriate relief”. As this is a significant amount for OPUCN, individual relief is being sought through this request.

Table 13
Deferral Account in Relation to PP&E and Post-Retirement Benefits

	2011 $000s	2012 $000s	2013 $000s	2014 $000s	2015 $000s
PP&E Values under CGAAP					
Opening NBV	51,127				
Additions	10,740				
Additions - Smart Meters	6,385				
Depreciation	(4,363)				
Depreciation - Smart Meters	(309)				
Closing NBV	63,580				
PP&E Values under MIFRS					
Opening NBV	51,127				
Additions	10,740				
Additions - Smart Meters	6,385				
Depreciation	(5,097)				
Depreciation - Smart Meters	(1,445)				
Closing NBV	61,710				
Difference in Closing NBV	(1,871)				
Deferral Account					
Opening Balance	0	(1,871)	(1,403)	(935)	(468)
Amount added in year	(1,871)	0	0	0	0
Amount of Amortization, included in depreciation expense[1]	0	468	468	468	468
Closing Balance	(1,871)	(1,403)	(935)	(468)	0
Effect on Revenue Requirement of Including Deferral Account Amortization on Rebasing					
Amortization of deferred balance as above	468				
Return on rate base associated with deferred balance at WACC (6.95%)	130				
Amount included in Revenue Requirement on rebasing	598				

[1] Beginning in 2012, amortization of the difference included in the deferral account over a 4 year period and return on the unamortized balance

Exhibit 11

Deferred PILs

IMBSI
OEB Report and Evidence Package

for

1562 Deferred PILS Determination & Disposition

for

Oshawa PUC Networks Inc.

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London Ontario, N5Y5L1
Phone: 519-691-6501
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August 26, 2011

Table of Contents

Overview 1
Application for Disposition 1
Allocation to Customer Classes 1
Rate Riders 2
Methodology
- PILS Entitlement 2
- PILS Recoveries 3
- SIMPILS True-Up Models 4
- Interest Improvement 7

Appendices
- Appendix 1 – Monthly Continuity Schedule with Interest Improvement
- Appendix 2 – 2002 Approved RAM Model
- Appendix 3 – Q4 2001 Approved PILS Model
- Appendix 4 – 2002 Approved PILS Model
- Appendix 5 – 2002 Signed OEB Decision
- Appendix 6 – 2004 Approved RAM Model
- Appendix 7 – 2004 Approved PILS Model
- Appendix 8A – 2004 Signed OEB Decision – March Implementation
- Appendix 8B – 2004 Signed OEB Decision – July Implementation
- Appendix 9 – 2005 Approved RAM Model
- Appendix 10 – 2005 Approved PILS Model
- Appendix 11 – 2005 Signed OEB Decision
- Appendix 12 – 2001 SIMPILS True-Up Model
- Appendix 13 – 2002 SIMPILS True-Up Model
- Appendix 14 – 2003 SIMPILS True-Up Model
- Appendix 15 – 2004 SIMPILS True-Up Model
- Appendix 16 – 2005 SIMPILS True-Up Model
- Appendix 17 – 2001 T2 Federal Tax Return
- Appendix 18 – 2001 CT23 Provincial Tax Return
- Appendix 19 – 2002 T2 Federal Tax Return
- Appendix 20 – 2002 CT23 Provincial Tax Return
- Appendix 21 – 2003 T2 Federal Tax Return
- Appendix 22 – 2003 CT23 Provincial Tax Return

Appendix 23 – 2004 T2 Federal Tax Return
Appendix 24 – 2004 CT23 Provincial Tax Return
Appendix 25 – 2005 T2 Federal Tax Return
Appendix 26 – 2005 CT23 Provincial Tax Return
Appendix 27 – Notice of Assessments (2001 – 2005)
Appendix 28 – March 1, 2002 to February 29, 2004 PILS Recoveries
Appendix 29 – March 1, 2004 to February 28 2005 PILS Recoveries
Appendix 30 – March 1, 2005 to April 30, 2006 PILS Recoveries

Overview

Oshawa PUC Networks Inc. (OPUC) contracted with Ian McKenzie Business Services Inc. (IMBSI) to provide an independent 1562 Deferred PILS Determination evidence package to support the disposition of the 1562 Deferred PILS Regulatory Asset account, as part of the current Cost of Service (CoS) rate application.

The evidence package conforms to the principles set out in the combined proceeding decision (EB-2008-0381). In addition, the evidence package meets the expectations of Board Staff which have been communicated through Board Staff interrogatories to other applicants.

Application for Disposition

OPUC is applying to recover a debit balance (owing from customers) of $1,207,581 as per the attached continuity schedule (see Appendix 1).

Principal to Dec.31, 2010	Interest to Dec. 31, 2010	Estimated Interest (Jan. 1 to Dec 31, 2011)	Disposition Total
$789,737	$406,235	$11,609	$1,207,581

Allocation to Customer Classes

OPUC is filing for a 2012 CoS rate application and is using the associated proposed Distribution Revenue Requirement by customer class to allocate the 1562 Deferred PILS debit balance. A summary is provided below (note, this may need to be adjusted for final CoS approvals).

Customer Class Allocation

Rate Class	2012 Proposed DRR	Allocation %	Allocated 1562 Disposition Value (including interest to Dec. 31, 2011)
Residential	$ 13,181,198	59.38%	$ 717,013
General Service < 50 kW	$ 3,156,346	14.22%	$ 171,694
General Service 50 to 999 kW	$ 4,008,552	18.06%	$ 218,053
General Service 1,000 to 4,999 kW	$ 605,655	2.73%	$ 32,943
Large Use	$ 249,462	1.12%	$ 13,573
Sentinel Lights	$ 4,898	0.02%	$ 266
Street Lights	$ 920,490	4.15%	$ 50,066
Unmetered Loads	$ 72,826	0.33%	$ 3,961
Total	**$ 22,199,428**	**100.00%**	**$ 1,207,581**

Rate Riders

OPUC is using proposed load values, from the 2012 CoS load forecast to determine the 1562 recovery rate riders. OPUC is proposing to recover these costs over a two year period. Please see rate rider calculations below.

Rate Rider Calculations						
Rate Class	Allocated 1562 Value	Recovery Period (years)	Annual Recovery Amount	2012 Proposed Billing Determinant (kWh / kW)	Proposed Rate Rider	
Residential	$ 717,013	2	$ 358,507	471,794,337	$ 0.0008	per kWh
General Service < 50 kW	$ 171,694	2	$ 85,847	129,536,602	$ 0.0007	per kWh
General Service 50 to 999 kW	$ 218,053	2	$ 109,026	865,475	$ 0.1260	per kW
General Service 1,000 to 4,999 kW	$ 32,943	2	$ 16,471	182,241	$ 0.0904	per kW
Large Use	$ 13,573	2	$ 6,787	70,585	$ 0.0961	per kW
Sentinel Lights	$ 266	2	$ 133	107	$ 1.2399	per kW
Street Lights	$ 50,066	2	$ 25,033	29,269	$ 0.8553	per kW
Unmetered Loads	$ 3,961	2	$ 1,980	3,208,502	$ 0.0006	per kWh
Total	$ 1,207,581	2	$ 603,791			

Methodology

PILS Entitlement

The PILS entitlements utilized in the continuity schedule (Appendix 1) are based on approved PILS amounts included in approved distribution rates which are summarized in the table below.

References			PILS Entitlement	Effective	Effective	Monthly	
Rate Model	PILS Model	Decision	Amount	Start Date	End Date	Amount	Comments
Appendix 2	Appendix 3	Appendix 5	$ 592,439.00	Oct. 1, 2001	Dec. 31, 2001	$ 197,479.67	Q4 2001 Entitlement / 3 months
Appendix 2	Appendix 4	Appendix 5	$ 2,123,753.00	Jan. 1, 2002	Dec. 31, 2002	$ 176,979.42	2002 Entitlement / 12 months
Appendix 2	Appendices 3&4	Appendix 5	$ 2,716,192.00	Jan. 1, 2003	Dec. 31, 2003	$ 226,349.33	(Q4 2001 + 2002 Entitlements) / 12 months
Appendix 2	Appendix 4	Appendix 5	$ 2,123,753.00	Jan. 1, 2004	Feb. 28, 2004	$ 176,979.42	2002 Entitlement / 12 months
Appendix 6	Appendix 7	Appendix 8A & 8B	$ 2,123,753.00	Mar. 1, 2004	Feb. 28, 2005	$ 176,979.42	2004 Entitlement / 12 months
Appendix 9	Appendix 10	Appendix 11	$ 2,327,131.00	Mar. 1, 2005	Apr. 30, 2006	$ 193,927.58	2005 Entitlement / 12 months

The referenced appendices in the table above reconcile the approved determination of PILS (from PILS Model) to the approved rates (from RAM models) to the rate orders (Decisions).

The monthly PILS entitlement calculations are explained in the comments section of the table above and reconcile to the entitlements used in the continuity schedule (Appendix 1).

PILS Recoveries

The PILS recoveries utilized in the continuity schedule (Appendix 1) are derived from billing determinants multiplied by approved PILS rate slivers.

March 1, 2002 to February 29, 2004 (Appendix 28)

Variable Charge PILS recoveries are determined by multiplying monthly billing determinants (kWh / kW) by the combination of variable rate slivers found in Sheet 6 (Q4 2001 PILS) and Sheet 8 (2002 PILS) of Appendix 2.

Fixed Charge PILS recoveries are determined by multiplying the number of customers billed in the month by the combination of fixed rate slivers found in Sheet 6 (Q4 2001 PILS) and Sheet 8 (2002 PILS) of Appendix 2.

March 1, 2004 to February 28, 2005 (Appendix 29)

Variable Charge PILS recoveries are determined by multiplying monthly billing determinants (kWh / kW) by the variable rate slivers found in Sheet 7 of Appendix 6.

There were no Fixed Charge PILS recoveries in the 2004 rate year.

OPUC had two separate rate approvals for the 2004 rate year (March Implementation – see Appendix 8A and July Implementation – see Appendix 8B). The change in rates was purely distribution revenue reallocation due to the loss of a material customer and did not change the approved PILS amount, allocation to classes or rate slivers. OPUC is providing the March 2004 Approved RAM model (see Appendix 6) as evidence for the 2004 PILS rate slivers.

March 1, 2005 to April 31, 2006 (Appendix 30)

Variable Charge PILS recoveries are determined by multiplying monthly billing determinants (kWh / kW) by the variable rate slivers found in Sheet 4 of Appendix 9.

There were no Fixed Charge PILS recoveries in the 2005 rate year.

Unbilled Revenue

IMBSI has utilized a 50% / 50% split of the rate change months billing determinants (kWh's, kW's and customers billed) to reasonably estimate the appropriate PILS recoveries from the transition months billings at both old and new rates.

In addition, IMBSI has utilized the same 50% / 50% rule for the starting month (March 2002) and ending month (April 2006), again to reasonably estimate the PILS recoveries from customer consumptions.

The 50% / 50% unbilled split is based on evenly distributed billing cycles over the month. Billing cycles at the beginning of the month have little or no consumption at new rates, whereas billing cycles at the end of the month have the majority of the consumption at new rates. On average there is a 50% / 50% consumption split.

SIMPILS True-Up Models

Overview

Included in Appendices 12 to 16 are SIMPILS True-Up Models for the years 2001 to 2005. The values from these models appear on the 1562 Deferred PILS continuity schedule set out in Appendix 1.

These models have been prepared in accordance with the principles established in EB-2008-0381 and utilize the following inputs:

- Approved PILS included in approved rates, see Appendices 3,4, 7 & 10
- Federal T2 Tax Returns, see Appendices 17, 19, 21, 23 & 25
- Provincial CT 23 Tax Returns, see Appendices 18, 20, 22, 24 & 26
- Notices of Assessment, see Appendix 27

OPUC utilized tax loss carry forwards generated by a 2001 tax loss on their actual tax returns up until 2003 when the losses were fully utilized.

The income tax rate used for true-up purposes is the actual legislated tax rate for the applicable year not the rate used to set PILS included in rates or the actual income tax rate paid.

The true-up rates utilize the maximum tax rates for the applicable tax year and are consistent with the maximum tax rates approved for use by the Board in its recent June 24, 2011 EB - 2008-0381 decision (page 17).

OPUC believes these are the proper rates to utilize, as they reflect the intent of the SIMPILS process to capture changes in legislated tax rates. The PILS included in rates were determined well in advance of the actual tax years using proxies for what the actual tax rates would be. Utilizing the actual tax rates that would be applicable to the same level of regulatory net income as used to set PILS in rates properly captures the changes in legislation. This captures the difference between the rates used to determine PILS included in rates and what the PILS would have been if they were set in the actual tax year with knowledge of any changes in tax rates.

The use of the legislated tax rate for the applicable year is also consistent with the principles established in the recent EB-2008-0381 decision. The SIMPILS models filed for all years by all applicants used the legislated current year tax rate for true-up purposes.

The only deviation from the use of the current year legislated rate applies to 2004, where 100% of LCT included in rates is refunded to customers, due to the increase in the LCT capital tax exemption level (2002 LCT exemption = $10 million, 2004 LCT exemption = $50 million). The gross up tax rate used to determine LCT included in rates was 37.5% (back in 2002) whereas the actual legislated 2004 gross up rate was 35%.

OPUC did not include any regulatory asset adjustments in either Schedule 1 of their T2 tax returns or in the SIMPILS models.

OPUC did not incur any fees or charges related to borrowings.

Tax Assessments

Ministry of Finance Assessment notices are contained in Appendix 27.

Federal Notices of Assessment have not been included as they all reflect no changes from what was filed.

OPUC confirms that all tax years from 2001 to 2005 are statute barred.

Tax Returns

The tax returns utilized for 2001, 2002, and 2003 are the original returns filed with the Ministry.

As a result of a reassessment by the Ministry of Finance the loss as per the 2001 tax return was reduced from $4,013,774 to $3,664,158, a reduction of $349,916 (see Ontario Ministry of Finance Statement of Adjustments re Taxes Assessed for tax year December 31, 2001 in Appendix 27)

As a result of this reduction in loss carry forward OPUC paid additional income taxes of $124,114 ($349,916 x 35.5%). The result of this reassessment has no impact on the SIMPILS true-up process.

The 2004 tax returns utilized were assessed within $1,000 of what was filed per the Notice of Assessment and the reason for the difference is unknown.

The 2005 tax returns utilized were amended returns from the originals filed. In addition there was an Ontario capital tax increase assessment adjustment of $19,633 and an unexplained difference of $1,456. Again these adjustments do not impact the SIMPILS true-up process.

Summary of True-Ups

Q4 2001

There is a true-up debit of $48,924 due to the grossed up tax effect of incremental taxable income arising from Financial Statement Reserve differences.

2002

There is a true-up debit of $197,747 due to the grossed up tax effect of incremental taxable income arising from Financial Statement Reserve differences.

2003

There is a net true-up debit of $98,706.

This is caused by two factors:

- A reduction in tax on regulatory net income. The tax rate declines from 38.62% (including surtax), used to determine regulatory PILS included in rates, to the legislated tax rate of 36.62% (including surtax) resulting in a ($94,633) credit.
- A true-up debit of $193,339 due to the grossed up tax effect of incremental taxable income arising from Financial Statement Reserve differences.

2004

There is a true-up credit of ($139,653).

This is caused by three factors:

- A reduction in tax on regulatory net income. The tax rate declines from 38.62% (including surtax), used to determine regulatory PILS included in rates, to the legislated tax rate of 36.12% (including surtax) resulting in a ($117,381) credit.
- An increase in the amount of exempt capital for LCT tax determination purposes which eliminates all LCT included in approved rates resulting in a ($96,733) credit.
- A true-up debit of $74,461 due to the grossed up tax effect of incremental taxable income arising from Financial Statement Reserve differences.

2005

There is a true-up debit of $123,171.

This is due to the grossed up tax effect of incremental taxable income arising from the true-up of Schedule 1 adjustments to net income per financial statements.

Interest Improvement

Interest rates used for monthly interest improvement can be found in Appendix 1 (continuity schedule). The continuity schedule shows an annual interest rate of 7.25% for the period Q4 2001 to April 2006 (approved long-term debt rate). Interest rates used from May 2006 to September 2011 are based on the OEB prescribed interest rates. The Q3 2011 rate has been used to determine interest carrying charges up to December 31, 2011.

Interest carrying charges have been determined using month opening balances with no interest compounding as per OEB requirements.

Appendix 1

Monthly Continuity Schedule

Oshawa PUC Networks Inc. - 1562 Deferred PILS
Continuity Schedule

Year: Q4 2001

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Variance (neg. = payable) Cumulative	Interest Improvement (neg = payable) Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Interest Improvement (neg = payable) Cumulative	Total Variance
October	$ 197,479.67	$ -		$ 197,479.67	$ 197,479.67	7.25%	$ -	$ -	$ 197,479.67
November	$ 197,479.67	$ -		$ 197,479.67	$ 394,959.33	7.25%	$ 1,193.11	$ 1,193.11	$ 396,152.44
December	$ 197,479.67	$ -		$ 197,479.67	$ 592,439.00	7.25%	$ 2,386.21	$ 3,579.32	$ 596,018.32
Total	$ 592,439.00	$ -	$ -	$ 592,439.00			$ 3,579.32		

Year: 2002

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Variance (neg. = payable) Cumulative	Interest Improvement (neg = payable) Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Interest Improvement (neg = payable) Cumulative	Total Variance
January	$ 176,979.42	$ -		$ 176,979.42	$ 769,418.42	7.25%	$ 3,579.32	$ 7,158.64	$ 776,577.05
February	$ 176,979.42	$ -		$ 176,979.42	$ 946,397.83	7.25%	$ 4,648.57	$ 11,807.21	$ 958,205.04
March	$ 176,979.42	$ 93,109.36		$ 83,870.06	$ 1,030,267.89	7.25%	$ 5,717.82	$ 17,525.03	$ 1,047,792.92
April	$ 176,979.42	$ 178,342.16		-$ 1,362.75	$ 1,028,905.14	7.25%	$ 6,224.54	$ 23,749.56	$ 1,052,654.71
May	$ 176,979.42	$ 138,542.28		$ 38,437.14	$ 1,067,342.28	7.25%	$ 6,216.30	$ 29,965.86	$ 1,097,308.14
June	$ 176,979.42	$ 275,851.31		-$ 98,871.90	$ 968,470.38	7.25%	$ 6,448.53	$ 36,414.39	$ 1,004,884.77
July	$ 176,979.42	$ 168,890.28	$ 48,923.94	$ 57,013.07	$ 1,025,483.45	7.25%	$ 5,851.18	$ 42,265.57	$ 1,067,749.02
August	$ 176,979.42	$ 140,277.28		$ 36,702.14	$ 1,062,185.59	7.25%	$ 6,195.63	$ 48,461.20	$ 1,110,646.79
September	$ 176,979.42	$ 209,866.64		-$ 32,887.22	$ 1,029,298.37	7.25%	$ 6,417.37	$ 54,878.57	$ 1,084,176.94
October	$ 176,979.42	$ 202,166.23		-$ 25,186.82	$ 1,004,111.56	7.25%	$ 6,218.68	$ 61,097.24	$ 1,065,208.80
November	$ 176,979.42	$ 235,299.17		-$ 58,319.75	$ 945,791.80	7.25%	$ 6,066.51	$ 67,163.75	$ 1,012,955.55
December	$ 176,979.42	$ 229,962.43		-$ 52,983.01	$ 892,808.79	7.25%	$ 5,714.16	$ 72,877.91	$ 965,686.70
Total	$ 2,123,753.00	$ 1,872,307.15	$ 48,923.94	$ 300,369.79			$ 69,298.59		

Year: 2003

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Variance (neg. = payable) Cumulative	Interest Improvement (neg = payable) Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Interest Improvement (neg = payable) Cumulative	Total Variance
January	$ 226,349.33	$ 200,134.92		$ 26,214.41	$ 919,023.20	7.25%	$ 5,394.05	$ 78,271.96	$ 997,295.17
February	$ 226,349.33	$ 256,239.02		-$ 29,889.69	$ 889,133.51	7.25%	$ 5,552.43	$ 83,824.40	$ 972,957.91
March	$ 226,349.33	$ 239,775.55		-$ 13,426.22	$ 875,707.30	7.25%	$ 5,371.85	$ 89,196.24	$ 964,903.54
April	$ 226,349.33	$ 185,414.60		$ 40,934.74	$ 916,642.03	7.25%	$ 5,290.73	$ 94,486.98	$ 1,011,129.01
May	$ 226,349.33	$ 270,867.12		-$ 44,517.79	$ 872,124.24	7.25%	$ 5,538.05	$ 100,025.02	$ 972,149.27
June	$ 226,349.33	$ 215,185.86		$ 11,163.48	$ 883,287.72	7.25%	$ 5,269.08	$ 105,294.11	$ 988,581.83
July	$ 226,349.33	$ 221,071.82	$ 197,747.38	$ 203,024.89	$ 1,086,312.61	7.25%	$ 5,336.53	$ 110,630.64	$ 1,196,943.25
August	$ 226,349.33	$ 216,094.51		$ 10,254.83	$ 1,096,567.44	7.25%	$ 6,563.14	$ 117,193.77	$ 1,213,761.22
September	$ 226,349.33	$ 226,362.89		-$ 13.56	$ 1,096,553.88	7.25%	$ 6,625.09	$ 123,818.87	$ 1,220,372.75
October	$ 226,349.33	$ 233,782.88		-$ 7,433.55	$ 1,089,120.33	7.25%	$ 6,625.01	$ 130,443.88	$ 1,219,564.21
November	$ 226,349.33	$ 212,523.24		$ 13,826.09	$ 1,102,946.42	7.25%	$ 6,580.10	$ 137,023.98	$ 1,239,970.41
December	$ 226,349.33	$ 225,747.65		$ 601.69	$ 1,103,548.11	7.25%	$ 6,663.63	$ 143,687.62	$ 1,247,235.73
Total	$ 2,716,192.00	$ 2,703,200.06	$ 197,747.38	$ 210,739.32			$ 70,809.71		

Year: 2004

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Variance (neg. = payable) Cumulative	Interest Improvement (neg = payable) Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Interest Improvement (neg = payable) Cumulative	Total Variance
January	$ 226,349.33	$ 228,166.55		-$ 1,817.21	$ 1,101,730.90	7.25%	$ 6,667.27	$ 150,354.89	$ 1,252,085.79
February	$ 226,349.33	$ 239,212.01		-$ 12,862.67	$ 1,088,868.23	7.25%	$ 6,656.29	$ 157,011.18	$ 1,245,879.40
March	$ 176,979.42	$ 240,771.18		-$ 63,791.76	$ 1,025,076.46	7.25%	$ 6,578.58	$ 163,589.76	$ 1,188,666.22
April	$ 176,979.42	$ 229,805.79		-$ 52,826.37	$ 972,250.09	7.25%	$ 6,193.17	$ 169,782.93	$ 1,142,033.02
May	$ 176,979.42	$ 154,000.57		$ 22,978.85	$ 995,228.94	7.25%	$ 5,874.01	$ 175,656.94	$ 1,170,885.88
June	$ 176,979.42	$ 204,633.18		-$ 27,653.76	$ 967,575.18	7.25%	$ 6,012.84	$ 181,669.78	$ 1,149,244.96
July	$ 176,979.42	$ 190,639.14	$ 98,706.10	$ 85,046.38	$ 1,052,621.56	7.25%	$ 5,845.77	$ 187,515.55	$ 1,240,137.11
August	$ 176,979.42	$ 193,228.31		-$ 16,248.90	$ 1,036,372.66	7.25%	$ 6,359.59	$ 193,875.14	$ 1,230,247.80
September	$ 176,979.42	$ 213,850.08		-$ 36,870.66	$ 999,502.00	7.25%	$ 6,261.42	$ 200,136.55	$ 1,199,638.55
October	$ 176,979.42	$ 170,399.91		$ 6,579.51	$ 1,006,081.51	7.25%	$ 6,038.66	$ 206,175.21	$ 1,212,256.72
November	$ 176,979.42	$ 190,787.29		-$ 13,807.88	$ 992,273.63	7.25%	$ 6,078.41	$ 212,253.62	$ 1,204,527.25
December	$ 176,979.42	$ 179,056.30		-$ 2,076.89	$ 990,196.75	7.25%	$ 5,994.99	$ 218,248.61	$ 1,208,445.35
Total	$ 2,222,492.83	$ 2,434,550.30	$ 98,706.10	-$ 113,351.37			$ 74,560.99		

Oshawa PUC Networks Inc. - 1562 Deferred PILS
Continuity Schedule

Year: 2005

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Cumulative	Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Cumulative	Total Variance
January	$ 176,979.42	$ 238,603.23		-$ 61,623.81	$ 928,572.93	7.25%	$ 5,982.44	$ 224,231.05	$ 1,152,803.98
February	$ 176,979.42	$ 186,761.60		-$ 9,782.19	$ 918,790.74	7.25%	$ 5,610.13	$ 229,841.17	$ 1,148,631.92
March	$ 193,927.58	$ 209,943.42		-$ 16,015.84	$ 902,774.91	7.25%	$ 5,551.03	$ 235,392.20	$ 1,138,167.11
April	$ 193,927.58	$ 205,155.56		-$ 11,227.98	$ 891,546.93	7.25%	$ 5,454.27	$ 240,846.47	$ 1,132,393.40
May	$ 193,927.58	$ 189,067.61		$ 4,859.97	$ 896,406.90	7.25%	$ 5,386.43	$ 246,232.90	$ 1,142,639.80
June	$ 193,927.58	$ 174,445.48		$ 19,482.10	$ 915,889.01	7.25%	$ 5,415.79	$ 251,648.69	$ 1,167,537.70
July	$ 193,927.58	$ 182,624.10	-$ 139,653.03	-$ 128,349.54	$ 787,539.47	7.25%	$ 5,533.50	$ 257,182.18	$ 1,044,721.65
August	$ 193,927.58	$ 230,343.88		-$ 36,416.30	$ 751,123.17	7.25%	$ 4,758.05	$ 261,940.24	$ 1,013,063.40
September	$ 193,927.58	$ 170,954.99		$ 22,972.59	$ 774,095.76	7.25%	$ 4,538.04	$ 266,478.27	$ 1,040,574.03
October	$ 193,927.58	$ 178,817.53		$ 15,110.06	$ 789,205.82	7.25%	$ 4,676.83	$ 271,155.10	$ 1,060,360.92
November	$ 193,927.58	$ 180,312.81		$ 13,614.78	$ 802,820.59	7.25%	$ 4,768.12	$ 275,923.22	$ 1,078,743.81
December	$ 193,927.58	$ 190,087.71		$ 3,839.87	$ 806,660.47	7.25%	$ 4,850.37	$ 280,773.59	$ 1,087,434.06
Total	$ 2,293,234.67	$ 2,337,117.92	-$ 139,653.03	-$ 183,536.28			$ 62,524.98		

Year: 2006

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Cumulative	Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Cumulative	Total Variance
January	$ 193,927.58	$ 213,054.16		-$ 19,126.57	$ 787,533.89	7.25%	$ 4,873.57	$ 285,647.17	$ 1,073,181.06
February	$ 193,927.58	$ 212,378.41		-$ 18,450.83	$ 769,083.06	7.25%	$ 4,758.02	$ 290,405.18	$ 1,059,488.25
March	$ 193,927.58	$ 207,113.90		-$ 13,186.32	$ 755,896.74	7.25%	$ 4,646.54	$ 295,051.73	$ 1,050,948.47
April	$ 193,927.58	$ 191,729.31		$ 2,198.27	$ 758,095.02	7.25%	$ 4,566.88	$ 299,618.60	$ 1,057,713.62
May		$ 91,529.11		-$ 91,529.11	$ 666,565.90	4.14%	$ 2,615.43	$ 302,234.03	$ 968,799.93
June				$ -	$ 666,565.90	4.14%	$ 2,299.65	$ 304,533.68	$ 971,099.58
July			$ 123,171.42	$ 123,171.42	$ 789,737.32	4.59%	$ 2,549.61	$ 307,083.30	$ 1,096,820.62
August				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 310,104.04	$ 1,099,841.37
September				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 313,124.79	$ 1,102,862.11
October				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 316,145.53	$ 1,105,882.86
November				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 319,166.28	$ 1,108,903.60
December				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 322,187.02	$ 1,111,924.35
Total	$ 775,710.33	$ 915,804.90	$ 123,171.42	-$ 16,923.14			$ 41,413.43		

Note: Oshawa did not have any LCT included in approved PILS entitlement, therefore no adjustment to revenue required.

Year: 2007

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Cumulative	Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Cumulative	Total Variance
January				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 325,207.77	$ 1,114,945.09
February				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 328,228.51	$ 1,117,965.84
March				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 331,249.26	$ 1,120,986.58
April				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 334,270.01	$ 1,124,007.33
May				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 337,290.75	$ 1,127,028.07
June				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 340,311.50	$ 1,130,048.82
July				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 343,332.24	$ 1,133,069.57
August				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 346,352.99	$ 1,136,090.31
September				$ -	$ 789,737.32	4.59%	$ 3,020.75	$ 349,373.73	$ 1,139,111.06
October				$ -	$ 789,737.32	5.14%	$ 3,382.71	$ 352,756.44	$ 1,142,493.76
November				$ -	$ 789,737.32	5.14%	$ 3,382.71	$ 356,139.15	$ 1,145,876.47
December				$ -	$ 789,737.32	5.14%	$ 3,382.71	$ 359,521.86	$ 1,149,259.18
Total	$ -	$ -	$ -	$ -			$ 37,334.83		

Year: 2008

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Cumulative	Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Cumulative	Total Variance
January				$ -	$ 789,737.32	5.14%	$ 3,382.71	$ 362,904.56	$ 1,152,641.89
February				$ -	$ 789,737.32	5.14%	$ 3,382.71	$ 366,287.27	$ 1,156,024.60
March				$ -	$ 789,737.32	5.14%	$ 3,382.71	$ 369,669.98	$ 1,159,407.31
April				$ -	$ 789,737.32	4.08%	$ 2,685.11	$ 372,355.09	$ 1,162,092.41
May				$ -	$ 789,737.32	4.08%	$ 2,685.11	$ 375,040.19	$ 1,164,777.52
June				$ -	$ 789,737.32	4.08%	$ 2,685.11	$ 377,725.30	$ 1,167,462.63
July				$ -	$ 789,737.32	3.35%	$ 2,204.68	$ 379,929.98	$ 1,169,667.31
August				$ -	$ 789,737.32	3.35%	$ 2,204.68	$ 382,134.67	$ 1,171,871.99
September				$ -	$ 789,737.32	3.35%	$ 2,204.68	$ 384,339.35	$ 1,174,076.68
October				$ -	$ 789,737.32	3.35%	$ 2,204.68	$ 386,544.03	$ 1,176,281.36
November				$ -	$ 789,737.32	3.35%	$ 2,204.68	$ 388,748.72	$ 1,178,486.04
December				$ -	$ 789,737.32	3.35%	$ 2,204.68	$ 390,953.40	$ 1,180,690.73
Total	$ -	$ -	$ -	$ -			$ 31,431.55		

Oshawa PUC Networks Inc. - 1562 Deferred PILS
Continuity Schedule

Year: 2009

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Variance (neg. = payable) Cumulative	Interest Improvement (neg = payable) Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Interest Improvement (neg = payable) Cumulative	Total Variance
January				$ -	$ 789,737.32	2.45%	$ 1,612.38	$ 392,565.78	$ 1,182,303.11
February				$ -	$ 789,737.32	2.45%	$ 1,612.38	$ 394,178.16	$ 1,183,915.49
March				$ -	$ 789,737.32	2.45%	$ 1,612.38	$ 395,790.54	$ 1,185,527.87
April				$ -	$ 789,737.32	1.00%	$ 658.11	$ 396,448.66	$ 1,186,185.98
May				$ -	$ 789,737.32	1.00%	$ 658.11	$ 397,106.77	$ 1,186,844.10
June				$ -	$ 789,737.32	1.00%	$ 658.11	$ 397,764.89	$ 1,187,502.21
July				$ -	$ 789,737.32	0.55%	$ 361.96	$ 398,126.85	$ 1,187,864.17
August				$ -	$ 789,737.32	0.55%	$ 361.96	$ 398,488.81	$ 1,188,226.14
September				$ -	$ 789,737.32	0.55%	$ 361.96	$ 398,850.77	$ 1,188,588.10
October				$ -	$ 789,737.32	0.55%	$ 361.96	$ 399,212.74	$ 1,188,950.06
November				$ -	$ 789,737.32	0.55%	$ 361.96	$ 399,574.70	$ 1,189,312.03
December				$ -	$ 789,737.32	0.55%	$ 361.96	$ 399,936.66	$ 1,189,673.99
Total	$ -	$ -	$ -	$ -			$ 8,983.26		

Year: 2010

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Variance (neg. = payable) Cumulative	Interest Improvement (neg = payable) Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Interest Improvement (neg = payable) Cumulative	Total Variance
January				$ -	$ 789,737.32	0.55%	$ 361.96	$ 400,298.63	$ 1,190,035.95
February				$ -	$ 789,737.32	0.55%	$ 361.96	$ 400,660.59	$ 1,190,397.91
March				$ -	$ 789,737.32	0.55%	$ 361.96	$ 401,022.55	$ 1,190,759.88
April				$ -	$ 789,737.32	0.55%	$ 361.96	$ 401,384.52	$ 1,191,121.84
May				$ -	$ 789,737.32	0.55%	$ 361.96	$ 401,746.48	$ 1,191,483.80
June				$ -	$ 789,737.32	0.55%	$ 361.96	$ 402,108.44	$ 1,191,845.77
July				$ -	$ 789,737.32	0.89%	$ 585.72	$ 402,694.16	$ 1,192,431.49
August				$ -	$ 789,737.32	0.89%	$ 585.72	$ 403,279.88	$ 1,193,017.21
September				$ -	$ 789,737.32	0.89%	$ 585.72	$ 403,865.61	$ 1,193,602.93
October				$ -	$ 789,737.32	1.20%	$ 789.74	$ 404,655.34	$ 1,194,392.67
November				$ -	$ 789,737.32	1.20%	$ 789.74	$ 405,445.08	$ 1,195,182.41
December				$ -	$ 789,737.32	1.20%	$ 789.74	$ 406,234.82	$ 1,195,972.14
Total	$ -	$ -	$ -	$ -			$ 6,298.16		

Year: 2011

	Approved PILS Entitlement	PILS Revenue	SIMPILS True-Up Adjustments (neg = CR)	Variance (neg. = payable) Monthly	Variance (neg. = payable) Cumulative	Interest Improvement (neg = payable) Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Interest Improvement (neg = payable) Cumulative	Total Variance
January				$ -	$ 789,737.32	1.47%	$ 967.43	$ 407,202.25	$ 1,196,939.57
February				$ -	$ 789,737.32	1.47%	$ 967.43	$ 408,169.68	$ 1,197,907.00
March				$ -	$ 789,737.32	1.47%	$ 967.43	$ 409,137.10	$ 1,198,874.43
April				$ -	$ 789,737.32	1.47%	$ 967.43	$ 410,104.53	$ 1,199,841.86
May				$ -	$ 789,737.32	1.47%	$ 967.43	$ 411,071.96	$ 1,200,809.28
June				$ -	$ 789,737.32	1.47%	$ 967.43	$ 412,039.39	$ 1,201,776.71
July				$ -	$ 789,737.32	1.47%	$ 967.43	$ 413,006.82	$ 1,202,744.14
August				$ -	$ 789,737.32	1.47%	$ 967.43	$ 413,974.24	$ 1,203,711.57
September				$ -	$ 789,737.32	1.47%	$ 967.43	$ 414,941.67	$ 1,204,679.00
October				$ -	$ 789,737.32	1.47%	$ 967.43	$ 415,909.10	$ 1,205,646.43
November				$ -	$ 789,737.32	1.47%	$ 967.43	$ 416,876.53	$ 1,206,613.85
December				$ -	$ 789,737.32	1.47%	$ 967.43	$ 417,843.96	$ 1,207,581.28
Total	$ -	$ -	$ -	$ -			$ 11,609.14		

Appendix 2

2002 Approved RAM Model

SHEET 1 - 2001 OEB Approved Rate Schedule

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

Enter the values for your 2001 OEB approved distribution rates in the appropriate areas which are highlighted in yellow.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0063
MONTHLY SERVICE CHARGE (Per Customer)	$5.58
COST OF POWER KWH RATE	$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0063
MONTHLY SERVICE CHARGE (Per Customer)	$5.58

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0115
MONTHLY SERVICE CHARGE (Per Customer)	$6.55
COST OF POWER KWH RATE	$0.0747

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0115
MONTHLY SERVICE CHARGE (Per Customer)	$6.55

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.2783
MONTHLY SERVICE CHARGE (Per Customer)	$31.16
COST OF POWER KW RATE	$3.2500
COST OF POWER KWH RATE	$0.0643

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$2.7470
MONTHLY SERVICE CHARGE (Per Customer)	$1,463.70

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$8.37	$6.27	$0.0708	$0.0423	$0.0598	$0.0313

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$0.00	$0.00	$0.0000	$0.0000	$0.0000	$0.0000

LARGE USE

DISTRIBUTION KW RATE	$1.7372
MONTHLY SERVICE CHARGE (Per Customer)	$8,181.96

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$10.6161	$7.9466	$0.0689	$0.0412	$0.0582	$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.4700
MONTHLY SERVICE CHARGE (Per Connection)	$1.38
COST OF POWER KW RATE	$23.4224

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.4335
MONTHLY SERVICE CHARGE (Per Connection)	$0.36
COST OF POWER KW RATE	$23.0882

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

SHEET 2 - 2002 Rate Schedule including 2nd Year PBR Adjustment

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

Enter the IPI for 2001 when released by the Board in January.

IPI	PF	Adjustment Factor
0.4%	-1.5%	-1.1%

or

98.90%

of current rates.

This schedule includes distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.006231
MONTHLY SERVICE CHARGE (Per Customer)	$5.5186
COST OF POWER KWH RATE	$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.006231
MONTHLY SERVICE CHARGE (Per Customer)	$5.5186

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.011374
MONTHLY SERVICE CHARGE (Per Customer)	$6.4780
COST OF POWER KWH RATE	$0.07470

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.011374
MONTHLY SERVICE CHARGE (Per Customer)	$6.4780

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.253239
MONTHLY SERVICE CHARGE (Per Customer)	$30.8172
COST OF POWER KW RATE	$3.2500
COST OF POWER KWH RATE	$0.0643

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$2.716783
MONTHLY SERVICE CHARGE (Per Customer)	$1,447.5993

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$8.37	$6.27	$0.0708	$0.0423	$0.0598	$0.0313

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	$0.000000
MONTHLY SERVICE CHARGE (Per Customer)	$0.0000

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$0.00	$0.00	$0.0000	$0.0000	$0.0000	$0.0000

LARGE USE

DISTRIBUTION KW RATE	$1.718091
MONTHLY SERVICE CHARGE (Per Customer)	$8,091.96

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$10.62	$7.95	$0.0689	$0.0412	$0.0582	$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.420830
MONTHLY SERVICE CHARGE (Per Connection)	$1.3648
COST OF POWER KW RATE	$23.4224

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.3847
MONTHLY SERVICE CHARGE (Per Connection)	$0.3560
COST OF POWER KW RATE	$23.0882

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	$0.00

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

SHEET 3 - Calculating Rate Increases using 1999 LDC Data and adding 2002 Incremental MARR

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule requires LDCs to input the 1999 statistics (identical to those in your approved RUD Model) which will be used to allocate distribution revenue to rate classes and also used to determine 2002 rate additions to recover the additional 1/3 of incremental MARR.
If your LDC has other issues that will have a permanent impact on MARR (change in late payment policy or other revenue adjustments) you must justify them and provide evidence in your manager's summary.

Enter the permanent revenue adjustment amount here: $ 275,578.00 Cell G36 will be adjusted by this amount. [$275,578.00 from 2002 RAM [LU Loss]

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates. $ 1,476,736.81

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry) $ 1,476,736.81

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment) $ 1,476,736.81

Use the Table below to enter the 1999 statistics for your LDC. These should be the same as reported to the OEB in your approved RUD Model used to set current rates.
The share of class distribution revenue in 1999 is used to allocate the additional 1/3 incremental MARR to the classes for 2002 rates.

1999 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Revenue Shares	2002 1/3 MARR Allocations
RESIDENTIAL CLASS	-	440,866,896	41,312	$4,792,118.30	50.43%	$ 883,609.12
GENERAL SERVICE <50 KW CLASS	-	103,311,344	3,648	$1,305,360.71	13.74%	$ 240,692.85
GENERAL SERVICE >50 KW NON TIME OF USE	944,243	-	640	$2,071,165.78	21.79%	$ 381,898.12
GENERAL SERVICE >50 KW TIME OF USE	115,093	-	6	$364,850.58	3.84%	$ 67,274.07
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	395,619	-	3	$849,787.17	8.94%	$ 156,690.56
SENTINEL LIGHTS	107	-	23	$1,091.00	0.01%	$ 201.17
STREET LIGHTING CLASS	21,715	-	9,483	$119,036.64	1.25%	$ 21,948.93
TOTALS				$9,503,410.18	1.00	$ 1,752,314.81
			Allocated Total for 2002 including adjustments at Cell B13 ==>			$ 1,752,314.81
3240						

Residential Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.500	0.500	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	$ 441,804.56	$ 441,804.56	$ 883,609.12
(B) RETAIL KWH	440,866,896		
(C) NUMBER OF CUSTOMERS	41312	41,312	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.001002		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$0.8912	

General Service <50kW Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.810	0.190	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	$ 194,961.21	$ 45,731.64	$ 240,692.85
(B) RETAIL KWH	103,311,344		
(C) NUMBER OF CUSTOMERS		3,648	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.001887		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$1.0447	

General Service >50kW Class Non TOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.900	0.100	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above)	$ 343,708.31	$ 38,189.81	$ 381,898.12
(B) RETAIL KW	944,243		
(C) NUMBER OF CUSTOMERS		640	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.364004		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$4.9726	

General Service >50kW ClassTOU

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.750	0.250	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 above)	$ 50,455.55	$ 16,818.52	$ 67,274.07
(B) RETAIL KW	115,093		
(C) NUMBER OF CUSTOMERS		6	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.438389		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$233.5905	

Intermediate Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.000	1.000	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G30 above)	$ -	$ -	$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		#DIV/0!	

Large User Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.700	0.300	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G31 above)	$ 109,683.39	$ 47,007.17	$ 156,690.56
(B) RETAIL KW	395,619		
(C) NUMBER OF CUSTOMERS		3	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.277245		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$1,305.7546	

Sentinel Lighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.700	0.300	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	$ 140.82	$ 60.35	$ 201.17
(B) RETAIL KW	107		
(C) NUMBER OF CUSTOMERS (Connections)		23	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$0.2187	

Streetlighting Class

Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.700	0.300	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above)	$ 15,364.25	$ 6,584.68	$ 21,948.93
(B) RETAIL KW	21,715		
(C) NUMBER OF CUSTOMERS		9,483	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.707541		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$0.0579	

SHEET 4 - 2002 Base Rate Schedule including 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

This is the **Base Rate Schedule** which will be used as the base for the March 1, 2003 PBR Rate Adjustment.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0072
MONTHLY SERVICE CHARGE (Per Customer)	$6.41
COST OF POWER KWH RATE	$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0072			
MONTHLY SERVICE CHARGE (Per Customer)	$6.41			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0133
MONTHLY SERVICE CHARGE (Per Customer)	$7.52
COST OF POWER KWH RATE	$0.0747

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0133			
MONTHLY SERVICE CHARGE (Per Customer)	$7.52			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.6172
MONTHLY SERVICE CHARGE (Per Customer)	$35.79
COST OF POWER KW RATE	$3.2500
COST OF POWER KWH RATE	$0.0643

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$3.155172
MONTHLY SERVICE CHARGE (Per Customer)	$1,681.19

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$8.3748	$6.2689	$0.0708	$0.0423	$0.0598	$0.0313

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000

LARGE USE

DISTRIBUTION KW RATE	$1.995336
MONTHLY SERVICE CHARGE (Per Customer)	$9,397.71

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$10.6161	$7.9466	$0.0689	$0.0412	$0.0582	$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.4208
MONTHLY SERVICE CHARGE (Per Connection)	$1.58
COST OF POWER KW RATE	$23.4224

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	$0.22

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$5.0923
MONTHLY SERVICE CHARGE (Per Connection)	$0.41
COST OF POWER KW RATE	$23.0882

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$0.7075
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

SHEET 5 - Bill Impact Analysis for 2002 Rate Schedule including IPI-PF & 2002 1/3 Incremental MARR Adjustment

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule shows the bill impactsusing the 2002 Base Rate Schedule which includes
the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Base Rate Schedule (including IPI-PF & 1/3 Incremental MARR)

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %	
100 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	6.41		
DISTRIBUTION KWH	100	0.0063	$	0.63	100	0.00723	$	0.72		
COST OF POWER KWH	100	0.0758	$	7.58	100	0.0758	$	7.58		
CURRENT 2001 BILL			$	13.79	Adjusted 2002 BILL		$	14.71	$ 0.92	6.7%
250 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	6.41		
DISTRIBUTION KWH	250	0.0063	$	1.58	250	0.00723	$	1.81		
COST OF POWER KWH	250	0.0758	$	18.95	250	0.0758	$	18.95		
CURRENT 2001 BILL			$	26.11	Adjusted 2002 BILL		$	27.17	$ 1.06	4.1%
500 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	6.41		
DISTRIBUTION KWH	500	0.0063	$	3.15	500	0.00723	$	3.62		
COST OF POWER KWH	500	0.0758	$	37.90	500	0.0758	$	37.90		
CURRENT 2001 BILL			$	46.63	Adjusted 2002 BILL		$	47.93	$ 1.30	2.8%
750 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	6.41		
DISTRIBUTION KWH	750	0.0063	$	4.73	750	0.00723	$	5.42		
COST OF POWER KWH	750	0.0758	$	56.85	750	0.0758	$	56.85		
CURRENT 2001 BILL			$	67.16	Adjusted 2002 BILL		$	68.68	$ 1.53	2.3%
1000 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	6.41		
DISTRIBUTION KWH	1000	0.0063	$	6.30	1000	0.00723	$	7.23		
COST OF POWER KWH	1000	0.0758	$	75.80	1000	0.0758	$	75.80		
CURRENT 2001 BILL			$	87.68	Adjusted 2002 BILL		$	89.44	$ 1.76	2.0%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.41		
	DISTRIBUTION KWH	1500	0.0063	$ 9.45	DISTRIBUTION KWH	1500	0.00723	$ 10.85		
	COST OF POWER KWH	1500	0.0758	$ 113.70	COST OF POWER KWH	1500	0.0758	$ 113.70		
	CURRENT 2001 BILL			$ 128.73	Adjusted 2002 BILL			$ 130.96	$ 2.23	1.7%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.41		
	DISTRIBUTION KWH	2000	0.0063	$ 12.60	DISTRIBUTION KWH	2000	0.00723	$ 14.47		
	COST OF POWER KWH	2000	0.0758	$ 151.60	COST OF POWER KWH	2000	0.0758	$ 151.60		
	CURRENT 2001 BILL			$ 169.78	Adjusted 2002 BILL			$ 172.48	$ 2.70	1.6%

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL | **2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)**

ENTER DESIRED CONSUMPTION LEVEL

1000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.52		
	DISTRIBUTION KWH	1000	0.0115	$ 11.50	DISTRIBUTION KWH	1000	0.01326	$ 13.26		
	COST OF POWER KWH	1000	0.0747	$ 74.70	COST OF POWER KWH	1000	0.0747	$ 74.70		
	CURRENT 2001 BILL			$ 92.75	Adjusted 2002 BILL			$ 95.48	$ 2.73	2.9%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.52		
	DISTRIBUTION KWH	2000	0.0115	$ 23.00	DISTRIBUTION KWH	2000	0.01326	$ 26.52		
	COST OF POWER KWH	2000	0.0747	$ 149.40	COST OF POWER KWH	2000	0.0747	$ 149.40		
	CURRENT 2001 BILL			$ 178.95	Adjusted 2002 BILL			$ 183.44	$ 4.49	2.5%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.52		
	DISTRIBUTION KWH	5000	0.0115	$ 57.50	DISTRIBUTION KWH	5000	0.01326	$ 66.30		
	COST OF POWER KWH	5000	0.0747	$ 373.50	COST OF POWER KWH	5000	0.0747	$ 373.50		
	CURRENT 2001 BILL			$ 437.55	Adjusted 2002 BILL			$ 447.33	$ 9.78	2.2%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.52		
	DISTRIBUTION KWH	10000	0.0115	$ 115.00	DISTRIBUTION KWH	10000	0.01326	$ 132.61		
	COST OF POWER KWH	10000	0.0747	$ 747.00	COST OF POWER KWH	10000	0.0747	$ 747.00		
	CURRENT 2001 BILL			$ 868.55	Adjusted 2002 BILL			$ 887.13	$ 18.58	2.1%

MONTHLY CONSUMPTION 20,000 KWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.52		
	DISTRIBUTION KWH	20000	0.0115	$ 230.00	DISTRIBUTION KWH	20000	0.01326	$ 265.21		
	COST OF POWER KWH	20000	0.0747	$ 1,494.00	COST OF POWER KWH	20000	0.0747	$ 1,494.00		
	CURRENT 2001 BILL			$ 1,730.55	Adjusted 2002 BILL			$ 1,766.74	$ 36.19	2.1%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL | **2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)**

ENTER DESIRED CONSUMPTION LEVEL

		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	0	2.2783	$ -	DISTRIBUTION KW	0	2.61724	$ -		
	COST OF POWER KW	0	3.2500	$ -	COST OF POWER KW	0	3.2500	$ -		
	COST OF POWER **KWH**	0	0.0643	$ -	COST OF POWER **KWH**	0	0.0643	$ -		
	CURRENT 2001 BILL			$ 31.16	Adjusted 2002 BILL			$ 35.79	$ 4.63	14.9%

MONTHLY CONSUMPTION 100kW, 30,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	100	2.2783	$ 227.83	DISTRIBUTION KW	100	2.61724	$ 261.72		
	COST OF POWER KW	100	3.2500	$ 325.00	COST OF POWER KW	100	3.2500	$ 325.00		
	COST OF POWER **KWH**	30,000	0.0643	$ 1,929.00	COST OF POWER **KWH**	30,000	0.0643	$ 1,929.00		
	CURRENT 2001 BILL			$ 2,512.99	Adjusted 2002 BILL			$ 2,551.51	$ 38.52	1.5%

MONTHLY CONSUMPTION 100kW, 40,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	100	2.2783	$ 227.83	DISTRIBUTION KW	100	2.61724	$ 261.72		
	COST OF POWER KW	100	3.2500	$ 325.00	COST OF POWER KW	100	3.2500	$ 325.00		
	COST OF POWER **KWH**	40,000	0.0643	$ 2,572.00	COST OF POWER **KWH**	40,000	0.0643	$ 2,572.00		
	CURRENT 2001 BILL			$ 3,155.99	Adjusted 2002 BILL			$ 3,194.51	$ 38.52	1.2%

MONTHLY CONSUMPTION 500kW, 100,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	500	2.2783	$ 1,139.15	DISTRIBUTION KW	500	2.61724	$ 1,308.62		
	COST OF POWER KW	500	3.2500	$ 1,625.00	COST OF POWER KW	500	3.2500	$ 1,625.00		
	COST OF POWER **KWH**	100,000	0.0643	$ 6,430.00	COST OF POWER **KWH**	100,000	0.0643	$ 6,430.00		
	CURRENT 2001 BILL			$ 9,225.31	Adjusted 2002 BILL			$ 9,399.41	$ 174.10	1.9%

MONTHLY CONSUMPTION 500kW, 250,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	500	2.2783	$ 1,139.15	DISTRIBUTION KW	500	2.61724	$ 1,308.62		
	COST OF POWER KW	500	3.2500	$ 1,625.00	COST OF POWER KW	500	3.2500	$ 1,625.00		
	COST OF POWER **KWH**	250,000	0.0643	$ 16,075.00	COST OF POWER **KWH**	250,000	0.0643	$ 16,075.00		
	CURRENT 2001 BILL			$ 18,870.31	Adjusted 2002 BILL			$ 19,044.41	$ 174.10	0.9%

MONTHLY CONSUMPTION 1000kW, 400,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	1000	2.2783	$ 2,278.30	DISTRIBUTION KW	1000	2.61724	$ 2,617.24		
	COST OF POWER KW	1000	3.2500	$ 3,250.00	COST OF POWER KW	1000	3.2500	$ 3,250.00		
	COST OF POWER **KWH**	400,000	0.0643	$ 25,720.00	COST OF POWER **KWH**	400,000	0.0643	$ 25,720.00		
	CURRENT 2001 BILL			$ 31,279.46	Adjusted 2002 BILL			$ 31,623.03	$ 343.57	1.1%

MONTHLY CONSUMPTION 1000kW, 500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	1000	2.2783	$ 2,278.30	DISTRIBUTION KW	1000	2.61724	$ 2,617.24		
	COST OF POWER KW	1000	3.2500	$ 3,250.00	COST OF POWER KW	1000	3.2500	$ 3,250.00		
	COST OF POWER **KWH**	500,000	0.0643	$ 32,150.00	COST OF POWER **KWH**	500,000	0.0643	$ 32,150.00		
	CURRENT 2001 BILL			$ 37,709.46	Adjusted 2002 BILL			$ 38,053.03	$ 343.57	0.9%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	3000	2.2783	$ 6,834.90	DISTRIBUTION KW	3000	2.61724	$ 7,851.73		
	COST OF POWER KW	3000	3.2500	$ 9,750.00	COST OF POWER KW	3000	3.2500	$ 9,750.00		
	COST OF POWER **KWH**	1,000,000	0.0643	$ 64,300.00	COST OF POWER **KWH**	########	0.0643	$ 64,300.00		
	CURRENT 2001 BILL			$ 80,916.06	Adjusted 2002 BILL			$ 81,937.52	$ 1,021.46	1.3%

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	3000	2.2783	$ 6,834.90	DISTRIBUTION KW	3000	2.61724	$ 7,851.73		
	COST OF POWER KW	3000	3.2500	$ 9,750.00	COST OF POWER KW	3000	3.2500	$ 9,750.00		
	COST OF POWER **KWH**	1,500,000	0.0643	$ 96,450.00	COST OF POWER **KWH**	########	0.0643	$ 96,450.00		
	CURRENT 2001 BILL			$ 113,066.06	Adjusted 2002 BILL			$ 114,087.52	$ 1,021.46	0.9%

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	4000	2.2783	$ 9,113.20	DISTRIBUTION KW	4000	2.61724	$ 10,468.97		
	COST OF POWER KW	4000	3.2500	$ 13,000.00	COST OF POWER KW	4000	3.2500	$ 13,000.00		
	COST OF POWER **KWH**	1,200,000	0.0643	$ 77,160.00	COST OF POWER **KWH**	########	0.0643	$ 77,160.00		
	CURRENT 2001 BILL			$ 99,304.36	Adjusted 2002 BILL			$ 100,664.76	$ 1,360.40	1.4%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 35.79		
	DISTRIBUTION KW	4000	2.2783	$ 9,113.20	DISTRIBUTION KW	4000	2.61724	$ 10,468.97		
	COST OF POWER KW	4000	3.2500	$ 13,000.00	COST OF POWER KW	4000	3.2500	$ 13,000.00		
	COST OF POWER **KWH**	1,800,000	0.0643	$ 115,740.00	COST OF POWER **KWH**	########	0.0643	$ 115,740.00		
	CURRENT 2001 BILL			$ 137,884.36	Adjusted 2002 BILL			$ 139,244.76	$ 1,360.40	1.0%

GENERAL SERVICE >50 KW TIME OF USE

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

CURRENT 2001 BILL

WINTER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	100	2.7470	$ 274.70
kW COST OF POWER			
Demand Charge	100	8.3748	$ 837.48
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
WINTER PEAK	20,000	0.0708	$ 1,416.00
WINTER OFF PEAK	20,000	0.0423	$ 846.00
MONTHLY SERVICE CHARGE			$ 1,463.70
TOTAL			$ 4,837.88

SUMMER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	100	2.7470	$ 274.70
kW COST OF POWER			
Demand Charge	100	6.2689	$ 626.89
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
SUMMER PEAK	20,000	0.0598	$ 1,196.00
SUMMER OFF PEAK	20,000	0.0313	$ 626.00
MONTHLY SERVICE CHARGE			$ 1,463.70
TOTAL			$ 4,187.29

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

WINTER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	100	3.1552	$ 315.52		
kW COST OF POWER					
Demand Charge	100	8.3748	$ 837.48		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	20,000	0.0708	$ 1,416.00		
WINTER OFF PEAK	20,000	0.0423	$ 846.00		
MONTHLY SERVICE CHARGE			$ 1,681.19		
TOTAL			$ 5,096.19	$ 258.31	5.3%

SUMMER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	100	3.1552	$ 315.52		
kW COST OF POWER					
Demand Charge	100	6.2689	$ 626.89		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	20,000	0.0598	$ 1,196.00		
SUMMER OFF PEAK	20,000	0.0313	$ 626.00		
MONTHLY SERVICE CHARGE			$ 1,681.19		
TOTAL			$ 4,445.60	$ 258.31	6.2%

GENERAL SERVICE - INTERMEDIATE USE

ENTER DESIRED CONSUMPTION LEVELS
4000kW, 1,200,000kWh

CURRENT 2001 BILL

WINTER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	4000	0.0000	$ -
kW COST OF POWER			
Demand Charge	4000	0.0000	$ -
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
WINTER PEAK	600,000	0.0000	$ -
WINTER OFF PEAK	600,000	0.0000	$ -
MONTHLY SERVICE CHARGE			$ -
TOTAL			$ -

SUMMER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	4000	0.0000	$ -
kW COST OF POWER			
Demand Charge	4000	0.0000	$ -
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
SUMMER PEAK	600,000	0.0000	$ -
SUMMER OFF PEAK	600,000	0.0000	$ -
MONTHLY SERVICE CHARGE			$ -
TOTAL			$ -

2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)

WINTER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	$ -		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	600,000	0.0000	$ -		
WINTER OFF PEAK	600,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	$ -		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	600,000	0.0000	$ -		
SUMMER OFF PEAK	600,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVELS										
6000kW, 3,000,000kWh	**WINTER**	**KW**	**RATE $/kW**	**CHARGE $**	**WINTER**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
	DISTRIBUTION				DISTRIBUTION					
	kW	6000	1.7372	$ 10,423.20	kW	6000	1.9953	$ 11,972.01		
	kW COST OF POWER				kW COST OF POWER					
	Demand Charge	6000	10.6161	$ 63,696.60	Demand Charge	6000	10.6161	$ 63,696.60		
			RATE				**RATE**			
	COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
	WINTER PEAK	1,500,000	0.0689	$ 103,350.00	WINTER PEAK	#######	0.0689	$ 103,350.00		
	WINTER OFF PEAK	1,500,000	0.0412	$ 61,800.00	WINTER OFF PEAK	1,500,000	0.0412	$ 61,800.00		
	MONTHLY SERVICE CHARGE			$ 8,181.96	MONTHLY SERVICE CHARGE			$ 9,397.71		
	TOTAL			$ 247,451.76	**TOTAL**			$ 250,216.33	$ 2,764.57	1.1%
	SUMMER	**KW**	**RATE $/kW**	**CHARGE $**	**SUMMER**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
	DISTRIBUTION				DISTRIBUTION					
	kW	6000	1.7372	$ 10,423.20	kW	6000	1.9953	$ 11,972.01		
	kW COST OF POWER				kW COST OF POWER					
	Demand Charge	6000	7.9466	$ 47,679.60	Demand Charge	6000	7.9466	$ 47,679.60		
			RATE				**RATE**			
	COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
	SUMMER PEAK	1,500,000	0.0582	$ 87,300.00	SUMMER PEAK	#######	0.0582	$ 87,300.00		
	SUMMER OFF PEAK	1,500,000	0.0306	$ 45,900.00	SUMMER OFF PEAK	1,500,000	0.0306	$ 45,900.00		
	MONTHLY SERVICE CHARGE			$ 8,181.96	MONTHLY SERVICE CHARGE			$ 9,397.71		
	TOTAL			$ 199,484.76	**TOTAL**			$ 202,249.33	$ 2,764.57	1.4%

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the calculated value for the 2001 PILs Defferal Account. Use the methodolgy released by the Board on December 21, 2001.

Enter the Estimated Value for the 2001 PILs Defferal Account. $ 592,439.00

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2001 PILs defferal amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2001 PILs Deferral Allocations
RESIDENTIAL CLASS	-	453,981,043	42,208	$2,851,000.95	47.21%	$279,708.43
GENERAL SERVICE <50 KW CLASS	-	117,612,583	3,700	$135,489.70	2.24%	$ 13,292.74
GENERAL SERVICE >50 KW NON TIME OF USE	906,171	-	645	$2,064,520.33	34.19%	$202,547.72
GENERAL SERVICE >50 KW TIME OF USE	108,595	-	6	$247,020.83	4.09%	$ 24,234.93
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	368,107	-	3	$639,490.20	10.59%	$ 62,739.65
SENTINEL LIGHTS	107	-	23	$585.57	0.01%	$ 57.45
STREET LIGHTING CLASS	22,664	-	9,708	$100,481.07	1.66%	$ 9,858.08
		467.350				
TOTALS				$6,038,588.65	1.00	592,439.00
						$592,439.00

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.500	0.500	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	$ 139,854.22	$ 139,854.22	$ 279,708.43
(B) RETAIL KWH	453,981,043		
(C) NUMBER OF CUSTOMERS		42,208	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.000308		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.2761	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.810	0.190	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G27 above)	$ 10,767.12	$ 2,525.62	$ 13,292.74
(B) RETAIL KWH	117,612,583		
(C) NUMBER OF CUSTOMERS		3,700	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.000092		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.0569	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.900	0.100	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G28 above)	$ 182,292.95	$ 20,254.77	$ 202,547.72
(B) RETAIL KW	906,171		
(C) NUMBER OF CUSTOMERS		645	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.201168		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$2.6169	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.750	0.250	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 above)	$ 18,176.20	$ 6,058.73	$ 24,234.93
(B) RETAIL KW	108,595		
(C) NUMBER OF CUSTOMERS		6	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.167376		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$84.1491	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G30 above)	$ -	$ -	$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.700	0.300	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G31 above)	$ 43,917.75	$ 18,821.89	$ 62,739.65
(B) RETAIL KW	368,107		
(C) NUMBER OF CUSTOMERS		3	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.119307		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$522.8304	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.700	0.300	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	$ 40.21	$ 17.23	$ 57.45
(B) RETAIL KW	107		
(C) NUMBER OF CUSTOMERS		23	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.376120		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.0624	

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.700	0.300	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above)	$ 6,900.66	$ 2,957.42	$ 9,858.08
(B) RETAIL KW	22,664		
(C) NUMBER OF CUSTOMERS (Connections)		9,708	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.304477		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.0254	

SHEET 7 - 2002 Rate Schedule including 2001PILs Deferral Account Estimate Adder

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR and 2001PILs Deferral Account Estimate Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.00754
MONTHLY SERVICE CHARGE (Per Customer)	$6.68594
COST OF POWER KWH RATE	$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00754			
MONTHLY SERVICE CHARGE (Per Customer)	$6.68594			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01335
MONTHLY SERVICE CHARGE (Per Customer)	$7.57951
COST OF POWER KWH RATE	$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01335			
MONTHLY SERVICE CHARGE (Per Customer)	$7.57951			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.81841
MONTHLY SERVICE CHARGE (Per Customer)	$38.40677
COST OF POWER KW RATE	$3.250000
COST OF POWER KWH RATE	$0.064300

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE $3.32255

MONTHLY SERVICE CHARGE (Per Customer) $1,765.33888

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$8.3748	$6.2689	$0.0708	$0.0423	$0.0598	$0.0313

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE #DIV/0!

MONTHLY SERVICE CHARGE (Per Customer) #DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000

LARGE USE

DISTRIBUTION KW RATE $2.11464

MONTHLY SERVICE CHARGE (Per Customer) $9,920.54350

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$10.6161	$7.9466	$0.0689	$0.0412	$0.0582	$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE $4.79695

MONTHLY SERVICE CHARGE (Per Connection) $1.64593

COST OF POWER KW RATE $23.4224

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE $0.37612

MONTHLY SERVICE CHARGE (Per Connection) $0.28111

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE $5.39675

MONTHLY SERVICE CHARGE (Per Connection) $0.43929

COST OF POWER KW RATE $23.0882

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE $1.01202

MONTHLY SERVICE CHARGE (Per Connection) $0.08325

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the calculated value for the 2002 PILs Proxy Estimate. Use the methodolgy released by the Board on December 21, 2001.

Enter the Estimated Value for the 2002 PILs Proxy $ 2,123,753.00

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2002 PILs Proxy Estimate amount and to create the adders in each class. Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

When this data was added on Sheet 6, it will also appear in the table below.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 PILs Estimate Allocations
RESIDENTIAL CLASS	-	453,981,043	42,208	$2,851,000.95	47.21%	$ 1,002,688.24
GENERAL SERVICE <50 KW CLASS	-	117,612,583	3,700	$135,489.70	2.24%	$ 47,651.31
GENERAL SERVICE >50 KW NON TIME OF USE	906,171	-	645	$2,064,520.33	34.19%	$ 726,085.43
GENERAL SERVICE >50 KW TIME OF USE	108,595	-	6	$247,020.83	4.09%	$ 86,876.46
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	368,107	-	3	$639,490.20	10.59%	$ 224,906.73
SENTINEL LIGHTS	107	-	23	$585.57	0.01%	$ 205.94
STREET LIGHTING CLASS	22,664	-	9,708	$100,481.07	1.66%	$ 35,338.88
TOTALS				$6,038,588.65	1.00	2,123,753.00
						$ 2,123,753.00

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.500	0.500	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	$ 501,344.12	$ 501,344.12	$ 1,002,688.24
(B) RETAIL KWH	453,981,043		
(C) NUMBER OF CUSTOMERS		42,208	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.001104		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.9898	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.810	0.190	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	$ 38,597.56	$ 9,053.75	$ 47,651.31
(B) RETAIL KWH	117,612,583		
(C) NUMBER OF CUSTOMERS		3,700	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.000328		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.2039	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.900	0.100	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	$ 653,476.89	$ 72,608.54	$ 726,085.43
(B) RETAIL KW	906,171		
(C) NUMBER OF CUSTOMERS		645	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.721141		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$9.3809	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.750	0.250	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 above)	$ 65,157.35	$ 21,719.12	$ 86,876.46
(B) RETAIL KW	108,595		
(C) NUMBER OF CUSTOMERS		6	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.600003		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$301.6544	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.000	1.000	100%
(A) ALLOCATED 2002 PILs (Total in Cell G30 above)	$ -	$ -	$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.700	0.300	100%
(A) ALLOCATED 2002 PILs (Total in Cell G31 above)	$ 157,434.71	$ 67,472.02	$ 224,906.73
(B) RETAIL KW	368,107		
(C) NUMBER OF CUSTOMERS		3	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.427687		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$1,874.2228	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.700	0.300	100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	$ 144.16	$ 61.78	$ 205.94
(B) RETAIL KW	107		
(C) NUMBER OF CUSTOMERS		23	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$1.348300		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.2239	

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.700	0.300	100%
(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	$ 24,737.22	$ 10,601.66	$ 35,338.88
(B) RETAIL KW	22,664		
(C) NUMBER OF CUSTOMERS (Connections)		9,708	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$1.091476		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.0910	

SHEET 9 - 2002 Rate Schedule including 2001 and 2002 PILs Estimate Adders

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, and the 2002 PILs Estimate Adder. If you are not applying to recover any Z-factors or transistion costs for March 1, 2002, this becomes your final 2002 Rate Schedule and will appear at Sheet 16.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.00865
MONTHLY SERVICE CHARGE (Per Customer)	$7.67576
COST OF POWER KWH RATE	$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00865			
MONTHLY SERVICE CHARGE (Per Customer)	$7.67576			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01368
MONTHLY SERVICE CHARGE (Per Customer)	$7.78342
COST OF POWER KWH RATE	$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01368			
MONTHLY SERVICE CHARGE (Per Customer)	$7.78342			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.53955
MONTHLY SERVICE CHARGE (Per Customer)	$47.78772
COST OF POWER KW RATE	$3.250000
COST OF POWER KWH RATE	$0.064300

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$3.92255
MONTHLY SERVICE CHARGE (Per Customer)	$2,066.99327

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$8.3748	$6.2689	$0.0708	$0.0423	$0.0598	$0.0313

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000

LARGE USE

DISTRIBUTION KW RATE	$2.54233
MONTHLY SERVICE CHARGE (Per Customer)	$11,794.76627

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$10.6161	$7.9466	$0.0689	$0.0412	$0.0582	$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.14525
MONTHLY SERVICE CHARGE (Per Connection)	$1.86978
COST OF POWER KW RATE	$23.4224

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$1.72442
MONTHLY SERVICE CHARGE (Per Connection)	$0.50496

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.48823
MONTHLY SERVICE CHARGE (Per Connection)	$0.53029
COST OF POWER KW RATE	$23.0882

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.10349
MONTHLY SERVICE CHARGE (Per Connection)	$0.17425

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

SHEET 10 - Bill Impact Analysis for 2002 Rate Schedule after 2001 and 2002 PILs Adjustments

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule shows the bill impacts using the 2002 Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs deferral account estimate and the 2002 PILs estimate.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Bill (including IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)

RESIDENTIAL CLASS

NON-TIME OF USE

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
ENTER DESIRED CONSUMPTION LEVEL	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION KWH	100	0.0063	$	0.63	DISTRIBUTION KWH	100	0.00865	$ 0.86		
COST OF POWER KWH	100	0.0758	$	7.58	COST OF POWER KWH	100	0.0758	$ 7.58		
CURRENT 2001 BILL			$	13.79	Adjusted 2002 BILL			$ 16.12	$ 2.33	16.9%
MONTHLY CONSUMPTION OF	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION KWH	250	0.0063	$	1.58	DISTRIBUTION KWH	250	0.00865	$ 2.16		
COST OF POWER KWH	250	0.0758	$	18.95	COST OF POWER KWH	250	0.0758	$ 18.95		
CURRENT 2001 BILL			$	26.11	Adjusted 2002 BILL			$ 28.79	$ 2.68	10.3%
MONTHLY CONSUMPTION OF	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION KWH	500	0.0063	$	3.15	DISTRIBUTION KWH	500	0.00865	$ 4.32		
COST OF POWER KWH	500	0.0758	$	37.90	COST OF POWER KWH	500	0.0758	$ 37.90		
CURRENT 2001 BILL			$	46.63	Adjusted 2002 BILL			$ 49.90	$ 3.27	7.0%
MONTHLY CONSUMPTION OF	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION KWH	750	0.0063	$	4.73	DISTRIBUTION KWH	750	0.00865	$ 6.48		
COST OF POWER KWH	750	0.0758	$	56.85	COST OF POWER KWH	750	0.0758	$ 56.85		
CURRENT 2001 BILL			$	67.16	Adjusted 2002 BILL			$ 71.01	$ 3.85	5.7%
MONTHLY CONSUMPTION OF	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION KWH	1000	0.0063	$	6.30	DISTRIBUTION KWH	1000	0.00865	$ 8.65		
COST OF POWER KWH	1000	0.0758	$	75.80	COST OF POWER KWH	1000	0.0758	$ 75.80		
CURRENT 2001 BILL			$	87.68	Adjusted 2002 BILL			$ 92.12	$ 4.44	5.1%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION KWH	1500	0.0063	$ 9.45	DISTRIBUTION KWH	1500	0.00865	$ 12.97		
	COST OF POWER KWH	1500	0.0758	$ 113.70	COST OF POWER KWH	1500	0.0758	$ 113.70		
	CURRENT 2001 BILL			$ 128.73	Adjusted 2002 BILL			$ 134.34	$ 5.61	4.4%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION KWH	2000	0.0063	$ 12.60	DISTRIBUTION KWH	2000	0.00865	$ 17.29		
	COST OF POWER KWH	2000	0.0758	$ 151.60	COST OF POWER KWH	2000	0.0758	$ 151.60		
	CURRENT 2001 BILL			$ 169.78	Adjusted 2002 BILL			$ 176.57	$ 6.79	4.0%

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL | **2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)**

ENTER DESIRED CONSUMPTION LEVEL

1000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION KWH	1000	0.0115	$ 11.50	DISTRIBUTION KWH	1000	0.01368	$ 13.68		
	COST OF POWER KWH	1000	0.0747	$ 74.70	COST OF POWER KWH	1000	0.0747	$ 74.70		
	CURRENT 2001 BILL			$ 92.75	Adjusted 2002 BILL			$ 96.16	$ 3.41	3.7%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION KWH	2000	0.0115	$ 23.00	DISTRIBUTION KWH	2000	0.01368	$ 27.36		
	COST OF POWER KWH	2000	0.0747	$ 149.40	COST OF POWER KWH	2000	0.0747	$ 149.40		
	CURRENT 2001 BILL			$ 178.95	Adjusted 2002 BILL			$ 184.54	$ 5.59	3.1%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION KWH	5000	0.0115	$ 57.50	DISTRIBUTION KWH	5000	0.01368	$ 68.40		
	COST OF POWER KWH	5000	0.0747	$ 373.50	COST OF POWER KWH	5000	0.0747	$ 373.50		
	CURRENT 2001 BILL			$ 437.55	Adjusted 2002 BILL			$ 449.69	$ 12.14	2.8%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION KWH	10000	0.0115	$ 115.00	DISTRIBUTION KWH	10000	0.01368	$ 136.80		
	COST OF POWER KWH	10000	0.0747	$ 747.00	COST OF POWER KWH	10000	0.0747	$ 747.00		
	CURRENT 2001 BILL			$ 868.55	Adjusted 2002 BILL			$ 891.59	$ 23.04	2.7%

MONTHLY CONSUMPTION 20,000 KWh		KWH (enter)	RATE $/KWH		CHARGE $			KWH	RATE $/KWH		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	6.55	MONTHLY SERVICE CHARGE		n/a	n/a	$	7.78		
	DISTRIBUTION KWH	20000	0.0115	$	230.00	DISTRIBUTION KWH		20000	0.01368	$	273.61		
	COST OF POWER KWH	20000	0.0747	$	1,494.00	COST OF POWER KWH		20000	0.0747	$	1,494.00		
	CURRENT 2001 BILL			$	1,730.55	Adjusted 2002 BILL				$	1,775.39	$ 44.84	2.6%

GENERAL SERVICE > 50 KW NON TIME OF USE

CURRENT 2001 BILL | **2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)**

ENTER DESIRED CONSUMPTION LEVEL

		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	0	2.2783	$	-	DISTRIBUTION KW		0	3.53955	$	-		
	COST OF POWER KW	0	3.2500	$	-	COST OF POWER KW		0	3.2500	$	-		
	COST OF POWER **KWH**	0	0.0643	$	-	COST OF POWER **KWH**		0	0.0643	$	-		
	CURRENT 2001 BILL			$	31.16	Adjusted 2002 BILL				$	47.79	$ 16.63	53.4%

MONTHLY CONSUMPTION 100kW, 30,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	100	2.2783	$	227.83	DISTRIBUTION KW		100	3.53955	$	353.96		
	COST OF POWER KW	100	3.2500	$	325.00	COST OF POWER KW		100	3.2500	$	325.00		
	COST OF POWER **KWH**	30,000	0.0643	$	1,929.00	COST OF POWER **KWH**		30,000	0.0643	$	1,929.00		
	CURRENT 2001 BILL			$	2,512.99	Adjusted 2002 BILL				$	2,655.74	$ 142.75	5.7%

MONTHLY CONSUMPTION 100kW, 40,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	100	2.2783	$	227.83	DISTRIBUTION KW		100	3.53955	$	353.96		
	COST OF POWER KW	100	3.2500	$	325.00	COST OF POWER KW		100	3.2500	$	325.00		
	COST OF POWER **KWH**	40,000	0.0643	$	2,572.00	COST OF POWER **KWH**		40,000	0.0643	$	2,572.00		
	CURRENT 2001 BILL			$	3,155.99	Adjusted 2002 BILL				$	3,298.74	$ 142.75	4.5%

MONTHLY CONSUMPTION 500kW, 100,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	500	2.2783	$	1,139.15	DISTRIBUTION KW		500	3.53955	$	1,769.78		
	COST OF POWER KW	500	3.2500	$	1,625.00	COST OF POWER KW		500	3.2500	$	1,625.00		
	COST OF POWER **KWH**	100,000	0.0643	$	6,430.00	COST OF POWER **KWH**		100,000	0.0643	$	6,430.00		
	CURRENT 2001 BILL			$	9,225.31	Adjusted 2002 BILL				$	9,872.56	$ 647.25	7.0%

MONTHLY CONSUMPTION 500kW, 250,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	500	2.2783	$	1,139.15	DISTRIBUTION KW		500	3.53955	$	1,769.78		
	COST OF POWER KW	500	3.2500	$	1,625.00	COST OF POWER KW		500	3.2500	$	1,625.00		
	COST OF POWER **KWH**	250,000	0.0643	$	16,075.00	COST OF POWER **KWH**		250,000	0.0643	$	16,075.00		
	CURRENT 2001 BILL			$	18,870.31	Adjusted 2002 BILL				$	19,517.56	$ 647.25	3.4%

MONTHLY CONSUMPTION 1000kW, 400,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	1000	2.2783	$ 2,278.30	DISTRIBUTION KW	1000	3.53955	$ 3,539.55		
	COST OF POWER KW	1000	3.2500	$ 3,250.00	COST OF POWER KW	1000	3.2500	$ 3,250.00		
	COST OF POWER **KWH**	400,000	0.0643	$ 25,720.00	COST OF POWER **KWH**	400,000	0.0643	$ 25,720.00		
	CURRENT 2001 BILL			$ 31,279.46	Adjusted 2002 BILL			$ 32,557.34	$ 1,277.88	4.1%

MONTHLY CONSUMPTION 1000kW, 500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	1000	2.2783	$ 2,278.30	DISTRIBUTION KW	1000	3.53955	$ 3,539.55		
	COST OF POWER KW	1000	3.2500	$ 3,250.00	COST OF POWER KW	1000	3.2500	$ 3,250.00		
	COST OF POWER **KWH**	500,000	0.0643	$ 32,150.00	COST OF POWER **KWH**	500,000	0.0643	$ 32,150.00		
	CURRENT 2001 BILL			$ 37,709.46	Adjusted 2002 BILL			$ 38,987.34	$ 1,277.88	3.4%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	3000	2.2783	$ 6,834.90	DISTRIBUTION KW	3000	3.53955	$ 10,618.66		
	COST OF POWER KW	3000	3.2500	$ 9,750.00	COST OF POWER KW	3000	3.2500	$ 9,750.00		
	COST OF POWER **KWH**	#######	0.0643	$ 64,300.00	COST OF POWER **KWH**	#######	0.0643	$ 64,300.00		
	CURRENT 2001 BILL			$ 80,916.06	Adjusted 2002 BILL			$ 84,716.44	$ 3,800.38	4.7%

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	3000	2.2783	$ 6,834.90	DISTRIBUTION KW	3000	3.53955	$ 10,618.66		
	COST OF POWER KW	3000	3.2500	$ 9,750.00	COST OF POWER KW	3000	3.2500	$ 9,750.00		
	COST OF POWER **KWH**	#######	0.0643	$ 96,450.00	COST OF POWER **KWH**	#######	0.0643	$ 96,450.00		
	CURRENT 2001 BILL			$ 113,066.06	Adjusted 2002 BILL			$ 116,866.44	$ 3,800.38	3.4%

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	4000	2.2783	$ 9,113.20	DISTRIBUTION KW	4000	3.53955	$ 14,158.21		
	COST OF POWER KW	4000	3.2500	$ 13,000.00	COST OF POWER KW	4000	3.2500	$ 13,000.00		
	COST OF POWER **KWH**	#######	0.0643	$ 77,160.00	COST OF POWER **KWH**	#######	0.0643	$ 77,160.00		
	CURRENT 2001 BILL			$ 99,304.36	Adjusted 2002 BILL			$ 104,366.00	$ 5,061.64	5.1%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	4000	2.2783	$ 9,113.20	DISTRIBUTION KW	4000	3.53955	$ 14,158.21		
	COST OF POWER KW	4000	3.2500	$ 13,000.00	COST OF POWER KW	4000	3.2500	$ 13,000.00		
	COST OF POWER **KWH**	#######	0.0643	$ 115,740.00	COST OF POWER **KWH**	#######	0.0643	$ 115,740.00		
	CURRENT 2001 BILL			$ 137,884.36	Adjusted 2002 BILL			$ 142,946.00	$ 5,061.64	3.7%

GENERAL SERVICE >50 KW TIME OF USE

	CURRENT 2001 BILL			2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)				
ENTER DESIRED CONSUMPTION LEVELS								
100kW, 40,000kWh	**WINTER**			**WINTER**				
	KW	**RATE $/kW**	**CHARGE $**		**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION				DISTRIBUTION					
kW	100	2.7470	$ 274.70	kW	100	3.9226	$ 392.26		
kW COST OF POWER				kW COST OF POWER					
Demand Charge	100	8.3748	$ 837.48	Demand Charge	100	8.3748	$ 837.48		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	20,000	0.0708	$ 1,416.00	WINTER PEAK	20,000	0.0708	$ 1,416.00		
WINTER OFF PEAK	20,000	0.0423	$ 846.00	WINTER OFF PEAK	20,000	0.0423	$ 846.00		
MONTHLY SERVICE CHARGE			$ 1,463.70	MONTHLY SERVICE CHARGE			$ 2,066.99		
TOTAL			$ 4,837.88	**TOTAL**			$ 5,558.73	$ 720.85	14.9%
	SUMMER			**SUMMER**					
	KW	**RATE $/kW**	**CHARGE $**		**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION				DISTRIBUTION					
kW	100	2.7470	$ 274.70	kW	100	3.9226	$ 392.26		
kW COST OF POWER				kW COST OF POWER					
Demand Charge	100	6.2689	$ 626.89	Demand Charge	100	6.2689	$ 626.89		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	20,000	0.0598	$ 1,196.00	SUMMER PEAK	20,000	0.0598	$ 1,196.00		
SUMMER OFF PEAK	20,000	0.0313	$ 626.00	SUMMER OFF PEAK	20,000	0.0313	$ 626.00		
MONTHLY SERVICE CHARGE			$ 1,463.70	MONTHLY SERVICE CHARGE			$ 2,066.99		
TOTAL			$ 4,187.29	**TOTAL**			$ 4,908.14	$ 720.85	17.2%

GENERAL SERVICE - INTERMEDIATE USE

	CURRENT 2001 BILL			2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)				
ENTER DESIRED CONSUMPTION LEVELS								
4000kW, 1,200,000kWh	**WINTER**			**WINTER**				
	KW	**RATE $/kW**	**CHARGE $**		**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION				DISTRIBUTION					
kW	4000	0.0000	$ -	kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER				kW COST OF POWER					
Demand Charge	4000	0.0000	$ -	Demand Charge	4000	0.0000	$ -		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	600,000	0.0000	$ -	WINTER PEAK	600,000	0.0000	$ -		
WINTER OFF PEAK	600,000	0.0000	$ -	WINTER OFF PEAK	600,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			$ -	MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			$ -	**TOTAL**			#DIV/0!	#DIV/0!	#DIV/0!
	SUMMER			**SUMMER**					
	KW	**RATE $/kW**	**CHARGE $**		**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION				DISTRIBUTION					
kW	4000	0.0000	$ -	kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER				kW COST OF POWER					
Demand Charge	4000	0.0000	$ -	Demand Charge	4000	0.0000	$ -		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	600,000	0.0000	$ -	SUMMER PEAK	600,000	0.0000	$ -		
SUMMER OFF PEAK	600,000	0.0000	$ -	SUMMER OFF PEAK	600,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			$ -	MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			$ -	**TOTAL**			#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

	CURRENT 2001 BILL			2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)				
ENTER DESIRED CONSUMPTION LEVELS								
6000kW, 3,000,000kWh	**WINTER**			**WINTER**				
	KW	**RATE $/kW**	**CHARGE $**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION kW	6000	1.7372	$ 10,423.20	DISTRIBUTION kW	6000	2.5423	$ 15,253.98		
kW COST OF POWER Demand Charge	6000	10.6161	$ 63,696.60	kW COST OF POWER Demand Charge	6000	10.6161	$ 63,696.60		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	#######	0.0689	$ 103,350.00	WINTER PEAK	#######	0.0689	$ 103,350.00		
WINTER OFF PEAK	#######	0.0412	$ 61,800.00	WINTER OFF PEAK	1,500,000	0.0412	$ 61,800.00		
MONTHLY SERVICE CHARGE			$ 8,181.96	MONTHLY SERVICE CHARGE			$ 11,794.77		
TOTAL			$ 247,451.76	**TOTAL**			$ 255,895.35	$ 8,443.59	3.4%
	SUMMER			**SUMMER**				
	KW	**RATE $/kW**	**CHARGE $**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION kW	6000	1.7372	$ 10,423.20	DISTRIBUTION kW	6000	2.5423	$ 15,253.98		
kW COST OF POWER Demand Charge	6000	7.9466	$ 47,679.60	kW COST OF POWER Demand Charge	6000	7.9466	$ 47,679.60		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	#######	0.0582	$ 87,300.00	SUMMER PEAK	#######	0.0582	$ 87,300.00		
SUMMER OFF PEAK	#######	0.0306	$ 45,900.00	SUMMER OFF PEAK	1,500,000	0.0306	$ 45,900.00		
MONTHLY SERVICE CHARGE			$ 8,181.96	MONTHLY SERVICE CHARGE			$ 11,794.77		
TOTAL			$ 199,484.76	**TOTAL**			$ 207,928.35	$ 8,443.59	4.2%

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for a Z-Factor.
The amount is allocated to the classes in the same manner as the PILs amount added on Sheet 6 and is recovered as a rate adder.

Enter the applied for Value for the Z-factor: rounded from

The Table below uses the 2001 statistics for your LDC to allocate the Z-Factor amount.
The share of class distribution revenue in 2001 is used to allocate this amount to the rate classes.

When this data was added on Sheet 6, it will also appear in the table below.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Z-Factor for Recovery
RESIDENTIAL CLASS	-	453,981,043	42,208	$2,851,000.95	47.21%	$ -
GENERAL SERVICE <50 KW CLASS	-	117,612,583	3,700	$135,489.70	2.24%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	906,171	-	645	$2,064,520.33	34.19%	$ -
GENERAL SERVICE >50 KW TIME OF USE	108,595	-	6	$247,020.83	4.09%	$ -
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	368,107	-	3	$639,490.20	10.59%	$ -
SENTINEL LIGHTS	107	-	23	$1,091.00	0.02%	$ -
STREET LIGHTING CLASS	22,664	-	9,708	$100,481.07	1.66%	$ -
TOTALS				$6,039,094.08	1.00	-
						$ -

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
	Percentage	Percentage	
	0.500	0.500	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	$ -	$ -	$ -
(B) RETAIL KWH	453,981,043		
(C) NUMBER OF CUSTOMERS		42,208	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.810	0.190	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	$ -	$ -	$ -
(B) RETAIL KWH	117,612,583		
(C) NUMBER OF CUSTOMERS		3,700	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.900	0.100	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	$ -	$ -	$ -
(B) RETAIL KW	906,171		
(C) NUMBER OF CUSTOMERS		645	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.750	0.250	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above)	$ -	$ -	$ -
(B) RETAIL KW	108,595		
(C) NUMBER OF CUSTOMERS		6	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.000	1.000	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G30 above)	$ -	$ -	$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.700	0.300	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G31 above)	$ -	$ -	$ -
(B) RETAIL KW	368,107		
(C) NUMBER OF CUSTOMERS		3	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.700	0.300	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above)	$ -	$ -	$ -
(B) RETAIL KW	107		
(C) NUMBER OF CUSTOMERS		23	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.700	0.300	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	$ -	$ -	$ -
(B) RETAIL KW	22,664		
(C) NUMBER OF CUSTOMERS (Connections)		9,708	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

SHEET 12 - 2002 Rate Schedule including 2001/2002 PILs Estimate and Z-Factor Adders

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	37281		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Proxy Estimate Adder, and the Z-Factor Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.00865
MONTHLY SERVICE CHARGE (Per Customer)	$7.67576
COST OF POWER KWH RATE	$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00865
MONTHLY SERVICE CHARGE (Per Customer)	$7.67576

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01368
MONTHLY SERVICE CHARGE (Per Customer)	$7.78342
COST OF POWER KWH RATE	$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01368
MONTHLY SERVICE CHARGE (Per Customer)	$7.78342

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.53955
MONTHLY SERVICE CHARGE (Per Customer)	$47.78772
COST OF POWER KW RATE	$3.250000
COST OF POWER KWH RATE	$0.064300

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$3.92255
MONTHLY SERVICE CHARGE (Per Customer)	$2,066.99327

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$8.3748	$6.2689	$0.0708	$0.0423	$0.0598	$0.0313

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000

LARGE USE

DISTRIBUTION KW RATE	$2.54233
MONTHLY SERVICE CHARGE (Per Customer)	$11,794.76627

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$10.6161	$7.9466	$0.0689	$0.0412	$0.0582	$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.14525
MONTHLY SERVICE CHARGE (Per Connection)	$1.86978
COST OF POWER KW RATE	$23.4224

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$1.72442
MONTHLY SERVICE CHARGE (Per Connection)	$0.50496

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.48823
MONTHLY SERVICE CHARGE (Per Connection)	$0.53029
COST OF POWER KW RATE	$23.0882

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.10349
MONTHLY SERVICE CHARGE (Per Connection)	$0.17425

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule allows LDCs to input the Applied for Value for Transition Costs by the 10 cost categories shown in Article 480 of the APH Handbook.
These categories are:

1 Billing Activities
2 Customer Education Services
3 Wholesale Market Requirements
4 IMO Requirements
5 Retailer/Customer Requirements
6 Staff Adjustmen
7 Regulatory Cost
8 Taxes
9 Regulatory Requ
10 Other

Enter the Amounts to be Applied under each category. The model will allocate the cost under each category to a rate class based on 2001 Distribution Revenue as show
If the Utility would like to allocate the costs on a different basis, allocations can be adjusted manually.

Enter the applied for Total Value for Transition Costs: $ -

Transition Cost Category	1	Allocation	2	Allocation	3	Allocation
Total	$ -		$ -		$ -	
RESIDENTIAL CLASS	$ -	47.21%	$ -	47.21%	$ -	47.21%
GENERAL SERVICE <50 KW CLASS	$ -	2.24%	$ -	2.24%	$ -	2.24%
GENERAL SERVICE >50 KW NON TIME OF USE	$ -	34.19%	$ -	34.19%	$ -	34.19%
GENERAL SERVICE >50 KW TIME OF USE	$ -	4.09%	$ -	4.09%	$ -	4.09%
INTERMEDIATE USE	$ -	0.00%	$ -	0.00%	$ -	0.00%
LARGE USER CLASS	$ -	10.59%	$ -	10.59%	$ -	10.59%
SENTINEL LIGHTS	$ -	1.66%	$ -	1.66%	$ -	1.66%
STREET LIGHTING CLASS	$ -	0.01%	$ -	0.01%	$ -	0.01%
TOTALS		100.00%		100.00%		100.00%

2001 Statistics by Class	**kW**	**kWh**	**Number of Customers**	**Distribution Revenues**	**2001 Revenue Shares**	**2002 Transition Costs for Recovery**
RESIDENTIAL CLASS	-	453,981,043	42,208	$2,851,000.95	47.21%	$ -
GENERAL SERVICE <50 KW CLASS	-	117,612,583	3,700	$135,489.70	2.24%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	906,171	-	645	$2,064,520.33	34.19%	$ -
GENERAL SERVICE >50 KW TIME OF USE	108,595	-	6	$247,020.83	4.09%	$ -
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	368,107	-	3	$639,490.20	10.59%	$ -
SENTINEL LIGHTS	107	-	23	$585.57	1.66%	$ -
STREET LIGHTING CLASS	22,664	-	9,708	$100,481.07	0.01%	$ -
TOTALS				$6,038,588.65	1.00	-
						$ -

Residential Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.500	0.500	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)	$ -	$ -	$ -
(B) RETAIL KWH	453,981,043		
(C) NUMBER OF CUSTOMERS		42,208	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

General Service <50kW Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.810	0.190	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	$ -	$ -	$ -
(B) RETAIL KWH	117,612,583		
(C) NUMBER OF CUSTOMERS		3,700	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

General Service >50kW Class Non TOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.900	0.100	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	$ -	$ -	$ -
(B) RETAIL KW	906,171		
(C) NUMBER OF CUSTOMERS		645	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

General Service >50kW ClassTOU

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.750	0.250	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G45 above)	$ -	$ -	$ -
(B) RETAIL KW	108,595		
(C) NUMBER OF CUSTOMERS		6	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

Intermediate Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery

		Percentage	Percentage	
		0.000	1.000	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G46 above)		$ -	$ -	$ -
(B) RETAIL KW		0		
(C) NUMBER OF CUSTOMERS			-	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	#DIV/0!			
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)			#DIV/0!	

Large User Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

		VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
		0.700	0.300	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G47 above)		$ -	$ -	$ -
(B) RETAIL KW		368,107		
(C) NUMBER OF CUSTOMERS			3	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000			
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)			$0.0000	

Sentinel Lighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

		VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
		0.700	0.300	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G48 above)		$ -	$ -	$ -
(B) RETAIL KW		107		
(C) NUMBER OF CUSTOMERS			23	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000			
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)			$0.0000	

Streetlighting Class

When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.700	0.300	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above)	$ -	$ -	$ -
(B) RETAIL KW	22,664		
(C) NUMBER OF CUSTOMERS (Connections)		9,708	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

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n in the 2001 Statistics Table below.

4	Allocation	5	Allocation	6	Allocation	7	Allocation	8	Allocation	9	Allocation	10	Allocation		Total
$ -		$ -		$ -		$ -		$ -		$ -		$ -			$ -
$ -	47.21%	$ -	47.21%	$ -	47.21%	$ -	47.21%	$ -	47.21%	$ -	47.21%	$ -	47.21%		$ -
$ -	2.24%	$ -	2.24%	$ -	2.24%	$ -	2.24%	$ -	2.24%	$ -	2.24%	$ -	2.24%		$ -
$ -	34.19%	$ -	34.19%	$ -	34.19%	$ -	34.19%	$ -	34.19%	$ -	34.19%	$ -	34.19%		$ -
$ -	4.09%	$ -	4.09%	$ -	4.09%	$ -	4.09%	$ -	4.09%	$ -	4.09%	$ -	4.09%		$ -
$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%		$ -
$ -	10.59%	$ -	10.59%	$ -	10.59%	$ -	10.59%	$ -	10.59%	$ -	10.59%	$ -	10.59%		$ -
$ -	1.66%	$ -	1.66%	$ -	1.66%	$ -	1.66%	$ -	1.66%	$ -	1.66%	$ -	1.66%		$ -
$ -	0.01%	$ -	0.01%	$ -	0.01%	$ -	0.01%	$ -	0.01%	$ -	0.01%	$ -	0.01%		$ -
	100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		
															$ -

SHEET 14 - 2002 Rate Schedule including 2001/2002 PILs Estimate, Z-Factor & Transition Cost Adders

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Estimate Adder, the Z-Factor Adder and the Transition Cost Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0086
MONTHLY SERVICE CHARGE (Per Customer)	$7.6758
COST OF POWER KWH RATE	$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0086
MONTHLY SERVICE CHARGE (Per Customer)	$7.6758

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0137
MONTHLY SERVICE CHARGE (Per Customer)	$7.7834
COST OF POWER KWH RATE	$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0137
MONTHLY SERVICE CHARGE (Per Customer)	$7.7834

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.5396
MONTHLY SERVICE CHARGE (Per Customer)	$47.7877
COST OF POWER KW RATE	$3.250000
COST OF POWER KWH RATE	$0.064300

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$3.9226
MONTHLY SERVICE CHARGE (Per Customer)	$2,066.9933

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$8.3748	$6.2689	$0.0708	$0.0423	$0.0598	$0.0313

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	#DIV/0!

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000	$0.0000

LARGE USE

DISTRIBUTION KW RATE	$2.5423
MONTHLY SERVICE CHARGE (Per Customer)	$11,794.7663

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$10.6161	$7.9466	$0.0689	$0.0412	$0.0582	$0.0306

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.1452
MONTHLY SERVICE CHARGE (Per Connection)	$1.8698
COST OF POWER KW RATE	$23.4224

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$1.7244
MONTHLY SERVICE CHARGE (Per Connection)	$0.5050

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.4882
MONTHLY SERVICE CHARGE (Per Connection)	$0.5303
COST OF POWER KW RATE	$23.0882

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.1035
MONTHLY SERVICE CHARGE (Per Connection)	$0.1743

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$0.0000	$0.0000

SHEET 15 - Bill Impact Analysis for 2002 Rate Schedule after 2001 & 2002 PILs Adjustments, Z-Factor & Transition Costs

NAME OF UTILITY	Oshawa PUC Inc.	**LICENCE NUMBER**	ED-1999-0000
NAME OF CONTACT	Christine Dade	**PHONE NUMBER**	905-723-4623 Ext 311
E- Mail Address	cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	25-Jan-02		

This schedule shows the bill impacts using the 2002 Rate Schedule which includes the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR, the 2001 PILs deferral account estimate, the 2002 PILs estimate and the impact of the addition of Z-Factor and Transition Cost amounts.

BILL IMPACT ANALYSIS: Current Bill vs. 2002 Bill (including IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs, Z-Factor and Transition Costs)

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)					
100 kWh	**KWH (enter)**	**RATE $/KWH**	**CHARGE $**		**KWH**	**RATE $/KWH**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**	
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	7.68		
DISTRIBUTION KWH	100	0.0063	$	0.63	100	0.00865	$	0.86		
COST OF POWER KWH	100	0.0758	$	7.58	100	0.0758	$	7.58		
CURRENT 2001 BILL			$	13.79	Adjusted 2002 BILL		$	16.12	$ 2.33	16.9%
MONTHLY CONSUMPTION OF 250 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	7.68		
DISTRIBUTION KWH	250	0.0063	$	1.58	250	0.00865	$	2.16		
COST OF POWER KWH	250	0.0758	$	18.95	250	0.0758	$	18.95		
CURRENT 2001 BILL			$	26.11	Adjusted 2002 BILL		$	28.79	$ 2.68	10.3%
MONTHLY CONSUMPTION OF 500 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	7.68		
DISTRIBUTION KWH	500	0.0063	$	3.15	500	0.00865	$	4.32		
COST OF POWER KWH	500	0.0758	$	37.90	500	0.0758	$	37.90		
CURRENT 2001 BILL			$	46.63	Adjusted 2002 BILL		$	49.90	$ 3.27	7.0%
MONTHLY CONSUMPTION OF 750 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	7.68		
DISTRIBUTION KWH	750	0.0063	$	4.73	750	0.00865	$	6.48		
COST OF POWER KWH	750	0.0758	$	56.85	750	0.0758	$	56.85		
CURRENT 2001 BILL			$	67.16	Adjusted 2002 BILL		$	71.01	$ 3.85	5.7%
MONTHLY CONSUMPTION OF 1000 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	5.58	n/a	n/a	$	7.68		
DISTRIBUTION KWH	1000	0.0063	$	6.30	1000	0.00865	$	8.65		
COST OF POWER KWH	1000	0.0758	$	75.80	1000	0.0758	$	75.80		
CURRENT 2001 BILL			$	87.68	Adjusted 2002 BILL		$	92.12	$ 4.44	5.1%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION KWH	1500	0.0063	$ 9.45	DISTRIBUTION KWH	1500	0.00865	$ 12.97		
	COST OF POWER KWH	1500	0.0758	$ 113.70	COST OF POWER KWH	1500	0.0758	$ 113.70		
	CURRENT 2001 BILL			$ 128.73	Adjusted 2002 BILL			$ 134.34	$ 5.61	4.4%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 5.58	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION KWH	2000	0.0063	$ 12.60	DISTRIBUTION KWH	2000	0.00865	$ 17.29		
	COST OF POWER KWH	2000	0.0758	$ 151.60	COST OF POWER KWH	2000	0.0758	$ 151.60		
	CURRENT 2001 BILL			$ 169.78	Adjusted 2002 BILL			$ 176.57	$ 6.79	4.0%

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL | **2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)**

ENTER DESIRED CONSUMPTION LEVEL

1000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION KWH	1000	0.0115	$ 11.50	DISTRIBUTION KWH	1000	0.01368	$ 13.68		
	COST OF POWER KWH	1000	0.0747	$ 74.70	COST OF POWER KWH	1000	0.0747	$ 74.70		
	CURRENT 2001 BILL			$ 92.75	Adjusted 2002 BILL			$ 96.16	$ 3.41	3.7%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION KWH	2000	0.0115	$ 23.00	DISTRIBUTION KWH	2000	0.01368	$ 27.36		
	COST OF POWER KWH	2000	0.0747	$ 149.40	COST OF POWER KWH	2000	0.0747	$ 149.40		
	CURRENT 2001 BILL			$ 178.95	Adjusted 2002 BILL			$ 184.54	$ 5.59	3.1%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION KWH	5000	0.0115	$ 57.50	DISTRIBUTION KWH	5000	0.01368	$ 68.40		
	COST OF POWER KWH	5000	0.0747	$ 373.50	COST OF POWER KWH	5000	0.0747	$ 373.50		
	CURRENT 2001 BILL			$ 437.55	Adjusted 2002 BILL			$ 449.69	$ 12.14	2.8%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 6.55	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION KWH	10000	0.0115	$ 115.00	DISTRIBUTION KWH	10000	0.01368	$ 136.80		
	COST OF POWER KWH	10000	0.0747	$ 747.00	COST OF POWER KWH	10000	0.0747	$ 747.00		
	CURRENT 2001 BILL			$ 868.55	Adjusted 2002 BILL			$ 891.59	$ 23.04	2.7%

MONTHLY CONSUMPTION 20,000 KWh		KWH (enter)	RATE $/KWH		CHARGE $			KWH	RATE $/KWH		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	6.55	MONTHLY SERVICE CHARGE		n/a	n/a	$	7.78		
	DISTRIBUTION KWH	20000	0.0115	$	230.00	DISTRIBUTION KWH		20000	0.01368	$	273.61		
	COST OF POWER KWH	20000	0.0747	$	1,494.00	COST OF POWER KWH		20000	0.0747	$	1,494.00		
	CURRENT 2001 BILL			$	1,730.55	Adjusted 2002 BILL				$	1,775.39	$ 44.84	2.6%

GENERAL SERVICE > 50 KW NON TIME OF USE

	CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)							
ENTER DESIRED CONSUMPTION LEVEL		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	0	2.2783	$	-	DISTRIBUTION KW		0	3.53955	$	-		
	COST OF POWER KW	0	3.2500	$	-	COST OF POWER KW		0	3.2500	$	-		
	COST OF POWER **KWH**	0	0.0643	$	-	COST OF POWER **KWH**		0	0.0643	$	-		
	CURRENT 2001 BILL			$	31.16	Adjusted 2002 BILL				$	47.79	$ 16.63	53.4%

MONTHLY CONSUMPTION 100kW, 30,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	100	2.2783	$	227.83	DISTRIBUTION KW		100	3.53955	$	353.96		
	COST OF POWER KW	100	3.2500	$	325.00	COST OF POWER KW		100	3.2500	$	325.00		
	COST OF POWER **KWH**	30,000	0.0643	$	1,929.00	COST OF POWER **KWH**		30,000	0.0643	$	1,929.00		
	CURRENT 2001 BILL			$	2,512.99	Adjusted 2002 BILL				$	2,655.74	$ 142.75	5.7%

MONTHLY CONSUMPTION 100kW, 40,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	100	2.2783	$	227.83	DISTRIBUTION KW		100	3.53955	$	353.96		
	COST OF POWER KW	100	3.2500	$	325.00	COST OF POWER KW		100	3.2500	$	325.00		
	COST OF POWER **KWH**	40,000	0.0643	$	2,572.00	COST OF POWER **KWH**		40,000	0.0643	$	2,572.00		
	CURRENT 2001 BILL			$	3,155.99	Adjusted 2002 BILL				$	3,298.74	$ 142.75	4.5%

MONTHLY CONSUMPTION 500kW, 100,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	500	2.2783	$	1,139.15	DISTRIBUTION KW		500	3.53955	$	1,769.78		
	COST OF POWER KW	500	3.2500	$	1,625.00	COST OF POWER KW		500	3.2500	$	1,625.00		
	COST OF POWER **KWH**	100,000	0.0643	$	6,430.00	COST OF POWER **KWH**		100,000	0.0643	$	6,430.00		
	CURRENT 2001 BILL			$	9,225.31	Adjusted 2002 BILL				$	9,872.56	$ 647.25	7.0%

MONTHLY CONSUMPTION 500kW, 250,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	31.16	MONTHLY SERVICE CHARGE		n/a	n/a	$	47.79		
	DISTRIBUTION KW	500	2.2783	$	1,139.15	DISTRIBUTION KW		500	3.53955	$	1,769.78		
	COST OF POWER KW	500	3.2500	$	1,625.00	COST OF POWER KW		500	3.2500	$	1,625.00		
	COST OF POWER **KWH**	250,000	0.0643	$	16,075.00	COST OF POWER **KWH**		250,000	0.0643	$	16,075.00		
	CURRENT 2001 BILL			$	18,870.31	Adjusted 2002 BILL				$	19,517.56	$ 647.25	3.4%

MONTHLY CONSUMPTION 1000kW, 400,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	1000	2.2783	$ 2,278.30	DISTRIBUTION KW	1000	3.53955	$ 3,539.55		
	COST OF POWER KW	1000	3.2500	$ 3,250.00	COST OF POWER KW	1000	3.2500	$ 3,250.00		
	COST OF POWER **KWH**	400,000	0.0643	$ 25,720.00	COST OF POWER **KWH**	400,000	0.0643	$ 25,720.00		
	CURRENT 2001 BILL			$ 31,279.46	Adjusted 2002 BILL			$ 32,557.34	$ 1,277.88	4.1%

MONTHLY CONSUMPTION 1000kW, 500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	1000	2.2783	$ 2,278.30	DISTRIBUTION KW	1000	3.53955	$ 3,539.55		
	COST OF POWER KW	1000	3.2500	$ 3,250.00	COST OF POWER KW	1000	3.2500	$ 3,250.00		
	COST OF POWER **KWH**	500,000	0.0643	$ 32,150.00	COST OF POWER **KWH**	500,000	0.0643	$ 32,150.00		
	CURRENT 2001 BILL			$ 37,709.46	Adjusted 2002 BILL			$ 38,987.34	$ 1,277.88	3.4%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	3000	2.2783	$ 6,834.90	DISTRIBUTION KW	3000	3.53955	$ 10,618.66		
	COST OF POWER KW	3000	3.2500	$ 9,750.00	COST OF POWER KW	3000	3.2500	$ 9,750.00		
	COST OF POWER **KWH**	#######	0.0643	$ 64,300.00	COST OF POWER **KWH**	#######	0.0643	$ 64,300.00		
	CURRENT 2001 BILL			$ 80,916.06	Adjusted 2002 BILL			$ 84,716.44	$ 3,800.38	4.7%

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	3000	2.2783	$ 6,834.90	DISTRIBUTION KW	3000	3.53955	$ 10,618.66		
	COST OF POWER KW	3000	3.2500	$ 9,750.00	COST OF POWER KW	3000	3.2500	$ 9,750.00		
	COST OF POWER **KWH**	#######	0.0643	$ 96,450.00	COST OF POWER **KWH**	#######	0.0643	$ 96,450.00		
	CURRENT 2001 BILL			$ 113,066.06	Adjusted 2002 BILL			$ 116,866.44	$ 3,800.38	3.4%

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	4000	2.2783	$ 9,113.20	DISTRIBUTION KW	4000	3.53955	$ 14,158.21		
	COST OF POWER KW	4000	3.2500	$ 13,000.00	COST OF POWER KW	4000	3.2500	$ 13,000.00		
	COST OF POWER **KWH**	#######	0.0643	$ 77,160.00	COST OF POWER **KWH**	#######	0.0643	$ 77,160.00		
	CURRENT 2001 BILL			$ 99,304.36	Adjusted 2002 BILL			$ 104,366.00	$ 5,061.64	5.1%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 31.16	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION KW	4000	2.2783	$ 9,113.20	DISTRIBUTION KW	4000	3.53955	$ 14,158.21		
	COST OF POWER KW	4000	3.2500	$ 13,000.00	COST OF POWER KW	4000	3.2500	$ 13,000.00		
	COST OF POWER **KWH**	#######	0.0643	$ 115,740.00	COST OF POWER **KWH**	#######	0.0643	$ 115,740.00		
	CURRENT 2001 BILL			$ 137,884.36	Adjusted 2002 BILL			$ 142,946.00	$ 5,061.64	3.7%

GENERAL SERVICE >50 KW TIME OF USE

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

CURRENT 2001 BILL

WINTER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	100	2.7470	$ 274.70
kW COST OF POWER			
Demand Charge	100	8.3748	$ 837.48
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
WINTER PEAK	20,000	0.0708	$ 1,416.00
WINTER OFF PEAK	20,000	0.0423	$ 846.00
MONTHLY SERVICE CHARGE			$ 1,463.70
TOTAL			$ 4,837.88

SUMMER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	100	2.7470	$ 274.70
kW COST OF POWER			
Demand Charge	100	6.2689	$ 626.89
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
SUMMER PEAK	20,000	0.0598	$ 1,196.00
SUMMER OFF PEAK	20,000	0.0313	$ 626.00
MONTHLY SERVICE CHARGE			$ 1,463.70
TOTAL			$ 4,187.29

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

WINTER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	100	3.9226	$ 392.26		
kW COST OF POWER					
Demand Charge	100	8.3748	$ 837.48		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	20,000	0.0708	$ 1,416.00		
WINTER OFF PEAK	20,000	0.0423	$ 846.00		
MONTHLY SERVICE CHARGE			$ 2,066.99		
TOTAL			$ 5,558.73	$ 720.85	14.9%

SUMMER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	100	3.9226	$ 392.26		
kW COST OF POWER					
Demand Charge	100	6.2689	$ 626.89		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	20,000	0.0598	$ 1,196.00		
SUMMER OFF PEAK	20,000	0.0313	$ 626.00		
MONTHLY SERVICE CHARGE			$ 2,066.99		
TOTAL			$ 4,908.14	$ 720.85	17.2%

GENERAL SERVICE - INTERMEDIATE USE

ENTER DESIRED CONSUMPTION LEVELS
4000kW, 1,200,000kWh

CURRENT 2001 BILL

WINTER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	4000	0.0000	$ -
kW COST OF POWER			
Demand Charge	4000	0.0000	$ -
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
WINTER PEAK	600,000	0.0000	$ -
WINTER OFF PEAK	600,000	0.0000	$ -
MONTHLY SERVICE CHARGE			$ -
TOTAL			$ -

SUMMER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	4000	0.0000	$ -
kW COST OF POWER			
Demand Charge	4000	0.0000	$ -
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
SUMMER PEAK	600,000	0.0000	$ -
SUMMER OFF PEAK	600,000	0.0000	$ -
MONTHLY SERVICE CHARGE			$ -
TOTAL			$ -

2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)

WINTER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	$ -		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	600,000	0.0000	$ -		
WINTER OFF PEAK	600,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	$ -		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	600,000	0.0000	$ -		
SUMMER OFF PEAK	600,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

	CURRENT 2001 BILL			2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)				
ENTER DESIRED CONSUMPTION LEVELS								
6000kW, 3,000,000kWh	**WINTER**			**WINTER**				
	KW	**RATE $/kW**	**CHARGE $**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION kW	6000	1.7372	$ 10,423.20	DISTRIBUTION kW	6000	2.5423	$ 15,253.98		
kW COST OF POWER Demand Charge	6000	10.6161	$ 63,696.60	kW COST OF POWER Demand Charge	6000	10.6161	$ 63,696.60		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	#######	0.0689	$ 103,350.00	WINTER PEAK	#######	0.0689	$ 103,350.00		
WINTER OFF PEAK	#######	0.0412	$ 61,800.00	WINTER OFF PEAK	1,500,000	0.0412	$ 61,800.00		
MONTHLY SERVICE CHARGE			$ 8,181.96	MONTHLY SERVICE CHARGE			$ 11,794.77		
TOTAL			$ 247,451.76	**TOTAL**			$ 255,895.35	$ 8,443.59	3.4%
	SUMMER			**SUMMER**				
	KW	**RATE $/kW**	**CHARGE $**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION kW	6000	1.7372	$ 10,423.20	DISTRIBUTION kW	6000	2.5423	$ 15,253.98		
kW COST OF POWER Demand Charge	6000	7.9466	$ 47,679.60	kW COST OF POWER Demand Charge	6000	7.9466	$ 47,679.60		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	#######	0.0582	$ 87,300.00	SUMMER PEAK	#######	0.0582	$ 87,300.00		
SUMMER OFF PEAK	#######	0.0306	$ 45,900.00	SUMMER OFF PEAK	1,500,000	0.0306	$ 45,900.00		
MONTHLY SERVICE CHARGE			$ 8,181.96	MONTHLY SERVICE CHARGE			$ 11,794.77		
TOTAL			$ 199,484.76	**TOTAL**			$ 207,928.35	$ 8,443.59	4.2%

	A	B	C	D	E	F	G	H	I	J
1				**Oshawa PUC Inc.**						
2				Effective March 1, 2002						
3										
4						RP-2002-xxxx				
5						EB-2002-xxxx				
6										
7	**Time Periods for Time of Use** (Eastern Standard Time)									
8	Winter: All Hours, October 1 through March 31									
9	Summer: All Hours, April 1 through September 30									
10	Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays									
11	including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)									
12	Labour Day, Thansgiving Day, Christmas Day and Boxing Day.									
13	Off Peak: All Other Hours.									
14										
15										
16										
17	**RESIDENTIAL**									
18										
19			Monthly Service Charge		(per month)	$7.68				
20			Distribution Volumetric Rate		(per kWh)	$0.0086				
21			Cost of Power Rate		(per kWh)	$0.0758				
22										
23										
24	**RESIDENTIAL (Time of Use)**									
25										
26			Monthly Service Charge		(per month)	$7.68				
27			Distribution Volumetric Rate		(per kWh)	$0.0086				
28										
29			Cost of Power - Winter Peak		(per kWh)	$0.0000				
30			Cost of Power - Winter Off Peak		(per kWh)	$0.0000				
31			Cost of Power - Summer Peak		(per kWh)	$0.0000				
32			Cost of Power - Summer Off Peak		(per kWh)	$0.0000				
33										
34										
35	**GENERAL SERVICE < 50 KW**									
36										
37			Monthly Service Charge		(per month)	$7.78				
38			Distribution Volumetric Rate		(per kWh)	$0.0137				
39			Cost of Power Rate		(per kWh)	$0.0747				
40										
41										
42	**GENERAL SERVICE < 50 KW (Time of Use)**									
43										
44			Monthly Service Charge		(per month)	$7.78				
45			Distribution Volumetric Rate		(per kWh)	$0.0137				
46										
47			Cost of Power - Winter Peak		(per kWh)	$0.0000				
48			Cost of Power - Winter Off Peak		(per kWh)	$0.0000				
49			Cost of Power - Summer Peak		(per kWh)	$0.0000				
50			Cost of Power - Summer Off Peak		(per kWh)	$0.0000				

	A	B	C	D	E	F	G	H	I	J
51										
52										
53										
54										
55	**GENERAL SERVICE > 50 KW (Non Time of Use)**									
56										
57			Monthly Service Charge		(per month)	$47.79				
58			Distribution Volumetric Rate		(per kW)	$3.5396				
59			Cost of Power Demand Rate		(per kW)	$3.2500				
60			Cost of Power Energy Rate		(per kWh)	$0.0643				
61										
62										
63	**GENERAL SERVICE > 50 KW (Time of Use)**									
64										
65			Monthly Service Charge		(per month)	$2,066.99				
66			Distribution Volumetric Rate		(per kW)	$3.9226				
67										
68			Cost of Power - Winter Peak		(per kW)	$8.3748				
69			Cost of Power - Summer Peak		(per kW)	$6.2689				
70										
71			Cost of Power - Winter Peak		(per kWh)	$0.0708				
72			Cost of Power - Winter Off Peak		(per kWh)	$0.0423				
73			Cost of Power - Summer Peak		(per kWh)	$0.0598				
74			Cost of Power - Summer Off Peak		(per kWh)	$0.0313				
75										
76										
77	**GENERAL SERVICE INTERMEDIATE USE**									
78										
79			Monthly Service Charge		(per month)	#DIV/0!				
80			Distribution Volumetric Rate		(per kW)	#DIV/0!				
81										
82			Cost of Power - Winter Peak		(per kW)	$0.0000				
83			Cost of Power - Summer Peak		(per kW)	$0.0000				
84										
85			Cost of Power - Winter Peak		(per kWh)	$0.0000				
86			Cost of Power - Winter Off Peak		(per kWh)	$0.0000				
87			Cost of Power - Summer Peak		(per kWh)	$0.0000				
88			Cost of Power - Summer Off Peak		(per kWh)	$0.0000				
89										
90										
91	**LARGE USE**									
92										
93			Monthly Service Charge		(per month)	$11,794.77				
94			Distribution Volumetric Rate		(per kW)	$2.5423				
95										
96			Cost of Power - Winter Peak		(per kW)	$10.6161				
97			Cost of Power - Summer Peak		(per kW)	$7.9466				
98										
99			Cost of Power - Winter Peak		(per kWh)	$0.0689				
100			Cost of Power - Winter Off Peak		(per kWh)	$0.0412				
101			Cost of Power - Summer Peak		(per kWh)	$0.0582				
102			Cost of Power - Summer Off Peak		(per kWh)	$0.0306				

	A	B	C	D	E	F	G	H	I	J
103										
104										
105										
106										
107										
108	**SENTINEL LIGHTS (Non Time of Use)**									
109										
110			Monthly Service Charge		(per month)	$1.87				
111			Distribution Volumetric Rate		(per kW)	$6.1452				
112			Cost of Power Demand Rate		(per kW)	$23.4224				
113										
114										
115	**SENTINEL LIGHTS (Time of Use)**									
116										
117			Monthly Service Charge		(per month)	$0.50				
118			Distribution Volumetric Rate		(per kW)	$1.7244				
119			Cost of Power - Winter		(per kW)	$0.0000				
120			Cost of Power - Summer		(per kW)	$0.0000				
121										
122										
123	**STREET LIGHTING (Non Time of Use)**									
124										
125			Monthly Service Charge		(per month)	$0.53				
126			Distribution Volumetric Rate		(per kW)	$6.4882				
127			Cost of Power Demand Rate		(per kW)	$23.0882				
128										
129										
130	**STREET LIGHTING (Time of Use)**									
131										
132			Monthly Service Charge		(per month)	$0.17				
133			Distribution Volumetric Rate		(per kW)	$2.1035				
134			Cost of Power - Winter		(per kW)	$0.0000				
135			Cost of Power - Summer		(per kW)	$0.0000				
136										
137				Flat Hot water Heaters: per Kw of billing demand		01-Mar-02				
138					37.6					
139						Proposed rate				
140				600W	22.01	23.55				
141				800W	27.24	29.15				
142				1000W	32.62	34.91				
143				1000/3000W	34.66	37.08				
144				1500W	48.93	52.35				
145				1500/4500W	51.99	55.63				
146				3000W	66.89	71.57				
147				3800W	84.72	90.65				
148				4000W	89.18	95.42				
149				4500W	100.33	107.36				
150				5000W	111.48	119.28				
151										

Appendix 3

Q4 2001 Approved PILS Model

	A	B	C	D
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**			
2	**REGULATORY INFORMATION (REGINFO)**			
3				
4	Utility Name: Oshawa PUC Networks Inc.			**Amount**
5	Reporting period: October 1 - December 31, 2001			
6				
7	**BACKGROUND**			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	Y
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	N
14				
15	Accounting Year End		Date	31-Dec-01
16				
17	**MARR NO TAX CALCULATIONS**			
18	**SHEET #7 FINAL RUD MODEL DATA**			
19	**(FROM 1999 FINANCIAL STATEMENTS)**			
20	**USE BOARD-APPROVED AMOUNTS**			
21				
22	Rate base (wires-only)			52,062,025
23				
24	Common Equity Ratio (CER)			50.00%
25				
26	1-CER			50.00%
27				
28	Target Return On Equity			9.88%
29				
30	Debt rate			7.25%
31				
32	Market Adjusted Revenue Requirement			4,459,112
33				
34	1999 return from RUD Sheet #7			28,902
35				
36	Total Incremental revenue			4,430,210
37	Input Board-approved dollar amounts phased-in (generally prorated			
38	on the effective date of the inclusion of MARR in rates)			
39	Amount allowed in 2001, Year 1		proration	1,476,737
40	Amount allowed in 2002, Year 2			1,476,737
41	Amount allowed in 2003, Year 3			1,476,737
42				
43	Equity			26,031,013
44				
45	Return at target ROE			2,571,864
46				
47	Debt			26,031,013
48				
49	Deemed interest amount in EBIT			1,887,248
50				
51	Phase-in of interest - Year 1			637,238
52	((D34+D39)/D32)*D49			
53	Phase-in of interest - Year 2			1,262,243
54	((D34+D39+D40)/D32)*D49			
55	Phase-in of interest - Year 3 (D49)			1,887,248
56				

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**LINE**	**Initial**	Source	Deferral	Deferral	**Deferral**	Source	M of F	M of F	**M of F**	Source
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**		Account	Account	**Account**		Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**			Foot-	Variance	Variance	**Allowance**	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5	Version 2 - Feb 12/02		$	#	$		$	#	$		$	#
6												
7	Utility Name: Oshawa PUC Networks Inc										Column	
8	Reporting period: October 1 - December 31, 2001										Brought	
9											Forward	
10											From	
11											TAXREC	
12	**I) CORPORATE INCOME TAXES**											
13												
14	ACCOUNTING INCOME											
15	Regulatory Net Income	1		1A	376,410		376,410	1B	-1,444,410		-1,068,000	1C
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	*Additions: To Accounting Income*											
20	Depreciation & Amortization	2	0	2A	824,982		824,982	2B	41,019		866,000	2C
21	Federal Large Corporation Tax	3	0	3A	0			3B	0		0	3C
22	Employee Benefit Plans - Accrued, Not Paid	4	0	4A	0			4B	1,500,000		1,500,000	4C
23	Change in Tax Reserves	5		5A	0			5B	75,000		75,000	5C
24	Regulatory Adjustments	6		6A	0			6B	0		0	6C
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Item #1	7		7A	0			7B	0		0	7C
27	"Material" Item #2	7		7A	0			7B	0		0	7C
28	Other Additions (not "Material")	7		7A	0			7B	265,000		265,000	7C
29	*Deductions: From Accounting Income*											
30	Capital Cost Allowance	8		8A	-248,636		-248,636	8B	248,636		0	8C
31	Employee Benefit Plans - Paid Amounts	9		9A	0			9B	150,000		150,000	9C
32	Items Capitalized for Regulatory Purposes	10		10A	0			10B	0		0	10C
33	Regulatory Adjustments	11		11A	0			11B	0		0	11C
34	Interest Expense Deemed/ Incurred	12		12A	-159,310		-159,310	12B	159,310		0	12C
35	Other Deductions (See Tab entitled "TAXREC")											
36	"Material" Item #1	13		13A	0			13B	0		0	13C
37	"Material" Item #2	13		13A	0			13B	0		0	13C
38	Other Deductions (not "Material")	13		13A	0			13B	0		0	13C
39												
40	REGULATORY TAXABLE INCOME		0		793,446		793,446		994,554		1,788,000	
41	(sum of above)											
42												
43	CORPORATE INCOME TAX RATE											
44	Deemed %	14	38.6200%	14A	2.0000%		40.6200%	14B	-2.0000%		38.6200%	14C
45												
46	REGULATORY INCOME TAX											
47	Taxable Income x Rate		0		322,298		322,298		368,228		690,526	
48												
49	Miscellaneous Tax Credits	15		15A	0			15B	0			15C
50												
51	**Total Regulatory Income Tax**		0		322,298		322,298		368,228		690,526	
52												
53												
54												
55												
56	**II) CAPITAL TAXES**											
57												
58	*Ontario*											
59	Base	16		16A	52,062,025		52,062,025	16B	-52,062,025		0	16C
60	Less: Exemption	17		17A	-5,000,000		-5,000,000	17B	5,000,000		0	17C
61	Deemed Taxable Capital		0		57,062,025		47,062,025		-47,062,025		0	
62												
63	Rate (.3%)	18	0.3000%	18A	0.0000%		0.3000%	18B	0.0000%		0.3000%	18C
64												
65	Net Amount (Taxable Capital x Rate)		0		35,297		35,297		-35,297		0	
66												
67	*Federal (LCT)*											
68	Base	19		19A	52,062,025		52,062,025	19B	-52,062,025		0	19C
69	Less: Exemption	20		20A	-10,000,000		-10,000,000	20B	10,000,000		0	20C
70	Deemed Taxable Capital		0		42,062,025		42,062,025		-42,062,025		0	
71												
72	Rate (.225%)	21	0.2250%	21A	0.0000%		0.2250%	21B	0.0000%		0.2250%	21C
73												
74	Gross Amount (Taxable Capital x Rate)		0		23,660		23,660		-23,660		0	
75	Less: Federal Surtax	22	0	22A	-8,887		-8,887	22B	-11,139		-20,026	22C
76												
77	Net LCT		0		14,773		14,773		-34,799		-20,026	
78												
79												
80	**III) INCLUSION IN RATES MARCH 2002**											
81												
82	IncomeTax (grossed-up)	23	0	23A	532,723		532,723	23B	-532,723			n/a
83	LCT (grossed-up)	24	0	24A	24,419		24,419	24B	-24,419			n/a
84	Ontario Capital Tax	25	0	25A	35,297		35,297	25B	-35,297			n/a
85												
86												
87	***Total S. 93 PILs Rate Adjustment***		0		592,439		592,439		-592,439			
88												
89												
90												
91												

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**LINE**	**Initial**	Source	Deferral	Deferral	**Deferral**	Source	M of F	M of F	**M of F**	Source
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**		Account	Account	**Account**		Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**			Foot-	Variance	Variance	**Allowance**	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5	Version 2 - Feb 12/02		$	#	$		$	#	$		$	#
92	***IV) FUTURE TRUE-UPS (post June 2002)***								**DR / (CR)**			
93	Amount in M of F Filing Variance (Column I) that											
94	the Board orders added/subtracted from rates											
95	EBIT	1								No true-up		
96	Depreciation &Amortization	2								No true-up		
97	Federal Large Corporation Tax	3								No true-up		
98	Employee Benefit Plans - Accrued, Not Paid	4							1,500,000	True-up		
99	Change in Tax Reserves	5							75,000	True-up		
100	Regulatory Adjustments	6							0	True-up		
101	Other additions "Material" Item #1	7							0	True-up		
102	Other additions "Material" Item #2	7							0	True-up		
103	Other additions (not "Material")	7								No true-up		
104	Capital Cost Allowance	8								No true-up		
105	Employee Benefit Plans - Paid Amounts	9							150,000	True-up		
106	Items Capitalized for Regulatory Purposes	10							0	True-up		
107	Regulatory Adjustments	11							0	True-up		
108	Interest Adjustment for Tax Purposes (Cell I135)	12							0	True-up-See Below		
109	Other deductions "Material" Item #1	13							0	True-up		
110	Other deductions "Material" Item #2	13							0	True-up		
111	Other deductions (not "Material")	13								No true-up		
112	Miscellaneous Tax Credits	15							0	True-up		
113												
114	**Deferral Account Entry (Positive Entry=Debit)**								1,725,000	True-up		
115												
116												
117	**V) INTEREST PORTION OF TRUE-UP**											
118												
119	**Variance Caused By Phase-in of Deemed Debt**											
120												
121	Total deemed interest (REGINFO CELL D49)								-1,887,248			
122	Interest phased-in - (Deferral Account Cell G34)								159,310			
123												
124	Variance due to phase-in of debt stucture								-1,727,939			
125	according to Rate Handbook											
126												
127	**Other Interest Variances (ie Borrowing Levels**											
128	**Above Deemed Debt per Rate Handbook)**											
129												
130	Interest deducted on MoF filing (Cell K34)								0			
131	Total deemed interest (REGINFO CELL D49)								1,887,248			
132												
133	Variance caused by excess debt								1,887,248			
134												
135	**Interest Adjustment for Tax Purposes Cell I108**								0	True-up Amount- Used above		
136												
137	**Total Interest Variance (Cell I34)**								159,310			
138												

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
7	Utility Name: Oshawa PUC Networks Inc.					
8	Reporting period: October 1 - December 31, 2001					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	**I) CORPORATE INCOME TAXES**					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1	23,231,000		23,231,000	
16	Other Income	2	286,000		286,000	
17	Expenses					
18	Administration	3	-33,000		-33,000	
19	Distribution	4	-21,617,000		-21,617,000	
20	Operations and Maintenance	5	-1,892,000		-1,892,000	
21	Depreciation and Amortization	6	-866,000		-866,000	
22	Municipal Property Taxes	7	-102,000		-102,000	
23	Ontario Capital Tax	8	-75,000		-75,000	
24	Federal LCT	9			0	
25						
26	**Net Income Before Interest & Income Taxes EBIT**	10	-1,068,000	0	-1,068,000	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		866,000	0	866,000	2C
30	Federal Large Corporation Tax		0	0	0	3C
31	Employee benefit plans-accrued, not paid		1,500,000		1,500,000	4C
32	Change in tax reserves		75,000		75,000	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			2,441,000	0	2,441,000	
37	*Other Additions:* **(From T2 S1)**					
38	Recapture of CCA				0	7C
39	Non-deductible expenses:				0	7C
40	Club dues and fees				0	7C
41	Meals and entertainment		27,000		27,000	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising		2,000		2,000	7C
46	Interest and penalties on taxes	est	36,000		36,000	7C
47	Legal and accounting fees		200,000		200,000	7C
48	Debt issue expenses				0	7C
49	Capital items expensed				0	7C
50	All crown charges, royalties, rentals				0	7C
51	Deemed dividend income				0	7C
52	Deemed interest on loans to non-residents				0	7C
53	Deemed interest received				0	7C
54	Development expenses claimed				0	7C
55	Dividend stop-loss adjustments				0	7C
56	Dividends credited to investment account				0	7C
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	7C
60	Foreign affiliate property income				0	7C
61						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	*Other Additions:*				0	7C
83					0	
84	*Total Other Additions*		265,000	0	265,000	7C
85						
86	Total Additions		2,706,000	0	2,706,000	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance				0	8C
90	Employee benefit plans-paid amounts		150,000		150,000	9C
91	Items capitalized for regulatory purposes				0	10C
92	Regulatory adjustments				0	11C
93	Interest expense incurred				0	12C
94	Other deductions "Material" Item #1				0	13C
95	Other deductions "Material" Item #2				0	13C
96			150,000	0	150,000	
97	*Other deductions:* **(From T2 S1)**					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets				0	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction				0	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				0	13C
122	Charitable donations - tax basis				0	13C
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	13C
125	Ecological gifts				0	13C
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
127	Non-capital losses-preceding years				0	13C
128	Net-capital losses- preceding years				0	13C
129	Limited partnership losses- preceding years				0	13C
130	*Other deductions:*				0	13C
131					0	
132					0	
133	*Total Other Deductions*		0	0	0	13C
134						
135	Total Deductions		150,000	0	150,000	
136						
137						
138	TAXABLE INCOME		1,788,000	0	1,788,000	
139						
140						
141						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
142						
143						
144	**ONTARIO CAPITAL TAX**					
145						
146	**PAID-UP CAPITAL**					
147						
148	Paid-up capital stock				0	
149	Retained earnings (if deficit, deduct)				0	
150	Capital and other surplus excluding				0	
151	appraisal surplus				0	
152	Loans and advances				0	
153	Bank loans				0	
154	Bankers acceptances				0	
155	Bonds and debentures payable				0	
156	Mortgages payeable				0	
157	Lien notes payable				0	
158	Deferred credits				0	
159	Contingent, investment, inventory and				0	
160	similar reserves				0	
161	Other reserves not allowed as deductions				0	
162	Share of partnership(s), joint venture(s)				0	
163	paid-up capital				0	
164	Sub-total		0	0	0	
165	Subtract:					
166	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked				0	
168	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	**Total (Net) Paid-up Capital**		0	0	0	
172						
173	**ELIGIBLE INVESTMENTS**					
174						
175	Bonds, lien notes, interest coupons				0	
176	Mortgages due from other corporations				0	
177	Shares in other corporations				0	
178	Loans and advances to unrelated corporations				0	
179	Eligible loans and advances to related				0	
180	corporations				0	
181	Share of partnership(s) or joint venture(s)				0	
182	eligible investments				0	
183						
184	**Total Eligible Investments**		0	0	0	
185						
186						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
187						
188	**TOTAL ASSETS**					
189						
190	Total assets per balance sheet		70,138,000		70,138,000	
191	Mortgages or other liabilities deducted from				0	
192	assets				0	
193	Share of partnership(s)/ joint venture(s) total				0	
194	assets				0	
195	Subtract: Investment in partnership(s)/joint				0	
196	venture(s)				0	
197						
198	**Total assets as adjusted**		70,138,000	0	70,138,000	
199						
200	Add: (if deducted from assets)					
201	Contingent, investment, inventory and				0	
202	similar reserves				0	
203	Other reserves not allowed as deductions				0	
204	Subtract:				0	
205	Amounts deducted for income tax				0	
206	purposes in excess of amounts booked				0	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
209	Subtract: Appraisal surplus if booked				0	
210	Add or subtract: Other adjustments		1	1	2	
211						
212	**Total Assets**		70,138,001	1	70,138,002	
213						
214	**Investment Allowance**					
215						
216	(Total Eligible Investments / Total Assets) x					
217	Net paid-up capital		0	0	0	
218						
219	**Taxable Capital**					
220						
221	Net paid-up capital		0	0	0	
222	Subtract: Investment Allowance		0	0	0	
223					0	
224	Taxable Capital		0	0	0	
225						
226	**Capital Tax Calculation**					
227						
228	Taxable capital		0	0	0	16C
229						
230	Deduction from taxable capital up to $5,000,000				0	17C
231						
232	Net Taxable Capital		0	0	0	
233						
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		365	365	365	
237	Divide days by 365		1.0000	1.0000	1.0000	
238						
239	**Ontario Capital Tax**		0	0	0	
240						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
241						
242						
243	**LARGE CORPORATION TAX**					
244						
245	**CAPITAL**					
246						
247	ADD:					
248	Reserves that have not been deducted in				0	
249	computing income for the year under Part I				0	
250	Capital stock				0	
251	Retained earnings				0	
252	Contributed surplus				0	
253	Any other surpluses				0	
254	Deferred unrealized foreign exchange gains				0	
255	All loans and advances to the corporation				0	
256	All indebtedness- bonds, debentures, notes,				0	
257	mortgages, bankers acceptances, or similar				0	
258	obligations				0	
259	Any dividends declared but not paid				0	
260	All other indebtedness outstanding for more				0	
261	than 365 days				0	
262						
263	Subtotal		0	0	0	
264						
265	DEDUCT:					
266	Deferred tax debit balance				0	
267	Any deficit deducted in computing				0	
268	shareholders' equity				0	
269	Any patronage dividends 135(1) deducted in				0	
270	computing income under Part I included in				0	
271	amounts above				0	
272	Deferred unrealized foreign exchange losses				0	
273						
274	Subtotal		0	0	0	
275						
276	**Capital for the year**		0	0	0	
277						
278	**INVESTMENT ALLOWANCE**					
279						
280	Shares in another corporation				0	
281	Loan or advance to another corporation				0	
282	Bond, debenture, note, mortgage, or				0	
283	similar obligation of another corporation				0	
284	Long term debt of financial institution				0	
285	Dividend receivable from another corporation				0	
286	Debts of corporate partnerships that were not				0	
287	exempt from tax under Part I.3				0	
288	Interest in a partnership				0	
289						
290	**Investment Allowance**		0	0	0	
291						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
292						
293	**TAXABLE CAPITAL**					
294						
295	Capital for the year		0	0	0	
296						
297	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		0	0	0	19C
300						
301	Deduct: Capital Deduction $10,000,000				0	20C
302						
303	**Taxable Capital**		0	0	0	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
307	Days in year		365	365	365	
308	Divide days by 365		1.0000	1.0000	1.0000	
309						
310	**Gross Part I.3 Tax LCT**		0	0	0	
311						
312	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
314	Federal Surtax = Taxable Income x Surtax Rate		20,026	0	20,026	
315						
316	**Net Part I.3 Tax LCT Payable**		-20,026	0	-20,026	
317	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						

Appendix 4

2002 Approved PILS Model

	A	B	C	D
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**			**Version 1.0**
2	**REGULATORY INFORMATION (REGINFO)**			
3	**Utility Name: Oshawa PUC Networks Inc**			
4	**Reporting period: January 1, 2002 - December 31, 2002**			
5				
6	**Days in reporting period:**	365	days	
7	**Total days in the calendar year:**	365	days	
8				
9	**BACKGROUND**			
10	Has the utility reviewed section 149(1) ITA to			
11	confirm that it is not subject to regular corporate			
12	tax (and therefore subject to PILs)?		Y/N	Y
13				
14	Was the utility recently acquired by Hydro One			
15	and now subject to s.89 & 90 PILs?		Y/N	N
16				
17	Is the utility a non-profit corporation?		Y/N	N
18	(If the utility is a non-profit corporation, please contact the Rates Manager at OEB)			
19				
20	Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?		Y/N	
21	Please identify the % used to allocate the exemption in Cell C63 in the TAXCALC spreadsheet.			
22				
23	Accounting Year End		Date	31-Dec
24				
25	**MARR NO TAX CALCULATIONS**			
26	**SHEET #7 FINAL RUD MODEL DATA**			
27	**(FROM 1999 FINANCIAL STATEMENTS)**			
28	**USE BOARD-APPROVED AMOUNTS**			
29				
30	Rate base (wires-only)			52,062,025
31				
32	Common Equity Ratio (CER)			50.00%
33				
34	1-CER			50.00%
35				
36	Target Return On Equity			9.88%
37				
38	Debt rate			7.25%
39				
40	Market Adjusted Revenue Requirement			4,459,112
41				
42	1999 return from RUD Sheet #7			28,902
43				
44	Total Incremental revenue			4,430,210
45	Input Board-approved dollar amounts phased-in			
46				
47	Amount allowed in 2001, Year 1			1,476,737
48	Amount allowed in 2002, Year 2			1,476,737
49	Amount allowed in 2003, Year 3 and forward (will be zero due to Bill 210)			0
50				
51	Equity			26,031,013
52				
53	Return at target ROE			2,571,864
54				
55	Debt			26,031,013
56				
57	Deemed interest amount in EBIT			1,887,248
58				
59	Phase-in of interest - Year 1 (2001)			637,238
60	((D38+D43)/D36)*D54			
61	Phase-in of interest - Year 2 (2002)			1,262,243
62	((D38+D43+D44)/D36)*D54			
63	Phase-in of interest - Year 3 (2003) and forward			1,262,243
64	((D38+D43+D44)/D36)*D54 (due to Bill 210)			
65				
66				
67				

	A	B	C	D	E	F	G	H	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											**Version 1.0**	
6			$						$		$	
7	**Utility Name: Oshawa PUC Networks Inc**											
8	**Reporting period: January 1, 2002 - December 31, 2002**										**Column**	
9	**Days in reporting period:**	365	days								**Brought**	
10	**Total days in the calendar year:**	365	days								**From**	
11											**TAXREC**	
12			Not necessary for this filing									
13												
14	**I) CORPORATE INCOME TAXES**											
15	Regulatory Net Income	1	2,982,376						-2,982,376			
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	***Additions:***											
20	Depreciation & Amortization	2	3,299,926						-3,299,926			
21	Employee Benefit Plans - Accrued, Not Paid	3	0						0			
22	Tax reserves deducted in prior year	4	0						0			
23	Reserves from financial statements-end of year	4	0						0			
24	Regulatory Adjustments	5	0						0			
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6	0						0			
27	Other Additions (not "Material") "TAXREC"	6	0						0			
28	"Material Items from "TAXREC 2" worksheet	6	0						0			
29	Other Additions (not "Material") "TAXREC 2"	6	0						0			
30												
31	***Deductions:***											
32	Capital Cost Allowance and CEC	7	1,968,153						-1,968,153			
33	Employee Benefit Plans - Paid Amounts	8	0						0			
34	Items Capitalized for Regulatory Purposes	9	0						0			
35	Regulatory Adjustments	10	0						0			
36	Interest Expense Deemed/ Incurred	11	1,262,243						-1,262,243			
37	Tax reserves claimed in current year	4	0						0			
38	Reserves from F/S beginning of year	4	0						0			
39	Contributions to deferred income plans	3	0						0			
40	Contributions to pension plans	3	0						0			
41	Interest capitalized for accounting but deducted for tax	11	0						0			
42	Other Deductions (See Tab entitled "TAXREC")											
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	Other Deductions (not "Material") "TAXREC 2"	12	0						0			
47												
48	REGULATORY TAXABLE INCOME/ (LOSSES)		3,051,906						-9,512,698			
49												
50	CORPORATE INCOME TAX RATE											
51	Deemed %	13	38.62%						-38.6200%			
52												
53	REGULATORY INCOME TAX		1,178,646						-1,178,646			
54	Taxable Income x Rate											
55												
56	Miscellaneous Tax Credits	14	0						0			
57												
58	**Total Regulatory Income Tax**		1,178,646						-1,178,646			
59												
60	**To determine the exemptions for capital tax and large corporations tax:**											
61	**Please identify the percentage used in the allocation of the exemption in cell C61. Please explain the basis of the allocation if the percentage is other than 100%.**		100%									
62												
63	**II) CAPITAL TAXES**											
64												
65	*Ontario*											
66	Base	15	52,062,025						-52,062,025			
67	Less: Exemption	16	5,000,000						-5,000,000			
68	Deemed Taxable Capital		47,062,025						-57,062,025			
69												
70	Rate (.3%)	17	0.3000%						-0.3000%			
71												
72	Net Amount (Taxable Capital x Rate)		141,186						-141,186			
73												
74	*Federal (LCT)*											
75	Base	18	52,062,025						-52,062,025			
76	Less: Exemption	19	10,000,000						-10,000,000			
77	Deemed Taxable Capital		42,062,025						-62,062,025			
78												
79	Rate (.225%)	20	0.2250%						-0.2250%			
80												
81	Gross Amount (Taxable Capital x Rate)		94,640						-94,640			
82	Less: Federal Surtax	21	34,181						-34,181			
83												
84	Net LCT		60,458						-128,821			
85												
86	**III) INCLUSION IN RATES**											
87												
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%									
89												
90	Income Tax (grossed-up)	22	1,885,834									
91	LCT (grossed-up)	23	96,733									
92	Ontario Capital Tax	24	141,186									
93												
94												
95	***Total S. 93 PILs Rate Adjustment***	25	2,123,753									

	A	B	C	D	E	F	G	H	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											**Version 1.0**	
6			$						$		$	
96												
97												
98												
99	***IV) FUTURE TRUE-UPS (post June 2002)***											
100	**IV a) Calculation of the True-up Variance**								**DR/(CR)**			
101												
102	Employee Benefit Plans - Accrued, Not Paid	3							0			
103	Tax reserves deducted in prior year	4							0			
104	Reserves from financial statements-end of year	4							0			
105	Regulatory Adjustments	5							0			
106	Other additions "Material" Items "TAXREC"	6							0			
107	Other additions "Material" Items "TAXREC 2"	6							0			
108												
109	Employee Benefit Plans - Paid Amounts	8							0			
110	Items Capitalized for Regulatory Purposes	9							0			
111	Regulatory Adjustments	10							0			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11							0			
113	Tax reserves claimed in current year	4							0			
114	Reserves from F/S beginning of year	4							0			
115	Contributions to deferred income plans	3							0			
116	Contributions to pension plans	3							0			
117	Other deductions "Material" Items "TAXREC"	12							0			
118	Other deductions "Material" Item "TAXREC 2"	12							0			
119												
120	Total TRUE-UPS before tax effect	26						=	0			
121												
122	Income Tax Rate (excluding surtax)							x	37.50%			
123												
124	Income Tax Effect on True-up adjustments							=	0			
125												
126	Less: Miscellaneous Tax Credits	14							0			
127												
128	Total Income Tax on True-ups								0			
129												
130	Income Tax Rate used for gross-up (exclude surtax)								37.50%			
131												
132	**TRUE-UP VARIANCE**								0			
133												
134	**IV b) Calculation of the Deferral Account Variance**											
135												
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							=				
137												
138	REVISED CORPORATE INCOME TAX RATE							x	38.62%			
139												
140	REVISED REGULATORY INCOME TAX							=	0			
141												
142	Less: Revised Miscellaneous Tax Credits							-	0			
143												
144	Total Revised Regulatory Income Tax							=	0			
145												
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)							-				
147												
148	Regulatory Income Tax Variance							=	0			
149												
150	Ontario Capital Tax											
151	Base							=				
152	Less: Exemption							-	5,000,000			
153	Revised deemed taxable capital							=	-5,000,000			
154												
155	Rate (as a result of legislative changes)							x	0.3000%			
156												
157	Revised Ontario Capital Tax							=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)							-	141,186			
159	Regulatory Ontario Capital Tax Variance							=	-141,186			
160												
161	Federal LCT											
162	Base											
163	Less: Exemption							-	10,000,000			
164	Revised Federal LCT							=	-10,000,000			
165												
166	Rate (as a result of legislative changes)								0.2250%			
167												
168	Gross Amount								0			
169	Less: Federal surtax							-	0			
170	Revised Net LCT							=	0			
171												
172	Less: Federal LCT reported in the initial estimate column (Cell C84)							-	60,458			
173	Regulatory Federal LCT Variance							=	-60,458			
174												
175	Income Tax Rate used for gross-up (exclude surtax)								37.50%			
176												
177	Income Tax (grossed-up)							+	0			
178	LCT (grossed-up)							+	-96,733			
179	Ontario Capital Tax							+	-141,186			
180												

	A	B	C	D	E	F	G	H	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											**Version 1.0**	
6			$						$		$	
181	**DEFERRAL ACCOUNT VARIANCE**							=	-237,919			
182												
183	**TRUE-UP VARIANCE (from cell I132)**							+	0			
184												
185	**Deferral Account Entry (Positive Entry = Debit)**							=	-237,919			
186	*(Deferral Account Variance + True-up Variance)*											
187	*To be included as deferral account in rate application)*											
188												
189												
190	**V) INTEREST PORTION OF TRUE-UP**											
191	**Variance Caused By Phase-in of Deemed Debt**											
192												
193	Total deemed interest (REGINFO)								1,887,248			
194	Interest phased-in (Cell C36)								1,262,243			
195												
196	Variance due to phase-in of debt structure								625,005			
197	according to Rate Handbook											
198												
199	**Other Interest Variances (i.e. Borrowing Levels**											
200	**Above Deemed Debt per Rate Handbook)**											
201	Interest deducted on MoF filing (Cell K36+K41)								0			
202	Total deemed interest (REGINFO CELL D57)								1,887,248			
203												
204	Variance caused by excess debt								0			
205												
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**								0			
207												
208	**Total Interest Variance**								625,005			
209												

Appendix 5

2002 Signed Decision

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2002-0052
EB-2002-0061

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Oshawa PUC Networks Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George Dominy
Vice Chair and Member

DECISION AND ORDER

On December 21, 2001 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for the March 1, 2002 distribution rate adjustments. Supplemental instructions were issued on January 18, 2002.

Oshawa PUC Networks Inc. ("the Applicant") filed an Application ("the Application"), dated January 24, 2002, for an order or orders under section 78 of the *Ontario Energy Board Act, 1998* approving or fixing just and reasonable rates for the distribution of electricity, effective March 1, 2002.

The Applicant filed a revised application ("the Revised Application") dated February 12, 2002.

The Board published a generic Notice in newspapers across Ontario informing ratepayers of the distribution rate adjustments to be effective March 1, 2002 and providing the opportunity for ratepayers to participate in the proceeding or comment on the utility's application. In response to the Board's generic Notice, the Board received a total of 148 submissions in the form of a letter, facsimile, or e-mail. The total may be apportioned to the following four categories:

- 100 were copies of a template submission seeking an oral hearing, wanting to make oral submissions, claiming that rates are not just and reasonable. Another 9 were of the same template but indicated they did not wish to make an oral submission.

- 10 indicated that there should be an oral hearing and wanted to make a submission.

- 11 indicated that there should be an oral hearing but did not wish to make an oral submission.

- 18 made substantive submissions.

In some cases the submission named a specific electricity distributor, in other cases it did not. The Applicant was not named in any of the submissions.

By letter dated February 11, 2002 the Board directed electricity distributors to serve the Notice to the municipal corporation in the distributors' service area. No submissions were received.

The Applicant applied to adjust its distribution rates for the following:

- Input Price Inflation (IPI) and Productivity Factor as provided for in the Performance Based Regulation (PBR) Plan.

- the second of three installments of the utility's incremental Market Adjusted Revenue Requirement (MARR), $1,476,737.

- the 2001 deferred Payments in Lieu of Taxes (PILs), $592,439.

- the 2002 Payments in Lieu of Taxes (PILs), $2,228,753.
- a Z-Factor recovery of $175,000.
- a change in the Applicant's late payment penalty and a provision for the revenue losses incurred by this change, $275,578.

Copies of the Application and supporting material are available for review at the Board's offices.

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

Board Findings

As noted above, a number of persons have written to the Board requesting that the Board hold an oral hearing in the matter of the applications by electricity distributors.

Under subsection 5.1(2) of the *Statutory Powers Procedure Act*, the Board shall not hold a written hearing where a party satisfies it that there is good reason not to hold a written hearing, in which case the Board will proceed by way of an oral or electronic hearing. Good reasons for proceeding by way of an oral hearing may include the existence of questions of credibility in which the Board will be assisted by the ability to observe the demeanor of witnesses or the complexity of evidence which parties should have the ability to test through cross-examination. Another good reason may be where an oral hearing would allow the Board to more expeditiously deal with an application.

The persons who have requested an oral hearing have not cited any such reasons but have in most cases merely stated that "the rates are not just and reasonable" and that they "would like the opportunity to present to the Board on this matter".

The current proceeding is an extension of the process undertaken by the Board to restructure Ontario's electricity distribution industry. To facilitate this work, the Board developed a regulatory framework that was the result of extensive consultation and public hearings. The current applications are the result of this framework, which is largely formulaic and includes for the first time the provision for the legislative requirement of PILs.

Persons have received an opportunity to make their concerns known to the Board through the published Notice which invited written submissions on the applications. The Board notes that a written hearing is a public process in which all documents received by the Board are available to the public. The Board further notes that most of the issues raised by the submissions of the persons requesting an oral hearing are outside of the scope of the Board's jurisdiction in this proceeding. For example, some persons raised issues of privatization of electricity services and limitations in international trade agreements on the ability of the government to make changes to Ontario's electricity system in the future. These are not relevant to the Board's duty in this proceeding to approve just and reasonable rates for an individual distributor regulated by the Board.

Therefore, the Board has decided not to hold an oral hearing in this matter.

The Board notes that the Applicant's proposed Z factor amount of $175,000 represents a revenue loss from not effecting the new rates on March 1, 2001. The Board-approved rate schedules from the 2001 Decision (RP-2000-0046) indicate "Effective on the first billing cycle for each customer following April 26, 2001". According to the material filed, the Applicant applied the new rates for consumption on or after April 27, 2001. The Applicant stated that "the effective date should have been March 1, 2001", and calculated the revenue difference at $175,000 which it claimed as a Z factor.

In the Board's view, this is clearly not a situation that would give rise to a Z factor. Rather, the issue is one of the application of the Board-approved rate schedules.

The Applicant could have calculated bills issued to customers on or after April 26, 2001 on the basis of the new rates. Given the timing of the Board's RP-2000-0046 Decision, the intent of the language in that Decision and the accompanying rate schedules was to provide the Applicant with that flexibility.

The Applicant did not bring this matter to the attention of the Board because it "did not realize the amount of loss that it would experience". The Board does not accept the Applicant's rationale for not doing so until now. The Board finds that the requested amount is out of period and is therefore denied.

Subject to this and associated adjustments, the Board finds that the Applicant's proposals in the Revised Application conform with the Board's earlier decisions, directives and guidelines and the resulting rates are just and reasonable.

THE BOARD ORDERS THAT:

1) The rates set out in Appendix "A" of this Order are approved effective March 1, 2002.

2) The Applicant shall notify its customers of the rate changes coincident with the first bill reflecting the new rates.

DATED at Toronto, February 28, 2002.

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0052
EB-2002-0061

February 28, 2002

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Oshawa PUC Networks Inc,
Schedule of Rates and Charges
Effective March 1, 2002

RP-2002-0052
EB-2002-0061

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31
Summer: All Hours, April 1 through September 30
Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto) Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.
Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	$7.68
Distribution Volumetric Rate	(per kWh)	$0.0086
Cost of Power Rate	(per kWh)	$0.0758

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$7.78
Distribution Volumetric Rate	(per kWh)	$0.0137
Cost of Power Rate	(per kWh)	$0.0747

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$47.79
Distribution Volumetric Rate	(per kW)	$3.5396
Cost of Power Demand Rate	(per kW)	$3.2500
Cost of Power Energy Rate	(per kWh)	$0.0643

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$2,066.99
Distribution Volumetric Rate	(per kW)	$3.9226
Cost of Power - Winter Peak	(per kW)	$8.3748
Cost of Power - Summer Peak	(per kW)	$6.2689
Cost of Power - Winter Peak	(per kWh)	$0.0708
Cost of Power - Winter Off Peak	(per kWh)	$0.0423
Cost of Power - Summer Peak	(per kWh)	$0.0598
Cost of Power - Summer Off Peak	(per kWh)	$0.0313

Oshawa PUC Networks Inc.
Schedule of Rates and Charges - Page 2
Effective March 1, 2002

LARGE USE

Monthly Service Charge	(per month)	$11,794.78
Distribution Volumetric Rate	(per kW)	$2.5423
Cost of Power - Winter Peak	(per kW)	$10.6161
Cost of Power - Summer Peak	(per kW)	$7.9466
Cost of Power - Winter Peak	(per kWh)	$0.0689
Cost of Power - Winter Off Peak	(per kWh)	$0.0412
Cost of Power - Summer Peak	(per kWh)	$0.0582
Cost of Power - Summer Off Peak	(per kWh)	$0.0306

SENTINEL LIGHTS

Monthly Service Charge	(per connection)	$1.87
Distribution Volumetric Rate	(per kW)	$6.1452
Cost of Power Demand Rate	(per kW)	$23.4224

STREET LIGHTING

Monthly Service Charge	(per connection)	$0.53
Distribution Volumetric Rate	(per kW)	$6.4882
Cost of Power Demand Rate	(per kW)	$23.0882

FLAT RATE WATER HEATING

(per kW of billing demand)

600 watt	$23.55
800 watt	$29.15
1000 watt	$34.91
1000/3000 watt	$37.08
1500 watt	$52.35
1500/4500 watt	$55.63
3000 watt	$71.57
3800 watt	$90.65
4000 watt	$95.42
4500 watt	$107.36
5000 watt	$119.28

SPECIFIC SERVICE CHARGES

Credits		
Transformer Ownership Allowance	(per kW)	$0.60
Primary Metering Allowance	1% of kW and kWh billed	
Customer Administration		
Account Set Up Charge		$8.80
Arrears Certificate		$10.70
Dispute Involvement Charge		$10.00
Non-Payment of Account		
Late Payment Charge	(per month)	1.5%
	(per annum)	19.56%
Returned Cheque Charge - Actual Bank Charges plus		$8.55
Collection of Account Charge		$9.00
Reconnection during regular working hours		$20.00
Reconnection after regular working hours		$50.00
Services		
Disconnect/Reconnect FRWH to suspend billing		$9.00
Temporary Service (plus $200 refundable deposit)		
Overhead with transformer		$600.00
Overhead without transformer		$300.00
Underground		$300.00

Appendix 6

2004 Approved RAM Model

SHEET 1 - December 31, 2002 Regulatory Assets

V1

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 526 LP
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		ext 5311 C. Dade
VERSION NUMBER	1		
Date	21-Jan-04		

Enter the total applied-for regulatory asset amounts for each account in the appropriate cells below:
(These amounts should correspond to your December 31, 2002 regulatory filings with the OEB.)

Description	Account Number		Applied-for Amount Balance as at Dec. 31, 2002	
RSVA - Wholesale Market Service Charge	1580		$2,080,767	
RSVA - Retail Transmission Network Charge	1584		$0	
RSVA - Retail Transmission Connection Charge	1586		$0	
RSVA - Power	1588		$0	
Sub-Total			$2,080,767	
RSVA - One-time Wholesale Market Service	1582		$0	
Other Regulatory Assets	1508		$0	
Retail Cost Variance Account - Retail	1518		$0	
Retail Cost Variance Account - STR	1548		$0	
Misc. Deferred Debits - incl. Rebate Cheques	1525		$0	
Deferred Payments in Lieu of Taxes	1562		$0	
PILs Contra Account	1563		$0	
Qualifing Transition Costs	1570		$304,986	
Pre-Market Opening Energy Variances Total	1571		$1,085,220	
Pre-Market Opening Energy Variances - 2001		-$387,011		
Pre-Market Opening Energy Variances - 2002		$1,472,231		
Extra-Ordinary Event Losses	1572		$0	
Deferred Rate Impact Amounts	1574		$0	
Other Deferred Credits	2425		$0	
Total Applied-for Regulatory Assets		**(a)**	$3,470,973	
(1) Total of 4 RSVA Accounts		**(b)**	$2,080,767	Approved for 2004 Final Recovery
4 RSVA accounts as a percent of total: (b) / (a)			59.9%	
(2) 25 % of (a)		**(c)**	$867,743	

If (b) is greater than (c) go to Section 1

If (b) is less than (c) go to Section 2

Section 1: For LDCs with 4 RSVA accounts greater than 25 % of Total:

25% of total applied-for Regulatory Asset Accounts: Amount (c)	$867,743	Approved for Final 2004 Rate Recovery
Gross Up for Recovery over 11 months: Amount (c) x 12/11	$946,629	Enter this amount on Sheet 3 (Therefore, entry on Sheet 5 is zero.)
Remaining Final Amount to be recovered in future periods (b) - (c)	$1,213,024	Ignore minus sign

Section 2: For LDCs with 4 RSVA accounts less than 25 % of Total: This section is not applicable for OPUCN

25% of total applied-for Regulatory Asset Accounts: Amount (c)		$867,743	Approved for 2004 Rate Recovery
Final 4 RSVA Amount as shown at (b)		$2,080,767	
Gross Up for Recovery over 11 months: Amount (b) x 12/11		$2,269,928	Enter this amount on Sheet 3
Interim Amount to be recovered (c) - (b)	**(d)**	-$1,213,024	
Gross Up for Recovery over 11 months: Amount (d) x 12/11		-$1,323,299	Enter this amount on Sheet 5
Total Final + Interim Amount for Recovery (b) + (d) (no gross up)		$867,743	

Rate Implementation

	Check Box Yes or No
Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.	Yes
Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.	No

SHEET 2 - 2002 Base Rate Schedule

V1

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

Enter the values for your 2002 Base Rates as shown in your 2002 RA Model at Sheet 4.
This is the version of the model that was used to determine your current OEB approved rate schedule.
(This removes the impact of the recovery of Q4 2001 PILs, 2002 PILs, and any Z-factors or Interim Transition Cost approvals from Existing Rates).
You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0072
MONTHLY SERVICE CHARGE (Per Customer)	$6.41

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0133
MONTHLY SERVICE CHARGE (Per Customer)	$7.52

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.6172
MONTHLY SERVICE CHARGE (Per Customer)	$35.79

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$3.1552
MONTHLY SERVICE CHARGE (Per Customer)	$1,681.19

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

LARGE USE

DISTRIBUTION KW RATE	$1.9953
MONTHLY SERVICE CHARGE (Per Customer)	$9,397.71

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.4208
MONTHLY SERVICE CHARGE (Per Connection)	$1.81

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Connection)	$0.44

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$5.0923
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$0.7075
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

SPECIFIC SERVICE CHARGES

ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES BELOW.
Please enter these charges exactly as they are entered on your current approved rate schedule.
Please add your own specific charges as necessary.

New Account Setup		$ 8.80
Change of Occupancy		$ -
Account History		
Administration Fee		$ 10.00
Current Year Data		$ 20.00
Each Additional Year Data		$ -
Arrear's Certificate		$ 10.70
Late Payment		1.50%
Returned Cheque		$ 8.55
Collection of Account Charge		$ 9.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours		$ 20.00
At Meter - After Hours		$ 50.00
Temporary Pole Service		$ 600.00
After Hours High Voltage Station Outage		$ -
Residential Service 2nd Visit to Connect New Service		$ -
Residential Service After Hours Visit to Connect New Service		$ -
Diversity Adjustment Credit (per KW)	Winter	$ -
(discontinued at Market Opening)	Summer	$ -

SHEET 3 - Calculating Rate Increases using 2002 LDC Data and adding the 4 major 2004 RSVA related Approved Regulatory Assets

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		ext 5311 CD
VERSION NUMBER	1		
Date	21-Jan-04		

This schedule requires LDCs to input the 2002 statistics which will be used to allocate Regulatory Assets related to the 4 major RSVA accounts.
The 4 RSVA related accounts will be allocated to the customer classes on the basis of kWh sales.

Enter the Approved Regulatory Asset recovery from Sheet 1 at either cell D57 or D72. $ 946,629.00
If the total of the 4 major RSVA related Regulatory Assets is less than 25% of the total Regualtory Assets applied for,
enter the additional interim approved amount on Sheet 5.

Use the Table below to enter the 2002 statistics for your LDC.
The share of class kWh sold in 2002 is used to allocate the approved final Regulatory Asset amounts related to the 4 major RSVA accounts.

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues (Fix & Variable)	2002 kWh Shares	2002 Reg. Asset RSVA Allocations
RESIDENTIAL CLASS	-	381,087,895	42,960	$6,659,507.00	42.1%	398,702.93
GENERAL SERVICE <50 KW CLASS	-	111,385,562	3,992	$2,334,547.00	12.3%	116,534.14
GENERAL SERVICE >50 KW NON TIME OF USE	1,072,421	287,789,372	573	$3,377,586.00	31.8%	301,091.87
GENERAL SERVICE >50 KW TIME OF USE	109,750	47,741,949	5	$987,825.70	5.3%	$ 49,948.73
INTERMEDIATE USE	0		0	$0.00	0.0%	$ -
LARGE USER CLASS	386,160	72,173,226	2	$1,340,070.00	8.0%	$ 75,509.29
SENTINEL LIGHTS	130	26,793	38	$1,275.09	0.0%	$ 28.03
STREET LIGHTING CLASS	13,365	4,601,325	9,967	$109,791.80	0.5%	$ 4,814.01
TOTALS		904,806,122	57,537	$14,810,602.59	1.00	$ 946,629.00
		Allocated Total for 4 major RSVA accounts ==>				$ 946,629.00
		Total amount for ACSYS revenue loss				$ -

Residential Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G22 above)	$ 398,702.93	$ -	$ 398,702.93
(B) RETAIL kWh in 2002	381,087,895		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.001046		

General Service <50kW Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G23 above)	$ 116,534.14	$ -	$ 116,534.14
(B) RETAIL kWh in 2002	111,385,562		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.001046		

General Service >50kW Class Non TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G24 above)	$ 301,091.87	$ -	$ 301,091.87
(B) RETAIL KW in 2002	1,072,421		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.280759		

General Service >50kW ClassTOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G25 above)	$ 49,948.73	$ -	$ 49,948.73
(B) RETAIL KW in 2002	109,750		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.455114		

Intermediate Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G26 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G27 above)	$ 75,509.29	$ -	$ 75,509.29
(B) RETAIL KW in 2002	386,160		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.195539		

Sentinel Lighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G28 above)	$ 28.03	$ -	$ 28.03
(B) RETAIL KW in 2002	130		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.215627		

Streetlighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G29 above)	$ 4,814.01	$ -	$ 4,814.01
(B) RETAIL KW in 2002	13,365		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.360195		

SHEET 4 - 2004 Rates including 2004 Recovery of the 4 Major RSVA Accounts

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of the 4 major RSVA accounts.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0082
MONTHLY SERVICE CHARGE (Per Customer)	$6.41

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0010
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0143
MONTHLY SERVICE CHARGE (Per Customer)	$7.52

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.8980
MONTHLY SERVICE CHARGE (Per Customer)	$35.79

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$3.6103
MONTHLY SERVICE CHARGE (Per Customer)	$1,681.19

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

LARGE USE

DISTRIBUTION KW RATE	$2.1909
MONTHLY SERVICE CHARGE (Per Customer)	$9,397.71

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.6364
MONTHLY SERVICE CHARGE (Per Connection)	$1.81

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$0.2156
MONTHLY SERVICE CHARGE (Per Connection)	$0.44

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$5.4525
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.0677
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

SHEET 5 - Calculating Rate Increases using 2002 LDC Data and additional Interim Regulatory Assets
N/A to OPUCNI

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

This schedule replicates the 2002 statistics from Sheet 3 which will be used to allocate interim approved Regulatory Asset amounts required to achieve the 25% threshold. (If the 4 major RSVA accounts do not total to 25% or more of total Reguatory Assets applied for.)

The interim Regulatory Assets will be allocated to the customer classes on the basis of distribution revenue.

Enter the Interim Regulatory Asset recovery from Sheet 1 at cell D76. $ -

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2002 Interim Reg. Asset Allocations
RESIDENTIAL CLASS	-	381,087,895	42,960	$6,659,507.00	45.0%	$ -
GENERAL SERVICE <50 KW CLASS	-	111,385,562	3,992	$2,334,547.00	15.8%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	1,072,421	287,789,372	573	$3,377,586.00	22.8%	$ -
GENERAL SERVICE >50 KW TIME OF USE	109,750	47,741,949	5	$987,825.70	6.7%	$ -
INTERMEDIATE USE	0	0	0	$0.00	0.0%	$ -
LARGE USER CLASS	386,160	72,173,226	2	$1,340,070.00	9.0%	$ -
SENTINEL LIGHTS	130	26,793	38	$1,275.09	0.0%	$ -
STREET LIGHTING CLASS	13,365	4,601,325	9,967	$109,791.80	0.7%	$ -
TOTALS		904,806,122	57,537	$14,810,602.59	1.00	$ -
		Allocated Total for additional interim amounts ==>				$ -

Residential Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G22 above)	$ -	$ -	$ -
(B) RETAIL kWh in 2002	381,087,895		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

General Service <50kW Class

Regulatory Assets will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G23 above)	$ -	$ -	$ -
(B) RETAIL kWh in 2002	111,385,562		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

General Service >50kW Class Non TOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G24 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	1,072,421		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

General Service >50kW ClassTOU

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G25 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	109,750		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

Intermediate Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G26 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G27 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	386,160		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

Sentinel Lighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G28 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	130		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

Streetlighting Class

Regulatory Assets will be recovered only in the distribution kW charge.

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G29 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	13,365		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

SHEET 6 - 2004 Rates including 2004 Recovery of Interim Regulatory Asset Amounts

N/A to OPUCNI

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of interim Regulatory Asset Amounts if required to achieve the 25% Regulatory Asset threshold.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0082
MONTHLY SERVICE CHARGE (Per Customer)	$6.41

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0010
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0143
MONTHLY SERVICE CHARGE (Per Customer)	$7.52

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.8980
MONTHLY SERVICE CHARGE (Per Customer)	$35.79

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$3.6103
MONTHLY SERVICE CHARGE (Per Customer)	$1,681.19

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

LARGE USE

DISTRIBUTION KW RATE	$2.1909
MONTHLY SERVICE CHARGE (Per Customer)	$9,397.71

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.6364
MONTHLY SERVICE CHARGE (Per Connection)	$1.81

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$0.2156
MONTHLY SERVICE CHARGE (Per Connection)	$0.44

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$5.4525
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.0677
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

SHEET 7 - Calculating Rate Increases using 2002 LDC Data and the 2004 PILs Proxy

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

This schedule replicates the 2002 statistics from Sheet 3 which will be used to allocate the 2004 PILs proxy amount.
The PILS proxy amount is the same amount used for the PILs proxy in 2002.

The 2004 PILs Proxy will be allocated to the customer classes on the basis of distribution revenue.

Enter the 2002 PILs proxy amount as approved by the OEB in 2002 and shown on your 2002 RAM model at Sheet 8. $ 2,123,753.00

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2004 PILs Proxy Allocations
RESIDENTIAL CLASS	-	381,087,895	42,960	$6,659,507.00	45.0%	$ 954,934.00
GENERAL SERVICE <50 KW CLASS	-	111,385,562	3,992	$2,334,547.00	15.8%	$ 334,760.26
GENERAL SERVICE >50 KW NON TIME OF USE	1,072,421	287,789,372	573	$3,377,586.00	22.8%	$ 484,325.90
GENERAL SERVICE >50 KW TIME OF USE	109,750	47,741,949	5	$987,825.70	6.7%	$ 141,648.38
INTERMEDIATE USE	0	0	0	$0.00	0.0%	$ -
LARGE USER CLASS	386,160	72,173,226	2	$1,340,070.00	9.0%	$ 192,158.13
SENTINEL LIGHTS	130	26,793	38	$1,275.09	0.0%	$ 182.84
STREET LIGHTING CLASS	13,365	4,601,325	9,967	$109,791.80	0.7%	$ 15,743.50
TOTALS		904,806,122	57,537	$14,810,602.59	1.00	$ 2,123,753.00
		Allocated Total for additional interim amounts ==>				$ 2,123,753.00

Residential Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

		VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
		1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G22 above)	$ 954,934.00	$ -		$ 954,934.00
(B) RETAIL kWh in 2002	381,087,895			
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.002506			

General Service <50kW Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

		VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
		1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G23 above)	$ 334,760.26	$ -		$ 334,760.26
(B) RETAIL kWh in 2002	111,385,562			
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.003005			

General Service >50kW Class Non TOU

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

		VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
		1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G24 above)	$ 484,325.90	$ -		$ 484,325.90
(B) RETAIL KW in 2002	1,072,421			
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.451619			

General Service >50kW ClassTOU

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G25 above)	$ 141,648.38	$ -	$ 141,648.38
(B) RETAIL KW in 2002	109,750		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$1.290646		

Intermediate Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G26 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G27 above)	$ 192,158.13	$ -	$ 192,158.13
(B) RETAIL KW in 2002	386,160		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.497613		

Sentinel Lighting Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G28 above)	$ 182.84	$ -	$ 182.84
(B) RETAIL KW in 2002	130		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$1.406464		

Streetlighting Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G29 above)	$ 15,743.50	$ -	$ 15,743.50
(B) RETAIL KW in 2002	13,365		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$1.177965		

SHEET 8 - 2004 Rates including Recovery of 2004 PILs

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of 2004 PILs.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0108
MONTHLY SERVICE CHARGE (Per Customer)	$6.41

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0000
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0174
MONTHLY SERVICE CHARGE (Per Customer)	$7.52

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.3496
MONTHLY SERVICE CHARGE (Per Customer)	$35.79

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$4.9010
MONTHLY SERVICE CHARGE (Per Customer)	$1,681.19

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	$0.00

LARGE USE

DISTRIBUTION KW RATE	$2.6885
MONTHLY SERVICE CHARGE (Per Customer)	$9,397.71

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.0429
MONTHLY SERVICE CHARGE (Per Connection)	$1.81

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$1.6221
MONTHLY SERVICE CHARGE (Per Connection)	$0.44

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.6305
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.2457
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

SHEET 9 - Adjustment to Maintain the Current Service Charge Level

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

This sheet adjusts the resulting fixed Monthly Service Charge to maintain the charge at current levels.
The kWh distribution rate is then adjusted to maintain revenue neutrality in the class.

Input the current approved Monthly Service Charge in the following table at Column E.

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Current Approved Fixed Charge
RESIDENTIAL CLASS	-	381,087,895	42,960	$7.68
GENERAL SERVICE <50 KW CLASS	-	111,385,562	3,992	$7.78
GENERAL SERVICE >50 KW NON TIME OF USE	1,072,421	287,789,372	573	$47.79
GENERAL SERVICE >50 KW TIME OF USE	109,750	47,741,949	5	$2,066.99
INTERMEDIATE USE	0	0	0	$0.00
LARGE USER CLASS	386,160	72,173,226	2	$11,794.78
SENTINEL LIGHTS	130	26,793	38	$1.87
STREET LIGHTING CLASS	13,365	4,601,325	9,967	$0.53
TOTALS		904,806,122	57,537	

Residential Class

Revenue from Current Monthly Service Charge		$3,959,194	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$3,304,483	
Difference		$654,710	
Variable Rate Adjustment	$/kWh	$ 0.0017	
Adjusted Variable Rate	$/kWh		$ 0.0090

Residential Class (Time of Use)

Revenue from Current Monthly Service Charge		$0	Adjusted time of use for residential
Revenue from Calculated Monthly Service Charge (Sheet 8)		$0	
Difference		$0	
Variable Rate Adjustment	$/kWh	$ -	
Adjusted Variable Rate	$/kWh		$ -

General Service <50 kW Class

Revenue from Current Monthly Service Charge		$372,693	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$360,238	
Difference		$12,455	
Variable Rate Adjustment	$/kWh	$ 0.0001	
Adjusted Variable Rate	$/kWh		$ 0.0172

General Service >50 kW Class (Non Time of Use)

Revenue from Current Monthly Service Charge		$328,604	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$246,092	
Difference		$82,512	
Variable Rate Adjustment	$/kW	$ 0.0769	
Adjusted Variable Rate	$/kW		$ 3.2726

General Service >50 kW Class (Time of Use)

Revenue from Current Monthly Service Charge		$124,019	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$100,871	
Difference		$23,148	
Variable Rate Adjustment	$/kW	$ 0.2109	
Adjusted Variable Rate	$/kW		$ 4.6900

General Service Intermediate Use Class

Revenue from Current Monthly Service Charge		$0	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$0	
Difference		$0	
Variable Rate Adjustment	$/kW	#DIV/0!	
Adjusted Variable Rate	$/kW		#DIV/0!

General Service Large Use Class

Revenue from Current Monthly Service Charge		$283,075	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$225,545	
Difference		$57,530	
Variable Rate Adjustment	$/kW	0.15	
Adjusted Variable Rate	$/kW		$ 2.5395

Sentinal Lights (Non Time of Use)

Revenue from Current Monthly Service Charge		$853	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$825	
Difference		$27	
Variable Rate Adjustment	$/kW	0.210461538	
Adjusted Variable Rate	$/kW		$ 5.8324

OR

Sentinal Lights (Time of Use)

Revenue from Current Monthly Service Charge		$853	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$201	
Difference		$652	
Variable Rate Adjustment	$/kW	5.016	
Adjusted Variable Rate	$/kW		$ (3.3939)

Streetlighting (Non Time of Use)

Revenue from Current Monthly Service Charge		$63,390	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$49,038	
Difference		$14,352	
Variable Rate Adjustment	$/kW	1.0739	
Adjusted Variable Rate	$/kW		$ 5.5566

OR

Streetlighting (Time of Use)

Revenue from Current Monthly Service Charge		$63,390	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$7,176	
Difference		$56,214	
Variable Rate Adjustment	$/kW	4.21	
Adjusted Variable Rate	$/kW		$ (1.9604)

Sheet 10 **Oshawa PUC Networks Inc** RP-2004-0080
Schedule of Distribution Rates and Charges EB-2004-0066
Effective April 1, 2004 until February 28, 2005

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

					Current Rates	Change %
RESIDENTIAL						
	Monthly Service Charge	(per month)	$7.68		$7.68000	
	Distribution Volumetric Rate	(per kWh)	$0.0090		0.0086	5.05%
RESIDENTIAL (Time of Use)						
	Monthly Service Charge	(per month)	$7.68	N/A	0	
	Distribution Volumetric Rate	(per kWh)	$0.0000			
GENERAL SERVICE < 50 KW						
	Monthly Service Charge	(per month)	$7.78		$7.78000	
	Distribution Volumetric Rate	(per kWh)	$0.0172		0.0137	25.84%
GENERAL SERVICE > 50 KW (Non Time of Use)						
	Monthly Service Charge	(per month)	$47.79		47.79	
	Distribution Volumetric Rate	(per kW)	$3.2726	XXX	3.5396	-7.54%
GENERAL SERVICE > 50 KW (Time of Use)		1000-5000				
	Monthly Service Charge	(per month)	$2,066.99		2066.99	
	Distribution Volumetric Rate	(per kW)	$4.6900		3.9226	19.56%
GENERAL SERVICE INTERMEDIATE USE						
	Monthly Service Charge	(per month)	$0.00			
	Distribution Volumetric Rate	(per kW)	#DIV/0!			
LARGE USE		over 5000				
	Monthly Service Charge	(per month)	$11,794.78		11794.78	
	Distribution Volumetric Rate	(per kW)	$2.5395		2.5423	-0.11%

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.87
Distribution Volumetric Rate	(per kW)	$5.8324

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	$1.87
Distribution Volumetric Rate	(per kW)	-$3.3939 N/A

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$0.53
Distribution Volumetric Rate	(per kW)	$5.5566

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	$0.53
Distribution Volumetric Rate	(per kW)	-$1.9604 N/A

SPECIFIC SERVICE CHARGES

ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES HERE (as on Sheet 2)

SHEET 11

Bill Impact Analysis for 2004 Rate Schedule after Regulatory Asset and 2004 PILs Adjustments

(commodity price constant)

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

This schedule provides an estimate of bill impacts using the 2004 Rate Schedule which includes the Regulatory Asset Recovery and the 2004 PILs amount.
The 2004 bill does not include the new tiered commodity rate that will come into effect on April 1, 2004.

Note: Enter your current kWh rates, not the rates on Sheet 2.

Enter your Current Distribution kWh Charge. Monthly Service Charge is Transferred from Sheet 9

RESIDENTIAL CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)					
ENTER DESIRED CONSUMPTION LEVEL	**kWh (enter)**	**RATE $/kWh**	**CHARGE $**		**kWh**	**RATE $/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**	
100 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	7.68	n/a	n/a	$	7.68		
DISTRIBUTION kWh	100	0.0086	$	0.86	100	0.0090	$	0.90		
OTHER CHARGES kWh	100	0.0239	$	2.39	100	0.0239	$	2.39		
COST OF POWER kWh	100	0.0430	$	4.30	100	0.0430	$	4.30		
CURRENT 2003 BILL			$	15.23	Adjusted 2004 BILL		$	15.27	$ 0.04	0.3%
250 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	7.68	n/a	n/a	$	7.68		
DISTRIBUTION kWh	250	0.0086	$	2.15	250	0.0090	$	2.26		
OTHER CHARGES kWh	250	0.0239	$	5.98	250	0.0239	$	5.98		
COST OF POWER kWh	250	0.0430	$	10.75	250	0.0430	$	10.75		
CURRENT 2003 BILL			$	26.56	Adjusted 2004 BILL		$	26.66	$ 0.11	0.4%
500 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	7.68	n/a	n/a	$	7.68		
DISTRIBUTION kWh	500	0.0086	$	4.30	500	0.0090	$	4.52		
OTHER CHARGES kWh	500	0.0239	$	11.95	500	0.0239	$	11.95		
COST OF POWER kWh	500	0.0430	$	21.50	500	0.0430	$	21.50		
CURRENT 2003 BILL			$	45.43	Adjusted 2004 BILL		$	45.65	$ 0.22	0.5%
750 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	7.68	n/a	n/a	$	7.68		
DISTRIBUTION kWh	750	0.0086	$	6.45	750	0.0090	$	6.78		
OTHER CHARGES kWh	750	0.0239	$	17.93	750	0.0239	$	17.93		
COST OF POWER kWh	750	0.0430	$	32.25	750	0.0430	$	32.25		
CURRENT 2003 BILL			$	64.31	Adjusted 2004 BILL		$	64.63	$ 0.33	0.5%

MONTHLY CONSUMPTION OF 1000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION kWh	1000	0.0086	$ 8.60	DISTRIBUTION kWh	1000	0.0090	$ 9.03		
	OTHER CHARGES kWh	1000	0.0239	$ 23.90	OTHER CHARGES kWh	1000	0.02390	$ 23.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	1000	0.0430	$ 43.00		
	CURRENT 2003 BILL			$ 83.18	Adjusted 2004 BILL			$ 83.61	$ 0.43	0.5%

MONTHLY CONSUMPTION OF 1500 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION kWh	1500	0.0086	$ 12.90	DISTRIBUTION kWh	1500	0.0090	$ 13.55		
	OTHER CHARGES kWh	1500	0.0239	$ 35.85	OTHER CHARGES kWh	1500	0.0239	$ 35.85		
	COST OF POWER kWh	1500	0.0430	$ 64.50	COST OF POWER kWh	1500	0.0430	$ 64.50		
	CURRENT 2003 BILL			$ 120.93	Adjusted 2004 BILL			$ 121.58	$ 0.65	0.5%

MONTHLY CONSUMPTION OF 2000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION kWh	2000	0.0086	$ 17.20	DISTRIBUTION kWh	2000	0.0090	$ 18.07		
	OTHER CHARGES kWh	2000	0.0239	$ 47.80	OTHER CHARGES kWh	2000	0.0239	$ 47.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	2000	0.0430	$ 86.00		
	CURRENT 2003 BILL			$ 158.68	Adjusted 2004 BILL			$ 159.55	$ 0.87	0.5%

GENERAL SERVICE < 50 KW

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)					
ENTER DESIRED CONSUMPTION LEVEL 1000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	1000	0.0137	$ 13.70	DISTRIBUTION kWh	1000	0.0172	$ 17.24		
	OTHER CHARGES kWh	1000	0.0229	$ 22.90	OTHER CHARGES kWh	1000	0.0229	$ 22.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	1000	0.0430	$ 43.00		
	CURRENT 2003 BILL			$ 87.38	Adjusted 2004 BILL			$ 90.92	$ 3.54	4.1%

MONTHLY CONSUMPTION 2000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	2000	0.0137	$ 27.40	DISTRIBUTION kWh	2000	0.0172	$ 34.48		
	OTHER CHARGES kWh	2000	0.0229	$ 45.80	OTHER CHARGES kWh	2000	0.0229	$ 45.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	2000	0.0430	$ 86.00		
	CURRENT 2003 BILL			$ 166.98	Adjusted 2004 BILL			$ 174.06	$ 7.08	4.2%

MONTHLY CONSUMPTION 5000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	5000	0.0137	$ 68.50	DISTRIBUTION kWh	5000	0.0172	$ 86.20		
	OTHER CHARGES kWh	5000	0.0229	$ 114.50	OTHER CHARGES kWh	5000	0.0229	$ 114.50		
	COST OF POWER kWh	5000	0.0430	$ 215.00	COST OF POWER kWh	5000	0.0430	$ 215.00		
	CURRENT 2003 BILL			$ 405.78	Adjusted 2004 BILL			$ 423.48	$ 17.70	4.4%

MONTHLY CONSUMPTION 10,000 kWh		kWh (enter)	RATE $/kWh	CHARGE $			kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	10000	0.0137	$	137.00	DISTRIBUTION kWh	10000	0.0172	$ 172.40		
	OTHER CHARGES kWh	10000	0.0229	$	229.00	OTHER CHARGES kWh	10000	0.0229	$ 229.00		
	COST OF POWER kWh	10000	0.0430	$	430.00	COST OF POWER kWh	10000	0.0430	$ 430.00		
	CURRENT 2003 BILL			$	803.78	Adjusted 2004 BILL			$ 839.18	$ 35.40	4.4%

MONTHLY CONSUMPTION 15,000 KWh		kWh (enter)	RATE $/kWh	CHARGE $			kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	15000	0.0137	$	205.50	DISTRIBUTION kWh	15000	0.0172	$ 258.60		
	OTHER CHARGES kWh	15000	0.0229	$	343.50	OTHER CHARGES kWh	15000	0.0229	$ 343.50		
	COST OF POWER kWh	15000	0.0430	$	645.00	COST OF POWER kWh	15000	0.0430	$ 645.00		
	CURRENT 2003 BILL			$	1,201.78	Adjusted 2004 BILL			$ 1,254.88	$ 53.10	4.4%

GENERAL SERVICE > 50 KW NON TIME OF USE

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $3.91/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility.
Consumption has not been adjusted for line losses.

CURRENT 2003 BILL | **2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)**

ENTER DESIRED CONSUMPTION LEVEL		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a		$47.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION kW	60	3.5396	$	212.38	DISTRIBUTION kW	60	3.2726	$ 196.36		
	OTHER CHARGES kW	60	3.9100	$	234.60	OTHER CHARGES kW	60	3.9100	$ 234.60		
	OTHER CHARGES kWh	15,000	0.0132	$	198.00	OTHER CHARGES kWh	15,000	0.0132	$ 198.00		
	COST OF POWER kWh	15,000	0.0550	$	825.00	COST OF POWER kWh	15,000	0.0550	$ 825.00		
	CURRENT 2003 BILL			$	1,517.77	Adjusted 2004 BILL			$ 1,501.75	$ (16.02)	-1.1%

MONTHLY CONSUMPTION 100kW, 40,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	47.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION kW	100	3.5396	$	353.96	DISTRIBUTION kW	100	3.2726	$ 327.26		
	OTHER CHARGES kW	100	3.9100	$	391.00	OTHER CHARGES kW	100	3.9100	$ 391.00		
	OTHER CHARGES kWh	40,000	0.0132	$	528.00	OTHER CHARGES kWh	40,000	0.0132	$ 528.00		
	COST OF POWER kWh	40,000	0.0550	$	2,200.00	COST OF POWER kWh	40,000	0.0550	$ 2,200.00		
	CURRENT 2003 BILL			$	3,520.75	Adjusted 2004 BILL			$ 3,494.05	$ (26.70)	-0.8%

MONTHLY CONSUMPTION 500kW, 100,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	47.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION kW	500	3.5396	$	1,769.80	DISTRIBUTION kW	500	3.2726	$ 1,636.32		
	OTHER CHARGES kW	500	3.9100	$	1,955.00	OTHER CHARGES kW	500	3.9100	$ 1,955.00		
	OTHER CHARGES kWh	100,000	0.0132	$	1,320.00	OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00		
	COST OF POWER kWh	100,000	0.0550	$	5,500.00	COST OF POWER kWh	100,000	0.0550	$ 5,500.00		
	CURRENT 2003 BILL			$	10,592.59	Adjusted 2004 BILL			$ 10,459.11	$ (133.48)	-1.3%

MONTHLY CONSUMPTION 1000kW, 400,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	47.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION kW	1000	3.5396	$	3,539.60	DISTRIBUTION kW	1000	3.2726	$ 3,272.64		
	OTHER CHARGES kW	1000	3.9100	$	3,910.00	OTHER CHARGES kW	1000	3.9100	$ 3,910.00		
	OTHER CHARGES kWh	400,000	0.0132	$	5,280.00	OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00		
	COST OF POWER kWh	400,000	0.0550	$	22,000.00	COST OF POWER kWh	400,000	0.0550	$ 22,000.00		
	CURRENT 2003 BILL			$	34,777.39	Adjusted 2004 BILL			$ 34,510.43	$ (266.96)	-0.8%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	47.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION kW	3000	3.5396	$	10,618.80	DISTRIBUTION kW	3000	3.2726	$ 9,817.91		
	OTHER CHARGES kW	3000	3.9100	$	11,730.00	OTHER CHARGES kW	3000	3.9100	$ 11,730.00		
	OTHER CHARGES kWh	1,000,000	0.0132	$	13,200.00	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00		
	COST OF POWER kWh	1,000,000	0.0550	$	55,000.00	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00		
	CURRENT 2003 BILL			$	90,596.59	Adjusted 2004 BILL			$ 89,795.70	$ (800.89)	-0.9%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	47.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 47.79		
	DISTRIBUTION kW	4000	3.5396	$	14,158.40	DISTRIBUTION kW	4000	3.27264	$ 13,090.55		
	OTHER CHARGES kW	4000	3.9100	$	15,640.00	OTHER CHARGES kW	4000	3.9100	$ 15,640.00		
	OTHER CHARGES kWh	1,800,000	0.0132	$	23,760.00	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00		
	COST OF POWER kWh	1,800,000	0.0550	$	99,000.00	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00		
	CURRENT 2003 BILL			$	152,606.19	Adjusted 2004 BILL			$ 151,538.34	$ (1,067.85)	-0.7%

GENERAL SERVICE >50 KW TIME OF USE

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $4.2138/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility.
Consumption has not been adjusted for line losses.

CURRENT 2003 BILL | **2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)**

ENTER DESIRED CONSUMPTION LEVEL

		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a		$2,066.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,066.99		
	DISTRIBUTION kW	60	3.9226	$	235.36	DISTRIBUTION kW	60	4.6900	$ 281.40		
	OTHER CHARGES kW	60	4.2138	$	252.83	OTHER CHARGES kW	60	4.2138	$ 252.83		
	OTHER CHARGES kWh	15,000	0.0132	$	198.00	OTHER CHARGES kWh	15,000	0.0132	$ 198.00		
	COST OF POWER kWh	15,000	0.0550	$	825.00	COST OF POWER kWh	15,000	0.0550	$ 825.00		
	CURRENT 2003 BILL			$	3,578.17	Adjusted 2004 BILL			$ 3,624.22	$ 46.05	1.3%

MONTHLY CONSUMPTION 100kW, 40,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	2,066.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,066.99		
	DISTRIBUTION kW	100	3.9226	$	392.26	DISTRIBUTION kW	100	4.6900	$ 469.00		
	OTHER CHARGES kW	100	4.2138	$	421.38	OTHER CHARGES kW	100	4.2138	$ 421.38		
	OTHER CHARGES kWh	40,000	0.0132	$	528.00	OTHER CHARGES kWh	40,000	0.0132	$ 528.00		
	COST OF POWER kWh	40,000	0.0550	$	2,200.00	COST OF POWER kWh	40,000	0.0550	$ 2,200.00		
	CURRENT 2003 BILL			$	5,608.63	Adjusted 2004 BILL			$ 5,685.37	$ 76.74	1.4%

MONTHLY CONSUMPTION 500kW, 100,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	2,066.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,066.99		
	DISTRIBUTION kW	500	3.9226	$	1,961.30	DISTRIBUTION kW	500	4.6900	$ 2,345.02		
	OTHER CHARGES kW	500	4.2138	$	2,106.90	OTHER CHARGES kW	500	4.2138	$ 2,106.90		
	OTHER CHARGES kWh	100,000	0.0132	$	1,320.00	OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00		
	COST OF POWER kWh	100,000	0.0550	$	5,500.00	COST OF POWER kWh	100,000	0.0550	$ 5,500.00		
	CURRENT 2003 BILL			$	12,955.19	Adjusted 2004 BILL			$ 13,338.91	$ 383.72	3.0%

MONTHLY CONSUMPTION 1000kW, 400,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	2,066.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,066.99		
	DISTRIBUTION kW	1000	3.9226	$	3,922.60	DISTRIBUTION kW	1000	4.6900	$ 4,690.04		
	OTHER CHARGES kW	1000	4.2138	$	4,213.80	OTHER CHARGES kW	1000	4.2138	$ 4,213.80		
	OTHER CHARGES kWh	400,000	0.0132	$	5,280.00	OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00		
	COST OF POWER kWh	400,000	0.0550	$	22,000.00	COST OF POWER kWh	400,000	0.0550	$ 22,000.00		
	CURRENT 2003 BILL			$	37,483.39	Adjusted 2004 BILL			$ 38,250.83	$ 767.44	2.0%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	2,066.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,066.99		
	DISTRIBUTION kW	3000	3.9226	$	11,767.80	DISTRIBUTION kW	3000	4.6900	$ 14,070.13		
	OTHER CHARGES kW	3000	4.2138	$	12,641.40	OTHER CHARGES kW	3000	4.2138	$ 12,641.40		
	OTHER CHARGES kWh	1,000,000	0.0132	$	13,200.00	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00		
	COST OF POWER kWh	1,000,000	0.0550	$	55,000.00	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00		
	CURRENT 2003 BILL			$	94,676.19	Adjusted 2004 BILL			$ 96,978.52	$ 2,302.33	2.4%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	2,066.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,066.99		
	DISTRIBUTION kW	4000	3.9226	$	15,690.40	DISTRIBUTION kW	4000	4.69004	$ 18,760.17		
	OTHER CHARGES kW	4000	4.2138	$	16,855.20	OTHER CHARGES kW	4000	4.2138	$ 16,855.20		
	OTHER CHARGES kWh	1,800,000	0.0132	$	23,760.00	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00		
	COST OF POWER kWh	1,800,000	0.0550	$	99,000.00	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00		
	CURRENT 2003 BILL			$	157,372.59	Adjusted 2004 BILL			$ 160,442.36	$ 3,069.77	2.0%

GENERAL SERVICE INTERMEDIATE CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $4.2138/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility.
Consumption has not been adjusted for line losses.

CURRENT 2003 BILL | **2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)**

ENTER DESIRED CONSUMPTION LEVEL

MONTHLY CONSUMPTION		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a		$0.00	MONTHLY SERVICE CHARGE	n/a	n/a	$ -		
3000kW, 800,000 kWh	DISTRIBUTION kW	3000	0.0000	$	-	DISTRIBUTION kW	3000	#DIV/0!	#DIV/0!		
	OTHER CHARGES kW	3000	4.2138	$	12,641.40	OTHER CHARGES kW	3000	4.2138	$ 12,641.40		
	OTHER CHARGES kWh	800,000	0.0132	$	10,560.00	OTHER CHARGES kWh	800,000	0.0132	$ 10,560.00		
	COST OF POWER kWh	800,000	0.0550	$	44,000.00	COST OF POWER kWh	800,000	0.0550	$ 44,000.00		
	CURRENT 2003 BILL			$	67,201.40	Adjusted 2004 BILL			#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3000kW, 1,000,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	-	MONTHLY SERVICE CHARGE	n/a	n/a	$ -		
	DISTRIBUTION kW	3000	0.0000	$	-	DISTRIBUTION kW	3000	#DIV/0!	#DIV/0!		
	OTHER CHARGES kW	3000	4.2138	$	12,641.40	OTHER CHARGES kW	3000	4.2138	$ 12,641.40		
	OTHER CHARGES kWh	1,000,000	0.0132	$	13,200.00	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00		
	COST OF POWER kWh	1,000,000	0.0550	$	55,000.00	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00		
	CURRENT 2003 BILL			$	80,841.40	Adjusted 2004 BILL			#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 4000kW, 1,200,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	-	MONTHLY SERVICE CHARGE	n/a	n/a	$ -		
	DISTRIBUTION kW	4000	0.0000	$	-	DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
	OTHER CHARGES kW	4000	4.2138	$	16,855.20	OTHER CHARGES kW	4000	4.2138	$ 16,855.20		
	OTHER CHARGES kWh	1,200,000	0.0132	$	15,840.00	OTHER CHARGES kWh	1,200,000	0.0132	$ 15,840.00		
	COST OF POWER kWh	1,200,000	0.0550	$	66,000.00	COST OF POWER kWh	1,200,000	0.0550	$ 66,000.00		
	CURRENT 2003 BILL			$	98,695.20	Adjusted 2004 BILL			#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 4000kW, 1,800,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	-	MONTHLY SERVICE CHARGE	n/a	n/a	$ -		
	DISTRIBUTION kW	4000	0.0000	$	-	DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
	OTHER CHARGES kW	4000	4.2138	$	16,855.20	OTHER CHARGES kW	4000	4.2138	$ 16,855.20		
	OTHER CHARGES kWh	#######	0.0132	$	23,760.00	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00		
	COST OF POWER kWh	#######	0.0550	$	99,000.00	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00		
	CURRENT 2003 BILL			$	139,615.20	Adjusted 2004 BILL			#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $4.7369/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility.
Consumption has not been adjusted for line losses.

CURRENT 2003 BILL | **2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)**

ENTER DESIRED CONSUMPTION LEVEL

MONTHLY CONSUMPTION		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a		$11,794.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11,794.78		
6000kW, 2,800,000 kWh	DISTRIBUTION kW	6000	2.5423	$	15,253.80	DISTRIBUTION kW	6000	2.5395	$ 15,237.05		
	OTHER CHARGES kW	6000	4.7369	$	28,421.40	OTHER CHARGES kW	6000	4.7369	$ 28,421.40		
	OTHER CHARGES kWh	2,800,000	0.0132	$	36,960.00	OTHER CHARGES kWh	2,800,000	0.0132	$ 36,960.00		
	COST OF POWER kWh	2,800,000	0.0500	$	140,000.00	COST OF POWER kWh	2,800,000	0.0500	$ 140,000.00		
	CURRENT 2003 BILL			$	232,429.98	Adjusted 2004 BILL			$ 232,413.23	$ (16.75)	0.0%

MONTHLY CONSUMPTION 15000kW, 10,000,000kWh		kW/kWh (enter)	RATE $kW/kWh	CHARGE $			kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	11,794.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11,794.78		
	DISTRIBUTION kW	15000	2.5423	$	38,134.50	DISTRIBUTION kW	15000	2.5395	$ 38,092.63		
	OTHER CHARGES kW	15000	4.7369	$	71,053.50	OTHER CHARGES kW	15000	4.7369	$ 71,053.50		
	OTHER CHARGES kWh	########	0.0132	$	132,000.00	OTHER CHARGES kWh	10,000,000	0.0132	$ 132,000.00		
	COST OF POWER kWh	########	0.0500	$	500,000.00	COST OF POWER kWh	########	0.0500	$ 500,000.00		
	CURRENT 2003 BILL			$	752,982.78	Adjusted 2004 BILL			$ 752,940.91	$ (41.87)	0.0%

SHEET 12

Bill Impact Analysis for 2004 Rate Schedule after Regulatory Asset and 2004 PILs Adjustments

(commodity price increase on April 1, 2004)

NAME OF UTILITY	Oshawa PUC Networks Inc	**LICENCE NUMBER**	ED -1999-0120
NAME OF CONTACT	Luc Perron / Christine Dade	**PHONE NUMBER**	905-723-4626 ext 5260
E- Mail Address	lperron@opuc.on.ca, cdade@opuc.on.ca		
VERSION NUMBER	1		
Date	21-Jan-04		

This schedule provides an estimate of bill impacts using the 2004 Rate Schedule which includes the Regulatory Asset Recovery and the 2004 PILs amount.
The 2004 bill also includes the new tiered commodity rate that will come into effect on April 1, 2004.

Note: All Rates are transferred from Sheets 10 and 11.

RESIDENTIAL CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

NON-TIME OF USE

CURRENT 2003 BILL

2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)

ENTER DESIRED CONSUMPTION LEVEL
100 kWh

	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION kWh	100	0.0086	$ 0.86	DISTRIBUTION kWh	100	0.0090	$ 0.90		
OTHER CHARGES kWh	100	0.0239	$ 2.39	OTHER CHARGES kWh	100	0.0239	$ 2.39		
COST OF POWER kWh	100	0.0430	$ 4.30	COST OF POWER kWh	100	0.0470	$ 4.70		
CURRENT 2003 BILL			$ 15.23	Adjusted 2004 BILL			$ 15.67	$ 0.44	2.9%

MONTHLY CONSUMPTION OF
250 kWh

	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION kWh	250	0.0086	$ 2.15	DISTRIBUTION kWh	250	0.0090	$ 2.26		
OTHER CHARGES kWh	250	0.0239	$ 5.98	OTHER CHARGES kWh	250	0.0239	$ 5.98		
COST OF POWER kWh	250	0.0430	$ 10.75	COST OF POWER kWh	250	0.0470	$ 11.75		
CURRENT 2003 BILL			$ 26.56	Adjusted 2004 BILL			$ 27.66	$ 1.11	4.2%

MONTHLY CONSUMPTION OF
500 kWh

	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION kWh	500	0.0086	$ 4.30	DISTRIBUTION kWh	500	0.0090	$ 4.52		
OTHER CHARGES kWh	500	0.0239	$ 11.95	OTHER CHARGES kWh	500	0.0239	$ 11.95		
COST OF POWER kWh	500	0.0430	$ 21.50	COST OF POWER kWh	500	0.0470	$ 23.50		
CURRENT 2003 BILL			$ 45.43	Adjusted 2004 BILL			$ 47.65	$ 2.22	4.9%

MONTHLY CONSUMPTION OF
750 kWh

	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION kWh	750	0.0086	$ 6.45	DISTRIBUTION kWh	750	0.0090	$ 6.78		
OTHER CHARGES kWh	750	0.0239	$ 17.93	OTHER CHARGES kWh	750	0.0239	$ 17.93		
COST OF POWER kWh	750	0.0430	$ 32.25	COST OF POWER kWh	750	0.0470	$ 35.25		
CURRENT 2003 BILL			$ 64.31	Adjusted 2004 BILL			$ 67.63	$ 3.33	5.2%

MONTHLY CONSUMPTION OF
1000 kWh

	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
DISTRIBUTION kWh	1000	0.0086	$ 8.60	DISTRIBUTION kWh	1000	0.0090	$ 9.03		
OTHER CHARGES kWh	1000	0.0239	$ 23.90	OTHER CHARGES kWh	1000	0.02390	$ 23.90		
COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	750	0.0470	$ 35.25		
				COST OF POWER kWh	250	0.0550	$ 13.75		
CURRENT 2003 BILL			$ 83.18	Adjusted 2004 BILL			$ 89.61	$ 6.43	7.7%

MONTHLY CONSUMPTION OF 1500 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION kWh	1500	0.0086	$ 12.90	DISTRIBUTION kWh	1500	0.0090	$ 13.55		
	OTHER CHARGES kWh	1500	0.0239	$ 35.85	OTHER CHARGES kWh	1500	0.0239	$ 35.85		
	COST OF POWER kWh	1500	0.0430	$ 64.50	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	750	0.0550	$ 41.25		
	CURRENT 2003 BILL			$ 120.93	Adjusted 2004 BILL			$ 133.58	$ 12.65	10.5%

MONTHLY CONSUMPTION OF 2000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.68		
	DISTRIBUTION kWh	2000	0.0086	$ 17.20	DISTRIBUTION kWh	2000	0.0090	$ 18.07		
	OTHER CHARGES kWh	2000	0.0239	$ 47.80	OTHER CHARGES kWh	2000	0.0239	$ 47.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	1250	0.0550	$ 68.75		
	CURRENT 2003 BILL			$ 158.68	Adjusted 2004 BILL			$ 177.55	$ 18.87	11.9%

GENERAL SERVICE < 50 KW

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

CURRENT 2003 BILL | **2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)**

MONTHLY CONSUMPTION OF 1000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	1000	0.0137	$ 13.70	DISTRIBUTION kWh	1000	0.01724	$ 17.24		
	OTHER CHARGES kWh	1000	0.0229	$ 22.90	OTHER CHARGES kWh	1000	0.0229	$ 22.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	250	0.0550	$ 13.75		
	CURRENT 2003 BILL			$ 87.38	Adjusted 2004 BILL			$ 96.92	$ 9.54	10.9%

MONTHLY CONSUMPTION OF 2000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	2000	0.0137	$ 27.40	DISTRIBUTION kWh	2000	0.0172	$ 34.48		
	OTHER CHARGES kWh	2000	0.0229	$ 45.80	OTHER CHARGES kWh	2000	0.0229	$ 45.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	1250	0.0550	$ 68.75		
	CURRENT 2003 BILL			$ 166.98	Adjusted 2004 BILL			$ 192.06	$ 25.08	15.0%

MONTHLY CONSUMPTION OF 5000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	5000	0.0137	$ 68.50	DISTRIBUTION kWh	5000	0.0172	$ 86.20		
	OTHER CHARGES kWh	5000	0.0229	$ 114.50	OTHER CHARGES kWh	5000	0.0229	$ 114.50		
	COST OF POWER kWh	5000	0.0430	$ 215.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	4250	0.0550	$ 233.75		
	CURRENT 2003 BILL			$ 405.78	Adjusted 2004 BILL			$ 477.48	$ 71.70	17.7%

MONTHLY CONSUMPTION OF 10000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	10000	0.0137	$ 137.00	DISTRIBUTION kWh	10000	0.0172	$ 172.40		
	OTHER CHARGES kWh	10000	0.0229	$ 229.00	OTHER CHARGES kWh	10000	0.0229	$ 229.00		
	COST OF POWER kWh	10000	0.0430	$ 430.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	9250	0.0550	$ 508.75		
	CURRENT 2003 BILL			$ 803.78	Adjusted 2004 BILL			$ 953.18	$ 149.40	18.6%

MONTHLY CONSUMPTION OF 15000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78	MONTHLY SERVICE CHARGE	n/a	n/a	$ 7.78		
	DISTRIBUTION kWh	15000	0.0137	$ 205.50	DISTRIBUTION kWh	15000	0.0172	$ 258.60		
	OTHER CHARGES kWh	15000	0.0229	$ 343.50	OTHER CHARGES kWh	15000	0.0229	$ 343.50		
	COST OF POWER kWh	15000	0.0430	$ 645.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	14250	0.0550	$ 783.75		
	CURRENT 2003 BILL			$ 1,201.78	Adjusted 2004 BILL			$ 1,428.88	$ 227.10	18.9%

Appendix 7

2004 Approved PILS Model

	A	B	C	D	E
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**				**Version 2004.2**
2	**REGULATORY INFORMATION (REGINFO)**				**RRR # 2.1.8**
3	**Utility Name: Oshawa PUC Networks Inc.**				
4	**Reporting period: 2004**				
5					
6	**Days in reporting period:**	366	days		
7	**Total days in the calendar year:**	366	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
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	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		99%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			52,062,025	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			4,459,112	
42					
43	1999 return from RUD Sheet #7			28,902	28,902
44					
45	Total Incremental revenue			4,430,210	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			1,476,737	1,476,737
48	Amount allowed in 2002			1,476,737	1,476,737
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					0
52					0
53	**Total Regulatory Income**				2,982,376
54					
55	Equity			26,031,013	
56					
57	Return at target ROE			2,571,864	
58					
59	Debt			26,031,013	
60					
61	Deemed interest amount in 100% of MARR			1,887,248	
62					
63	Phase-in of interest - Year 1 (2001)			637,238	
64	((D43+D47)/D41)*D61				
65	Phase-in of interest - Year 2 (2002)			1,262,243	
66	((D43+D47+D48)/D41)*D61				
67	Phase-in of interest - Year 3 (2003) and forward			1,262,243	
68	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
69					
70					
71					

	A	B	C	D	E	F	G	H	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			$						$		$	
7	**Utility Name: Oshawa PUC Networks Inc.**											
8	**Reporting period: 2004**										**Column**	
9	**Days in reporting period:**	366	days								**Brought**	
10	**Total days in the calendar year:**	366	days								**From**	
11											**TAXREC**	
12												
13	**I) CORPORATE INCOME TAXES**											
14												
15	Regulatory Net Income REGINFO E53	1	2,982,376						3,570,624		6,553,000	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	***Additions:***											
20	Depreciation & Amortization	2	3,299,926						39,074		3,339,000	
21	Employee Benefit Plans - Accrued, Not Paid	3	0						0		0	
22	Tax reserves - beginning of year	4	0						0		0	
23	Reserves from financial statements - end of year	4	0						7,819,342		7,819,342	
24	Regulatory Adjustments - increase in income	5	0						0		0	
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6	0						0		0	
27	Other Additions (not "Material") "TAXREC"	6	0						5,634		5,634	
28	"Material Items from "TAXREC 2" worksheet	6	0						0		0	
29	Other Additions (not "Material") "TAXREC 2"	6	0						0		0	
30												
31	***Deductions:*** ***Input positive numbers***											
32	Capital Cost Allowance and CEC	7	1,968,153						861,167		2,829,320	
33	Employee Benefit Plans - Paid Amounts	8	0						0		0	
34	Items Capitalized for Regulatory Purposes	9	0						0		0	
35	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0						0		0	
36	Interest Expense Deemed/ Incurred	11	1,262,243						222,757		1,485,000	
37	Tax reserves - end of year	4	0						0		0	
38	Reserves from financial statements - beginning of year	4	0						7,685,345		7,685,345	
39	Contributions to deferred income plans	3	0						0		0	
40	Contributions to pension plans	3	0						0		0	
41	Interest capitalized for accounting but deducted for tax	11	0						186,772		186,772	
42	Other Deductions (See Tab entitled "TAXREC")											
43	"Material" Items from "TAXREC" worksheet	12	0						0		0	
44	Other Deductions (not "Material") "TAXREC"	12	0						0		0	
45	Material Items from "TAXREC 2" worksheet	12	0						0		0	
46	Other Deductions (not "Material") "TAXREC 2"	12	0						0		0	
47												
48	TAXABLE INCOME/ (LOSS)		3,051,906						2,478,633	Before loss C/F	5,530,539	
49												
50	BLENDED INCOME TAX RATE											
51	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%						-2.5000%		36.12%	
52												
53	REGULATORY INCOME TAX		1,178,646						817,984	Actual	1,996,630	
54												
55												
56	Miscellaneous Tax Credits (Ontario Specific Tax Credit)	14	0						0	Actual	0	
57												
58	**Total Regulatory Income Tax**		1,178,646						817,984	Actual	1,996,630	
59												
60												
61	**II) CAPITAL TAXES**											
62												
63	***Ontario***											
64	Base	15	52,062,025						30,895,323		82,957,348	
65	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000						-787,667		4,212,333	
66	Taxable Capital		47,062,025						30,107,657		78,745,015	
67												
68	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%						0.0000%		0.3000%	
69												
70	Ontario Capital Tax		141,186						95,049		236,235	
71												
72	***Federal Large Corporations Tax***											
73	Base	18	52,062,025						13,027,833		65,089,858	
74	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000						39,270,000		49,270,000	
75	Taxable Capital		42,062,025						52,297,833		15,819,858	
76												
77	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%						-0.0250%		0.2000%	
78												
79	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		94,640						-63,000		31,640	
80	Less: Federal Surtax 1.12% x Taxable Income	21	34,181						27,761		61,942	
81												
82	Net LCT		60,458						-60,458		0	
83												

	A	B	C	D	E	F	G	H	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			$						$		$	
84	**III) INCLUSION IN RATES**											
85												
86	Income Tax Rate used for gross- up (exclude surtax)		37.50%									
87												
88	Income Tax (proxy tax is grossed-up)	22	1,885,834							**Actual 2004**	1,996,630	
89	LCT (proxy tax is grossed-up)	23	96,733							**Actual 2004**	0	
90	Ontario Capital Tax (no gross-up since it is deductible)	24	141,186							**Actual 2004**	236,235	
91												
92												
93	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	2,123,753							**Actual 2004**	2,232,865	
94	**RAM DECISION**											
95												
96												
97	***IV) FUTURE TRUE-UPS***											
98	**IV a) Calculation of the True-up Variance**								**DR/(CR)**			
99	***In Additions:***											
100	Employee Benefit Plans - Accrued, Not Paid	3							0			
101	Tax reserves deducted in prior year	4							0			
102	Reserves from financial statements-end of year	4							7,819,342			
103	Regulatory Adjustments	5							0			
104	Other additions "Material" Items TAXREC	6							0			
105	Other additions "Material" Items TAXREC 2	6							0			
106	***In Deductions - positive numbers***											
107	Employee Benefit Plans - Paid Amounts	8							0			
108	Items Capitalized for Regulatory Purposes	9							0			
109	Regulatory Adjustments	10							0			
110	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							7,685,345			
113	Contributions to deferred income plans	3							0			
114	Contributions to pension plans	3							0			
115	Other deductions "Material" Items TAXREC	12							0			
116	Other deductions "Material" Item TAXREC 2	12							0			
117												
118	Total TRUE-UPS before tax effect	26						=	133,997			
119												
120	Income Tax Rate (excluding surtax) from 2004 Utility's tax return							x	35.00%			
121												
122	Income Tax Effect on True-up adjustments							=	46,899			
123												
124	Less: Miscellaneous Tax Credits	14							0			
125												
126	Total Income Tax on True-ups								46,899			
127												
128	Income Tax Rate used for gross-up (exclude surtax)								35.00%			
129												
130	**TRUE-UP VARIANCE ADJUSTMENT**								72,152			
131												
132	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**											
133												
134	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							=	3,051,906			
135												
136	REVISED CORPORATE INCOME TAX RATE							x	36.12%			
137												
138	REVISED REGULATORY INCOME TAX							=	1,102,348			
139												
140	Less: Revised Miscellaneous Tax Credits							-	0			
141												
142	Total Revised Regulatory Income Tax							=	1,102,348			
143												
144	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)							-	1,178,646			
145												
146	Regulatory Income Tax Variance							=	-76,298			
147												
148	**Ontario Capital Tax**											
149	Base							=	52,062,025			
150	Less: Exemption from tab Tax Rates, Table 2, cell C39							-	5,000,000			
151	Revised deemed taxable capital							=	47,062,025			
152												
153	Rate - Tab Tax Rates cell C54							x	0.3000%			
154												
155	Revised Ontario Capital Tax							=	141,186			
156	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)							-	141,186			
157	Regulatory Ontario Capital Tax Variance							=	0			
158												
159	**Federal LCT**											
160	Base								52,062,025			
161	Less: Exemption from tab Tax Rates, Table 2, cell C40							-	50,000,000			
162	Revised Federal LCT							=	2,062,025			
163												

	A	B	C	D	E	F	G	H	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								0.2000%			
165												
166	Gross Amount								4,124			
167	Less: Federal surtax							-	34,181			
168	Revised Net LCT							=	0			
169												
170	Less: Federal LCT reported in the initial estimate column (Cell C82)							-	60,458			
171	Regulatory Federal LCT Variance							=	-60,458			
172												
173	Actual Income Tax Rate used for gross-up (exclude surtax)								35.00%			
174												
175	Income Tax (grossed-up)							+	-117,381			
176	LCT (grossed-up)							+	-93,013			
177	Ontario Capital Tax							+	0			
178												
179	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**							=	-210,394			
180												
181	**TRUE-UP VARIANCE (from cell I130)**							+	72,152			
182												
183	**Total Deferral Account Entry (Positive Entry = Debit)**							=	-138,241			
184	*(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												
191	Total deemed interest (REGINFO)								1,887,248			
192	Interest phased-in (Cell C36)								1,262,243			
193												
194	Variance due to phase-in of debt component of MARR in rates								625,005			
195	according to the Board's decision											
196												
197	**Other Interest Variances (i.e. Borrowing Levels**											
198	**Above Deemed Debt per Rate Handbook)**											
199	Interest deducted on MoF filing (Cell K36+K41)								1,671,772			
200	Total deemed interest (REGINFO CELL D61)								1,887,248			
201												
202	Variance caused by excess debt								0			
203												
204	**Interest Adjustment for Tax Purposes (carry forward to Cell I110)**								0			
205												
206	**Total Interest Variance**								625,005			
207												

Appendix 8A

2004 Signed Decision – March Implementation

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2004-0080
EB-2004-0066

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Oshawa PUC Networks Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On January 15, 2004 the Ontario Energy Board (the "Board") issued filing guidelines to all electricity distribution utilities for distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

The Applicant filed an application for such adjustment. Notice of the proceeding was published on February 5, 2004 in major newspapers in the province.

The Applicant also applied for recovery of amounts outside of the guidelines. Specifically, the Applicant requested recovery of the loss of revenue associated with the closing of its largest customer. In a letter sent by the Minister of Energy to the utility and copied to the Board, the Minister authorized the utility to proceed to the Board with its application for recovery of this loss. At this time, the Board will approve only the portion

of the application that conforms to the guidelines. The Board will issue a procedural order establishing the next steps in connection with this request, in due course.

While the Board had originally intended to approve the disposal of RSVA amounts on a final basis, on analysis of the applications by distributors and the reporting of RSVA amounts in these applications, the Board has now determined that all rate changes should be interim. In the Board's view, it would be premature to set these rates final based on the quality of the data contained in many of the applications and the fact that the audit sampling process by the Board has not been completed.

The Board received some interventions in these proceedings, mainly concerned with Phase Two of the process. The only intervenor to make specific submissions on Phase One of the proceeding was the School Energy Coalition, ("SEC") who objected to any interim increase in rates over and above the RSVA amounts on the basis that appropriate evidence had not been filed on these amounts. The Board is not convinced by SEC's arguments and sees no substantive reason that Phase One cannot proceed. Phase One only contemplates partial recovery on an interim basis at this time. In Phase Two, the Board will review all applications to ensure that only prudent and reasonably incurred costs are recovered over the four year period mandated by the Minister.

In light of the above, the Board finds that it is in the public interest to order as follows.

THE BOARD ORDERS THAT:

1) The rate schedule attached is approved on an interim basis, effective March 1, 2004, to be implemented on April 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2004 implementation date, the new rates shall be implemented with the first billing cycle for electricity taken or considered to have been taken from April 1, 2004.

2) The Applicant shall notify its customers of the rate changes by including the brochure provided by the Board through a different process, no later than with the

first customer bill reflecting the new rates, and provide to the Board samples of any other notices sent by the Applicant to its customers with respect to the rate changes. The Board expects the Applicant to provide notice to all customers about the rate changes, no later than with the first bill reflecting the new rates.

DATED at Toronto, March 17, 2004

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Secretary

Interim Rates RP-2004-0080
Oshawa PUC Networks Inc. EB-2004-0066
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RESIDENTIAL

Monthly Service Charge	(per month)	$7.68
Distribution Volumetric Rate	(per kWh)	$0.0090

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$7.78
Distribution Volumetric Rate	(per kWh)	$0.0172

GENERAL SERVICE > 50 KW

Monthly Service Charge	(per month)	$47.79
Distribution Volumetric Rate	(per kW)	$3.2726

GENERAL SERVICE > 50 KW - Time of Use

Monthly Service Charge	(per month)	$2,066.99
Distribution Volumetric Rate	(per kW)	$4.6900

LARGE USE

Monthly Service Charge	(per month)	$11,794.78
Distribution Volumetric Rate	(per kW)	$2.5423

SENTINEL LIGHTS

Monthly Service Charge	(per connection)	$1.87
Distribution Volumetric Rate	(per kW)	$5.8324

STREET LIGHTING

Monthly Service Charge	(per connection)	$0.53
Distribution Volumetric Rate	(per kW)	$5.5566

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
26th. Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

Commission de l'Énergie de l'Ontario
C.P. 2319
2300, rue Yonge
26e étage
Toronto ON M4P 1E4
Téléphone; (416) 481-1967
Télécopieur: (416) 440-7656

Ontario

March 17, 2004

Luc Perron
Vice President, Finance
Oshawa PUC Networks Inc.
100 Simcoe Street South
Oshawa ON
L1H 7M7

Dear Mr. Perron:

Re: Distribution Rate Application
Board Decision and Order and Interim Rate Schedule

Attached is the Board's Decision and Order and Interim Rate Schedule with respect to your company's distribution rate application regarding the partial recovery of Regulatory Assets.

Yours truly,

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record

Appendix 8B

2004 Signed Decision – July Implementation

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

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Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273

Ontario

BY PRIORITY POST

June 28, 2004

Mr. Jeff Rosenthal
Chief Executive Officer
Oshawa PUC Networks Inc.
100 Simcoe Street South
Oshawa, Ontario
L1J 7M7

Dear Mr. Rosenthal:

Re: **Oshawa PUC Networks Inc.**
Board File Number RP-2004-0080/EB-2004-0236

The Board has today issued a decision and order in the above matter and an executed copy is attached.

Yours truly,

Original Signed By

Peter H. O'Dell
Acting Board Secretary

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2004-0080
EB-2004-0236

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Oshawa PUC Networks Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Presiding Member

Arthur Birchenough
Member

DECISION AND ORDER

As part of Oshawa PUC Network's ("Oshawa") application related to the recovery of Regulatory Assets, it also sought approval to recover the revenue shortfall resulting from the closure of its largest customer, ACSYS. Oshawa had filed a letter (undated) from the Minister of Energy giving approval for Oshawa to proceed with its request to the Ontario Energy Board ("the Board"). In its Decision and Order dealing with the recovery of Regulatory Assets, the Board noted that it would deal with the lost revenue component of the application at a later time. The Board assigned a separate file number, RP-2004-0080/EB-2004-0236, to this component of the application.

On April 8, 2004, the Board issued a Letter of Direction to Oshawa to publish a combined Notice of Application and Notice of Public Hearing. The Notice was published in the local paper on Wednesday April 21, 2004. No party intervened.

As a result of the customer plant closure, Oshawa seeks to recover an annualized amount of $555,000 through higher volumetric rates for its residential and general service <50 kW customer classes. The allocation of the total amount to the two customer classes follows the relative share of distribution revenue. Based on Oshawa's allocation proposal, the monthly bill for a typical residential customer using 1,000 kWh per month would increase by $1.10 or 1.2%. For a typical general service <50 kW customer, the monthly bill would increase by $2.60 or 1.4%.

Copies of the application and other material pertaining to this proceeding are available at the Board's offices.

Board Findings

The issues that arise for the Board are as follows:

1. Is there sufficient evidence that the plant closure will take place and if so, what is the likelihood that there will be another occupant?

2. Is the revenue loss of material consequence?

3. Are there stranded distribution assets as a result of the plant closure?

4. Is the proposed recovery allocation to the rate classes appropriate?

We accept Oshawa's evidence that ACSYS has been winding down its operations since August 2003 and that the plant will be closed in June 2004. We also accept Oshawa's evidence that, although no formal public notice has been issued, the demolition of the plant will begin in the fall 2004. We find on the evidence that there will likely not be another customer at that location to replace the lost load, at least in the near future. However, there is no conclusive evidence that Oshawa would not continue to bill and collect revenues from fixed charges and some load after June 30, 2004.

We note that the distribution revenue loss of $555,000 represents approximately 4% of Oshawa's total distribution revenue. In our view, the loss, if not remedied, would cause a material financial detriment to the utility. Also, the lost revenue is not the result of bad debt. We therefore are satisfied that a provision should be made for Oshawa to recover the lost revenue from its other customers.

According to the evidence, the load loss would create an estimated 50% excess capacity in the lines that are currently used to service the customer. The transformer station is owned by the customer. Since these lines are used for other loads and the excess capacity may be used in the future, these common use lines cannot be considered stranded. The net book value of the portions of the lines that are specifically dedicated to the sole use of the lost customer are estimated by Oshawa at $2,000. While the undepreciated cost of these lines would have to be written off, we are of the view that this amount is of no material consequence to warrant an adjustment to rate base at this time.

We do not find Oshawa's evidence sufficient to support its proposal to recover the revenue loss from only the residential and general service <50 kW classes. There is no allocation study available to Oshawa to conclusively support its proposal. Until such cost allocation study becomes available, we are of the view that recovery from all the rate classes would be more appropriate, and we so find.

We also find that it would be appropriate to allocate the $550,000 revenue deficiency to all classes on a volumetric basis.

THE BOARD THEREFORE ORDERS THAT:

1. The rate schedule appended to this Decision and Order be effective July 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force.

2. Any revenues collected from ACSYS after June 30, 2004 be recorded in a deferral account and reported to the Board on a monthly basis.

3. Oshawa notify all its customers about the rate changes coincident with the first bills reflecting the new rates.

DATED at Toronto, June 28, 2004

Signed on behalf of the Panel

Paul Vlahos
Presiding Member

Appendix "A"

RP-2004-0080

EB-2004-0236

June 28, 2004

Interim Rates RP-2004-0080
Oshawa PUC Networks Inc. EB-2004-0236
Schedule of Changed Distribution Rates and Charges
Effective Date: July 1, 2004

RESIDENTIAL

Monthly Service Charge	(per month)	$7.68
Distribution Volumetric Rate	(per kWh)	$0.0096

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$7.78
Distribution Volumetric Rate	(per kWh)	$0.0179

GENERAL SERVICE > 50 KW

Monthly Service Charge	(per month)	$47.79
Distribution Volumetric Rate	(per kW)	$3.4372

GENERAL SERVICE > 50 KW - Time of Use

Monthly Service Charge	(per month)	$2,066.99
Distribution Volumetric Rate	(per kW)	$4.9568

LARGE USE

Monthly Service Charge	(per month)	$11,794.78
Distribution Volumetric Rate	(per kW)	$2.6541

SENTINEL LIGHTS

Monthly Service Charge	(per connection)	$1.87
Distribution Volumetric Rate	(per kW)	$5.9588

STREET LIGHTING

Monthly Service Charge	(per connection)	$0.53
Distribution Volumetric Rate	(per kW)	$5.7677

Appendix 9

2005 Approved Rate Model

2005 Rate Adjustment Model

Name of Utility:	**Oshawa PUC Networks Inc**
License Number:	**ED-1999-0120**
File Number:	**RP-2005-0013**
	EB-2005-0062
Name of Contact:	**CHRISTINE DADE**
E- Mail Address:	**cdade@opuc.on.ca**
Phone Number:	**905-743-5200 Extension:**
Date:	**Jan 14, 2005**

Version Number: **2005.V1.1**

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.1**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200** **Extension:**	
Date:	**Jan 14, 2005**	

Enter the values for your 2002 Base Rates as shown on sheet 4 of the 2002 RAM or sheet 2 of the 2004 RAM.
Using the 2002 base rates removes the impact of 2004 interim Regulatory Assets and the 2004 PILs Proxy, added in the approved rates on April 1, 2004.

Adjustments to rate classes may be made if your LDC has non-standard classes.

RESIDENTIAL

Distribution kWh Rate	$0.0076
Monthly Service Charge (Per Customer)	$6.69

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

GENERAL SERVICE < 50 KW

Distribution kWh Rate	$0.0139
Monthly Service Charge (Per Customer)	$7.85

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	$2.7325
Monthly Service Charge (Per Customer)	$37.36

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	$3.2940
Monthly Service Charge (Per Customer)	$1,755.17

SHEET 1 - 2002 Base Rate Schedule

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

LARGE USE

Distribution KW Rate	$2.0831
Monthly Service Charge (Per Customer)	$9,811.28

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	$4.4208
Monthly Service Charge (Per Connection)	$1.95

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	$0.0000
Monthly Service Charge (Per Connection)	$0.58

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	$5.3164
Monthly Service Charge (Per Connection)	$0.43

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	$0.9316
Monthly Service Charge (Per Connection)	$0.08

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.1**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200** **Extension:**	
Date:	**Jan 14, 2005**	

Enter the final MARR installment calculated in the 2001 RUD Model	**$ 1,476,736.81**
Have you applied for approval of your C&DM plan?	**yes**
Enter the amount applied for your C&DM plan	**$1,476,736.81**
Has the C&DM application been approved?	**yes**
Enter the final MARR installment *(based on Board-Approved C&DM plan or applied-for amount)*	**$ 1,476,736.81**
Grossed-up MARR based on 14 months recovery over 13 months.	**$ 1,590,331.95**

Use the Table below to enter the 1999 data for your LDC from your approved 2001 RUD Model.
1999 Distribution Revenue Shares will be used to allocate the Board-Approved MARR Value to rate classes.
You may adjust the rate classes if your LDC has non-standard classes.

1999 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Distribution Shares	Allocation of Board-Approved MARR Value
Residential Class		440,866,896	41,312	$4,792,118	52.71%	$838,335
General Service < 50 KW Class		103,311,344	3,648	$1,305,361	14.36%	$228,360
General Service > 50 KW Non-Time of Use	944,243		640	$2,071,166	22.78%	$362,331
General Service > 50 KW Time of Use	115,093		6	$364,851	4.01%	$63,827
Intermediate Use					0.00%	$0
Large Class User	224,057		2	$437,082	4.81%	$76,463
Sentinel Lights			38	$1,091	0.01%	$191
Street Lighting	21,715		9,483	$119,037	1.31%	$20,824
TOTALS	**1,305,108**	**544,178,240**	**55,129**	**$9,090,705**	**100.00%**	**$1,590,332**
				Grossed-up MARR Value ==========>		**$1,590,332**

Note: LDCs must enter the fixed-variable split used on Sheet 13 (Sensitivity Analysis 2) of their 2001 Approved RUD Model.

Residential Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$838,335
(B) Fixed-Variable Split (%)	50.0%	50.0%	100%
(C) Re-Allocated MARR ($)	$419,168	$419,168	$838,335
(D) Number of kWh	440,866,896		
(E) Number of Customers		41,312	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0010		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.8455	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$228,360
(B) Fixed-Variable Split (%)	81.0%	19.0%	100%
(C) Re-Allocated MARR ($)	$184,972	$43,388	$228,360
(D) Number of kWh	103,311,344		
(E) Number of Customers		3,648	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0018		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.9911	

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$362,331
(B) Fixed-Variable Split (%)	90.0%	10.0%	100%
(C) Re-Allocated MARR ($)	$326,098	$36,233	$362,331
(D) Number of kW	944,243		
(E) Number of Customers		640	
(F) Incremental Distribution kWh Rate ($/kW)	$0.3454		
(G) Incremental Monthly Service Charge (C)/(E)/12		$4.7178	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$63,827
(B) Fixed-Variable Split (%)	75.0%	25.0%	100%
(C) Re-Allocated MARR ($)	$47,870	$15,957	$63,827
(D) Number of kW	115,093		
(E) Number of Customers		6	
(F) Incremental Distribution kW Rate ($/kW)	$0.4159		
(G) Incremental Monthly Service Charge (C)/(E)/12		$221.6219	

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$0
(B) Fixed-Variable Split (%)	40.0%	60.0%	100%
(C) Re-Allocated MARR ($)	$0	$0	$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate ($/kW)	$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.0000	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Large User Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$76,463
(B) Fixed-Variable Split (%)	70.0%	30.0%	100%
(C) Re-Allocated MARR ($)	$53,524	$22,939	$76,463
(D) Number of kW	224,057		
(E) Number of Customers		2	
(F) Incremental Distribution kW Rate ($/kW)	$0.2389		
(G) Incremental Monthly Service Charge (C)/(E)/12		$955.7919	

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$191
(B) Fixed-Variable Split (%)	50.0%	50.0%	100%
(C) Re-Allocated MARR ($)	$95	$95	$191
(D) Number of kW	0		
(E) Number of Customers		38	
(F) Incremental Distribution kW Rate ($/kW)	$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.2093	

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$20,824
(B) Fixed-Variable Split (%)	70.0%	30.0%	100%
(C) Re-Allocated MARR ($)	$14,577	$6,247	$20,824
(D) Number of kW	21,715		
(E) Number of Customers		9,483	
(F) Incremental Distribution kW Rate ($/kW)	$0.6713		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.0549	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.1**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200** **Extension:**	
Date:	**Jan 14, 2005**	

Residential Class

DISTRIBUTION KWH RATE	$0.0086
MONTHLY SERVICE CHARGE (Per Customer)	$7.54

Residential Class (Time-of-Use)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

General Service < 50 KW

DISTRIBUTION KWH RATE	$0.0157
MONTHLY SERVICE CHARGE (Per Customer)	$8.84

General Service > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE	$3.0779
MONTHLY SERVICE CHARGE (Per Customer)	$42.08

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE	$3.7099
MONTHLY SERVICE CHARGE (Per Customer)	$1,976.79

Intermediate Use

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Large Use

DISTRIBUTION KW RATE	$2.3220
MONTHLY SERVICE CHARGE (Per Customer)	$10,767.07

Sentinel Lights (Non-Time of Use)

DISTRIBUTION KW RATE	$4.4208
MONTHLY SERVICE CHARGE (Per Connection)	$1.95

OR

Sentinel Lights (Time of Use)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE	$5.3164
MONTHLY SERVICE CHARGE (Per Connection)	$0.43

OR

Street Lighting (Time of Use)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility:	**Oshawa PUC Networks Inc**		**2005.V1.1**
License Number:	**ED-1999-0120**		**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**		**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**		
Phone Number:	**905-743-5200**	**Extension:**	
Date:	**Jan 14, 2005**		

This schedule requires LDCs to input the 2003 data which will be used to allocate 2005 PILs to the rate classes.
The 2005 PILs Proxy is calculated in the 2005 PILs model, TAXCALC Worksheet, Cell C95

Enter the 2005 PILs Proxy Amount $ 2,327,131.00

Distribution Revenue is used to allocate the 2005 PILs Proxy Amount to the rate classes.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2005 PILs Proxy Allocation	
Residential Class		476,323,806	43,679	$8,121,842	52.2%	$1,215,005	
General Service < 50 KW Class		147,877,603	3,970	$2,396,562	15.4%	$358,519	
General Service > 50 KW Non-Time of Use	806,043	307,554,251	545	$3,165,617	20.3%	$473,567	
General Service > 50 KW Time of Use	197,712	96,019,945	5	$899,564	5.8%	$134,572	
Intermediate Use					0.0%	$0	
Large Class User	177,483	78,027,132	2	$757,124	4.9%	$113,264	reduced by ACSYS
Sentinel Lights					0.0%	$0	
Street Lighting	23,227	8,750,098	10,153	$215,274	1.4%	$32,204	16110848
							-554865
TOTALS		**1,114,552,835**	**58,354**	**$15,555,983**	**1.00**	**$2,327,131**	15555983
				2005 PILs Proxy Amount ==========>		$2,327,131	

2005 PILs Proxy amount will be recovered only in the distribution kWh charge (Variable Charge).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$1,215,005
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$1,215,005	$0	$1,215,005
(D) Number of kWh	476,323,806		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0026		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$358,519
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$358,519	$0	$358,519
(D) Number of kWh	147,877,603		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0024		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$473,567
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$473,567	$0	$473,567
(D) Number of kW	806,043		
(E) Incremental Distribution kW Rate ($/kW)	$0.5875		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$134,572
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$134,572	$0	$134,572
(D) Number of kW	197,712		
(E) Incremental Distribution kW Rate ($/kW)	$0.6806		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$0	$0	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$113,264
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$113,264	$0	$113,264
(D) Number of kW	177,483		
(E) Incremental Distribution kW Rate ($/kW)	$0.6382		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$0	$0	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$32,204
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$32,204	$0	$32,204
(D) Number of kW	23,227		
(E) Incremental Distribution kW Rate ($/kW)	$1.3865		

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.1**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200** **Extension:**	
Date:	**Jan 14, 2005**	

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0111
MONTHLY SERVICE CHARGE (Per Customer)	$7.54

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0181
MONTHLY SERVICE CHARGE (Per Customer)	$8.84

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.6654
MONTHLY SERVICE CHARGE (Per Customer)	$42.08

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$4.3906
MONTHLY SERVICE CHARGE (Per Customer)	$1,976.79

INTERMEDIATE USE

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

SHEET 5 - Rate Schedule including 2005 PILs

LARGE USE

DISTRIBUTION KW RATE	$2.9602
MONTHLY SERVICE CHARGE (Per Customer)	$10,767.07

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.4208
MONTHLY SERVICE CHARGE (Per Connection)	$1.95

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.7029
MONTHLY SERVICE CHARGE (Per Connection)	$0.43

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

SHEET 6 - December 31, 2003 Regulatory Assets

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.1**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200** **Extension:**	
Date:	**Jan 14, 2005**	

LDCs should enter their December 3, 2003 balances for each regulatory asset account. In the case of distributors that have approved Regulatory Asset recovery rate riders, the distributor should not enter any balances on Sheet 6 and should go directly to Sheet 10. In this instance, the rate schedule on Sheet 5 is identical to Sheet 9.

Description	Account Number	Amount Applied-for Balance as at Dec. 31, 2003
RSVA - Wholesale Market Service Charge	**1580**	$1,564,793
RSVA - One-time Wholesale Market Service	**1582**	$35,978
RSVA - Retail Transmission Network Charge	**1584**	$1,347,952
RSVA - Retail Transmission Connection Charge	**1586**	-$997,243
RSVA - Power	**1588**	$323,059
Sub-Total for RSVA Accounts		$2,274,540
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		$946,629
Adjusted 2005 Recovery Amount (RSVA Accounts)		**$1,327,911**

Other Regulatory Assets	**1508**	$6,209
Retail Cost Variance Account - Retail	**1518**	
Retail Cost Variance Account - STR	**1548**	
Misc. Deferred Debits - incl. Rebate Cheques	**1525**	$200
Deferred Payments in Lieu of Taxes	**1562**	$33,822
PILs Contra Account	**1563**	-$33,822
Qualifing Transition Costs	**1570**	$304,293
Pre-Market Opening Energy Variances Total	**1571**	$1,086,000
Extra-Ordinary Event Losses	**1572**	
Deferred Rate Impact Amounts	**1574**	
Other Deferred Credits	**2425**	
Sub-Total for Non-RSVA Regulatory Asset Accounts		$1,396,702
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		**$1,396,702**

Total Adjusted Regulatory Assets	$2,724,613

33% of Total Adjusted Regulatory Assets	**$908,204.27**

SHEET 6 - December 31, 2003 Regulatory Assets

---------- Please go to Section 1 ----------

Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:		
Total Adjusted Balance for RSVA Accounts	**(a)**	$1,327,911
33% of Total Adjusted Regulatory Assets	**(b)**	$908,204
Remaining Final Amount to be recovered in future periods (a) - (b)		**$419,707**

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:	
33% OF Total Adjusted Regulatory Assets	N/A
Total Adjusted Balance for RSVA Accounts	N/A
Amount to be colleced from RSVA Accounts	N/A
Amount to be collected from Non-RSVA accounts	N/A

Rate Implementation	**Check Box YES or NO**	
Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.	☑ YES	☐ NO
Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.	☐ YES	☐ NO

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.1**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200** **Extension:**	
Date:	**Jan 14, 2005**	

Approved Regulatory Asset Recovery from Sheet 4 ***(either from Section 1 or Section 2)*** **$ 908,204.27**

The share of class kWh sold in 2003 is used to allocate the approved interim RSVA Regulatory Asset amounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 kWh Shares	2003 RSVA Allocations
Residential Class	0	476,323,806	43,679	$8,121,842	42.7%	$388,137
General Service < 50 KW Class	0	147,877,603	3,970	$2,396,562	13.3%	$120,500
General Service > 50 KW Non-Time of Use	806,043	307,554,251	545	$3,165,617	27.6%	$250,614
General Service > 50 KW Time of Use	197,712	96,019,945	5	$899,564	8.6%	$78,243
Intermediate Use	0	0	0	$0	0.0%	$0
Large Class User	177,483	78,027,132	2	$757,124	7.0%	$63,581
Sentinel Lights	0	0	0	$0	0.0%	$0
Street Lighting	23,227	8,750,098	10,153	$215,274	0.8%	$7,130
TOTALS		**1,114,552,835**	**58,354**	**$15,555,982.64**	**1.00**	**$908,204**
			Allocated Total for RSVA accounts ==========>			$908,204

Regulatory Assets will be recovered only in the distribution variable charge ($/kWh or $/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$388,137
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$388,137	$0	$388,137
(D) Number of kWh	476,323,806		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0008		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$120,500
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$120,500	$0	$120,500
(D) Number of kWh	147,877,603		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0008		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$250,614
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$250,614	$0	$250,614
(D) Number of kW	806,043		
(E) Incremental Distribution kW Rate ($/kW)	$0.3109		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$78,243
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$78,243	$0	$78,243
(D) Number of kW	197,712		
(E) Incremental Distribution kW Rate ($/kW)	$0.3957		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$63,581
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$63,581	$0	$63,581
(D) Number of kW	177,483		
(E) Incremental Distribution kW Rate ($/kW)	$0.3582		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$7,130
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$7,130	$0	$7,130
(D) Number of kW	23,227		
(E) Incremental Distribution kW Rate ($/kW)	$0.3070		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Name of Utility:	**Oshawa PUC Networks Inc**		**2005.V1.1**
License Number:	**ED-1999-0120**		**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**		**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**		
Phone Number:	**905-743-5200**	**Extension:**	
Date:	**Jan 14, 2005**		

Approved Regulatory Asset Recovery from Non-RSVA Accounts *(Sheet 4, Section 2)* **$ -**

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2002 Regulatory Asset RSVA Allocations
Residential Class	0	476,323,806	43,679	$8,121,842	52.2%	$0
General Service < 50 KW Class	0	147,877,603	3,970	$2,396,562	15.4%	$0
General Service > 50 KW Non-Time of Use	806,043	307,554,251	545	$3,165,617	20.3%	$0
General Service > 50 KW Time of Use	197,712	96,019,945	5	$899,564	5.8%	$0
Intermediate Use	0	0	0	$0	0.0%	$0
Large Class User	177,483	78,027,132	2	$757,124	4.9%	$0
Sentinel Lights	0	0	0	$0	0.0%	$0
Street Lighting	23,227	8,750,098	10,153	$215,274	1.4%	$0
TOTALS		**1,114,552,835**	**58,354**	**$15,555,983**	**1.00**	**$0**
			Allocated Total for Non-RSVA accounts ==========>			$0

Regulatory Assets will be recovered only in the distribution variable charge ($/kWh or $/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kWh	476,323,806		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0000		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kWh	147,877,603		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

General Service > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	806,043		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	197,712		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	177,483		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	23,227		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.1**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200** **Extension:**	
Date:	**Jan 14, 2005**	

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0119
MONTHLY SERVICE CHARGE (Per Customer)	$7.54

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0189
MONTHLY SERVICE CHARGE (Per Customer)	$8.84

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.9763
MONTHLY SERVICE CHARGE (Per Customer)	$42.08

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$4.7863
MONTHLY SERVICE CHARGE (Per Customer)	$1,976.79

INTERMEDIATE USE

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

LARGE USE

DISTRIBUTION KW RATE	$3.3184
MONTHLY SERVICE CHARGE (Per Customer)	$10,767.07

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.4208
MONTHLY SERVICE CHARGE (Per Connection)	$1.95

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$7.0099
MONTHLY SERVICE CHARGE (Per Connection)	$0.43

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Connection)	

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	Oshawa PUC Networks Inc		2005.V1.1
License Number:	ED-1999-0120		RP-2005-0013
Name of Contact:	CHRISTINE DADE		EB-2005-0062
E- Mail Address:	cdade@opuc.on.ca		
Phone Number:	905-743-5200	Extension:	
Date:	Jan 14, 2005		

This sheet is to be used by those distributors that have final approval of their Regulatory Asset Recovery - Phase 2 rate riders.

Class	Rate Rider per kWh (or kW)
Residential Class	
General Service < 50 KW Class	
General Service > 50 KW Non-Time of Use	
General Service > 50 KW Time of Use	
Intermediate Use	
Large Class User	
Sentinel Lights	
Street Lighting	

Oshawa PUC Networks Inc
RP-2005-0013 EB-2005-0062
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006
ed with the adjustment to ACSYS over fixed and varianble and leaving the MARR adjustment as per OEB's original calculation

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL

Monthly Service Charge	(per month)	$7.54
Distribution Volumetric Rate	(per kWh)	$0.0119

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	
Distribution Volumetric Rate	(per kWh)	

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$8.84
Distribution Volumetric Rate	(per kWh)	$0.0189

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$42.08
Distribution Volumetric Rate	(per kW)	$3.9763

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$1,976.79
Distribution Volumetric Rate	(per kW)	$4.7863

INTERMEDIATE USE

Monthly Service Charge	(per month)	
Distribution Volumetric Rate	(per kW)	

LARGE USE

Monthly Service Charge	(per month)	$10,767.07
Distribution Volumetric Rate	(per kW)	$3.3184

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.95
Distribution Volumetric Rate	(per kW)	$4.4208

Oshawa PUC Networks Inc
RP-2005-0013 EB-2005-0062
Schedule of Changed Distribution Rates and Charges

Effective April 1, 2005 until April 30, 2006

ed with the adjustment to ACSYS over fixed and varianble and leaving the MARR adjustment as per OEB's original calculation

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	
Distribution Volumetric Rate	(per kW)	

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$0.43
Distribution Volumetric Rate	(per kW)	$7.0099

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	
Distribution Volumetric Rate	(per kW)	

SHEET 12 - Current Rates as of April 1, 2004

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.1**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200 Extension:**	
Date:	**Jan 14, 2005**	

In order to calculate bill impacts on Sheet 13, enter your current rates as approved in your 2004 Rate Order.
You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

Distribution kWh Rate	$0.0096
Monthly Service Charge (Per Customer)	$7.68

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

GENERAL SERVICE < 50 KW

Distribution kWh Rate	$0.0179
Monthly Service Charge (Per Customer)	$7.78

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	$3.4372
Monthly Service Charge (Per Customer)	$47.79

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	$4.9568
Monthly Service Charge (Per Customer)	$2,066.99

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SHEET 12 - Current Rates as of April 1, 2004

LARGE USE

Distribution KW Rate	$2.6541
Monthly Service Charge (Per Customer)	$11,794.78

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	$2.6541
Monthly Service Charge (Per Customer)	$1.87

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	$5.7677
Monthly Service Charge (Per Customer)	$0.53

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Name of Utility:	**Oshawa PUC Networks Inc**	**2005.V1.0**
License Number:	**ED-1999-0120**	**RP-2005-0013**
Name of Contact:	**CHRISTINE DADE**	**EB-2005-0062**
E- Mail Address:	**cdade@opuc.on.ca**	
Phone Number:	**905-743-5200** **Extension:**	
Date:	**Jan 14, 2005**	

Monthly Consumption

RESIDENTIAL CLASS

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility. In addition, consumption has not been adjusted for line losses.*

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
100										
	Monthly Service Charge	N/A	N/A	**$ 7.68**	Monthly Service Charge	N/A	N/A	**$ 7.54**		
	Distribution (kWh)	100	**$ 0.0096**	$ 0.96	Distribution (kWh)	100	**$ 0.0119**	$ 1.19		
			Sub-Total	**$ 8.64**			**Sub Total**	**$ 8.73**	**$ 0.09**	**1.01%**
	Other Charges (kWh)	100	$ 0.0239	$ 2.39	Other Charges (kWh)	100	$ 0.0239	$ 2.39		
	Cost of Power (kWh)	100	$ 0.0470	$ 4.70	Cost of Power (kWh)	100	$ 0.0470	$ 4.70		
	Current 2004 Bill			**$ 15.73**	**Adjusted 2005 Bill**			**$ 15.82**	**$ 0.09**	**0.55%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
250										
	Monthly Service Charge	N/A	N/A	**$ 7.68**	Monthly Service Charge	N/A	N/A	**$ 7.54**		
	Distribution (kWh)	250	**$0.0096**	$ 2.40	Distribution (kWh)	250	**$ 0.0119**	$ 2.98		
			Sub-Total	**$ 10.08**			**Sub Total**	**$ 10.51**	**$ 0.43**	**4.31%**
	Other Charges (kWh)	250	$ 0.0239	$ 5.98	Other Charges (kWh)	250	$ 0.0239	$ 5.98		
	Cost of Power (kWh)	250	$ 0.0470	$ 11.75	Cost of Power (kWh)	250	$ 0.0470	$ 11.75		
	Current 2004 Bill			**$ 27.81**	**Adjusted 2005 Bill**			**$ 28.24**	**$ 0.43**	**1.56%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
500										
	Monthly Service Charge	N/A	N/A	**$ 7.68**	Monthly Service Charge	N/A	N/A	**$ 7.54**		
	Distribution (kWh)	500	**$0.0096**	$ 4.80	Distribution (kWh)	500	**$ 0.0119**	$ 5.96		
			Sub-Total	**$ 12.48**			**Sub Total**	**$ 13.49**	**$ 1.01**	**8.12%**
	Other Charges (kWh)	500	$ 0.0239	$ 11.95	Other Charges (kWh)	500	$ 0.0239	$ 11.95		
	Cost of Power (kWh)	500	$ 0.0470	$ 23.50	Cost of Power (kWh)	500	$ 0.0470	$ 23.50		
	Current 2004 Bill			**$ 47.93**	**Adjusted 2005 Bill**			**$ 48.94**	**$ 1.01**	**2.12%**

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
750	Monthly Service Charge	N/A	N/A	$ 7.68	Monthly Service Charge	N/A	N/A	$ 7.54		
	Distribution (kWh)	750	$0.0096	$ 7.20	Distribution (kWh)	750	0.0119	$ 8.94		
			Sub-Total	$ 14.88			Sub Total	$ 16.47	$ 1.59	10.70%
	Other Charges (kWh)	750	0.0239	$ 17.93	Other Charges (kWh)	750	0.0239	$ 17.93		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Current 2004 Bill			$ 68.06	Adjusted 2005 Bill			$ 69.65	$ 1.59	2.34%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 7.68	Monthly Service Charge	N/A	N/A	$ 7.54		
	Distribution (kWh)	1000	$0.0096	$ 9.60	Distribution (kWh)	1000	0.0119	$ 11.92		
			Sub-Total	$ 17.28			Sub Total	$ 19.45	$ 2.17	12.57%
	Other Charges (kWh)	1000	0.0239	$ 23.90	Other Charges (kWh)	1000	0.0239	$ 23.90		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	250	0.0550	$ 13.75	Cost of Power (kWh)	250	0.0550	$ 13.75		
	Current 2004 Bill			$ 90.18	Adjusted 2005 Bill			$ 92.35	$ 2.17	2.41%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,500	Monthly Service Charge	N/A	N/A	$ 7.68	Monthly Service Charge	N/A	N/A	$ 7.54		
	Distribution (kWh)	1500	$0.0096	$ 14.40	Distribution (kWh)	1500	0.0119	$ 17.87		
			Sub-Total	$ 22.08			Sub Total	$ 25.41	$ 3.33	15.08%
	Other Charges (kWh)	1500	0.0239	$ 35.85	Other Charges (kWh)	1500	0.0239	$ 35.85		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	750	0.0550	$ 41.25	Cost of Power (kWh)	750	0.0550	$ 41.25		
	Current 2004 Bill			$ 134.43	Adjusted 2005 Bill			$ 137.76	$ 3.33	2.48%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
2,000	Monthly Service Charge	N/A	N/A	$ 7.68	Monthly Service Charge	N/A	N/A	$ 7.54		
	Distribution (kWh)	2000	$0.0096	$ 19.20	Distribution (kWh)	2000	0.0119	$ 23.83		
			Sub-Total	$ 26.88			Sub Total	$ 31.37	$ 4.49	16.70%
	Other Charges (kWh)	2000	0.0239	$ 47.80	Other Charges (kWh)	2000	0.0239	$ 47.80		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	$ 68.75	Cost of Power (kWh)	1,250	0.0550	$ 68.75		
	Current 2004 Bill			$ 178.68	Adjusted 2005 Bill			$ 183.17	$ 4.49	2.51%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

GENERAL SERVICE < 50 KW

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.*
In addition, consumption has not been adjusted for line losses.

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
1,000										
	Monthly Service Charge	N/A	N/A	**$ 7.78**	Monthly Service Charge	N/A	N/A	**$ 8.84**		
	Distribution (kWh)	1000	**$ 0.0179**	$ 17.90	Distribution (kWh)	1000	**$ 0.0189**	$ 18.93		
			Sub-Total	**$ 25.68**			**Sub Total**	**$ 27.77**	**$ 2.09**	**8.14%**
	Other Charges (kWh)	1000	$ 0.0229	$ 22.90	Other Charges (kWh)	1000	$ 0.0229	$ 22.90		
	Cost of Power (kWh)	1000	$ 0.0470	$ 47.00	Cost of Power (kWh)	1000	$ 0.0470	$ 47.00		
	Current 2004 Bill			**$ 95.58**	**Adjusted 2005 Bill**			**$ 97.67**	**$ 2.09**	**2.19%**

ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
2,000										
	Monthly Service Charge	N/A	N/A	**$ 7.78**	Monthly Service Charge	N/A	N/A	**$ 8.84**		
	Distribution (kWh)	2000	**$0.0179**	$ 35.80	Distribution (kWh)	2000	**$0.0189**	$ 37.86		
			Sub-Total	**$ 43.58**			**Sub Total**	**$ 46.70**	**$ 3.12**	**7.16%**
	Other Charges (kWh)	2000	$0.0229	$ 45.80	Other Charges (kWh)	2,000	$0.0229	$ 45.80		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	1,250	$0.0550	$ 68.75	Cost of Power (kWh)	1,250	$0.0550	$ 68.75		
	Current 2004 Bill			**$ 193.38**	**Adjusted 2005 Bill**			**$ 196.50**	**$ 3.12**	**1.61%**

ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
5,000										
	Monthly Service Charge	N/A	N/A	**$ 7.78**	Monthly Service Charge	N/A	N/A	**$ 8.84**		
	Distribution (kWh)	5000	**$0.0179**	$ 89.50	Distribution (kWh)	5000	**$0.0189**	$ 94.65		
			Sub-Total	**$ 97.28**			**Sub Total**	**$ 103.49**	**$ 6.21**	**6.38%**
	Other Charges (kWh)	5000	$0.0229	$ 114.50	Other Charges (kWh)	5,000	$0.0229	$ 114.50		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	4,250	$0.0550	$ 233.75	Cost of Power (kWh)	4,250	$0.0550	$ 233.75		
	Current 2004 Bill			**$ 480.78**	**Adjusted 2005 Bill**			**$ 486.99**	**$ 6.21**	**1.29%**

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
10,000	Monthly Service Charge	N/A	N/A	$ 7.78	Monthly Service Charge	N/A	N/A	$ 8.84		
	Distribution (kWh)	10000	$0.0179	$ 179.00	Distribution (kWh)	10000	$0.0189	$ 189.30		
			Sub-Total	$ 186.78			Sub Total	$ 198.14	$ 11.36	6.08%
	Other Charges (kWh)	10000	$0.0229	$ 229.00	Other Charges (kWh)	10,000	$0.0229	$ 229.00		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	9,250	$0.0550	$ 508.75	Cost of Power (kWh)	9,250	$0.0550	$ 508.75		
	Current 2004 Bill			$ 959.78	Adjusted 2005 Bill			$ 971.14	$ 11.36	1.18%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
15,000	Monthly Service Charge	N/A	N/A	$ 7.78	Monthly Service Charge	N/A	N/A	$ 8.84		
	Distribution (kWh)	15000	$0.0179	$ 268.50	Distribution (kWh)	15000	$0.0189	$ 283.95		
			Sub-Total	$ 276.28			Sub Total	$ 292.79	$ 16.51	5.97%
	Other Charges (kWh)	15000	$0.0229	$ 343.50	Other Charges (kWh)	15,000	$0.0229	$ 343.50		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	14,250	$0.0550	$ 783.75	Cost of Power (kWh)	14,250	$0.0550	$ 783.75		
	Current 2004 Bill			$ 1,438.78	Adjusted 2005 Bill			$ 1,455.29	$ 16.51	1.15%

GENERAL SERVICE > 50 KW to <1000 KW

OPUCN charges 3.3685 - for non metered 4.3006 for metered customers

*For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $3.91/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.*
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

		CURRENT 2004 BILL			FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
60	Monthly Service Charge	N/A	N/A	$ 47.79	Monthly Service Charge	N/A	N/A	$ 42.08		
kWh	Distribution (kW)	60	$3.4372	$ 206.23	Distribution (kW)	60	$3.9763	$ 238.58		
15,000			Sub-Total	$ 254.02			Sub Total	$ 280.66	$ 26.63	10.48%
	Other Charges (kW)	60	$3.3685	$ 202.11	Other Charges (kW)	60.00	$3.3685	$ 202.11		
	Other Charges (kWh)	15,000	$0.0132	$ 198.00	Other Charges (kWh)	15,000	$0.0132	$ 198.00		
	Cost of Power (kWh)	750	$0.0550	$ 41.25	Cost of Power (kWh)	750	$0.0550	$ 41.25		
	Current 2004 Bill			$ 695.38	Adjusted 2005 Bill			$ 722.02	$ 26.63	3.83%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
kW										
100	Monthly Service Charge	N/A	N/A	$ 47.79	Monthly Service Charge	N/A	N/A	$ 42.08		
kWh	Distribution (kW)	100	$3.4372	$ 343.72	Distribution (kW)	100	$3.9763	$ 397.63		
40,000			Sub-Total	$ 391.51			Sub Total	$ 439.71	$ 48.20	12.31%
	Other Charges (kW)	100	$3.3685	$ 336.85	Other Charges (kW)	100.00	$3.3685	$ 336.85		
	Other Charges (kWh)	40,000	$0.0132	$ 528.00	Other Charges (kWh)	40,000	$0.0132	$ 528.00		
	Cost of Power (kWh)	40,000	$0.0550	$ 2,200.00	Cost of Power (kWh)	40,000	$0.0550	$ 2,200.00		
	Current 2004 Bill			$ 3,456.36	Adjusted 2005 Bill			$ 3,504.56	$ 48.20	1.39%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
kW										
500	Monthly Service Charge	N/A	N/A	$ 47.79	Monthly Service Charge	N/A	N/A	$ 42.08		
kWh	Distribution (kW)	500	$3.4372	$ 1,718.60	Distribution (kW)	500	$3.9763	$ 1,988.15		
100,000			Sub-Total	$ 1,766.39			Sub Total	$ 2,030.22	$ 263.83	14.94%
	Other Charges (kW)	500	$3.3685	$ 1,684.25	Other Charges (kW)	500.00	$3.3685	$ 1,684.25		
	Other Charges (kWh)	100,000	$0.0132	$ 1,320.00	Other Charges (kWh)	100,000	$0.0132	$ 1,320.00		
	Cost of Power (kWh)	100,000	$0.0550	$ 5,500.00	Cost of Power (kWh)	100,000	$0.0550	$ 5,500.00		
	Current 2004 Bill			$ 10,270.64	Adjusted 2005 Bill			$ 10,534.47	$ 263.83	2.57%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
kW										
1,000	Monthly Service Charge	N/A	N/A	$ 47.79	Monthly Service Charge	N/A	N/A	$ 42.08		
kWh	Distribution (kW)	1,000	$3.4372	$ 3,437.20	Distribution (kW)	1000	3.9763	$ 3,976.29		
400,000			Sub-Total	$ 3,484.99			Sub Total	$ 4,018.37	$ 533.38	15.31%
	Other Charges (kW)	1,000	3.3685	$ 3,368.50	Other Charges (kW)	1,000.00	3.3685	$ 3,368.50		
	Other Charges (kWh)	400,000	0.0132	$ 5,280.00	Other Charges (kWh)	400,000	0.0132	$ 5,280.00		
	Cost of Power (kWh)	400,000	0.0550	$ 22,000.00	Cost of Power (kWh)	400,000	0.0550	$ 22,000.00		
	Current 2004 Bill			$ 34,133.49	Adjusted 2005 Bill			$ 34,666.87	$ 533.38	1.56%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
3,000	Monthly Service Charge	N/A	N/A	$ 47.79	Monthly Service Charge	N/A	N/A	$ 42.08		
kWh	Distribution (kW)	3,000	$3.4372	$ 10,311.60	Distribution (kW)	3000	3.9763	$ 11,928.88		
1,000,000			Sub-Total	$ 10,359.39			Sub Total	$ 11,970.96	$ 1,611.57	15.56%
	Other Charges (kW)	3,000	3.3685	$ 10,105.50	Other Charges (kW)	3,000.00	3.3685	$ 10,105.50		
	Other Charges (kWh)	1,000,000	0.0132	$ 13,200.00	Other Charges (kWh)	1,000,000	0.0132	$ 13,200.00		
	Cost of Power (kWh)	1,000,000	0.0550	$ 55,000.00	Cost of Power (kWh)	1,000,000	0.0550	$ 55,000.00		
	Current 2004 Bill			$ 88,664.89	Adjusted 2005 Bill			$ 90,276.46	$ 1,611.57	1.82%

GENERAL SERVICE >1000 kW - <5000 kW (I2)

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $4.2138/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.*
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
3,000	Monthly Service Charge	N/A	N/A	$ 2,066.99	Monthly Service Charge	N/A	N/A	$ 1,976.79		
kWh	Distribution (kW)	3,000	$4.9568	$ 14,870.40	Distribution (kW)	3000	$4.79	$ 14,358.90		
800,000			Sub-Total	$ 16,937.39			Sub Total	$ 16,335.69	$ (601.70)	-3.55%
	Other Charges (kW)	3,000	4.2138	$ 12,641.40	Other Charges (kWh)	3,000.00	4.2138	$ 12,641.40		
	Other Charges (kWh)	800,000	0.0132	$ 10,560.00	Other Charges (kWh)	800,000	0.0132	$ 10,560.00		
	Cost of Power (kWh)	800,000	0.0550	$ 44,000.00	Cost of Power (kWh)	800,000	0.0550	$ 44,000.00		
	Current 2004 Bill			$ 84,138.79	Adjusted 2005 Bill			$ 83,537.09	$ (601.70)	-0.715%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
3,000	Monthly Service Charge	N/A	N/A	$ -	Monthly Service Charge	N/A	N/A			
kWh	Distribution (kW)	3,000	$0.0000	$ -	Distribution (kW)	3000		#VALUE!		
1,000,000			Sub-Total	$ -			Sub Total	#VALUE!	#VALUE!	#VALUE!
	Other Charges (kW)	3,000	4.2138	$ 12,641.40	Other Charges (kWh)	3,000.00	4.2138	$ 12,641.40		
	Other Charges (kWh)	1,000,000	0.0132	$ 13,200.00	Other Charges (kWh)	1,000,000	0.0132	$ 13,200.00		
	Cost of Power (kWh)	1,000,000	0.0550	$ 55,000.00	Cost of Power (kWh)	1,000,000	0.0550	$ 55,000.00		
	Current 2004 Bill			$ 80,841.40	Adjusted 2005 Bill			#VALUE!	#VALUE!	#VALUE!

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
4,000	Monthly Service Charge	N/A	N/A	$ -	Monthly Service Charge	N/A	N/A			
kWh	Distribution (kW)	4,000	$0.0000	$ -	Distribution (kW)	4000		#VALUE!		
1,200,000			Sub-Total	$ -			Sub Total	#VALUE!	#VALUE!	#VALUE!
	Other Charges (kW)	4,000	4.2138	$ 16,855.20	Other Charges (kWh)	4,000.00	4.2138	$ 16,855.20		
	Other Charges (kWh)	1,200,000	0.0132	$ 15,840.00	Other Charges (kWh)	1,200,000	0.0132	$ 15,840.00		
	Cost of Power (kWh)	1,200,000	0.0550	$ 66,000.00	Cost of Power (kWh)	1,200,000	0.0550	$ 66,000.00		
	Current 2004 Bill			$ 98,695.20	Adjusted 2005 Bill			#VALUE!	#VALUE!	#VALUE!

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
4,000	Monthly Service Charge	N/A	N/A	$ -	Monthly Service Charge	N/A	N/A			
kWh	Distribution (kW)	4,000	$0.0000	$ -	Distribution (kW)	4000		#VALUE!		
1,800,000			Sub-Total	$ -			Sub Total	#VALUE!	#VALUE!	#VALUE!
	Other Charges (kW)	4,000	4.2138	$ 16,855.20	Other Charges (kWh)	4,000.00	4.2138	$ 16,855.20		
	Other Charges (kWh)	1,800,000	0.0132	$ 23,760.00	Other Charges (kWh)	1,800,000	0.0132	$ 23,760.00		
	Cost of Power (kWh)	1,800,000	0.0550	$ 99,000.00	Cost of Power (kWh)	1,800,000	0.0550	$ 99,000.00		
	Current 2004 Bill			$ 139,615.20	Adjusted 2005 Bill			#VALUE!	#VALUE!	#VALUE!

LARGE USE CLASS (> 5000 KW)

slight difference for OPUCN

For the purpose of this estimate, Other Charges include Retail Transmission Rate of $0.047369/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
6,000	Monthly Service Charge	N/A	N/A	$ 11,794.78	Monthly Service Charge	N/A	N/A	$ 10,767.07		
kWh	Distribution (kW)	6,000	$2.6541	$ 15,924.60	Distribution (kW)	6000	$3.32	$ 19,910.62		
2,800,000			Sub-Total	$ 27,719.38			Sub Total	$ 30,677.69	$ 2,958.31	10.67%
check out the pricing	Other Charges (kW)	6,000	4.6299	$ 27,779.40	Other Charges (kWh)	6,000.00	4.6299	$ 27,779.40		
	Other Charges (kWh)	2,800,000	0.0132	$ 36,960.00	Other Charges (kWh)	2,800,000	0.0132	$ 36,960.00		
	Cost of Power (kWh)	2,800,000	0.0550	$ 154,000.00	Cost of Power (kWh)	2,800,000	0.0550	$ 154,000.00		
	Current 2004 Bill			$ 246,458.78	Adjusted 2005 Bill			$ 249,417.09	$ 2,958.31	1.20%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
15,000	Monthly Service Charge	N/A	N/A	$ 11,794.78	Monthly Service Charge	N/A	N/A	$ 10,767.07		
kWh	Distribution (kW)	15,000	$2.6541	$ 39,811.50	Distribution (kW)	15000	$3.32	$ 49,776.55		
10,000,000			Sub-Total	$ 51,606.28			Sub Total	$ 60,543.62	$ 8,937.34	17.32%
	Other Charges (kW)	15,000	4.6299	$ 69,448.50	Other Charges (kWh)	15,000.00	4.6299	$ 69,448.50		
	Other Charges (kWh)	10,000,000	0.0132	$ 132,000.00	Other Charges (kWh)	10,000,000	0.0132	$ 132,000.00		
	Cost of Power (kWh)	10,000,000	0.0550	$ 550,000.00	Cost of Power (kWh)	10,000,000	0.0550	$ 550,000.00		
	Current 2004 Bill			$ 803,054.78	Adjusted 2005 Bill			$ 811,992.12	$ 8,937.34	1.11%

Appendix 10

2005 Approved PILS Model

SECTION 93 PILs TAX GROSS-UP	PROXY CALCULATION FOR 2005	PILS2005.V1.1

REGULATORY INFORMATION (REGINFO)

Utility Name:	Oshawa PUC Networks Inc	
File Number:	RP-2005-0013	
	EB-2005-0062	
Reporting period:	January 1 - December 31, 2005	
Days in reporting period:	365	
Total days in the calendar year:	365	

BACKGROUND

1. Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? (Yes or No)	no	
2. Please identify the percentage used to allocate the exemption.		
3. Please explain the basis of the allocation if the percentage is other than 100%.		
4. Accounting Year End		

MARR NO TAX CALCULATIONS
FROM SHEET #7 FINAL 2001 RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)

Rate base (wires-only)	$52,062,025.00		
Common Equity Ratio (CER)	50.00%		
1-CER	50.00%		
Target Return On Equity (%)	9.88%		
Debt rate	7.25%		
			Regulatory Income
Market Adjusted Revenue Requirement	$4,459,112		
1999 return from RUD Sheet #7	$28,902		$28,902
Total Incremental revenue	$4,430,210		
	Based on Board's Decision (RP-2000-0069)	*Board-Approved Amounts*	
Amount allowed in 2001, Year 1	$1,476,737	$1,476,737	$1,476,737
Amount allowed in 2002, Year 2	$1,476,737	$1,476,737	$1,476,737
Amount allowed in 2003, Year 3	$1,476,737	$1,476,737	$1,476,737
Permanent Changes to Base Rate *(e.g. LPP 5% to 1.5%)*	$275,578		$275,578
C&DM Capital Portion from "C&DM TAX FORECAST" worksheet	63%		
Total Regulatory Income			**$4,734,691**
Equity	$26,031,013		
Return at target ROE	$2,571,864		
Debt	$26,031,013		
Deemed interest amount in EBIT	$1,887,248		

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Utility Name: Oshawa PUC Networks Inc Reporting Period: January 1 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365	ITEM	Proxy Calculation $	Comments
I) CORPORATE INCOME TAXES			
Regulatory Net Income	1	**$4,734,691**	
BOOK TO TAX ADJUSTMENTS			
Additions:			
Depreciation & Amortization	2	**$3,299,926**	
Employee Benefit Plans - Accrued, Not Paid	3		
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	6	$0	
Other Additions	6	$0	
"Material Items	6	$0	
Other Additions	6	$0	
Deductions:			
Capital Cost Allowance and CEC	7	**$1,968,153**	
Employee Benefit Plans - Paid Amounts	8	$0	
Items Capitalized for Regulatory Purposes	9	$0	
Regulatory Adjustments	10	$0	
Interest Expense Deemed	11	**$1,887,248**	
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	3	$0	
Interest capitalized for accounting but deducted for tax	11	$0	
Other Deductions			
"Material" Items	12	$0	
C&DM 2005 Incremental OM&A expenses per C&DM Plan	12	**$300,000**	
Material Items	12	$0	
Other Deductions	12	$0	
REGULATORY TAXABLE INCOME		**$3,879,216**	
CORPORATE INCOME TAX RATE			
Deemed %	13	36.12%	
REGULATORY INCOME TAX Taxable Income x Rate		$1,401,173	
Miscellaneous Tax Credits	14	$0	
Total Regulatory Income Tax		**$1,401,173**	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Utility Name: Oshawa PUC Networks Inc Reporting Period: January 1 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365	ITEM	Proxy Calculation $	Comments
Percentage used to determine the exemptions for capital tax and large corporations tax		0%	
II) CAPITAL TAXES			
Ontario			
Rate Base	15	$52,062,025	
Less: Exemption	16	$7,500,000	
Deemed Taxable Capital		$44,562,025	
Rate (.3%)	17	0.3000%	
Net Amount (Taxable Capital x Rate)		**$133,686**	
Federal (LCT)			
Base	18	$52,062,025	
Less: Exemption	19	$50,000,000	
Deemed Taxable Capital		$2,062,025	
Rate (.175%)	20	0.1750%	
Gross Amount (Taxable Capital x Rate)		$3,609	
Less: Federal Surtax	21	$43,447	
Net LCT			calc showed Credit - deleted
III) INCLUSION IN RATES			
Income Tax Rate used for gross- up		36.12%	
Income Tax (grossed-up)	22	$2,193,445	
LCT (grossed-up)	23	$0	
Ontario Capital Tax	24	$133,686	
Total S. 93 PILs Rate Adjustment ***(Enter this amount in the 2005 RAM, Sheet #4, cell G14)***	**25**	**$2,327,131**	

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates for 2005

Income Range	$0 to $400,000	$400,001 to $1,128,000	> $1,128,000
Income Tax Rate	18.62%	27.50%	36.12%
Capital Tax Rate	0.300%		
LCT Rate	0.175%		
Surtax	1.12%		
Ontario Capital Tax Exemption	$7,500,000		
Federal Large Corporations Tax Exemption	$50,000,000		

Conservation and Demand Management Tax Forecast

Utility Name: **Oshawa PUC Networks Inc**
File Number: **RP-2005-0013**
EB-2005-0062

	Jan - Dec 2005		Jan - Dec 2006		Jan - Sept 30th 2007		Total	
	$	%	$	%	$	%	$	%
Capital	$500,000	63%	$300,000	50%	$0	0%	800000	53%
Tax Deductible Expense	$300,000	38%	$300,000	50%	$100,000	100%	700000	47%
Total	**$800,000**	**100%**	**$600,000**	**100%**	**$100,000**	**100%**	**$1,500,000**	**100%**

Notes:

1. Capital that will be recognized for tax purposes (i.e. UCC addition), not from a capital budget or commitment perspective.

2. Expenses to be recognized in the period shown that will be used as a tax deduction for the same period. The 2005 tax dedu expense amount will be entered automatically into the TAXCALC worksheet, cell C44.

3. The amounts shown in the "Total" column should agree with the C&DM plan filed with or approved by the Board. The amount of the third tranche of MARR is the maximum amount unless the utility has applied for a lower amount.

Appendix 11

2005 Signed Decision

Ontario Energy Board
Commission de l'Énergie de l'Ontario

RP-2005-0013
EB-2005-0062

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by **Oshawa PUC Networks Inc.** for an order or orders approving or fixing just and reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

In November 2003 the Ontario government announced that it would permit local distribution companies to apply to the Board for the next installment of their allowable return on equity beginning March 1, 2005. The Government also indicated that the Board's approval would be conditional on a financial commitment to reinvest in conservation and demand management initiatives, an amount equal to one year's incremental returns.

Also in November 2003, the Government announced, in conjunction with the introduction of Bill 4, the *Ontario Energy Board Amendment Act, (Electricity Pricing), 2003*, that electricity distributors could start recovering Regulatory Assets in their rates, beginning March 1, 2004, over a four year period.

In February and March, 2004, the Board approved the applications of distributors to recover 25% of their December 31, 2002 Regulatory Asset balances (or additional amounts for rate stability) in their distribution rates on an interim basis effective March 1, 2004 and implemented on April 1, 2004.

On December 20, 2004 the Board issued filing guidelines to all electricity distribution utilities for the April 1, 2005 distribution rate adjustments. The guidelines allowed the applicants to recover three types of costs. These costs concern (i) the rate recovery of the third tranche of the allowable return on equity (Market Adjusted Revenue Requirement or "MARR"), (ii) the 2005 proxy allowance for payments in lieu of taxes ("PILs") and (iii) a second installment of the recovery of Regulatory Assets.

A generic Notice of the proceeding was published on January 25, 2005 in major newspapers in the province, which provided a 14 day period for submissions from interested parties. On February 4, 2005, the Board issued Procedural Order No. 1, providing for an extension for submissions until February 16, 2005 and also providing for reply submissions from applicants and other parties.

The Applicant filed an application for adjustments to their rates for the following amounts:

MARR: $ 1,476,737
2005 PILs Proxy: $ 2,327,131
Regulatory Assets Second Tranche: $ 908,204

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

The Applicant was not specifically named in any of these submissions.

The full record of the proceeding is available for review at the Board's offices.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place

a process which will address most of the issues raised by SEC on a comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

The Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

1) The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.

2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 21, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix “A”

RP-2005-0013
EB-2005-0062

March 21, 2005

ONTARIO ENERGY BOARD

Oshawa PUC Networks Inc. RP-2005-0013
Schedule of Changed Distribution Rates and Charges EB-2005-0062
Effective Date: March 1, 2005
Implementation Date: April 1, 2005

RESIDENTIAL

Monthly Service Charge	(per month)	$7.54
Distribution Volumetric Rate	(per kWh)	$0.0119

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$8.84
Distribution Volumetric Rate	(per kWh)	$0.0189

GENERAL SERVICE > 50 KW

Monthly Service Charge	(per month)	$42.08
Distribution Volumetric Rate	(per kW)	$3.9763

GENERAL SERVICE > 50 KW - Time of Use

Monthly Service Charge	(per month)	$1,976.79
Distribution Volumetric Rate	(per kW)	$4.7863

LARGE USE

Monthly Service Charge	(per month)	$10,767.07
Distribution Volumetric Rate	(per kW)	$3.3184

SENTINEL LIGHTS

Monthly Service Charge	(per connection)	$1.95
Distribution Volumetric Rate	(per kW)	$4.4208

STREET LIGHTING

Monthly Service Charge	(per connection)	$0.43
Distribution Volumetric Rate	(per kW)	$7.0099

Unmetered Scattered Loads

Billed at General Service < 50 kW rates

Monthly Service Charge	(per connection)	$8.84
Distribution Volumetric Rate	(per kWh)	$0.0189

The rates on this schedule include an interim recovery of Regulatory Assets.

Appendix 12

2001 SIMPILS True-Up Model

	A	B	C	D	E
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**				**Version 2004.2**
2	**REGULATORY INFORMATION (REGINFO)**				**RRR # 2.1.8**
3	**Utility Name: Oshawa PUC Networks Inc.**				
4	**Reporting period: Dec. 31, 2001**				
5					
6	**Days in reporting period:**	92	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	yes	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	no	
16					
17	Is the utility a non-profit corporation?		Y/N	no	
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	yes	
20	shared among the corporate group?	LCT	Y/N	no	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		99%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			52,062,025	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			4,459,112	
42					
43	1999 return from RUD Sheet #7			28,902	28,902
44					
45	Total Incremental revenue			4,430,210	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			1,476,737	1,476,737
48	Amount allowed in 2002			1,476,737	1,476,737
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51					0
52					0
53	**Total Regulatory Income**				2,982,376
54					
55	Equity			26,031,013	
56					
57	Return at target ROE			2,571,864	
58					
59	Debt			26,031,013	
60					
61	Deemed interest amount in 100% of MARR			1,887,248	
62					
63	Phase-in of interest - Year 1 (2001)			637,238	
64	((D43+D47)/D41)*D61				
65	Phase-in of interest - Year 2 (2002)			1,262,243	
66	((D43+D47+D48)/D41)*D61				
67	Phase-in of interest - Year 3 (2003) and forward			1,262,243	
68	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
69					
70					
71					

	A	B	C	D	E	F	G	H	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			$						$		$	
7	**Utility Name: Oshawa PUC Networks Inc.**											
8	**Reporting period: Dec. 31, 2001**										**Column**	
9	**Days in reporting period:**	92	days								**Brought**	
10	**Total days in the calendar year:**	365	days								**From**	
11											**TAXREC**	
12												
13	**I) CORPORATE INCOME TAXES**											
14												
15	Regulatory Net Income REGINFO E53 (25% of (1999 return from RUD + 1/3 MARR))	1	376,410						-4,456,810		-4,080,400	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	***Additions:***											
20	Depreciation & Amortization	2	824,982						69,588		894,570	
21	Employee Benefit Plans - Accrued, Not Paid	3							0		0	
22	Tax reserves - beginning of year	4							0		0	
23	Reserves from financial statements - end of year	4							7,024,790		7,024,790	
24	Regulatory Adjustments - increase in income	5	0						0		0	
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6							0		0	
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							1,890		1,890	
30												
31	***Deductions:*** ***Input positive numbers***											
32	Capital Cost Allowance and CEC	7	248,636						453,797		702,433	
33	Employee Benefit Plans - Paid Amounts	8							0		0	
34	Items Capitalized for Regulatory Purposes	9	0						0		0	
35	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0						0		0	
36	Interest Expense Deemed/ Incurred (25% of 2001 phase-in of interest)	11	159,309						-105,059		54,250	
37	Tax reserves - end of year	4							0		0	
38	Reserves from financial statements - beginning of year	4							6,951,922		6,951,922	
39	Contributions to deferred income plans	3							0		0	
40	Contributions to pension plans	3							0		0	
41	Interest capitalized for accounting but deducted for tax	11							0		0	
42	Other Deductions (See Tab entitled "TAXREC")											
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	Other Deductions (not "Material") "TAXREC 2"	12							0		0	
47												
48	TAXABLE INCOME/ (LOSS)		793,446						9,940,118	Before loss C/F	-3,867,755	
49												
50	BLENDED INCOME TAX RATE											
51	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%						-40.6200%		0.00%	
52												
53	REGULATORY INCOME TAX		322,298						-322,298	Actual	0	
54												
55												
56	Miscellaneous Tax Credits	14							0	Actual	0	
57												
58	**Total Regulatory Income Tax**		322,298						-322,298	Actual	0	
59												
60												
61	**II) CAPITAL TAXES**											
62												
63	***Ontario***											
64	Base	15	52,062,025						20,918,800		72,980,825	
65	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000						0		5,000,000	
66	Taxable Capital		47,062,025						20,918,800		67,980,825	
67												
68	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%						0.0000%		0.3000%	
69												
70	Ontario Capital Tax		35,297						16,108		51,405	
71												
72	***Federal Large Corporations Tax***											
73	Base	18	52,062,025						3,444,470		55,506,495	
74	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000						0		10,000,000	
75	Taxable Capital		42,062,025						3,444,470		45,506,495	
76												
77	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%						0.0000%		0.2250%	
78												
79	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		23,660						2,148		25,808	
80	Less: Federal Surtax 1.12% x Taxable Income	21	8,887						-8,887		0	
81												
82	Net LCT		14,773						-6,739		25,808	
83												
84	**III) INCLUSION IN RATES**											
85												
86	Income Tax Rate used for gross- up (exclude surtax)		39.50%									
87												
88	Income Tax (proxy tax is grossed-up)	22	532,724							**Actual 2001**	0	
89	LCT (proxy tax is grossed-up)	23	24,419							**Actual 2001**	25,808	
90	Ontario Capital Tax (no gross-up since it is deductible)	24	35,297							**Actual 2001**	51,405	
91												
92												
93	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	592,439							**Actual 2001**	77,212	
94	**RAM DECISION**											
95												
96												

	A	B	C	D	E	F	G	H	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			$						$		$	
97	***IV) FUTURE TRUE-UPS***											
98	**IV a) Calculation of the True-up Variance**								**DR/(CR)**			
99	***In Additions:***											
100	Employee Benefit Plans - Accrued, Not Paid	3							0			
101	Tax reserves deducted in prior year	4							0			
102	Reserves from financial statements-end of year	4							7,024,790			
103	Regulatory Adjustments	5							0			
104	Other additions "Material" Items TAXREC	6							0			
105	Other additions "Material" Items TAXREC 2	6							0			
106	***In Deductions - positive numbers***											
107	Employee Benefit Plans - Paid Amounts	8							0			
108	Items Capitalized for Regulatory Purposes	9							0			
109	Regulatory Adjustments	10							0			
110	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							6,951,922			
113	Contributions to deferred income plans	3							0			
114	Contributions to pension plans	3							0			
115	Other deductions "Material" Items TAXREC	12							0			
116	Other deductions "Material" Item TAXREC 2	12							0			
117												
118	Total TRUE-UPS before tax effect	26						=	72,868		**Incremental taxable income due to Financial Statement reserve differences**	
119												
120	Income Tax Rate for True-up = legislated rate for the year							x	40.62%			
121												
122	Income Tax Effect on True-up adiustments							=	29.599			
123												
124	Less: Miscellaneous Tax Credits	14							0			
125												
126	Total Income Tax on True-ups								29,599			
127												
128	Income Tax Rate used for gross-up (exclude surtax)								39.50%			
129												
130	**TRUE-UP VARIANCE ADJUSTMENT**								48.924		**true-up on Schedule 1 financial statement reserve adiustments**	
131												
132	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**											
133												
134	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							=	793,446			
135												
136	REVISED CORPORATE INCOME TAX RATE							x	40.62%			
137												
138	REVISED REGULATORY INCOME TAX							=	322,298			
139												
140	Less: Revised Miscellaneous Tax Credits							-				
141												
142	Total Revised Regulatory Income Tax							=	322,298			
143												
144	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)							-	322,298			
145												
146	Regulatory Income Tax Variance							=	0		**No tax rate changes - no true-up**	
147												
148	**Ontario Capital Tax**											
149	Base							=	52,062,025			
150	Less: Exemption							-	5,000,000			
151	Revised deemed taxable capital							=	47,062,025			
152												
153	Rate							x	0.3000%			
154												
155	Revised Ontario Capital Tax							=	35,297			
156	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)							-	35,297			
157	Regulatory Ontario Capital Tax Variance							=	0		**No tax rate or exemption changes - no true-up**	
158												
159	**Federal LCT**											
160	Base								52,062,025			
161	Less: Exemption from tab Tax Rates, Table 2, cell C40							-	10,000,000			
162	Revised Federal LCT							=	42,062,025			
163												
164	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51								0.2250%			
165												
166	Gross Amount								23,660			
167	Less: Federal surtax							-	8,887			
168	Revised Net LCT							=	14,773			
169												
170	Less: Federal LCT reported in the initial estimate column (Cell C82)							-	14,773			
171	Regulatory Federal LCT Variance							=	0		**No tax rate or exemption changes - no true-up**	
172												
173	Actual Income Tax Rate used for gross-up (exclude surtax)								39.50%			
174												
175	Income Tax (grossed-up)							+	0			
176	LCT (grossed-up)							+	0			
177	Ontario Capital Tax							+	0			
178												
179	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**							=	0			
180												
181	**TRUE-UP VARIANCE (from cell I130)**							+	48,924			
182												
183	**Total Deferral Account Entry (Positive Entry = Debit)**							=	**48,924**			
184	***(Deferral Account Variance + True-up Variance)***											
185												
186												

	A	B	C	D	E	F	G	H	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			$						$		$	
187												
188	**V) INTEREST PORTION OF TRUE-UP**											
189	**Variance Caused By Phase-in of Deemed Debt**											
190												
191	Total deemed interest (REGINFO)								1,887,248			
192	Interest phased-in (Cell C36)								159,309			
193												
194	Variance due to phase-in of debt component of MARR in rates								1,727,939			
195	according to the Board's decision											
196												
197	**Other Interest Variances (i.e. Borrowing Levels**											
198	**Above Deemed Debt per Rate Handbook)**											
199	Interest deducted on MoF filing (Cell K36+K41)								54,250			
200	Total deemed interest (REGINFO CELL D61)								1,887,248			
201												
202	Variance caused by excess debt								0			
203												
204	**Interest Adjustment for Tax Purposes (carry forward to Cell I110)**								0			
205												
206	**Total Interest Variance**								1,727,939			
207												

	A	B	C	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: Oshawa PUC Networks Inc.**					
8	**Reporting period: Dec. 31, 2001**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		92	days		
12						
13	**Please enter the Materiality Level :**		16,269	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	22,829,771		22,829,771	
32	Distribution Revenue	+			0	
33	Other Income	+			0	
34	Miscellaneous income	+	-24,361		-24,361	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	23,283,839		23,283,839	
40	Administration	-			0	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	894,570		894,570	
44	Ontario Capital Tax	-			0	
45	Expenses per 3 month Statement	-	2,707,401		2,707,401	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	-4,080,400	0	-4,080,400	
51	Less: Interest expense for accounting purposes	-	54,250		54,250	
52	Provision for payments in lieu of income taxes	-	40,000		40,000	
53	**Net Income (loss)**	=	-4,174,650	0	-4,174,650	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	40,000	0	40,000	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	894,570	0	894,570	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	7,024,790	0	7,024,790	
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	+	1,890	0	1,890	
68						
69	*Subtotal*		7,961,250	0	7,961,250	
70						
71	*Other Additions: (Please explain the nature of the additions)*					
72	Recapture of CCA	+			0	
73	Non-deductible meals and entertainment expense	+			0	
74	Capital items expensed	+			0	
75		+			0	
76		+			0	
77		+			0	
78		+			0	
79	*Total Other Additions*	=	0	0	0	
80						
81	Total Additions	=	7,961,250	0	7,961,250	
82						
83	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)		0	0	0	
93	Total Other Additions		0	0	0	
94						
95	BOOK TO TAX DEDUCTIONS:					
96	Capital cost allowance	-	702,433		702,433	
97	Cumulative eligible capital deduction	-			0	
98						
99	**Transition Costs Not Allowed**		146,019			
100	Employee benefit plans-paid amounts	-	0		0	
101	Items capitalized for regulatory purposes	-			0	
102	*Regulatory adjustments :*	-			0	
103	*CCA*	-			0	
104	*other deductions*	-	0	0	0	
105	*Tax reserves - end of year*	-	0	0	0	
106	*Reserves from financial statements- beginning of year*	-	6,951,922	0	6,951,922	
107	*Contributions to deferred income plans*	-			0	
108	*Contributions to pension plans*	-			0	
109	Interest capitalized for accounting deducted for tax	-	0	0	0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						

	A	B	C	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**	
113	Subtotal	=	7,800,374	0	7,654,355	
114	*Other deductions (Please explain the nature of the deductions)*					
115	Charitable donations - tax basis	-	0	0	0	
116	*Gain on disposal of assets*	-			0	
117	*Capital Tax*	-			0	
118					0	
119		-			0	
120	*Total Other Deductions*	=	0	0	0	
121						
122	Total Deductions	=	7,800,374	0	7,654,355	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	-4,013,774	0	-3,867,755	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-4,013,774	0	-3,867,755	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	**Total Income Tax**	=	0	0	0	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)				0.00%	
150	Net Ontario Income Tax Rate (Must agree with tax return)				0.00%	
151	Blended Income Tax Rate		0.00%		0.00%	
152						
153	**Section D: Detailed calculation of Ontario Capital Tax**					
154						
155	**ONTARIO CAPITAL TAX**					
156	**(From Ontario CT23)**					
157	**PAID-UP CAPITAL**					
158						
159	Paid-up capital stock	+	23,063,666		23,063,666	
160	Retained earnings (if deficit, deduct)	+/-	-2,127,136		-2,127,136	
161	Capital and other surplus excluding	+			0	
162	appraisal surplus	+			0	
163	Loans and advances	+	27,610,048		27,610,048	
164	Bank loans	+			0	
165	Bankers acceptances	+			0	
166	Bonds and debentures payable	+			0	
167	Mortgages payable	+			0	
168	Lien notes payable	+			0	
169	Deferred credits	+	7,024,790		7,024,790	
170	Contingent, investment, inventory and similar reserves	+			0	
171	Other reserves not allowed as deductions	+			0	
172	Share of partnership(s), joint venture(s) paid-up capital	+			0	
173	Sub-total	=	55,571,368	0	55,571,368	
174	Subtract:					
175	Amounts deducted for income tax purposes in excess of amounts booked	-	-17,464,738		-17,464,738	
176	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
177	**Total (Net) Paid-up Capital**	=	73,036,106	0	73,036,106	
178						
179	**ELIGIBLE INVESTMENTS**					
180						
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	+	64,873		64,873	
185	Eligible loans and advances to related corporations	+			0	
186	Share of partnership(s) or joint venture(s) eligible investments	+			0	
187						
188	**Total Eligible Investments**	=	64,873	0	64,873	
189						
190						
191	**TOTAL ASSETS**					
192						
193	Total assets per balance sheet	+	68,244,040		68,244,040	
194	Mortgages or other liabilities deducted from assets	+			0	
195	Share of partnership(s)/ joint venture(s) total assets	+			0	
196	Subtract: Investment in partnership(s)/joint venture(s)	-			0	
197						
198	**Total assets as adjusted**	=	68,244,040	0	68,244,040	
199						
200	Add: (if deducted from assets)					
201	Contingent, investment, inventory and similar reserves	+			0	
202	Other reserves not allowed as deductions	+			0	
203	Subtract:				0	
204	Amounts deducted for income tax purposes in excess of amounts booked	-	-17,464,738		-17,464,738	
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						
209	**Total Assets**	=	85,708,778	0	85,708,778	
210						
211						
212	**Investment Allowance**		55,281	0	55,281	
213						

	A	B	C	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**	
214	**Taxable Capital**					
215						
216	Net paid-up capital	+	73,036,106	0	73,036,106	
217	Subtract: Investment Allowance	-	55,281	0	55,281	
218						
219	Taxable Capital	=	72,980,825	0	72,980,825	
220						
221	**Capital Tax Calculation**					
222	Deduction from taxable capital up to maximum of $5,000,000		5,000,000	0	5,000,000	
223						
224	Net Taxable Capital		67,980,825	0	67,980,825	
225						
226	Rate		0.3000%	0.3000%	0.3000%	
227						
228	Days in taxation year		92	92	92	
229	Divide days by 365		0.25	0.25	0.25	
230						
231	**Ontario Capital Tax (Must agree with CT23 return)**		51,405	0	51,405	
232						
233	**Section E: Detailed calculation of Large Corporation Tax**					
234						
235	**LARGE CORPORATION TAX**					
236	**(From Federal Schedule 33)**					
237	**CAPITAL**					
238	ADD:					
239	Reserves that have not been deducted in computing income for the year under Part I	+	7,024,790		7,024,790	
240	Capital stock	+	23,063,666		23,063,666	
241	Retained earnings	+			0	
242	Contributed surplus	+			0	
243	Any other surpluses	+			0	
244	Deferred unrealized foreign exchange gains	+			0	
245	All loans and advances to the corporation	+	27,610,048		27,610,048	
246	All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+			0	
247	Any dividends declared but not paid	+			0	
248	All other indebtedness outstanding for more than 365 days	+			0	
249						
250	Subtotal	=	57,698,504	0	57,698,504	
251						
252	DEDUCT:					
253	Deferred tax debit balance	-			0	
254	Any deficit deducted in computing shareholders' equity	-	2,127,136		2,127,136	
255	Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0	
256	Deferred unrealized foreign exchange losses	-			0	
257						
258	Subtotal	=	2,127,136	0	2,127,136	
259						
260	**Capital for the year**		55,571,368	0	55,571,368	
261						
262	**INVESTMENT ALLOWANCE**					
263						
264	Shares in another corporation	+			0	
265	Loan or advance to another corporation	+	64,873		64,873	
266	Bond, debenture, note, mortgage, or	+			0	
267	similar obligation of another corporation	+			0	
268	Long term debt of financial institution	+			0	
269	Dividend receivable from another corporation	+			0	
270	Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0	
271	Interest in a partnership	+			0	
272						
273	**Investment Allowance**	=	64,873	0	64,873	
274						
275						
276	**TAXABLE CAPITAL**					
277						
278	Capital for the year	=	55,571,368	0	55,571,368	
279						
280	Deduct: Investment allowance	-	64,873	0	64,873	
281						
282	Taxable Capital for taxation year	=	55,506,495	0	55,506,495	
283						
284	Deduct: Capital Deduction - maximum of $10,000,000	-	10,000,000	0	10,000,000	
285	(Input in tab 'Tax Rates')					
286	**Taxable Capital**	=	45,506,495	0	45,506,495	
287						
288	Rate 0.225% in 2002 and 2003; 0.200% in 2004		0.22500%	0.22500%	0.22500%	
289						
290	Days in year		92	92	92	
291	Divide days by 366		0.2521	0.2521	0.2521	
292						
293	**Gross Part I.3 Tax LCT (Must agree with tax return)**	=	25,808	0	25,808	
294						
295	Federal Surtax Rate		0.0000%	0.0000%	0.0000%	
296						
297	Less: Federal Surtax = **Actual Surtax from tax return**	-	0		0	
298						
299	**Net Part I.3 Tax - LCT Payable (Must agree with tax return)**	=	25,808	0	25,808	
300	(If surtax is greater than Gross LCT, then zero)					
301						
302	**Section F: Income and Capital Taxes**					
303						
304	**RECAP FROM ABOVE:**					
305	Total Income Taxes	+	0	0	0	
306	Ontario Capital Tax	+	51,405	0	51,405	
307	Federal Large Corporations Tax	+	25,808	0	25,808	
308						
309	**Total income and capital taxes**	=	77,212	0	77,212	
310						

	A	B	C	D	E	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**	
3	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**	
6						
7	**Utility Name: Oshawa PUC Networks Inc.**					
8	**Reporting period: Dec. 31, 2001**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other				0	
19	Other				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other				0	
31	Other				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		0		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee Future Benefits		6,195,741		6,195,741	
48	Sick Leave Vesting		648,508		648,508	
49	Other		107,673		107,673	
50	**Total (**carry forward to the TAXREC worksheet)		6,951,922	0	6,951,922	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee Future Benefits		6,487,569		6,487,569	
60	Sick Leave Vesting		537,221		537,221	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		7,024,790	0	7,024,790	
64						

	A	B	C	D	E	F
1						
2	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RRR # 2.1.8**		Return			
6					**Version 2004.2**	
7						
8	**Utility Name: Oshawa PUC Networks Inc.**					
9	**Reporting period: Dec. 31, 2001**					
10	**Number of days in taxation year:**		92			
11	**Materiality Level:**		16,269			
12						
13	**Section C: Reconciliation of accounting income to taxable income**					
14	**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		0	
18	Loss in equity of subsidiaries and affiliates	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations	+	0		0	
21	Taxable capital gains	+			0	
22	Depreciation in inventory -end of year	+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Non-deductible club dues and fees	+			0	
27	Non-deductible automobile expenses	+			0	
28	Non-deductible life insurance premiums	+			0	
29	Soft costs on construction and renovation of buildings	+			0	
30	Non-deductible meals and entertainment	+	1,890		1,890	
31	Book loss on joint ventures or partnerships	+			0	
32	Capital items expensed	+			0	
33	Debt issue expense	+			0	
34	Deemed dividend income	+			0	
35	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	
40	Share issue expense	+			0	
41	Write down of capital property	+			0	
42	Amounts received in respect of qualifying environment trust	+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Debt financing expenses	+			0	
45	Amortization of deferred financing costs	+	0		0	
46		+			0	
47		+			0	
48		+			0	
49		+			0	
50		+			0	
51		+			0	
52		+			0	
53		+				
54	Total Additions	=	1,890	0	1,890	
55						
56	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	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77			0	0	0	
78			0	0	0	
79			0	0	0	
80			0	0	0	
81			0	0	0	
82			0	0	0	
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						
95	Total Material additions		0	0	0	
96	Other additions less than materiality level		1,890	0	1,890	
97	Total Additions		1,890	0	1,890	
98						
99	Deduct:					
100	Gain on disposal of assets per f/s	-			0	
101	Dividends not taxable under section 83	-			0	
102	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	
105	Bad debts	-			0	
106	Book income of joint venture or partnership	-			0	
107	Equity in income from subsidiary or affiliates	-			0	
108	Contributions to a qualifying environment trust	-			0	
109	Other income from financial statements	-			0	
110	*Other deductions: (Please explain in detail the nature of the item)*	-				
111	Imputed interest on Reg Assets	-			0	
112	Ont Cap Tax	-	0	0	0	
113	employee future benefit expense	-			0	
114		-			0	
115		-			0	
116		-			0	
117		-			0	
118		-			0	
119		-			0	
120		-			0	
121		-			0	
122	Total Deductions	=	0	0	0	
123						
124	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			0	0	0	
137			0	0	0	
138			0	0	0	
139			0	0	0	
140			0	0	0	
141			0	0	0	
142			0	0	0	
143			0	0	0	
144			0	0	0	
145			0	0	0	
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	
149						

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates — **Version 2004.2**

Exemptions, Deductions, or Thresholds — **RRR # 2.1.8**

Utility Name: Oshawa PUC Networks Inc.

Reporting period: Dec. 31, 2001

Table 1

Rates Used in Q4 2001 RAM PILs Applications

Income Range		**0**		**200,001**	
RAM 2002		**to**		**to**	**>700,000**
	Year	**200,000**		**700,000**	
Income Tax Rate					
Proxy Tax Year	***2002***				
Federal (Includes surtax)		0.00%			
and Ontario blended		19.12%		38.62%	40.62%
Blended rate		19.12%	0.00%	38.62%	40.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	**MAX $5MM**	5,000,000			
Federal Large Corporations Tax Exemption **	**MAX $10MM**	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Expected Rates and Exemptions for Q4 2001

Same as rates above used to determine Q4 2001 PILS included in rates

No legislated tax changes

	A	B	C	D
1		**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**		
2		**Filing Requirements related to the "SIMPIL" model**		**Version 2004.2**
3		**Utility Name: Oshawa PUC Networks Inc.**		**RRR # 2.1.8**
4		**Reporting period: Dec. 31, 2001**		
5				
6				
7				
8				
9		**Documents to be submitted to the Board when filing the Ministry of Finance Column information:**		
10		**(Stage 3 filing: normally in July of the year following the reporting period)**		
11				
12		**Please file 3 copies of each paper document and 1 CD or disk**		
13				
14	**1)**	**REGINFO**	Yes	
15				
16	**2)**	**TAXCALC**	Yes	
17				
18	**3)**	**TAXREC**	Yes	
19				
20	**4)**	**Tax Reserves**	Yes	
21				
22	**5)**	**TAXREC 2**	Yes	
23				
24	**6)**	**Tax Rates**	Yes	
25				
26	**7)**	**Checklist**	Yes	
27				
28	**8)**	**Background Questionnaire**	Yes	
29				
30	**9)**	**PILs Variance Analysis**	Yes	
31				
32	**10)**	**Financial statements used to prepare tax returns if different from the audited financial statements submitted to the Board in April 2005**	N/A	
33				
34	**11)**	**Electronic Excel format of the SIMPIL worksheets**	Yes	
35				
36	**12)**	**Notices of assessments, and any re-assessments, for:**		
37		**2001**	Yes	
38		**2002**	Yes	
39		**2003**	Yes	
40		**2004**	Yes	
41				
42	**13)**	**Schedules or pages from CT23 and T2 tax returns**	**Yes**	
43				
44				
45				
46				
47				
48				
49				
50				

	A	B	C
1		**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	
2		**Background Questionnaire**	**Version 2004.2**
3		**Utility Name: Oshawa PUC Networks Inc.**	**RRR # 2.1.8**
4		**Reporting period: Dec. 31, 2001**	
5			
6	**1**	**Does the company engage in non-regulated activities?**	
7		**Answer:**	
8		No	
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			
17	**3**	**Does the LDC intend to transfer the non-wire operations to a separate legal entity and the expected date?**	
18		**Answer:**	
19			
20			
21			
22	**4**	**Please identify the percentage and amount of gross revenues arising from non-wire operations.**	
23		**Answer:**	
24			
25			
26	**5**	**Please identify the percentage and amount of operating expense incurred pertaining to non-wire operations.**	
27		**Answer:**	
28			
29			
30	**6**	**Please identify the percentage and amount of depreciation and capital cost allowance expenses pertaining to non-wire operations.**	
31		**Answer:**	
32			
33			
34			
35	**7**	**Did the company incur any OPEBs (post employment benefits other than pensions) for accounting and tax purposes? (Please identify the amount.)**	
36		**Answer: Yes - a total recovery of $72,739 was included**	
37			
38			
39	**8**	**Did the company have any reserves for accounting and tax purposes? (Please identify the amount.)**	
40		**Answer: Only for Allowance for doubtful accounts used in schedule 1 - tax and**	
41		**accounting adjustments were the same.**	
42			
43			
44			

	A	B	C	D	E	F	G	H	I	J	K	N	O
5	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**												
6	**Analysis of Account 1562:**	**Deferred Payments in lieu of Taxes**											
7	**Utility Name: Oshawa PUC Networks Inc.**												**Version 2004.2**
8	**Reporting period: Dec. 31, 2001**												**RRR # 2.1.8**
9			**Sign Convention: + for increase; - for decrease**										
10													
11													
12													
13	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		
14	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		Total
15													
16	**Opening balance:**	=											0
17	**Initial Estimate PILs Rate Adjustment (1)**	+/-											0
18	**True-up Variance Adjustment (2)**	+/-											0
19	**Deferral Account Variance Adjustment (3)**	+/-											0
20	**Adjustments to reported prior years' variances (4)**												0
21	**Carrying charges**	+/-											0
22	**PILs collected from customers - Proxy (5)**	-											0
23													
24	**Ending balance: # 1562**		0		0		0		0		0		0
25													
26	**PILs collected from customers - Reg Assets (6)**	-	0		0		0		0		0		0
27													
28	**Note:**												

Appendix 13

2002 SIMPILS True-Up Model

	A	B	C	D	E
1					**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: Oshawa PUC Networks Inc.**			Colour Code	
4	**Reporting period: 2002**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			52,062,025	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			4,459,112	
42					
43	1999 return from RUD Sheet #7			28,902	28,902
44					
45	Total Incremental revenue			4,430,210	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			1,476,737	1,476,737
48	Amount allowed in 2002			1,476,737	1,476,737
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	**Total Regulatory Income**				2,982,376
55					
56	Equity			26,031,013	
57					
58	Return at target ROE			2,571,864	
59					
60	Debt			26,031,013	
61					
62	Deemed interest amount in 100% of MARR			1,887,248	
63					
64	Phase-in of interest - Year 1 (2001)			637,238	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,262,243	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,262,243	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,887,248	
71					
72					

	A	B	C	D	E	F	G	H
1	0	ITEM	Initial		M of F	M of F	Tax	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		Estimate		Filing	Filing	Returns	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2002**							
8							Column	
9	**Days in reporting period:**	365	days				Brought	
10	**Total days in the calendar year:**	365	days				From	
11							TAXREC	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	2,982,376		1,168,771		4,151,147	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	3,299,926		-220,846		3,079,080	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			7,344,811		7,344,811	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			17,974		17,974	
30	**Items on which true-up does not apply "TAXREC 3"**				7,005		7,005	
31								
32	***Deductions: Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,968,153		914,303		2,882,456	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	1,262,243		-148,243		1,114,000	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			7,024,790		7,024,790	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		3,051,906		526,865	Before loss C/F	3,578,771	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0000%		38.62%	
54								
55	REGULATORY INCOME TAX		1,178,646		-1,178,646	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		1,178,646		-1,178,646	Actual	0	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	52,062,025		25,273,179		77,335,204	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-301		4,999,699	
68	Taxable Capital		47,062,025		25,272,878		72,335,505	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		141,186		75,820		217,007	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	52,062,025		7,404,165		59,466,190	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		42,062,025		7,404,165		49,466,190	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		94,640		16,659		111,299	
82	Less: Federal Surtax 1.12% x Taxable Income	21	34,181		-34,181		0	
83								
84	Net LCT		60,458		50,841		111,299	
85								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	1,885,834			**Actual 2002**	0	
91	LCT (proxy tax is grossed-up)	23	96,733			**Actual 2002**	111,299	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	141,186			**Actual 2002**	217,007	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	2,123,753			**Actual 2002**	328,306	
96	**RAM DECISION**							
97								

	A	B	C	D	E	F	G	H
1	0	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Oshawa PUC Networks Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			$		$		$	
13								
98								
99	*IV) FUTURE TRUE-UPS*							
100	**IV a) Calculation of the True-up Variance**				DR/(CR)			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			7,344,811			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes **(See Below - cell I204)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			7,024,790			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	320,021			
121								
122	Income Tax Rate			x	38.62%			
123								
124	Income Tax Effect on True-up adjustments			=	123,592			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				123,592			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				197,747			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	3,051,906			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,178,646			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	1,178,646			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,178,646			
147								
148	Regulatory Income Tax Variance			=	0			
149								
150	**Ontario Capital Tax**							
151	Base			=	52,062,025			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	47,062,025			
154								
155	Rate			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	141,186			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	141,186			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				52,062,025			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	42,062,025			
165								
166	Rate				0.2250%			
167								
168	Gross Amount				94,640			
169	Less: Federal surtax			-	34,181			
170	Revised Net LCT			=	60,458			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	60,458			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				0.00%			
176								
177	**Income Tax (grossed-up)**			+	0			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	0			
182								
183	**TRUE-UP VARIANCE (from cell I130)**			+	197,747			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**197,747**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								

	A	B	C	D	E	F	G	H
1	0	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Oshawa PUC Networks Inc.							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			$		$		$	
13								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				1,887,248			
194	Interest phased-in (Cell C36)				1,262,243			
195								
196	Variance due to phase-in of debt component of MARR in rates				625,005			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)				1,114,000			
202	Total deemed interest (REGINFO CELL D61)				1,887,248			
203								
204	Variance caused by excess debt				0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207								
208	Total Interest Variance				625,005			
209								
210								
211								

	A	B	C	D	E	F
1	**0**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: Oshawa PUC Networks Inc.**					
8	**Reporting period: 2002**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		365	days		
12						
13	**Please enter the Materiality Level :**		65,078	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	88,821,000		88,821,000	
32	Distribution Revenue	+	15,364,000		15,364,000	
33	Other Income	+	1,147		1,147	
34	Miscellaneous income	+	1,471,000		1,471,000	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	88,821,000		88,821,000	
40	Administration	-			0	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	3,079,000		3,079,000	
44	Ontario Capital Tax	-			0	
45	Reg Assets	-			0	
46		-			0	
47	OM&A per Financial Statements	-	9,606,000		9,606,000	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	4,151,147	0	4,151,147	
51	Less: Interest expense for accounting purposes	-	1,114,000		1,114,000	
52	Provision for payments in lieu of income taxes	-	110,000		110,000	
53	**Net Income (loss)**	=	2,927,147	0	2,927,147	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	110,000	0	110,000	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	3,079,080	0	3,079,080	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	7,344,811	0	7,344,811	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		7,005	0	7,005	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	17,974	0	17,974	
69						
70	*Subtotal*		10,558,870	0	10,558,870	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	10,558,870	0	10,558,870	
83						
84	Recap Material Additions:					
85			0	0	0	

	A	B	C	D	E	F
1	**0**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	*Total Other additions >materiality level*		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	2,882,456		2,882,456	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	7,024,790	0	7,024,790	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	9,907,246	0	9,907,246	
114	*Other deductions (Please explain the nature of the deductions)*					
115	**Charitable donations - tax basis**	-			0	
116	*Gain on disposal of assets*	-			0	
117		-			0	
118					0	
119		-			0	
120	*Total Other Deductions*	=	0	0	0	
121						
122	Total Deductions	=	9,907,246	0	9,907,246	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	3,578,771	0	3,578,771	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	3,578,771		3,578,771	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	0	0	0	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	0	0	0	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
151	Blended Income Tax Rate		0.00%	**********	0.00%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	217,007		217,007	
158	Federal Large Corporations Tax	+	111,299		111,299	
159						
160	**Total income and capital taxes**	=	328,306	0	328,306	
161						

	A	B	C	D	E	F
1	**0**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	For MoF Column of TAXCALC		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: Oshawa PUC Networks Inc.**					
8	**Reporting period: 2002**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee Future Benefits		6,487,569		6,487,569	
48	Sick Leave Vesting		537,221		537,221	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		7,024,790	0	7,024,790	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental		100,000		100,000	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee Future Benefits		6,795,569		6,795,569	
60	Sick Leave Vesting		449,242		449,242	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		7,344,811	0	7,344,811	
64						

	A	B	C	D	E	F
1						
2	**0**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: Oshawa PUC Networks Inc.**					
9	**Reporting period: 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		65,078			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+	17,974		17,974	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	17,974	0	17,974	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		17,974	0	17,974	
79	Total Additions		17,974	0	17,974	

	A	B	C	D	E	F
1						
2	**0**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: Oshawa PUC Networks Inc.**					
9	**Reporting period: 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		65,078			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**0**					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: Oshawa PUC Networks Inc.**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2002**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	7,005		7,005	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	7,005	0	7,005	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	**Ontario capital tax adjustments to current or prior year**	-			0	
65		-			0	
66	**Changes in Regulatory Asset balances**	-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

0

Corporate Tax Rates **Version 2009.1**

Exemptions, Deductions, or Thresholds

Utility Name: Oshawa PUC Networks Inc.

Reporting period: 2002

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

Income Range		0 to 200,000		200,001 to 700,000	>700,000
RAM 2002					
	Year				
Income Tax Rate					
Proxy Tax Year	*2002*				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption **	MAX $10MM	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002

Income Range		0 to 200,000		200,001 to 700,000	>700,000
Expected Rates					
	Year				
Income Tax Rate					
Current year	*2002*				
Federal (Includes surtax)	*2002*	13.12%		26.12%	26.12%
Ontario	*2002*	6.00%		6.00%	12.50%
Blended rate	*2002*	19.12%		32.12%	38.62%
Capital Tax Rate	*2002*	0.300%			
LCT rate	*2002*	0.225%			
Surtax	*2002*	1.12%			
Ontario Capital Tax Exemption *** 2002	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption *** 2002	MAX $10MM	10,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
5	**0**														
6	**Analysis of PILs Tax Account 1562:**														
7	**Utility Name: Oshawa PUC Networks Inc.**														**Version 2009.1**
8	**Reporting period: 2002**				**Sign Convention: + for increase; - for decrease**										**0**
9															
10															
11															
12	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
13	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
14															
15	**Opening balance:**	=	0		0		0		0		0		0		0
16	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0		0		0		0
17	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
18	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
19	**True-up Variance Adjustment (3)**	+/-													0
20	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
21	**Deferral Account Variance Adjustment (5)**	+/-											0		0
22	**Adjustments to reported prior years' variances (6)**	+/-													0
23	**Carrying charges (7)**	+/-													0
24	**PILs billed to (collected from) customers (8)**	-	0												0
25															
26	**Ending balance: # 1562**		0		0		0		0		0		0		0

Uncollected PILs

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

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 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 I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 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 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.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Appendix 14

2003 SIMPILS True-Up Model

	A	B	C	D	E
1	**PILs TAXES - EB-2008-381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: Oshawa PUC Networks Inc.**			Colour Code	
4	**Reporting period: 2003**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			52,062,025	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			4,459,112	
42					
43	1999 return from RUD Sheet #7			28,902	28,902
44					
45	Total Incremental revenue			4,430,210	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			1,476,737	1,476,737
48	Amount allowed in 2002			1,476,737	1,476,737
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	**Total Regulatory Income**				2,982,376
55					
56	Equity			26,031,013	
57					
58	Return at target ROE			2,571,864	
59					
60	Debt			26,031,013	
61					
62	Deemed interest amount in 100% of MARR			1,887,248	
63					
64	Phase-in of interest - Year 1 (2001)			637,238	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,262,243	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,262,243	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,887,248	
71					
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**Utility Name: Oshawa PUC Networks Inc.**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	2,982,376		3,556,624		6,539,000	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	3,299,926		-378,224		2,921,702	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			7,685,345		7,685,345	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	**Items on which true-up does not apply "TAXREC 3"**				8,821		8,821	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,968,153		735,415		2,703,568	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	1,262,243		242,757		1,505,000	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			7,344,811		7,344,811	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		3,051,906		2,549,583		5,601,489	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-12.3636%		26.26%	
54								
55	REGULATORY INCOME TAX		1,178,646		713,322	Actual	1,891,968	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		1,178,646		713,322	Actual	1,891,968	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	52,062,025		27,782,333		79,844,358	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-19,312		4,980,688	
68	Taxable Capital		47,062,025		27,763,021		74,863,670	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		141,186		83,405		224,591	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	52,062,025		9,626,778		61,688,803	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		-294,003		9,705,997	
77	Taxable Capital		42,062,025		9,332,775		51,982,806	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		94,640		22,322		116,961	
82	Less: Federal Surtax 1.12% x Taxable Income	21	34,181		23,683		57,865	
83								
84	Net LCT		60,458		-1,362		59,097	
85								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	1,885,834			**Actual 2003**	1,891,968	
91	LCT (proxy tax is grossed-up)	23	96,733			**Actual 2003**	59,096	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	141,186			**Actual 2003**	224,591	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	2,123,753			**Actual 2003**	2,175,655	
96	**RAM DECISION**							
97								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**Utility Name: Oshawa PUC Networks Inc.**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			7,685,345			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			7,344,811			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	340,534			
121								
122	Income Tax Rate			x	36.62%			
123								
124	Income Tax Effect on True-up adjustments			=	124,704			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				124,704			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**193,339**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	3,051,906			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,117,608			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	1,117,608			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,178,646			
147								
148	Regulatory Income Tax Variance			=	-61,038			
149								
150	**Ontario Capital Tax**							
151	Base			=	52,062,025			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	47,062,025			
154								
155	Rate - Tab Tax Rates cell C36			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	141,186			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	141,186			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				52,062,025			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	42,062,025			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C37				0.2250%			
167								
168	Gross Amount				94,640			
169	Less: Federal surtax			-	34,181			
170	Revised Net LCT			=	60,458			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	60,458			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	**Income Tax (grossed-up)**			+	-94,633			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**-94,633**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**193,339**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**98,706**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**Utility Name: Oshawa PUC Networks Inc.**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				1,887,248			
194	Interest phased-in (Cell C36)				1,262,243			
195								
196	Variance due to phase-in of debt component of MARR in rates				625,005			
197	according to the Board's decision							
198								
199	**Other Interest Variances (i.e. Borrowing Levels**							
200	**Above Deemed Debt per Rate Handbook)**							
201	Interest deducted on MoF filing (Cell K36+K41)				1,505,000			
202	Total deemed Interest (REGINFO D62)				1,887,248			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				625,005			
209								
210								
211								

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	Utility Name: Oshawa PUC Networks Inc.		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: Oshawa PUC Networks Inc.**					
8	**Reporting period: 2003**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		365	days		
12						
13	**Please enter the Materiality Level :**		65,078	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	77,012,000		77,012,000	
32	Distribution Revenue	+	16,238,000		16,238,000	
33	Other Income	+	1,939,000		1,939,000	
34	Miscellaneous income	+	1,103,000		1,103,000	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	77,012,000		77,012,000	
40	Administration	-			0	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	2,921,702		2,921,702	
44	Ontario Capital Tax	-			0	
45	OM&A expenses per financial statements	-	9,652,298		9,652,298	
46	Restatement adjustment	-	167,000		167,000	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	6,539,000	0	6,539,000	
51	Less: Interest expense for accounting purposes	-	1,505,000		1,505,000	
52	Provision for payments in lieu of income taxes	-	1,941,000		1,941,000	
53	**Net Income (loss)**	=	3,093,000	0	3,093,000	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	1,941,000	0	1,941,000	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	2,921,702	0	2,921,702	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	7,685,345	0	7,685,345	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		8,821	0	8,821	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	*Subtotal*		12,556,868	0	12,556,868	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	12,556,868	0	12,556,868	
83						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	Utility Name: Oshawa PUC Networks Inc.		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
84	Recap Material Additions:					
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	*Total Other additions >materiality level*		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	2,703,568		2,703,568	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	7,344,811	0	7,344,811	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	10,048,379	0	10,048,379	
114	*Other deductions (Please explain the nature of the deductions)*					
115		-			0	
116	*Gain on disposal of assets*	-			0	
117		-			0	
118					0	
119		-			0	
120	*Total Other Deductions*	=	0	0	0	
121						
122	Total Deductions	=	10,048,379	0	10,048,379	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	5,601,489	0	5,601,489	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	435,003		435,003	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	5,166,486	0	5,166,486	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	1,246,157		1,246,157	
143	Net Ontario Income Tax (Must agree with tax return)	+	645,811		645,811	
144	Subtotal	=	1,891,968	0	1,891,968	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	1,891,968	0	1,891,968	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.25%		22.25%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		4.01%		4.01%	
151	Blended Income Tax Rate		26.26%		26.26%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	1,891,968	0	1,891,968	
157	Ontario Capital Tax	+	224,591		224,591	
158	Federal Large Corporations Tax	+	59,096		59,096	
159						
160	**Total income and capital taxes**	=	2,175,655	0	2,175,655	
161						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	Utility Name: Norfolk Power Distribution Inc.		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: Oshawa PUC Networks Inc.**					
8	**Reporting period: 2003**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental		100,000		100,000	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee Future Benefits		6,795,569		6,795,569	
48	Sick Leave Vesting		449,242		449,242	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		7,344,811	0	7,344,811	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental		100,000		100,000	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee Future Benefits		7,215,569		7,215,569	
60	Sick Leave Vesting		369,776		369,776	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		7,685,345	0	7,685,345	
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3	**Utility Name: Oshawa PUC Networks Inc.**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: Oshawa PUC Networks Inc.**					
9	**Reporting period: 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		65,078			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**					
3	**Utility Name: Oshawa PUC Networks Inc.**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: Oshawa PUC Networks Inc.**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2003**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	8,821		8,821	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**		0		0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	8,821	0	8,821	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59	**Ontario capital tax contained in tax provision**	-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	**Ontario capital tax adjustments to current or prior year**	-			0	
65		-			0	
66	**Changes in Regulatory Asset balances**	-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

PILs TAXES - EB-2008-381
Corporate Tax Rates **Version 2009.1**

Utility Name: Oshawa PUC Networks Inc.
Reporting period: 2003

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

Income Range / RAM 2002	Year	0 to 200,000		200,001 to 700,000	>700000
Income Tax Rate					
Proxy Tax Year	*2002*				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption **	MAX $10MM	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003

Income Range / Expected Rates	Year	0 to 200,000		200,001 to 700,000	>700000
Income Tax Rate					
Current year	*2003*				
Federal (Includes surtax)	*2003*	13.12%			24.12%
Ontario	*2003*	6.00%			12.50%
Blended rate	*2003*	19.12%		34.12%	36.62%
Capital Tax Rate	*2003*	0.300%			
LCT rate	*2003*	0.225%			
Surtax	*2003*	1.12%			
Ontario Capital Tax Exemption *** 2003	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption *** 2003	MAX $10MM	10,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

SEE MONTHLY PILS CONTINUITY SCHEDULE

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**PILs TAXES - EB-2008-381**														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: Oshawa PUC Networks Inc.**														**Version 2009.1**
4	**Reporting period: 2003**				**Sign Convention: + for increase; - for decrease**										**0**
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		0		0		0		0		0		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0		0		0		0
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-													0
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-													0
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-													0
20	**PILs billed to (collected from) customers (8)**	-	0												0
21															
22	**Ending balance: # 1562**		0		0		0		0		0		0		0

Uncollected PILs

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

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 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 I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 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 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.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Appendix 15

2004 SIMPILS True-Up Model

	A	B	C	D	E
1	**PILs TAXES - EB-2008-381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: Oshawa PUC Networks Inc.**			Colour Code	
4	**Reporting period: 2004**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	366	days		
7	**Total days in the calendar year:**	366	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			52,062,025	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			4,459,112	
42					
43	1999 return from RUD Sheet #7			28,902	28,902
44					
45	Total Incremental revenue			4,430,210	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			1,476,737	1,476,737
48	Amount allowed in 2002			1,476,737	1,476,737
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	**Total Regulatory Income**				2,982,376
55					
56	Equity			26,031,013	
57					
58	Return at target ROE			2,571,864	
59					
60	Debt			26,031,013	
61					
62	Deemed interest amount in 100% of MARR			1,887,248	
63					
64	Phase-in of interest - Year 1 (2001)			637,238	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,262,243	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,262,243	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,887,248	
71					
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3					Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	2,982,376		3,570,624		6,553,000	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	3,299,926		39,074		3,339,000	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			7,819,342		7,819,342	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			1,000		1,000	
30	**Items on which true-up does not apply "TAXREC 3"**				4,634		4,634	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,968,153		861,167		2,829,320	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	1,262,243		222,757		1,485,000	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			7,685,345		7,685,345	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			186,772		186,772	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		3,051,906		2,478,633	Before loss C/F	5,530,539	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5181%		36.10%	
54								
55	REGULATORY INCOME TAX		1,178,646		817,984	Actual	1,996,630	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		1,178,646		817,984	Actual	1,996,630	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	52,062,025		30,895,323		82,957,348	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-787,667		4,212,333	
68	Taxable Capital		47,062,025		30,107,656		78,745,015	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		141,186		95,049		236,235	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	52,062,025		13,027,833		65,089,858	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		39,270,000		49,270,000	
77	Taxable Capital		42,062,025		52,297,833		15,819,858	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		94,640		-63,000		31,640	
82	Less: Federal Surtax 1.12% x Taxable Income	21	34,181		27,761		61,942	
83								
84	Net LCT		60,458		-90,761		0	
85								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	1,885,834			**Actual 2004**	1,996,630	
91	LCT (proxy tax is grossed-up)	23	96,733			**Actual 2004**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	141,186			**Actual 2004**	236,235	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	2,123,753			**Actual 2004**	2,232,865	
96	**RAM DECISION**							
97								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3					Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			7,819,342			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			7,685,345			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	133,997			
121								
122	Income Tax Rate			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	48,400			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				48,400			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**74,461**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	3,051,906			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,102,348			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	1,102,348			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,178,646			
147								
148	Regulatory Income Tax Variance			=	-76,298			
149								
150	**Ontario Capital Tax**							
151	Base			=	52,062,025			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	47,062,025			
154								
155	Rate - Tab Tax Rates cell C36			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	141,186			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	141,186			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				52,062,025			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	2,062,025			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C36				0.3000%			
167								
168	Gross Amount				6,186			
169	Less: Federal surtax			-	61,942			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	60,458			
173	Regulatory Federal LCT Variance			=	-60,458			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	**Income Tax (grossed-up)**			+	-117,381			
178	**LCT (grossed-up)**			+	-96,733			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**-214,114**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**74,461**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**-139,653**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3					Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				1,887,248			
194	Interest phased-in (Cell C36)				1,262,243			
195								
196	Variance due to phase-in of debt component of MARR in rates				625,005			
197	according to the Board's decision							
198								
199	**Other Interest Variances (i.e. Borrowing Levels**							
200	**Above Deemed Debt per Rate Handbook)**							
201	Interest deducted on MoF filing (Cell K36+K41)				1,671,772			
202	Total deemed Interest (REGINFO D62)				1,887,248			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				625,005			
209								
210								
211								

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3			**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: Oshawa PUC Networks Inc.**					
8	**Reporting period: 2004**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		366	days		
12						
13	**Please enter the Materiality Level :**		65,078	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	81,987,000		81,987,000	
32	Distribution Revenue	+	16,321,000		16,321,000	
33	Other Income	+	1,288,000		1,288,000	
34	Miscellaneous income	+	722,000		722,000	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	81,987,000		81,987,000	
40	Administration	-			0	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	3,339,000		3,339,000	
44	Ontario Capital Tax	-			0	
45	OM&A Expenses per Financial Statements	-	8,439,000		8,439,000	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	6,553,000	0	6,553,000	
51	Less: Interest expense for accounting purposes	-	1,485,000		1,485,000	
52	Provision for payments in lieu of income taxes	-	1,999,000		1,999,000	
53	**Net Income (loss)**	=	3,069,000	0	3,069,000	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	1,999,000	0	1,999,000	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	3,339,000	0	3,339,000	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	7,819,342	0	7,819,342	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		4,634	0	4,634	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	1,000	0	1,000	
69						
70	*Subtotal*		13,162,976	0	13,162,976	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	13,162,976	0	13,162,976	
83						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3			**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
84	Recap Material Additions:					
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	*Total Other additions >materiality level*		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	2,829,320		2,829,320	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	7,685,345	0	7,685,345	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
109	Interest capitalized for accounting deducted for tax	-	186,772		186,772	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	10,701,437	0	10,701,437	
114	*Other deductions (Please explain the nature of the deductions)*					
115	**Charitable donations - tax basis**	-			0	
116	*Gain on disposal of assets*	-			0	
117		-			0	
118					0	
119		-			0	
120	*Total Other Deductions*	=	0	0	0	
121						
122	Total Deductions	=	10,701,437	0	10,701,437	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	5,530,539	0	5,530,539	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	5,530,539	0	5,530,539	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	1,223,355		1,223,355	
143	Net Ontario Income Tax (Must agree with tax return)	+	773,275		773,275	
144	Subtotal	=	1,996,630		1,996,630	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	1,996,630	0	1,996,630	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		13.98%		13.98%	
151	Blended Income Tax Rate		36.10%		36.10%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	1,996,630	0	1,996,630	
157	Ontario Capital Tax	+	236,235		236,235	
158	Federal Large Corporations Tax	+	0		0	
159						
160	**Total income and capital taxes**	=	2,232,865	0	2,232,865	
161						

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3			Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: Oshawa PUC Networks Inc.**					
8	**Reporting period: 2004**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental		100,000		100,000	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee Future Benefits		7,215,569		7,215,569	
48	Sick Leave Vesting		369,776		369,776	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		7,685,345	0	7,685,345	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental		100,000		100,000	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee Future Benefits		7,444,370		7,444,370	
60	Sick Leave Vesting		274,972		274,972	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		7,819,342	0	7,819,342	
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**	LINE	M of F	Non-wires	**Wires-only**	
3			Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: Oshawa PUC Networks Inc.**					
9	**Reporting period: 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		65,078			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41	Ontario Specified Tax Cdedits	+	1,000		1,000	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	1,000	0	1,000	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		1,000	0	1,000	
79	Total Additions		1,000	0	1,000	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**					
3						
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: Oshawa PUC Networks Inc.**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2004**					
12	**Number of days in taxation year:**		366			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	4,634		4,634	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	**Ontario capital tax adjustments**				0	
39		+			0	
40	**Changes in Regulatory Asset balances**	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	4,634	0	4,634	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59	**Ontario capital tax contained in tax provision**	-			0	
60	**Ontario capital tax adjustments to current or prior year**	-			0	
61		-			0	
62	**Changes in Regulatory Asset balances**	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

PILs TAXES - EB-2008-381

Corporate Tax Rates

Version 2009.1

Utility Name: Oshawa PUC Networks Inc.

Reporting period: 2004

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

Income Range / RAM 2002	Year	0 to 200,000		200,001 to 700,000	>700000
Income Tax Rate					
Proxy Tax Year	*2002*				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption **	MAX $10MM	10,000,000			

**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing

Table 2

Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004

Income Range / Expected Rates	Year	0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000
Income Tax Rate					
Current year	*2004*				
Federal (Includes surtax)	*2004*	13.12%	22.12%	22.12%	22.12%
Ontario	*2004*	5.50%	5.50%	9.75%	14.00%
Blended rate	*2004*	18.62%	27.62%	31.87%	36.12%
Capital Tax Rate	*2004*	0.300%			
LCT rate	*2004*	0.200%			
Surtax	*2004*	1.12%			
Ontario Capital Tax Exemption *** 2004	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption *** 2004	MAX $50MM	50,000,000			

***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**PILs TAXES - EB-2008-381**														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: Oshawa PUC Networks Inc.**														**Version 2009.1**
4	**Reporting period: 2004**				**Sign Convention: + for increase; - for decrease**										**0**
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		0		0		0		0		0		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0		0		0		0
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-											74,461		74,461
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-													0
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-													0
20	**PILs billed to (collected from) customers (8)**	-	0												0
21															
22	**Ending balance: # 1562**		0		0		0		0		0		74,461		74,461

Uncollected PILs

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

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be 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 I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 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 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.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Appendix 16

2005 SIMPILS True-Up Model

	A	B	C	D	E
1	**PILs TAXES - EB-2008-0381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: Oshawa PUC Networks Inc.**			Colour Code	
4	**Reporting period: 2005**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N		
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N		
16					
17	Is the utility a non-profit corporation?		Y/N		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N		
20	shared among the corporate group?	LCT	Y/N		
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			52,062,025	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			4,459,112	
42					
43	1999 return from RUD Sheet #7			28,902	28,902
44					
45	Total Incremental revenue			4,430,210	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			1,476,737	1,476,737
48	Amount allowed in 2002			1,476,737	1,476,737
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM			1476737	1,476,737
52	Other Board-approved changes to MARR or incremental revenue			275578	275,578
53					0
54	**Total Regulatory Income**				4,734,691
55					
56	Equity			26,031,013	
57					
58	Return at target ROE			2,571,864	
59					
60	Debt			26,031,013	
61					
62	Deemed interest amount in 100% of MARR			1,887,248	
63					
64	Phase-in of interest - Year 1 (2001)			637,238	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,262,243	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,262,243	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,887,248	
71					
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-0381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3					Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	4,734,691		1,284,309		6,019,000	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	3,299,926		244,642		3,544,568	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			8,387,075		8,387,075	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			264,314		264,314	
29	Other Additions (not "Material") "TAXREC 2"	6			28,819		28,819	
30	**Items on which true-up does not apply "TAXREC 3"**				246,584		246,584	
31				##				
32	***Deductions: Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,968,153		1,082,666		3,050,819	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		346,079		346,079	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	1,887,248		-1,887,248		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			7,819,342		7,819,342	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			143,968		143,968	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	CDM Incremental OM&A per CDM plan	12	300,000		-300,000		0	
46	Material Items from "TAXREC 2" worksheet	12			264,314		264,314	
47	Other Deductions (not "Material") "TAXREC 2"	12		##	0		0	
48	**Items on which true-up does not apply "TAXREC 3"**			##	303,970		303,970	
49								
50	TAXABLE INCOME/ (LOSS)		3,879,216		2,682,652	Before loss C/F	6,561,868	
51				##	581,776			
52	BLENDED INCOME TAX RATE			##	101,113			
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%		-36.1200%		0.00%	
54								
55	REGULATORY INCOME TAX		1,401,173		387,893	Actual	1,789,066	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		1,401,173		387,893	Actual	1,789,066	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	52,062,025		41,124,054		93,186,079	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-1,133,333		6,366,667	
68	Taxable Capital		44,562,025		39,990,721		86,819,412	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		133,686		126,772		260,458	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	52,062,025		23,089,270		75,151,295	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		-1,100,000		48,900,000	
77	Taxable Capital		2,062,025		21,989,270		26,251,295	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0000%		0.1750%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		3,609		42,331		45,940	
82	Less: Federal Surtax 1.12% x Taxable Income	21	43,447		12,865		56,312	
83								
84	Net LCT		0		29,466		0	
85								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	2,193,445			**Actual 2005**	1,789,066	
91	LCT (proxy tax is grossed-up)	23	0			**Actual 2005**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	133,686			**Actual 2005**	260,458	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2005***	25	2,327,131			**Actual 2005**	2,049,524	
96	**RAM DECISION**							
97								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-0381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3					Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			8,387,075			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			264,314			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			346,079			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			7,819,342			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			264,314			
119								
120	Total TRUE-UPS before tax effect	26		=	221,654			
121								
122	Income Tax Rate			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	80,061			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				80,061			
129								
130	Income Tax Rate used for gross-up				35.00%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**123,171**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	3,879,216			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,401,173			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	1,401,173			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,401,173			
147								
148	Regulatory Income Tax Variance			=	0			
149								
150	**Ontario Capital Tax**							
151	Base			=	52,062,025			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	44,562,025			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	133,686			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	133,686			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				52,062,025			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	2,062,025			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.1750%			
167								
168	Gross Amount				3,609			
169	Less: Federal surtax			-	56,312			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				-1.12%			
176								
177	**Income Tax (grossed-up)**			+	0			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**0**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**123,171**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**123,171**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-0381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3					Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Oshawa PUC Networks Inc.**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO D62)				1,887,248			
194	Interest phased-in (REGINFO D70)				1,887,248			
195								
196	Variance due to phase-in of debt component of MARR in rates				0			
197	according to the Board's decision							
198								
199	**Other Interest Variances (i.e. Borrowing Levels**							
200	**Above Deemed Debt per Rate Handbook)**							
201	Interest deducted on MoF filing				1,534,000			
202	Total Deemed Interest (REGINFO D62)				1,887,248			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				0			
209								
210								
211								

	A	B	C	D	E	F	G
1	**PILs TAXES - EB-2008-0381**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3			**Tax**		**Return**		
4	**0**		**Return**				
5					**Version 2009.1**		
6	**Section A: Identification:**						
7	**Utility Name: Oshawa PUC Networks Inc.**						
8	**Reporting period: 2005**						
9	**Taxation Year's start date:**						
10	**Taxation Year's end date:**						
11	**Number of days in taxation year:**		365	days			
12							
13	**Please enter the Materiality Level :**		**65,078**	< - enter materiality level			
14	**(0.25% x Rate Base x CER)**	Y/N					
15	**(0.25% x Net Assets)**	Y/N					
16	**Or other measure (please provide the basis of the amount)**	Y/N					
17	**Does the utility carry on non-wires related operation?**	Y/N					
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**						
19							
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K						
21							
22	**Section B: Financial statements data:**						
23	*Input unconsolidated financial statement data submitted with Tax returns.*						
24	*The actual categories of the income statements should be used.*						
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*						
26							
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*						
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*						
29							
30	**Income:**						
31	Energy Sales	+	105,316,000		105,316,000		
32	Distribution Revenue	+	17,413,000		17,413,000		
33	Other Income	+	712,000		712,000		
34	Miscellaneous income	+	923,000		923,000		
35		+			0		
36	Revenue should be entered above this line						
37							
38	**Costs and Expenses:**						
39	Cost of energy purchased	-	105,316,000		105,316,000		
40	Administration	-			0		
41	Customer billing and collecting	-			0		
42	Operations and maintenance	-			0		
43	Amortization	-	3,544,568		3,544,568		
44	Ontario Capital Tax	-			0		
45	Capitalized	-			0		
46	Rounding adjustment re: depreciation	-	432		432		
47	OM&A per Financial Statements	-	8,536,000		8,536,000		
48	Net Income Adjustments per audit adjustments	-	948,000		948,000		
49							
50	**Net Income Before Interest & Income Taxes EBIT**	=	6,019,000	0	6,019,000		
51	Less: Interest expense for accounting purposes	-	1,534,000		0		
52	Provision for payments in lieu of income taxes	-	2,010,000		0		
53	**Net Income (loss)**	=	2,475,000	0	6,019,000		
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)						
55							
56	**Section C: Reconciliation of accounting income to taxable income**						
57	***From T2 Schedule 1***						
58	**BOOK TO TAX ADDITIONS:**						
59	Provision for income tax	+	2,010,000	0	2,010,000		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	3,544,568	0	3,544,568		
62	Employee benefit plans-accrued, not paid	+		0	0		
63	Tax reserves - beginning of year	+	0	0	0		
64	Reserves from financial statements- end of year	+	8,387,075	0	8,387,075		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	***Items on which true-up does not apply "TAXREC 3"***		246,584	0	246,584		
67	Material addition items from TAXREC 2	+	264,314	0	264,314		
68	Other addition items (not Material) from TAXREC 2	+	28,819	0	28,819		
69							
70	*Subtotal*		14,481,360	0	14,481,360		
71							
72	*Other Additions: (Please explain the nature of the additions)*						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	*Total Other Additions*	=	0	0	0		
81							
82	Total Additions	=	14,481,360	0	14,481,360		
83							

	A	B	C	D	E	F	G
1	**PILs TAXES - EB-2008-0381**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3			**Tax**		**Return**		
4	**0**		**Return**				
5					**Version 2009.1**		
84	Recap Material Additions:						
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	*Total Other additions >materiality level*		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		0	0	0		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	3,050,819		3,050,819		
98	Cumulative eligible capital deduction	-			0		
99	Employee benefit plans-paid amounts	-			0		
100	Items capitalized for regulatory purposes	-	346,079		346,079		
101	*Regulatory adjustments :*	-			0		
102	*CCA*	-			0		
103	*other deductions*	-			0		
104	*Tax reserves - end of year*	-	0	0	0		
105	*Reserves from financial statements- beginning of year*	-	7,819,342	0	7,819,342		
106	*Contributions to deferred income plans*	-			0		
107	*Contributions to pension plans*	-			0		
108	***Items on which true-up does not apply "TAXREC 3"***		303,970	0	303,970		
109	Interest capitalized for accounting deducted for tax	-	143,968		143,968		
110	Material deduction items from TAXREC 2	-	264,314	0	264,314		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	11,928,492	0	11,928,492		
114	*Other deductions (Please explain the nature of the deductions)*						
115	**Charitable donations - tax basis**	-			0		
116	*Gain on disposal of assets*	-			0		
117		-			0		
118					0		
119		-			0		
120	*Total Other Deductions*	=	0	0	0		
121							
122	Total Deductions	=	11,928,492	0	11,928,492		
123							
124	Recap Material Deductions:						
125			0	0	0		
126			0	0	0		
127			0	0	0		
128			0	0	0		
129			0	0	0		
130	*Total Other Deductions exceed materiality level*		0	0	0		
131	Other Deductions less than materiality level		0	0	0		
132	Total Other Deductions		0	0	0		
133							
134	TAXABLE INCOME	=	5,027,868	0	8,571,868		
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	5,027,868	0	8,571,868		
140							
141	**FROM ACTUAL TAX RETURNS**						
142	Net Federal Income Tax (Must agree with tax return)	+	1,085,164	0	1,085,164		
143	Net Ontario Income Tax (Must agree with tax return)	+	703,902	0	703,902		
144	Subtotal	=	1,789,066	0	1,789,066		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	**Total Income Tax**	=	1,789,066	0	1,789,066		
147							
148	**FROM ACTUAL TAX RETURNS**						
149	Net Federal Income Tax Rate (Must agree with tax return)		21.58%		21.58%		Divide federal income tax by the taxable i
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable i
151	Blended Income Tax Rate		35.58%		35.58%		
152							
153	**Section F: Income and Capital Taxes**						
154							
155	**RECAP**						
156	Total Income Taxes	+	1,789,066	0	1,789,066		
157	Ontario Capital Tax	+	260,458		260,458		
158	Federal Large Corporations Tax	+	0		0		
159							
160	**Total income and capital taxes**	=	2,049,524	0	2,049,524		
161							

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-0381**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3			Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: Oshawa PUC Networks Inc.**					
8	**Reporting period: 2005**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental		100,000		100,000	
44	Allowance for doubtful accounts		0		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee Future Benefits		7,444,370		7,444,370	
48	Sick Leave Vesting		274,972		274,972	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		7,819,342	0	7,819,342	
51					0	
52	**End of Year:**				0	
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee Future Benefits		7,797,170		7,797,170	
60	Sick Leave Vesting		244,905		244,905	
61	Deferred Revenue - CDM		345,000		345,000	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		8,387,075	0	8,387,075	
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**	LINE	M of F	Non-wires	**Wires-only**	
3			Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: Oshawa PUC Networks Inc.**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		65,078			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+	264,314		264,314	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42	Non deductible interest	+	28,819		28,819	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	293,133	0	293,133	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51					0	
52			0		0	
53			0	0	0	
54			0	0	0	
55	Taxable capital gains		264,314	0	264,314	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		264,314	0	264,314	
78	Other additions less than materiality level		28,819	0	28,819	
79	Total Additions		293,133	0	293,133	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-	264,314		264,314	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	264,314	0	264,314	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106	Scientific research expenses claimed in year from Form T661		264,314	0	264,314	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		264,314	0	264,314	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		264,314	0	264,314	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**					
3						
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: Oshawa PUC Networks Inc.**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2005**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+	6,584		6,584	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	**Ontario capital tax adjustments**				0	
39		+			0	
40	**Changes in Regulatory Asset balances**	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Provision for Capital Tax	+	240,000		240,000	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	246,584		246,584	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-	35,437		35,437	
55	Financing fee amorization - considered to be interest expense for PILs	-	8,075		8,075	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	**Ontario capital tax adjustments to current or prior year**	-			0	
61		-			0	
62	**Changes in Regulatory Asset balances**	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70	Ontario Capital Tax	-	260,458		260,458	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	303,970	0	303,970	
74						
75						

PILs TAXES - EB-2008-0381

Corporate Tax Rates **Version 2009.1**

Utility Name: Oshawa PUC Networks Inc.

Reporting period: 2005

Table 1

Rates Used in 2005 RAM PILs Applications for 2005

Income Range / RAM 2005	Year	0 to 400,000		400,001 to 1,128,000	>1,128,000
Income Tax Rate					
Proxy Tax Year	***2005***				
Federal (Includes surtax)		13.12%		17.75%	22.12%
and Ontario blended		5.50%		9.75%	14.00%
Blended rate		18.62%		27.50%	36.12%
Capital Tax Rate		0.300%			
LCT rate		0.175%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	**MAX $7.5MM**	7,500,000			
Federal Large Corporations Tax Exemption **	**MAX $50MM**	50,000,000			

****Exemption amounts must agree with the Board-approved 2005 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005

Income Range / Expected Rates	Year	0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000
Income Tax Rate					
Current year	***2005***		##########		
Federal (Includes surtax)	***2005***	13.12%	22.12%	22.12%	22.12%
Ontario	***2005***	5.50%	5.50%	9.75%	14.00%
Blended rate	***2005***	18.62%	27.62%	31.87%	36.12%
Capital Tax Rate	***2005***	0.300%			
LCT rate	***2005***	0.175%			
Surtax	***2005***	1.12%			
Ontario Capital Tax Exemption * 2005**	**MAX $7.5MM**	7,500,000			
Federal Large Corporations Tax Exemption * 2005**	**MAX $50MM**	50,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**PILs TAXES - EB-2008-0381**														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: Oshawa PUC Networks Inc.**														**Version 2009.1**
4	**Reporting period: 2005**				**Sign Convention: + for increase; - for decrease**										**0**
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:**	=													
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-													
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													
15	**True-up Variance Adjustment (3)**	+/-													
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														
17	**Deferral Account Variance Adjustment (5)**	+/-													
18	**Adjustments to reported prior years' variances (6)**	+/-													
19	**Carrying charges (7)**	+/-													
20	**PILs billed to (collected from) customers (8)**	-													
21															
22	**Ending balance: # 1562**		0		0		0		0		0		0		0

Uncollected PILs

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

Please identify if Method 1, 2 or 3 was used to ac ##

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

##
(4) From the Ministry of Finance Variance Column, u ##
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, u ## 581776
The true-up will compare to the 2002 proxy for : ## 101113

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 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 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.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Appendix 17

2001 T2 Federal Tax Return

T2 CORPORATION INCOME TAX RETURN

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

200
Code 0101

055 Do not use this area

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and the *General Index of Financial Information* (GIFI) to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

Identification

Business Number (BN) 001 891725210RC0001

OFFICE COPY

Corporation's name

002 Oshawa PUC Networks Inc. PILs

Has the corporation changed its name since the last time we were notified? ... 003 1 Yes ☐ 2 No ☒

If *yes*, do you have a copy of the articles of amendment? ..... 004 1 Yes ☐ 2 No ☐

Address of head office

Has the address changed since the last time we were notified? ..... 010 1 Yes ☐ 2 No ☒

011 100 Simcoe Street South

012

City	Province, territory, or state
015 Oshawa	016 ON
Country (other than Canada)	Postal Code/ZIP code
017	018 L1H-7M7

Mailing address (if different from head office address)

Has the address changed since the last time we were notified?

020 1 Yes ☐ 2 No ☒

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	Postal code/ZIP code
027	028

Location of books and records

031 100 Simcoe Street South

032

City	Province, territory, or state
035 Oshawa	036 ON
Country (other than Canada)	Postal Code/ZIP code
037	038 L1H-7M7

040 Type of corporation at the end of the taxation year

1 ☒ Canadian-controlled private corporation (CCPC)
2 ☐ Other private corporation
3 ☐ Public corporation
4 ☐ Corporation controlled by a public corporation
5 ☐ Other corporation (please specify, below)

If the type of corporation changed during the taxation year, please provide the effective date of the change ..... 043 _____ YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year end
060 2001-10-01	061 2001-12-31
YYYY/MM/DD	YYYY/MM/DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? ..... 063 1 Yes ☐ 2 No ☒

If *yes*, provide the date control was acquired ..... 065 _____ YYYY/MM/DD

Is the corporation a professional corporation that is a member of a partnership? ..... 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? ..... 070 1 Yes ☐ 2 No ☒

Amalgamation? ..... 071 1 Yes ☐ 2 No ☒

If *yes*, please provide Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year?

If *yes*, please provide Schedule 24 ..... 072 1 Yes ☐ 2 No ☒

Is this the final taxation year before amalgamation? ..... 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? ..... 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If *no*, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty?

If *yes*, please provide Schedule 91 ..... 082 1 Yes ☐ 2 No ☒

If the corporation is exempt from tax under section 149, tick one of the following boxes:

085
1 ☐ Exempt under 149(1)(e) or (l)
2 ☐ Exempt under 149(1)(j)
3 ☐ Exempt under 149(1)(t)
4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096
097					

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules.
Schedules - Answer the following questions. For each *yes* response, attach to the T2 return the schedule that applies.

Guide item			Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's-length transactions with non-residents	162		11
33	If you answered *yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's-length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172		—
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	202		2
82,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
69-76	Is the corporation claiming any type of losses?	204	X	4
131	Is the corporation claiming a provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
	i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210		10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
149	Is the corporation an investment corporation or a mutual fund corporation?	218		18
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	220		20 *
117	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
110	Does the corporation have any Canadian manufacturing and processing profits?	227		27
120	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661
123	Is the corporation subject to gross Part I.3 tax?	233	X	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	X	36
123	Is the corporation claiming a surtax credit?	237		37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
127	Is the corporation claiming a Part I tax credit?	242		42
128	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
127	For financial institutions. Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
	For life insurance corporations. Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
127	For deposit-taking institutions. Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Corporation's name	Business Number	Taxation year-end
Oshawa PUC Networks Inc. PILs	891725210RC0001	2001-12-31

Attachments - continued from page 2

Guide item		Yes	Schedule
129	Is the corporation subject to Part XIII.1 tax?		92 *
152	Is the corporation claiming a film or video production services tax credit refund?		T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		T1134-A
44	Did the corporation have any controlled foreign affiliates?		T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		T1135
44	Did the corporation transfer or loan property to a non-resident trust?		T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
----	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
----	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		T1146
----	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
----	Is the corporation claiming the BC mining exploration tax credit?		421
----	Is the corporation claiming the BC SR&ED tax credit?		T666

Additional information

Is the corporation inactive? 280 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter *yes* for first time filers) 281 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? (Only complete if *yes* was entered at line 281.) 282 _____

If the major activity involves the resale of goods, indicate whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	Utility Distribution	285	100 %
286		287	0 %
288		289	0 %

Did the corporation immigrate to Canada during the taxation year? 291 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the taxation year? 292 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300 -4,013,774	A
Deduct:	Charitable donations from Schedule 2	311 0		
	Gifts to Canada or a province from Schedule 2	312 0		
	Cultural gifts from Schedule 2	313 0		
	Ecological gifts from Schedule 2	314 0		
	Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3	320 0		
	Part VI.1 tax deduction from Schedule 43	325 0		
	Non-capital losses of preceding taxation years from Schedule 4	331 0		
	Net-capital losses of preceding taxation years from Schedule 4	332 0		
	Restricted farm losses of preceding taxation years from Schedule 4	333 0		
	Farm losses of preceding taxation years from Schedule 4	334 0		
	Limited partnership losses of preceding taxation years from Schedule 4	335 0		
	Taxable capital gains or taxable dividends allocated from a central credit union	340 0		
	Prospector's and grubstaker's shares	350 0		
	Subtotal	0	0	B
	Subtotal (amount A minus amount B)		0	C
Add:	Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	355	0	D
Taxable income (amount C plus amount D)		360	0	
Income exempt under paragraph 149(1)(t)		370	0	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			0	Z

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7	400	0	A
Taxable income from line 360 or amount Z on page 3, whichever applies, **minus** 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and **minus** any amount that, because of federal law is exempt from Part I tax	405	0	B
Business limit (for associated corporations, enter business limit from Schedule 23)	410	50,411	C

Reduction to business limit:

Amount C 50,411 x 415 *** 0 D / 11,250 = 0 E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	50,411	F
Small business deduction - 16.00% of the least of amounts A, B, C, and F (enter amount G on line 9 of page 7)	430	0	G

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

*** **Large corporation tax for preceding year** - Enter the total gross Part I.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425)	50,411 x 3/2 =	75,617		A
Net active business income (amount from line 400) *			0	B
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt for Part I Tax	0	C		
Deduct: Aggregate investment income (amount from line 440 of page 6)	0	D		
Amount C minus amount D (if negative, enter "0")	0		0	E
The least of amounts A, B, or E above			0	F
Amount Z from Part 9 of Schedule 27	0 x 100/7 =	0		G
Amount QQ from Part 13 of Schedule 27	0	H		
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =	0		I
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	0	J		
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction	0	K		
Total of amounts G, H, I, J, and K	0		0	L
Amount F minus amount L (if negative, enter "0")			0	M

Amount M 0 x (Number of days in the taxation year after December 31, 2000 / Number of days in the taxation year) 92/92 = 0 N

Accelerated tax reduction - 7% of amount N (enter amount O on line 637 of page 7) 0 O

* If the amount at line 450 of Schedule 7 is positive, specified partnerships need to use Schedule 70 to calculate net active business income

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 or amount Z of page 3				0 A
Amount Z from Part 9 of Schedule 27	0 x 100/7		0 B	
Amount QQ from Part 13 of Schedule 27			0 C	
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =		0 D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			0 E	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4			0 F	
Aggregate investment income form line 440 of page 6			0 G	
Amount used to calculate the accelerated tax reduction (amount M of page 4)			0 H	
Total of amounts B, C, D, E, F, G, and H			0	0 I
Amount A minus amount I (if negative, enter "0")				0 J

Amount J	0 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	92 / 92 x 1% =		0 K
Amount J	0 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 92 x 3% =		0 L
Amount J	0 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 92 x 5% =		0 M
Amount J	0 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0 / 92 x 7% =		0 N

General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N (enter amount O on line 638 of page 7) ..... 0 O

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 or amount Z of page 3				0 A
Amount Z from Part 9 of Schedule 27	0 x 100/7		0 B	
Amount QQ from Part 13 of Schedule 27			0 C	
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =		0 D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			0 E	
Total of amounts B, C, D, and E			0	0 F
Amount A minus amount F (if negative, enter "0")				0 G

Amount G	0 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	92 / 92 x 1% =		0 H
Amount G	0 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 92 x 3% =		0 I
Amount G	0 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 92 x 5% =		0 J
Amount G	0 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0 / 92 x 7% =		0 K

General tax reduction - Total of amounts H, I, J and K (enter amount L on line 639 of page 7) ..... 0 L

Corporation's name	Business Number	Taxation year-end
Oshawa PUC Networks Inc. PILs	891725210RC0001	2001-12-31

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (amount P from Part 1 of Schedule 7) 440 0 x 26 2/3% = 0 A

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

Foreign investment income (amount O from Part 1 of Schedule 7) 445 0 x 9 1/3% = 0
(if negative, enter "0") 0 0 B

Amount A minus amount B (if negative, enter "0") 0 C

Taxable income from line 360 on page 3 0

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 0

Foreign non-business income tax credit from line 632 of page 7 0 x 25/9 = 0

Foreign business income tax credit from line 636 of page 7 0 x 10/4 = 0

0 0

0 x 26 2/3% = 0 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) 0

Deduct corporate surtax from line 600 of page 7 0

Net amount 0 0 E

Refundable portion of Part I tax - The least of amounts C, D, and E 450 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 0

Deduct dividend refund for the previous taxation year 465 0

0 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 0

Total Part IV tax payable from line 360 on page 2 of Schedule 3 0

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480 0

0 0 B

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B 485 0

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 0 x 1/3 0 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above 0 B

Dividend refund - Lesser of amounts A and B (enter this amount on line 784 of page 8) 0

Part I tax

Base amount of Part I tax - 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 0 A

Corporate surtax calculation

Base amount from line A above 0 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 0 2

Investment corporation deduction from line 620 below 0 3

Federal logging tax credit from line 640 below 0 4

Federal qualifying environmental trust tax credit from line 648 below 0 5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b, and c below on line 6:

28.00 % of taxable income from line 360 of page 3 ..... 0 a

28.00 % of taxed capital gains ..... 0 b

Part I tax otherwise payable ..... 0 c

(line A **plus** lines C and D **minus** line F) 0 6

Total of lines 2 to 6 ..... 0 7

Net amount (line 1 minus line 7) 0 8

Corporate surtax - 4.00% of the amount on line 8 ..... 600 0 B

Recapture of investment tax credit from line XX in Part 16 of Schedule 31 ..... 602 0 C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income
(for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6 ..... 0 i

Taxable income from line 360 on page 3 0

Deduct:

The least of amounts on lines 400, 405, 410, and 425 of page 4 .. 0

Net amount ..... 0 0 ii

Refundable tax on CCPC's investment income - 6 2/3% of the lesser of amounts i or ii ..... 604 0 D

Deduct:

Subtotal (add lines A, B, C, and D) 0 E

Small business deduction from line 430 of page 4 ..... 0 9

Federal tax abatement 608 0

Manufacturing and processing profits deduction from amount BB or amount VV of Schedule 27 ..... 616 0

Investment corporation deduction 620 0

(taxed capital gains 624 0)

Additional deduction - credit unions from Schedule 17 ..... 628 0

Federal foreign non-business income tax credit from Schedule 21 ..... 632 0

Federal foreign business income tax credit from Schedule 21 ..... 636 0

Accelerated tax reduction from amount O of page 4 ..... 637 0

General tax reduction for CCPCs from amount O of page 5 ..... 638 0

General tax reduction from amount L of page 5 ..... 639 0

Federal logging tax credit from Schedule 21 ..... 640 0

Federal political contribution tax credit 644 0

Federal political contributions 646 0

Federal qualifying environmental trust tax credit 648 0

Investment tax credit from Schedule 31 ..... 652 0

Subtotal 0 0 F

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) ..... 0 G

Corporation's name: Oshawa PUC Networks Inc. PILs

Business Number: 891725210RC0001

Taxation year-end: 2001-12-31

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	0
Part I.3 tax payable from Schedule 33, 34, or 35	704	25,808
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		25,808

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0	
		0	0
Total tax payable	770		25,808 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0	
Dividend refund from page 6	784	0	
Federal capital gains refund from Schedule 18	788	0	
Federal qualifying environmental trust tax credit refund	792	0	
Canadian film or video production tax credit refund from Form T1131	796	0	
Film or video production services tax credit refund from Form T1177	797	0	
Tax withheld at source	800	0	
Total payments on which tax has been withheld	801	0	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0	
Provincial and territorial capital gains refund from Schedule 18	808	0	
Provincial and territorial refundable tax credits from Schedule 5	812	0	
Royalties deductible under Syncrude Remission Order	815	0	
Tax remitted under Syncrude Remission Order	816	0	
Tax instalments paid	840	25,883	
Total credits	890	25,883	25,883 B
Balance (line A minus line B)			-75

Refund code 894 [1] Overpayment 75

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.

Enter the amount on whichever line applies.
We do not charge or refund a difference of less than $2.

Balance unpaid 0

Enclosed payment 898 0

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

[ ] Start [ ] Change information 910 _____ Branch number

914 _____ Institution number 918 _____ Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one month extension of the date the balance of tax is due? 896 1 Yes [ ] 2 No [X]

Certification

I, 950 Perron (Last name in block letters) 951 Luc (First name in block letters) 954 CFO (Position, office or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 _____ Date (yyyy/mm/dd) _____ Signature of an authorized signing officer of the corporation

956 905-723-4626 Telephone number

Is the contact person the same as the authorized signing officer? If *no*, complete the information below 957 1 Yes [X] 2 No [ ]

958 _____ Name in block letters 959 _____ Telephone number

Language of correspondence - Langue de correspondance

990 Please indicate the language of your choice. / Indiquer la langue de correspondance de votre choix. 1 English/Anglais [X] 2 Français/French [ ]

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Identification of the corporation (Imported Data)

Name of the corporation.....
Business Number.....
Address.....
Province, Territory.....
Taxation year end.....
City.....
Postal code..... -

Balance Sheet

GIFI	Account	Description		Amount	Prior Year
Assets					
1599		Total current assets	+	29,914,931	0
2008		Total tangible capital assets	+	89,594,753	0
2009		Total accumulated amortization of tangible capital assets	-	51,278,369	0
2178		Total intangible capital assets	+	0	0
2179		Total accumulated amortization of intangible capital assets	-	0	0
2589		Total long term assets	+	12,725	0
2590		Assets held in trust	+	0	0
2599		**Total Assets** (mandatory field)	=	68,244,040	0
Liabilities					
3450		Total current liabilities		12,672,672	0
3460		Total long term liabilities		34,634,838	0
3470		Subordinated debt		0	0
		Amounts held in trust		0	0
3499		**Total liabilities** (mandatory field)		47,307,510	0
Shareholder equity					
3620		**Total shareholder equity** (mandatory field)		20,936,530	0
3640		**Total Liabilities and Shareholder Equity**		68,244,040	0
3849		**Retained Earnings/Deficit - End** (mandatory field)		-2,127,136	0

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Current Assets

GIFI		Account Description		Amount	Prior year
Cash and deposits					
1000	*	Cash and deposits		14,115,918	0
1001		Cash		0	0
1002		Deposits in Canadian banks and institutions - Canadian currency		0	0
1003		Deposits in Canadian banks and institutions - Foreign currency		0	0
1004		Deposits in foreign banks - Canadian currency		0	0
1005		Deposits in foreign banks - foreign currency		0	0
1006		Credit union central deposits		0	0
1007		Other cash like instruments		0	0
		Cash and deposits	+	14,115,918	0
Accounts receivable					
1060	*	Accounts receivable		0	0
1062		Trade accounts receivable		8,303,565	0
1064		Trade accounts receivable from related parties		0	0
1066		Taxes receivable		0	0
1067		Interest receivable		0	0
1069		Holdbacks receivable		0	0
1071		Leases receivable		0	0
1073		Accounts receivable from employees		0	0
		Amounts receivable from members of NPOs		0	0
		Accounts receivable	+	8,303,565	0
Allowance for doubtful accounts					
1061	*	Allowance for doubtful accounts		0	0
1063		Allowance for doubtful trade accounts receivable		0	0
1065		Allowance for doubtful trade accounts receivable related parties		0	0
1070		Allowance for doubtful amounts contained in leases receivable		0	0
1072		Allowance for doubtful accounts receivable from employees		0	0
		Allowance for doubtful accounts	-	0	0

Inventories

1120	*	Inventories	1,426,782	0
1121		Inventory of goods for sale	0	0
		Inventory parts and supplies	0	0
		Inventory properties	0	0
1124		Inventory of aggregates	0	0
1125		Work in progress	0	0
1126		Raw materials	0	0
1127		Inventory of securities	0	0
		Inventories	+ 1,426,782	0

Short term investments

1180	*	Short term investments	0	0
1181		Canadian term deposits	0	0
1182		Canadian shares	0	0
1183		Canadian bonds	0	0
1184		Canadian treasury bills	0	0
1185		Securities purchased under resale agreements	0	0
1186		Other short term Canadian investments	0	0
1187		Short term foreign investments	0	0
		Short term investments	+ 0	0

Loans and notes receivable

1240	*	Loans and notes receivable	0	0
		Demand loans receivable	0	0
1242		Other loans receivable	0	0
1243		Notes receivable	0	0
1244		Mortgages receivable	0	0
		Loans and notes receivable	+ 0	0

Due from shareholder(s)/director(s)

1300	*	Due from shareholder(s)/director(s)	0	0
1301		Due from individual shareholder(s)	0	0
1302		Due from corporate shareholder(s)	0	0
1303		Due from director(s)	0	0
		Due from shareholder(s)/director(s)	+ 0	0

1360		Investment in joint venture(s)/partnership(s)	+ 0	0
1380		Due from joint venture(s)/partnerships(s)	+ 0	0

Due from/investment in related parties

1400	*	Due from/investment in related parties	0	0
1401		Demand notes from related parties	0	0
		Interest receivable from related parties	0	0
		Loans/advances due from related parties	0	0
		Due from/investment in related parties	+ 0	0

1460		Customers' liability under acceptances	+ 0	0

Other current assets

1480	*	Other current assets	6,016,518	0
1481		Deferred income taxes	0	0
1482		Accrued investment income	0	0
1483		Taxes recoverable/refundable	0	0
1484		Prepaid expenses	52,148	0
1485		Drilling advances	0	0
1486		Security/tender deposits	0	0
		Other current assets	+ 6,068,666	0

1599		**Total Current Assets**	= 29,914,931	0

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Tangible Capital Assets

GIFI	Account	Description		Amount	Prior year
1600		Land	+	98,396	0
1601		Land improvements	+	0	0

Depletable assets

1620	*	Depletable assets		0	0
1622		Petroleum and natural gas properties		0	0
1624		Mining properties		0	0
1626		Deferred exploration and development charges		0	0
1628		Quarries		0	0
1630		Gravel pits		0	0
1632		Timber limits		0	0
		Depletable assets	+	0	0

Buildings

1680	*	Buildings		533,720	0
1682		Manufacturing and processing plant		0	0
1684		Buildings under construction		0	0
		Buildings	+	533,720	0

Machinery, equipment, furniture and fixtures

1740	*	Machinery, equipment, furniture and fixtures		1,711,711	0
1742		Motor vehicles		3,388,695	0
1744		Tools and dies		0	0
1746		Construction and excavating equipment		0	0
1748		Forestry and logging equipment		0	0
1750		Fishing gear and nets		0	0
1752		Mining equipment		0	0
1754		Oil and gas systems		0	0
1756		Production equipment for resource industries		0	0
1758		Production equipment for other than resource industries		0	0
1760		Exploration equipment		0	0
1762		Shipping equipment		0	0
1764		Ships and boats		0	0
1766		Aircraft		0	0
1768		Signs		0	0

Machinery, equipment, furniture and fixtures (cont'd)

1770	Small tools	0	0
1772	Radio and communication equipment	93,425	0
	Computer equipment/software	1,478,062	0
	Musical instruments	0	0
1778	Satellites	0	0
1780	Earth stations	0	0
1782	Machinery and equipment under construction	2,641,774	0
1783	Transportation equipment	79,014,696	0
1785	Other machinery and equipment	0	0
1787	Furniture and fixtures	600,948	0
	Machinery, equipment, furniture and fixtures	+ 88,929,311	0

Other tangible capital assets

1900	* Other tangible capital assets	0	0
1902	Logging roads	0	0
1904	Asphalt and parking areas	0	0
1906	Wharves	0	0
1908	Fences	0	0
1910	Capital leases - buildings	0	0
1912	Capital leases - equipment	0	0
1914	Capital leases - vehicles	0	0
1916	Capital leases - others	0	0
1918	Leasehold improvements	32,826	0
1920	Other capital assets under construction	0	0
1921	Campsites	0	0
	Other tangible capital assets	+ 32,826	0

2008	**Total Tangible Capital Assets**	= 89,594,753	0

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Accumulated Amortization of Tangible Capital Assets

GIFI	Account	Description		Amount	Prior year
1602		Land improvements	+	0	0

Accumulated amortization of depletable assets

1621	*	Depletable assets		0	0
1623		Petroleum and natural gas properties		0	0
1625		Mining properties		0	0
1627		Deferred exploration and development charges		0	0
1629		Quarries		0	0
1631		Gravel pits		0	0
1633		Timber limits		0	0
		Accumulated amortization of depletable assets	+	0	0

Accumulated amortization of buildings

1681	*	Buildings		195,228	0
1683		Manufacturing and processing plant		0	0
		Accumulated amortization of buildings	+	195,228	0

Accumulated amortization of machinery, equipment, furniture and fixtures

	*	Machinery, equipment, furniture and fixtures		1,109,723	0
1743		Motor vehicles		2,629,614	0
1745		Tools and dies		0	0
1747		Construction and excavating equipment		0	0
1749		Forestry and logging equipment		0	0
1751		Fishing gear and nets		0	0
1753		Mining equipment		0	0
1755		Oil and gas systems		0	0
1757		Production equipment for resource industries		0	0
1759		Production equipment for other than resource industries		0	0
1761		Exploration equipment		0	0
1763		Shipping equipment		0	0
1765		Ships and boats		0	0
1767		Aircraft		0	0
1769		Signs		0	0
1771		Small tools		0	0
1773		Radio and communication equipment		0	0
1775		Computer equipment/software		1,636,659	0
1777		Musical instruments		0	0
1779		Satellites		0	0
1781		Earth stations		0	0
1784		Transportation equipment		45,183,470	0
1786		Other machinery and equipment		0	0
1788		Furniture and fixtures		490,849	0
		Accumulated amortization of machinery, equipment, furniture and fixtures	+	51,050,315	0

Accumulated amortization of other tangible capital assets

1901	*	Other tangible capital assets	0	0
1903		Logging roads	0	0
		Asphalt and parking areas	0	0
		Wharves	0	0
1909		Fences	0	0
1911		Capital leases - buildings	0	0
1913		Capital leases - equipment	0	0
1915		Capital leases - vehicles	0	0
1917		Capital leases - others	0	0
1919		Leasehold improvements	32,826	0
1922		Campsites	0	0
		Accumulated amortization of other tangible capital assets	+ 32,826	0

2009		**Total Accumulated Amortization of Tangible Capital Assets**	= 51,278,369	0

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Long Term Assets

GIFI		Account	Description		Amount	Prior year
Due from shareholder(s)/director(s)						
2180	*		Due from shareholder(s)/director(s)		0	0
2181			Due from individual shareholder(s)		0	0
2182			Due from corporate shareholder(s)		0	0
2183			Due from director(s)		0	0
			Due from shareholder(s)/director(s)	+	0	0
2190			Due from members	+	0	0
2200			Investment in joint venture(s)/partnership(s)	+	0	0
2220			Due from joint venture(s)/partnership(s)	+	0	0
Due from/investment in related parties						
2240	*		Due from/investment in related parties		0	0
2241			Due from/investment in Canadian related parties		0	0
2242			Shares in Canadian related corporations		0	0
2243			Loans/advances to Canadian related corporations		0	0
2244			Investment in Canadian related corporations at cost		0	0
			Investment in Canadian related corporations at equity		0	0
2246			Due from/investment in foreign related parties		0	0
2247			Shares in foreign related corporations		0	0
2248			Loans/advances to foreign related corporations		0	0
2249			Investment in foreign related corporations at cost		0	0
2250			Investment in foreign related corporations at equity		0	0
			Due from/investment in related parties	+	0	0
2280			Investment in co-tenancy	+	0	0

Long term investments

2300	*	Long term investments	0	0
		Foreign shares	0	0
		Other types of foreign investments	0	0
2303		Canadian shares	0	0
2304		Government of Canada debt	0	0
2305		Canadian, provincial and municipal government debt	0	0
2306		Canadian corporate bonds and debentures	0	0
2307		Debt securities	0	0
2308		Equity securities	0	0
2309		Securities purchased under resale agreements	0	0
2310		Central credit union shares	0	0
2311		Other Canadian long term investments	0	0
		Long term investments	+ 0	0

Long term loans

2360	*	Long term loans	0	0
2361		Mortgages	0	0
2362		Personal and credit card loans	0	0
2363		Business and government loans	0	0
2364		Line of credit	0	0
		Long term loans	+ 0	0

Other long term assets

2420	*	Other long term assets	12,725	0
2421		Deferred income taxes	0	0
2422		Deferred pension charges	0	0
2423		Deferred unrealized exchange losses	0	0
2424		Other deferred items/charges	0	0
2426		Reserve fund	0	0
2427		Cash surrender value of life insurance	0	0
		Other long term assets	+ 12,725	0

2425		Accumulated amortization of deferred charges	- 0	0

2589		**Total Long Term Assets**	= 12,725	0

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Current Liabilities

GIFI	Account	Description		Amount	Prior year
2600		Bank overdraft	+	0	0

Amounts payable and accrued liabilities

2620	*	Amounts payable and accrued liabilities		12,672,672	0
2621		Trade payables		0	0
2622		Trade payables to related parties		0	0
2623		Holdbacks payable		0	0
2624		Wages payable		0	0
2625		Management fees payable		0	0
2626		Bonuses payable		0	0
2627		Employee deductions payable		0	0
2628		Withholding taxes payable		0	0
2629		Interest payable		0	0
2630		Amounts payable to members of NPOs		0	0
		Amounts payable and accrued liabilities	+	12,672,672	0

2680		Taxes payable	+	0	0

Short term debt

2700	*	Short term debt		0	0
2701		Loans from Canadian banks		0	0
2702		Liability for securities sold short		0	0
2703		Liability for securities sold under repurchase agreements		0	0
2704		Gold and silver certificates		0	0
2705		Cheques and other items in transit		0	0
2706		Lien notes		0	0
		Short term debt	+	0	0

2770		Deferred income	+	0	0

Due to shareholder(s)/director(s)

2780	*	Due to shareholder(s)/director(s)		0	0
2781		Due to individual shareholder(s)		0	0
2782		Due to corporate shareholder(s)		0	0
2783		Due to director(s)		0	0
		Due to shareholder(s)/director(s)	+	0	0

		Due to joint venture(s)/partnership(s)	+	0	0

Due to related parties

2860	* Due to related parties		0	0
2861	Demand notes due to related parties		0	0
	Interest payable to related parties		0	0
	Advances due to related parties		0	0
	Due to related parties	+	0	0

2920	Current portion of long term liability	+	0	0
2940	Bankers' acceptances	+	0	0

Other current liabilities

2960	* Other current liabilities		0	0
2961	Deposits received		0	0
2962	Dividends payable		0	0
2963	Deferred income taxes		0	0
2964	Reserve for guarantees, warranties or indemnities		0	0
2965	General provisions/reserves		0	0
2966	Crew shares		0	0
	Other current liabilities	+	0	0

3139	**Total Current Liabilities**	=	12,672,672	0

Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Long Term Liabilities

GIFI		Account	Description		Amount	Prior year
Long term debt						
3140	*		Long term debt		23,063,666	0
3141			Mortgages		0	0
3142			Farm credit corporation loan		0	0
3143			Chartered bank loan		0	0
3144			Credit Union/Caisse Populaire loan		0	0
3145			Provincial government loan		0	0
3146			Supply company loan		0	0
3147			Private loan		0	0
3148			Centrals, leagues, and federation loans		0	0
3149			Line of credit		0	0
3150			Liability for securities sold short		0	0
3151			Liability for securities sold under repurchase agreements		0	0
3152			Lien notes		0	0
			Long term debt	+	23,063,666	0
3200			Deposit liabilities of financial institutions	+	0	0
3210			Bonds and debentures	+	0	0
3220			Deferred income	+	0	0
			Deferred income taxes	+	0	0
Due to shareholder(s)/director(s)						
3260	*		Due to shareholder(s)/director(s)		0	0
3261			Due to individual shareholder(s)		0	0
3262			Due to corporate shareholder(s)		0	0
3263			Due to director(s)		0	0
			Due to shareholder(s)/director(s)	+	0	0
3270			Due to members	+	0	0
3280			Due to joint venture(s)/partnership(s)	+	0	0
Due to related parties						
3300	*		Due to related parties		0	0
3301			Amounts owing to related Canadian parties		0	0
3302			Amounts owing to related foreign parties		0	0
			Due to related parties	+	0	0

Other long term liabilities

3320	*	Other long term liabilities	11,571,172	0
3321		Long term obligations/commitments/capital leases	0	0
		Reserves for guarantees, warranties or indemnities	0	0
		Provision for site restoration	0	0
3324		Contributions to qualifying environmental trust	0	0
3325		General provisions/reserves	0	0
3326		Preference shares restated	0	0
3327		Member allocations	0	0
3328		Deferred revenue from incomplete contracts	0	0
		Other long term liabilities	+ 11,571,172	0

3450		**Total Long Term Liabilities**	= 34,634,838	0

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Shareholder Equity

GIFI	Account	Description		Amount	Prior year
Shareholder equity					
3500		Common shares	+	23,063,666	0
3520		Preferred shares	+	0	0
Contributed and other surplus					
3540	*	Contributed and other surplus		0	0
3541		Contributed surplus		0	0
3542		Appraisal surplus		0	0
3543		General reserve		0	0
		Contributed and other surplus	+	0	0
3570		Head office account	+	0	0
3600		Retained earnings/deficit	+	-2,127,136	0
3620		**Total Shareholder Equity**	=	20,936,530	0

neric Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Retained Earning/Deficit

GIFI	Account	Description		Amount	Prior year
3660		Retained earnings/deficit - start	+	2,047,514	0
3680		Net income/loss	+	-4,174,650	0
		Dividends declared			
3700	*	Dividends declared		0	0
3701		Cash dividends		0	0
3702		Patronage dividends		0	0
		Dividends declared	-	0	0
3720		Prior period adjustments	+	0	0
		Other items affecting retained earnings			
3740	*	Other items affecting retained earnings		0	0
3741		Share redemptions		0	0
3742		Special reserves		0	0
3743		Currency adjustments		0	0
3744		Unusual revenue items		0	0
		Interfund transfer		0	0
		Other items affecting retained earnings	+	0	0
3849		**Retained Earnings/Deficit - End**	=	-2,127,136	0

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Income Statement

GIFI	Description
0001	Operating name
0002	Description of the operation
0003	Sequence Number

GIFI	Account	Description		Amount	Prior year
Income Statement Information					
8089		Total sales of goods and services	+	22,551,308	0
8518		Cost of sales	-	23,283,839	0
8519		**Gross profit/loss**	=	-732,531	0
8518		Cost of sales	+	23,283,839	0
9367		Total operating expenses	+	3,656,221	0
9368		**Total expenses** (mandatory field)	=	26,940,060	0
8299		Total revenue (mandatory field)	+	22,805,410	0
9368		Total expenses (mandatory field)	-	26,940,060	0
		Net non-farming income	=	-4,134,650	0
Farming Income Statement Information					
9659		Total farm revenue (mandatory field)	+	0	0
9898		Total farm expenses (mandatory field)	-	0	0
9899		**Net farm income**	=	0	0
9970		**Net Income/Loss before Taxes and Extraordinary Items**		-4,134,650	0

Extraordinary items and income taxes (linked to Schedule 140)

9975	Extraordinary item(s)	0	0
9976	Legal settlements	0	0
[illegible]	Unrealized gains/losses	0	0
[illegible]	Unusual items	0	0
9990	Current income taxes	40,000	0
9995	Deferred income tax provision	0	0
9999	**Net Income/Loss after Taxes and Extraordinary Items** (mandatory field)	-4,174,650	0

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Revenue

GIFI	Account	Description		Amount	Prior year
8000		Trade sales of goods and services	+	22,829,771	0
8020		Sales of goods and services to related parties	+	-278,463	0
8030		Interdivisional sales	+	0	0

Sales from resource properties

8040	*	Sales from resource properties		0	0
8041		Petroleum and natural gas sales		0	0
8042		Petroleum and natural gas sales to related parties		0	0
8043		Gas marketing		0	0
8044		Processing revenue		0	0
8045		Pipeline revenue		0	0
8046		Seismic sales		0	0
8047		Mining revenue		0	0
8048		Coal revenue		0	0
8049		Oil sands revenue		0	0
8050		Royalty income		0	0
8051		Oil and gas partnership/joint venture income/loss		0	0
8052		Mining partnership/joint venture income/loss		0	0
8053		Other production revenue		0	0
		Sales from resource properties	+	0	0

8089		**Total sales of goods and services**	=	22,551,308	0

Investment revenue

8090	*	Investment revenue		0	0
8091		Interest from foreign sources		0	0
8092		Interest from Canadian bonds and debentures		0	0
8093		Interest from Canadian mortgage loans		0	0
8094		Interest from other Canadian sources		0	0
8095		Dividend income		0	0
8096		Dividends from Canadian sources		0	0
8097		Dividends from foreign sources		0	0
		Investment revenue	+	0	0

Interest income (financial institutions)

8100	*	Interest income (financial institutions)	0	0
8101		Loan interest	0	0
		Securities interest	0	0
		Deposits with banks interest	0	0
		Interest income (financial institutions)	+ 0	0

Commission revenue

8120	*	Commission revenue	0	0
8121		Commission income on real estate transactions	0	0
		Commission revenue	+ 0	0

Rental revenue

8140	*	Rental revenue	0	0
8141		Real estate rental revenue	0	0
8142		Film rental revenue	0	0
		Rental revenue	+ 0	0

8150		Vehicle leasing	+ 0	0

Fishing revenue

8160	*	Fishing revenue	0	0
8161		Fish products	0	0
8162		Other marine products	0	0
8163		Fishing grants, credits and rebates	0	0
8164		Fishing subsidies	0	0
8165		Compensation for loss of fishing income or property	0	0
8166		Sharesman income	0	0
		Fishing revenue	+ 0	0

Realized gains/losses on disposal of assets

8210	*	Realized gains/losses on disposal of assets	0	0
8211		Realized gains/losses on sale of investments	0	0
8212		Realized gains/losses on sale of resource properties	0	0
		Realized gains/losses on disposal of assets	+ 0	0

NPO amounts received

8220	NPO amounts received		0	0
8221	Membership fees		0	0
	Assessments		0	0
	Gifts		0	0
8224	Gross sales and revenues from organizational activities		0	0
	NPO amounts received	+	0	0

Other revenue

8230	* Other revenue		254,102	0
8231	Foreign exchange gains/losses		0	0
8232	Income/loss of subsidiaries/affiliates		0	0
8233	Income/loss of other divisions		0	0
8234	Income/loss of joint ventures		0	0
8235	Income/loss of partnerships		0	0
8236	Realization of deferred revenues		0	0
8237	Royalty income other than resource		0	0
8238	Alberta royalty tax credits		0	0
8239	Management and administration fees		0	0
8240	Telecommunications revenue		0	0
8241	Consulting fees		0	0
8242	Subsidies and grants		0	0
8243	Sale of by-products		0	0
8244	Deposit services		0	0
8245	Credit services		0	0
8246	Card services		0	0
8247	Patronage dividends		0	0
	Insurance recoveries		0	0
8249	Expense recoveries		0	0
8250	Bad debt recoveries		0	0
	Other revenue	+	254,102	0

8299	**Total Revenue**	=	22,805,410	0

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Cost of Sales

GIFI	Account	Description		Amount	Prior year
Opening inventory					
8300	*	Opening inventory		0	0
8301		Opening inventory - finished goods		0	0
8302		Opening inventory - raw materials		0	0
8303		Opening inventory - goods in process		0	0
		Opening inventory	+	0	0
8320		Purchases/cost of materials	+	23,283,839	0
8340		Direct wages	+	0	0
8350		Benefits on direct wages	+	0	0
8360		Trades and sub-contracts	+	0	0
8370		Production costs other than resource	+	0	0
Resource production costs					
8400	*	Resource production costs		0	0
8401		Pipeline operations		0	0
8402		Drilling		0	0
8403		Site restoration costs		0	0
[redacted]		Gross overriding royalty		0	0
[redacted]		Freehold royalties		0	0
8406		Other producing properties rental		0	0
8407		Prospect/geological		0	0
8408		Well operating, fuel and equipment		0	0
8409		Well abandonment and dry holes		0	0
8410		Other lease rentals		0	0
8411		Exploration expenses		0	0
8412		Development expenses		0	0
		Resource production costs	+	0	0
Crown charges					
8435	*	Crown charges		0	0
8436		Crown royalties		0	0
8437		Crown lease rentals		0	0
8438		Freehold mineral tax		0	0
8439		Mining taxes		0	0
8440		Oil sand leases		0	0
8441		Saskatchewan resource surcharge		0	0
		Crown charges	+	0	0

Other direct costs

8450	*	Other direct costs	0	0
8451		Equipment hire and operation	0	0
		Log yard	0	0
		Forestry costs	0	0
8454		Logging road costs	0	0
8455		Stumpage costs	0	0
8456		Royalty costs	0	0
8457		Freight in and duty	0	0
8458		Inventory write down	0	0
8459		Direct cost amortization of tangible assets	0	0
8460		Direct cost amortization of natural resource assets	0	0
8461		Overhead expenses allocated to cost of sales	0	0
		Other direct costs	+ 0	0

Closing inventory

8500	*	Closing inventory	0	0
8501		Closing inventory - finished goods	0	0
8502		Closing inventory - raw materials	0	0
8503		Closing inventory - goods in process	0	0
		Closing inventory	- 0	0

8518		**Cost of Sales**	= 23,283,839	0

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Operating Expenses

GIFI	Account	Description		Amount	Prior year
Advertising and promotion					
8520	*	Advertising and promotion		0	0
8521		Advertising		0	0
8522		Donations		0	0
8523		Meals and entertainment		0	0
8524		Promotion		0	0
		Advertising and promotion	+	0	0
8570		Amortization of intangible assets	+	0	0
8590		Bad debt expense	+	469,978	0
Loan losses					
8610	*	Loan losses		0	0
8611		Provision for loan losses		0	0
		Loan losses	+	0	0
Employee benefits					
8620	*	Employee benefits		307,885	0
8621		Group insurance benefits		0	0
8622		Employer's portion of employee benefits		0	0
8623		Contributions to deferred income plans		0	0
		Employee benefits	+	307,885	0
8650		Amortization of natural resource assets	+	0	0
8670		Amortization of tangible assets	+	894,570	0
Insurance					
8690	*	Insurance		0	0
8691		Life insurance on executives		0	0
		Insurance	+	0	0

Interest and bank charges

8710	*	Interest and bank charges	0	0
8711		Interest on short term debt	0	0
		Interest on bonds and debentures	0	0
		Interest on mortgages	0	0
8714		Interest on long term debt	54,250	0
8715		Bank charges	0	0
8716		Credit card charges	0	0
8717		Collection and credit costs	0	0
		Interest and bank charges +	54,250	0

Interest paid (financial institutions)

8740	*	Interest paid (financial institutions)	0	0
8741		Interest paid on deposits	0	0
8742		Interest paid on bonds and debentures	0	0
		Interest paid (financial institutions) +	0	0

Business taxes, licences and memberships

8760	*	Business taxes, licences and memberships	0	0
8761		Memberships	0	0
8762		Business taxes	0	0
8763		Franchise fees	0	0
8764		Government fees	0	0
		Business taxes, licences and memberships +	0	0

8780		New Brunswick tax on large corporations +	0	0
8790		Nova Scotia tax on large corporations +	0	0

Office expenses

8810	*	Office expenses	572,611	0
8811		Office stationery and supplies	0	0
8812		Office utilities	0	0
8813		Data processing	0	0
		Office expenses +	572,611	0

Professional fees

8860	*	Professional fees	125,051	0
8861		Legal fees	0	0
		Accounting fees	0	0
		Consulting fees	0	0
8864		Architect fees	0	0
8865		Appraisal fees	0	0
8866		Laboratory fees	0	0
8867		Medical fees	0	0
8868		Veterinary fees	0	0
8869		Brokerage fees	0	0
8870		Transfer fees	0	0
8871		Management and administration fees	0	0
8872		Refining and assay	0	0
8873		Registrar and transfer agent fees	0	0
8874		Restructuring costs	0	0
8875		Security and exchange commission fees	0	0
8876		Training expense	0	0
8877		Studio and recording	0	0
		Professional fees	+ 125,051	0

Rental

8910	*	Rental	75,585	0
8911		Real estate rental	0	0
8912		Occupancy costs	0	0
8913		Condominium fees	0	0
8914		Equipment rental	0	0
		Motor vehicle rentals	0	0
		Moorage (boat)	0	0
8917		Storage	0	0
8918		Quota rental	0	0
		Rental	+ 75,585	0

Repairs and maintenance

8960	*	Repairs and maintenance	0	0
8961		Repairs and maintenance - buildings	0	0
8962		Repairs and maintenance - vehicles	0	0
8963		Repairs and maintenance - boats	0	0
8964		Repairs and maintenance - machinery and equipment	0	0
		Repairs and maintenance	+ 0	0

Other repairs and maintenance

9010	*	Other repairs and maintenance	0	0
9011		Machine shop expense	0	0
9012		Road costs	0	0
9013		Security	0	0
9014		Garbage removal	0	0
		Other repairs and maintenance	+ 0	0

Salaries and wages

9060	*	Salaries and wages	1,137,714	0
9061		Commissions	0	0
		Crew share	0	0
		Bonuses	0	0
9064		Directors fees	0	0
9065		Management salaries	0	0
9066		Employee salaries	0	0
		Salaries and wages	+ 1,137,714	0

9130		Sub-contracts	+ 0	0

Supplies

9130	*	Supplies	0	0
9131		Small tools	0	0
9132		Shop expense	0	0
9133		Uniforms	0	0
9134		Laundry	0	0
9135		Food and catering	0	0
9136		Fishing gear	0	0
9137		Nets and traps	0	0
9138		Salt, bait and ice	0	0
9139		Camp supplies	0	0
9150		Computer-related expenses	0	0
9151		Upgrade	0	0
9152		Internet	0	0
		Supplies	+ 0	0

9180		Property taxes	0	0

Travel expenses

9200	*	Travel expenses	0	0
9201		Meetings and conventions	0	0
		Travel expenses	+ 0	0

Utilities

9220	*	Utilities	18,577	0
9221		Electricity	0	0
9222		Water	0	0
9223		Heat	0	0
9224		Fuel costs	0	0
9225		Telephone and telecommunications	0	0
		Utilities	+ 18,577	0

Other expenses

9270	*	Other expenses	0	0
9271		Cash over/short	0	0
		Reimbursement of parent company expense	0	0
		Selling expenses	0	0
9274		Shipping and warehouse expense	0	0
9275		Delivery, freight and express	0	0
9276		Warranty expenses	0	0
9277		Royalty expenses - resident	0	0
9278		Royalty expenses - non-resident	0	0
9279		Dumping charges	0	0
9280		Land fill fees	0	0
9281		Vehicle expenses	0	0
9282		Research and development	0	0
9283		Withholding taxes	0	0
9284		General and administrative expenses	0	0
9285		Interdivisional	0	0
9286		Interfund transfer	0	0
		Other expenses	+ 0	0

9367		**Total Operating Expenses**	= 3,656,221	0

* Generic Item

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NOTES CHECKLIST
98 and later taxation years)

- This form is to be used by all corporations that do not use a software package to prepare financial statement information and are not eligible to use the GIFI-Short form.

- Use this schedule to report a notes checklist for the corporation's financial statement information.

- For more information, see the "Guide to the General Index of Financial Information (GIFI) for Corporations" and the "T2 Corporation Income Tax Guide."

- The following questions have to be answered:
  - questions 100, 101, and 108;
  - if you answer "yes" to question 101, you have to answer questions 102 to 107;
  - if you answer "yes" to question 108, you have to answer question 109.

Part 1 - Involvement of accountant

Who reported on or prepared the corporation's financial statements? 100

Tick only one of the following:

		[X]
An independent auditor with a report that expressed no reservation	1	[ ]
An independent auditor with a report that expressed a reservation	2	[ ]
An independent accountant with a review engagement report that expressed no reservation	3	[ ]
An independent accountant with a review engagement report that expressed a reservation	4	[ ]
An independent accountant who conducted a compilation engagement with no review	5	[ ]
An independent accountant with a compilation and review engagement resulting in no reservation	6	[ ]
An independent accountant with a compilation and review engagement resulting in a reservation	7	[ ]
Prepared by an employee/associate/management of the company, or a person for the company, without a review/audit by an independent accountant/auditor	8	[X]

Part 2 - Other information

		Yes/No
Were notes to the financial statements prepared?	101	[N]
Are any values presented at other than cost?	102	[ ]
Has there been a change in accounting policies since the last return?	103	[ ]
Are subsequent events mentioned in the notes?	104	[ ]
Is re-evaluation of asset information mentioned in the notes?	105	[ ]
Is contingent liability information mentioned in the notes?	106	[ ]
Is information regarding commitments mentioned in the notes?	107	[ ]
Does the corporation have investments in joint venture(s) or partnership(s)?	108	[N]
If "yes," are you filing financial statements of the joint venture(s) or partnership(s)?	109	[ ]

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to an this shcedule are from the "Income Tax Act."
- For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and extraordinary items per financial statements			-4,174,650 A
Additions:			
Provision for income taxes - current	101	40,000	
Amortization of tangible assets	104	894,570	
Non-deductible meals and entertainment expenses	121	1,890	
Reserves from financial statements - balance at the end of the year	126	7,024,790	
Subtotal of additions		7,961,250	7,961,250
Other Additions:			
Miscellaneous Other Additions:			
Subtotal of Other Additions	199	0	0
Total Additions	500	7,961,250	7,961,250
Deductions:			
Capital cost allowance from Schedule 8	403	702,433	
Reserves from financial statements-balance at the beginning of the year	414	6,951,922	
Subtotal of Deductions		7,654,355	7,654,355
Other Deductions:			
Miscellaneous Other Deductions:			
700 Transition costs not allowable	390	146,019	
Subtotal of Other Deductions	499	146,019	146,019
Total Deductions	519	7,800,374	7,800,374
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)			-4,013,774

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION
0 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-4,013,774
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)	0	0
Subtotal (if positive, enter "0")		-4,013,774
Deduct: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
Subtotal		-4,013,774
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		-4,013,774

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		0	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	0	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	4,013,774	4,013,774

Continuity of non-capital losses and request for a carryback (cont'd)

Deduct:

Amount applied against taxable income (enter on line 331 of the T2 return)	130	0	
Amount applied against taxable dividends subject to Part IV tax	135	0	
Section 80 - Adjustments for forgiven amounts	140	0	
Subsection 111(10) - Adjustments for fuel tax rebate		0	
Other adjustments	150	0	0
		Subtotal	4,013,774

Deduct - Request to carry back non-capital loss to:

First preceding taxation year to reduce taxable income	901	0	
Second preceding taxation year to reduce taxable income	902	0	
Third preceding taxation year to reduce taxable income	903	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	0	0
Non-capital losses - Closing balance	180		4,013,774

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 Yes [ ]

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200	0	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205	0	
Current-year capital loss (from Schedule 6 calculation)	210	0	0
Add:			
Allowable business investment loss expired as non-capital loss	0 x 4/3	220	0
		Subtotal	0

Deduct:

Amount applied against current-year capital gain (see note 1)	225	0	
Section 80 - Adjustments for forgiven amounts	240	0	
Other adjustments	250	0	0
		Subtotal	0

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)		Amount carried back (100%)	
First preceding taxation year	0	951	0	
Second preceding taxation year	0	952	0	
Third preceding taxation year	0	953	0	0
Capital losses - Closing balance		280		0

Part 2 - Capital losses

Continuity of capital losses and request for a carryback (cont'd)

Capital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.
Capital losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.
For taxation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determine by dividing the total taxable capital gain by the total capital gain.

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2

Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 3 - Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	300	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	305	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330	0	
Amount applied against taxable dividends subject to Part IV tax	335	0	
Section 80 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:
Is the corporation exempt from the restricted farm loss rules?
(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Part 4 - Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485		0	A
the deductible farm loss:				
$2,500 plus B or C, whichever is less			2,500	
(Amount A above 0 - $2,500) divided by 2 =		0 B		
		6,250 C	0	2,500
Current-year restricted farm loss (enter this amount on line 410)				0

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year		0	
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0
		Subtotal	0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941	0	
Second preceding taxation year to reduce farming income	942	0	
Third preceding taxation year to reduce farming income	943	0	0
Restricted farm losses - Closing balance	480		0

Note

The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			0
Deduct: Listed personal property loss expired after seven taxation years	500		0
Listed personal property losses at beginning of taxation year	502		0
Add: Current-year listed personal property loss (from Schedule 6)	510		0
		Subtotal	0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	550	0	0
		Subtotal	0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961	0	
Second preceding taxation year to reduce listed personal property gains	962	0	
Third preceding taxation year to reduce listed personal property gains	963	0	0
Listed personal property losses - Closing balance	580		0

Part 6 - Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	4,013,774	0	0	N/A	0	4,013,774
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0
1995	0	N/A	0	N/A	0	0	0 *
Total	0	4,013,774	0	0	0	0	4,013,774

Farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	0	0
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0
1995	0	N/A	0	N/A	0	0	0
1994	0	N/A	0	N/A	0	0	0
1993	0	N/A	0	N/A	0	0	0
1992	0	N/A	0	N/A	0	0	0 *
Total	0	0	0	0	0	0	0

Restricted farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	N/A	0
2001	0	N/A	0	N/A	0	N/A	0
2000	0	N/A	0	N/A	0	N/A	0
1999	0	N/A	0	N/A	0	N/A	0
1998	0	N/A	0	N/A	0	N/A	0
1997	0	N/A	0	N/A	0	N/A	0
1996	0	N/A	0	N/A	0	N/A	0
1995	0	N/A	0	N/A	0	N/A	0
1994	0	N/A	0	N/A	0	N/A	0
1993	0	N/A	0	N/A	0	N/A	0
1992	0	N/A	0	N/A	0	N/A	0 *
	0	0	0	0	0	N/A	0

This balance expires this year and will not be available next year

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5q)? [101] N

Class No. [200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
1	47,784,000	2,839,664	0	0	1,419,832	4	0	0	496,082	50,127,582
8	625,000	119,562	0	0	59,781	20	0	0	34,520	710,042
10	1,710,000	398,374	0	0	199,187	30	0	0	144,366	1,964,008
12	75,000	19,285	0	0	9,642	100	0	0	21,335	72,950
42	126,000	0	0	0	0	12	0	0	3,811	122,189
13	46,000	0	0	0	0		0	0	2,319	43,681
Total	50,366,000	3,376,885	0	0	1,688,442		0	0	702,433	53,040,452

RELATED AND ASSOCIATED CORPORATIONS

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
- associated corporation(s)

Name	Ctry of resi-dence	Business Number (Note)	Rela-tion-ship Code	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of pre-ferred shares owned	Book value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
Oshawa Power and Utilities Cor		864867593RC0001	1	0	0.00	0	0.00	0

Note: Enter "NR" if a corporation is not registered.

Relationship code:

1 - Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

The relationship code represents the relationship that the corporation named has to the filing corporation. For example, if the corporation is the parent corporation of the filing corporation, then the relationship code is "1".

Schedule 9

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CONTINUITY OF RESERVES
8 and later taxation years)

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal "Income Tax Act".
- File one completed copy of this schedule with the corporation's "T2 Corporation Income Tax Return".
- For more information, see the "T2 Corporation Income Tax Guide".

Part 1 - Capital gains reserves

Description of property	Balance at the beginning of the year	Transfer on amalgamation or wind-up of subsidiary	Add	Deduct	Balance at the end of the year
001	$ 002	$ 003	$	$	$ 004
	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
Totals 008	0 009	0	0	0 010	0

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Financial Statement Reserves (not deductible)

Description	Balance at the beginning of the year	Transfer on amalgamation or wind-up of subsidiary	Add	Deduct	Balance at the end of the year
Employee future benefits	6,414,701	0	72,868	0	6,487,569
Employee sick leave benefits	537,221	0	0	0	537,221
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
Reserves From Section 2 below	0	0	0	0	0
Totals	6,951,922	0	72,868	0	7,024,790

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

Part 2 - Other reserves

Description			Balance at the beginning of the year		Transfer on amalgamation or wind-up of subsidiary	Add	Deduct		Balance at the end of the year
	[X]		$		$	$	$		$
Reserve for doubtful debts	[ ]	110	0	115	0	0	0	120	0
Reserve for undelivered goods and services not rendered	[ ]	130	0	135	0	0	0	140	0
Reserve for prepaid rent	[ ]	150	0	155	0	0	0	160	0
Reserve for December 31, 1995 income	[ ]	170	0	175	0	0	0	180	0
Reserve for refundable containers	[ ]	190	0	195	0	0	0	200	0
Reserve for unpaid amounts	[ ]	210	0	215	0	0	0	220	0
Other tax reserves	[ ]	230	0	235	0	0	0	240	0
Totals		270	0	275	0	0	0	280	0

Enter "X" in the column above if the tax reserve has also been reported on the corporation's financial statements. This allows offsetting entries on Schedule 1, resulting in a zero effect on net income for tax purposes.

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.

The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS (CCPC's) TO ALLOCATE THE BUSINESS LIMIT (1998 and later taxation years)

For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.

- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation".

Column 4: Enter the amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 can not exceed $200,000.

Column 5: Complete column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Column 6: Enter the gross Part I.3 tax of the prior year. This is used for the business limit reduction.

Allocation of business limit

		Year Month Day
Date filed (for departmental use only)	025	

		Year
Enter the calendar year to which the agreement applies	050	2001

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?	075	[Y/N] [N]

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Association code	Business limit allocated (Note 1)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year (Notes 2 & 3)
100	200	300	400	500	
Oshawa PUC Networks Inc.	891725210RC0001	1	200,000	2001-12-31	0
See attached			0		0
	Totals (not to exceed $200,000)		200,000		0

Note 1:
Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Note 2:
Reduction to the business limit under subsection 125(5.1)
The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return.
The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note 3:
If the taxation year of the associated corporation was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

AGREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6
Name of associated corporation	Business Number of associated corporation	Association code	Business limit allocated (Note)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year
[100]	[200]	[300]	[400]	[500]	
Oshawa Power and Utilities Cor	864867593RC0001	1	0	2001-12-31	0
TOTALS			0		0

Note: Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Reduction to the business limit under subsection 125(5.1)

The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return. The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Schedule 23-Supplementary

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

PART I.3 TAX ON LARGE CORPORATIONS
08 and later taxation years)

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" within six months of the end of the taxation year.

		Year	Month	Day
Filing date (for departmental use only)	100			

lete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	7,024,790
Capital stock (or members' contributions if incorporated without share capital)	103	23,063,666
Retained earnings	104	0
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	27,610,048
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	0
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

Part 1 - Capital (cont'd)

Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111 and 112) respect of the partnership of which the corporation is a member the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	0		
	Subtotal	57,698,504	57,698,504	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121	0		
Any deficit deducted in computing the shareholders' equity	122	2,127,136		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	0		
The amount of deferred unrealized foreign exchange losses	124	0		
	Subtotal	2,127,136	2,127,136	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		55,571,368	

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	0
A loan or advance to another corporation (other than a financial institution)	402	64,873
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403	0
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)]	406	0
An interest in a partnership	407	0
Investment allowance for the year	490	64,873

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)		55,571,368	C
Deduct: Investment allowance for the year (line 490)		64,873	D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500	55,506,495	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year.

[redacted]ble capital for [redacted]ear (line 500)	55,506,495	X	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	696	55,506,495
			Taxable income		1,000				

Notes:
1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		0
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	0	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada	712	0	
Total amount of carrying value at the end of year of an asset of the corporation [redacted] a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year in Canada	713	0	
Total deductions (add lines 711, 712, and 713)		0	0 E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		0

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)			55,506,495
Deduct: Capital deduction claimed for the year (enter $10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801		10,000,000
Excess of taxable capital employed in Canada over capital deduction	811		45,506,495

Gross Part I.3 tax: Line 811 45,506,495 x .2250% = 102,390 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 102,390 x (Number of days in the year: 92 / 365) = 25,808 G

Gross Part I.3 tax (amount F or G, whichever applies)	820		25,808

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable

For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return				0	
b) line 700 from the T2 return				0	0 H

In any other case, the lesser of c and d below:

			line 690 of this schedule			
c) line 600 from the T2 return	0	x	55,506,495	=	0	
			55,506,495			
			line 500 of this schedule			
d) line 700 from the T2 return					0	0 I

Current year surtax credit (amount H or I, whichever applies) 830 0

Part 8 - Calculation of Part I.3 tax credit available for carry- forward

Amount on line 830		0
Less: Part I.3 tax before deducting surtax credits (line 820)	25,808	J
Net amount	-25,808	K

If the amount on line K is "positive," it represents the amount of Part I.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part I.3 tax credit balance 0 L

If the amount on line K is "negative," it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year 25,808 M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		0
Less: Part I.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)		0
Current year unused surtax credit (enter this amount on Schedule 37) 850		0

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			25,808 N
Deduct the following amounts:			
Current year surtax credit applied (lesser of lines 820 and 830)	861	0	
Unused surtax credit from prior years applied	862	0	
Total (cannot exceed amount on line 820)		0	0 O
Net Part I.3 tax payable (amount N minus amount O)			
Enter this amount at line 704 of the T2 return	870		25,808

Loans

Due to City of Oshawa	23,063,665.00
Customer deposits	3,397,205.00
	0.00
Regulatory liability	240,981.00
Other (Development Fund/Deferred Revenue)	908,197.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	27,610,048.00

Prepaid Expense	52,148.00
Securities Held for Deposit	12,725.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	64,873.00

Non-deductible reserves

Employee future benefits	6,487,569.00
Employee sick leave benefits	537,221.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,024,790.00

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
(1998 and later taxation years)

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.
  Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? ..... [Y/N] [Y]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.

- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.

- In accordance with subsection 181.5(7) of the federal "Income Tax Act", a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

- Attach additional schedules if space for agreement is not sufficient.

Agreement

		Year Month Day
Date filed (for departmental use only)	010	
Is this an amended agreement?	020	[Y/N] [N]
the calendar year to which the agreement applies	030	Year 2001

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number **(Note 1)**	Allocation of capital deduction for the year $	Taxation year end to which this agreement applies **(Note 2)**
200	300	400	500
Oshawa PUC Networks Inc.	891725210RC0001	10,000,000	2001-12-31
See attached		0	

Total (not to exceed $10,000,000)		10,000,000	
		==========	

Note 1: If a corporation is not registered enter, "NR".

Note 2: An entry is only required for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.

In accordance with subsection 181.5(7) of the federal Income Tax Act, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Names of all corporations which are members of the related group	Business Number (Note 1)	Allocation of capital deduction for the year	Taxation year end to which this agreement applies (Note 2)
[200]	[300]	[400]	[500]
Oshawa Power and Utilities Cor	864867593RC0001	0	2001-12-31
TOTAL		0	

Note 1: If a corporation is not registered, enter "NR".

Note 2: An entry is only required for a corporation that has more than one taxation ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Schedule 36 - Supplementary

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION
98 and later taxation years)

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
Oshawa Power and Utilities Corporation	864867593RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Schedule of Instalment Remittances

Name of Corporation Contact: . . . . . .
Telephone Number: . . . . . .

Effective Interest Date	Description (Instalment Remittance, Split Payment, Assessed Credit)	Amount of Credit
	Tax payment to Ministry of Finance	25,883
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
	Total amount of instalments claimed (A)	25,883
	Total instalments credited to the taxation year per T9 (B)	25,883

TRANSFER

Account Number	Taxation Year End	Amount	Effective Interest Date	Description
From:				
		0		
To:				

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

BUSINESS CONSENT FORM

Use this form to consent to the release of confidential information about your Business Number (BN) account(s) to the representative named below, or to cancel consent for an existing representative.

- Complete Parts 1, 2, and 5 to name a representative.
- Complete Parts 3, 4, and 5 to cancel consent for an existing representative.
- Complete all parts of this form if you want to both name a new representative and cancel consent for an existing representative.

If you have questions, such as where to send this form, call us at 1-800-959-5525.

Part 1 - Consent to release of information to a representative

Client's name: Oshawa PUC Networks Inc. PILs Business Number: 891725210RC0001

I consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

ERNST & YOUNG LLP

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to specify a particular individual of that firm, enter that individual's first and last name.

416-864-1234
Representative's telephone number

416-864-1174
Representative's fax number

Part 2 - Details of consent

A. Which accounts?

I request that this consent apply to all accounts [X] OR

I request that this consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to authorize access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001	[ ]	RC [ ]	RC [ ]
GST/HST	RT0001	[ ]	RT [ ]	RT [ ]
Payroll deductions	RP0001	[ ]	RP [ ]	RP [ ]
Import/Export	RM0001	[ ]	RM [ ]	RM [ ]

B. Which years?

I request that this consent apply to all years. [X] OR

I request that this consent apply only to the following years:

1. All year-ends up to: [ ] Year Month Day

2. All year-ends beginning in: [ ] Year Month Day and all years after that.

3. The following year-ends only: [ ] Year Month Day [ ] Year Month Day
[ ] Year Month Day [ ] Year Month Day

(Ce formulaire est disponible en français.)

Canada

Part 3 - Cancellation of consent to release of information to a representative

Client's name: Oshawa PUC Networks Inc. PILs Business Number: 891725210RC0001

I cancel all previous consents for all representatives. ☐ OR

I cancel my consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to cancel the consent for a particular individual of that firm, enter that individual's first and last name.

Representative's telephone number

Representative's fax number

Part 4 - Details of cancellation of consent

A. Which accounts?

I request that this cancellation of consent apply to all accounts. ☐ OR

I request that this cancellation of consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to cancel access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001	☐	RC		RC	
GST/HST	RT0001	☐	RT		RT	
Payroll deductions	RP0001	☐	RP		RP	
Import/Export	RM0001	☐	RM		RM	

B. Which years?

I request that this cancellation of consent apply to all years. ☐ OR

I request that this cancellation of consent apply only to the following years:

1. All year-ends up to: Year Month Day

2. All year-ends beginning in: Year Month Day and all years after that.

3. The following year-ends only: Year Month Day Year Month Day

Year Month Day Year Month Day

Part 5 - Signature

Print your name Luc Perron Title CFO

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here Date Year Month Day

WE WILL NOT PROCESS THIS FORM IF IT IS NOT SIGNED

Appendix 18

2001 CT23 Provincial Tax Return

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2002 CT23 Corporations Tax and Annual Return

For taxation years commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** ...tion on page 2 or file the **CT23 Return**, together with the applicable schedules. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria,** ...quest and file the **CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedules A or K) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? *(Refer to Guide)* Yes ☐ No ☒

Corporation's Legal Name *(including punctuation)* and Mailing Address

Oshawa PUC Networks Inc. PILs

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Ontario Corporations Tax Account No. (MOF): 1800157

This CT23 Return covers the Taxation Year
Start: year month day 2001-10-01
End: year month day 2001-12-31

Has address changed since last filed CT23 Return? Yes ☐ Date of Change: year month day

Date of Incorporation or Amalgamation: year month day 2000-11-01

Registered/Head Office Address

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Ontario Corporation No. (MCBS):

Location of Books and Records

Simcoe Street South

Oshawa
ON CA L1H-7M7

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter: 891725210RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
Luc Perron	905-723-4626	

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA -

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
(Not Applicable) ☒

Former Corporation Name *(Extra-Provincial Corporations only)* ***(Not Applicable)*** ☒ (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please ☒ this box. Schedule(s) A and K are not required (MCBS). ☒ **No change**

Preferred Language/*Langue de préférence*: English *anglais* ☒ French *français* ☐

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

Title: D ☐ Director O ☒ Officer P ☐ Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1 [X] 1 Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100 %

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
if applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
if applicable, enter

Specify major business activity
Electricity Distribution

2 1 [ ] Family Farm Corporation s.1 (2)
2 [ ] Family Fishing Corporation s.1 (2)
3 [ ] Mortgage Investment Corporation s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61 (4)
6 [ ] Bank s.1 (2)
7 [ ] Loan and Trust Corporation s.61 (4)
8 [ ] Non-resident Corporation s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned investment Corporation s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-residents s.63(1)
16 [ ] Financial institution prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [X] Hydro successor, Municipal Electrical Utility or subsidiary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Please "X" box(es) if applicable:

[ ] First Year of Filing
[X] Amended Return
[X] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)
Date Control was acquired
year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[X]	[ ]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Inter. Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 16)	±	From 690	-4,013,774.		
Subtract: Charitable donations	–	1	0.		
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)*	–	2	0.		
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–	3	0.		
Subtract: Ontario political contributions *(Attach schedule)*	–	4	0.		
Subtract: Federal Part VI.1 tax 0. X 9/4	–	5	0.		
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	0.		
Net capital losses From 715 (page 17) 0. X inclusion rate 50.000000%	= –	714	0.		
Farm losses	–	From 724	0.		
Restricted farm losses	–	From 734	0.		
Limited partnership losses	–	From 754	0.		
Taxable Income (Non-capital loss)	=	10	-4,013,774.		
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	0.		
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=	20	0.		

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	0.	x 30	100.0000%	x Ontario Allocation	15.5000%	x	Days before May 2, 2000 22	0	÷	Total Days 73	92	= +	23	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x Ontario Allocation	14.5000%	x	Days after May 1, 2000 and before Jan 1, 2001 24	0	÷	Total Days 73	92	= +	25	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x Ontario Allocation	14.0000%	x	Days after Dec 31, 2000 and before Oct 1, 2001 26	0	÷	Total Days 73	92	= +	27	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x Ontario Allocation	12.5000%	x	Days after Sept 30, 2001 and before Jan 1, 2003 28	92	÷	Total Days 73	92	= +	29	0.
10 (or 20 if applicable)	0.	x 30	100.0000%	x Ontario Allocation	12.5000%	x	Days after Dec 31, 2002 and before Jan 1, 2004 31	0	÷	Total Days 73	92	= +	32	0.

Income Tax Payable (before deduction of tax credits) 23 + 25 + 27 + 29 + 32 = 40 0.

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [ ] Yes [X] No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))				50	0.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51	0.		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52	0.		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	–	53	0.		
Federal Business limit for the year before the application of fed.s.125(5.1)	=		0.	54	0.
(not exceeding $ 200,000) *(Attach federal T2 SCH 23 if associated)*	+	55	50,411.		
Add: Ontario enhancement of federal business limit					

Number of Days in Taxation Year

40,000 x	Days after Dec 31, 2000 and before Oct 1, 2001	0	÷	Total Days 73	92					
X From 55	50,411	÷	200,000			=+	42	0.		
80,000 x	Days after Sept 30, 2001 and before Jan 1, 2003	92	÷	Total Days 73	92					
X From 55	50,411	÷	200,000			=+	43	20,164.		
120,000 x	Days after Dec 31, 2002 and before Jan 1, 2004	0	÷	Total Days 73	92					
X From 55	50,411	÷	200,000			=+	46	0.		
Ontario enhancement of federal business limit	42 + 43 + 46					=		20,164.	+ 44	20,164.
Business Limit for Ontario purposes	55 + 44					=		70,575.	45	70,575.
Income eligible for the IDSBC	From 30	100.0000% * Ontario Allocation	x	56	0.	Least of 50, 54 or 45			= 60	0.

* **Note:** *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

Number of Days in Taxation Year

	7.00 %	x	Days after Dec 31, 1998 and before Jan 1, 2000	74	0	÷ 73	Total Days 92	= +	75	.0000
	7.50 %	x	Days after Dec 31, 1999 and before Oct 1, 2001	76	0	÷ 73	Total Days 92	= +	77	.0000
	6.50 %	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	92	÷ 73	Total Days 92	= +	79	6.5000
	7.00 %	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 92	= +	89	.0000

IDSBC Rate for Taxation Year 75 + 77 + 79 + 89 = 78 **6.5000**

Claim From 60 **0.** x From 78 **6.5000** % = 70 **0.**

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

** **Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** Taxable Income of the corporation From 10 (or 20 if applicable) + 80 **0.**

If you are a member of an associated group (X) 81 **X** (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		Taxable Income (if loss, enter nil) **
See attached			+ 82	0.
			+ 83	.
			+ 84	.

Aggregate Taxable Income 80 + 82 + 83 + 84 , etc. = 85 **0.**

Number of Days in Taxation Year

Subtract: 200,000	x	Days before Jan 1, 2001	558	0	÷ 73	Total Days 92	= +	111	0.	
240,000	x	Days after Dec 31, 2000 and before Oct 1, 2001	26	0	÷ 73	Total Days 92	= +	112	0.	
280,000	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	92	÷ 73	Total Days 92	= +	113	280,000.	
320,000	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 92	= +	115	0.	

111 + 112 + 113 + 115 = 280,000. − 114 **280,000.**

(If negative, enter nil) = 86 **0.**

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	4.67 %	x	Days after Dec 31, 1998 and before Jan 1, 2000	74	0	÷ 73	Total Days 92	= +	92	.0000
	5.00 %	x	Days after Dec. 31, 1999 and before Oct 1, 2001	76	0	÷ 73	Total Days 92	= +	93	.0000
	4.3330 %	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	92	÷ 73	Total Days 92	= +	95	4.3330
	4.6670 %	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 92	= +	96	.0000

Specified rate of surtax for Taxation Year 92 + 93 + 95 + 96 = 94 **4.3330**

From 86 **0.** x From 94 **4.3330** % = 87 **0.**

From 87 **0.** x From 60 **0.** ÷ From 114 **280,000.** = 88 **0.**

Surtax Lesser of 70 or 88 = 100 **0**

Continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule)* . . . . . 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits		+	120	0.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)		−	From 56	0.
Add: Adjustment for Surtax on Canadian-controlled private corporations				
From 100 0. ÷ From 30 100.0000 % * Ontario Allocation ÷ From 78 6.5000 % =	121 0.			
Lesser of 56 or 121		+	122	0.
120 − 56 + 122		=	130	0.
Taxable Income		+	From 10	-4,013,774.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)		−	From 56	0.
Add: Adjustments for Surtax on Canadian-controlled private corporations		+	From 122	0.
Subtract: Taxable Income From 10 4,013,774. X Allocation % to jurisdictions outside Canada .0000 %		−	140	0.
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses		−	141	0.
10 − 56 + 122 − 140 − 141		=	142	0.

Claim — Number of Days in Taxation Year

143 0. X From 30 100.0000 % * Ontario Allocation X 2.0000 % X	Days before Oct 1, 2001: 152 0 ÷ Total Days 73 92	= +	153	0.
Lesser of 130 or 142				
143 0. X From 30 100.0000 % * Ontario Allocation X 1.5000 % X	Days after Sept 30, 2001 and before Jan 1, 2003: 28 0 ÷ Total Days 73 92	= +	154	0.
Lesser of 130 or 142				
143 0. X From 30 100.0000 % * Ontario Allocation X 1.5000 % X	Days after Dec 31, 2002 and before Jan 1, 2004: 31 0 ÷ Total Days 73 92	= +	155	0.
Lesser of 130 or 142				
M&P claim for taxation year 153 + 154 + 155		=	160	0.

*Note: *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations . . . . . = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity . . . . . = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) *(Attach schedule)*. 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

***Applies** if you* have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 − 70 + 100 − 110 − 160 − 161 − 162 − 170 − 180 . . . . . = 190 0.

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.
Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* . . . + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible Credit From 5798 Summary Schedule F . . . + 192 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible Credit From 5899 Claim Form Certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* . . . + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed graduate students.
No. of Graduates From 6596
194 0
Eligible Credit From 6598 Summary Schedule G . . . + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* . . . + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 Claim Form Certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* . . . + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* . . . + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.
Eligible Credit From 7300 Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* . . . + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* . . . + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* . . . + 201 0.

Other (specify) _____ . . . + 201.1 0.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 0.

Specified Tax Credits ***Applied to reduce Income Tax*** . . . = 225 0.

Income Tax 190 − 225 **OR Enter NIL if reporting Non-Capital Loss** . . . = 230 0.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in 230 to Income Tax in ***Summary*** section on ***Page 18.***

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on ***Page 8.***

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if *either* Total Assets [249] exceeds $5,000,000 *or* Total Revenue [250] exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation	+ [240]	68,244,040.
* Total Revenue of the corporation	+ [241]	90,477,985.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total assets	* Total Revenue
See attached			+ [243] 23,063,665.	+ [244] .
			+ [245] .	+ [246] .
			+ [247] .	+ [248] .

Aggregate Total Assets [240] + [243] + [245] + [247] . etc.	= [249]	91,307,705.
Aggregate Total Revenue [241] + [244] + [246] + [248] . etc.	= [250]	90,477,985.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 19, 20 and 21 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 19.)*

CMT Payable	CMT Base From [2135]	0. (If negative, enter zero)	X From [30]	100.0000% (Ontario Allocation)	X 4%	= [276]	0.
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*						– [277]	0.
Subtract: Income Tax						– From [190]	0.
Net CMT Payable (If negative, enter Nil on Page 18.)						= [280]	0.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from ***Page 7*** to ***Income tax Summary, on Page 18.***

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to ***Page 18*** and transfer [280] to ***Page 18.*** and to ***Schedule D: Continuity of CMT Credit Carryovers,*** on ***Page 21.***

CMT Credit Carryover available From [2307] 0.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits)				+ From [190]	0.
Gross CMT Payable	+ From [276]	0.			
Subtract: Foreign Tax Credit for CMT purposes	– From [277]	0.			
If [276] – [277] is negative, enter NIL in [290]	=	0.		– [290]	0.
Income Tax eligible for CMT Credit				= [300]	0.
B. Income tax (after deduction of specified credits)				+ From [230]	0.
Subtract: CMT credit used to reduce income taxes				– [310]	0.
Income Tax				= [320]	0.

Transfer to page 18

If A & B apply, [310] *cannot exceed the lesser of* [230], [300] *and your CMT credit carryover available* [2307].

Only B applies. [310] *cannot exceed the lesser of* [230] *and your CMT credit carryover available* [2307].

Capital Tax *(Refer to Guide)*

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 *and* 430 *are both $1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in* 480 *and* 430 *are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* 550 *on Page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

Paid-up capital stock	+ 350	23,063,666.
Retained earnings (if deficit, deduct)	± 351	-2,127,136.
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+ 352	0.
Loans and advances *(Attach schedule)*	+ 353	27,610,048.
Bank loans	+ 354	0.
Bankers acceptances	+ 355	0.
Bonds and debentures payable	+ 356	0.
Mortgages payable	+ 357	0.
Lien notes payable	+ 358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	+ 359	7,024,790.
Contingent, investment, inventory and similar reserves	+ 360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)*	+ 361	0.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	+ 362	0.
Subtotal	= 370	55,571,368.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	− 371	-17,464,738.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	− 372	0.
Total Paid-up Capital	= 380	73,036,106.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	− 381	0.
Net Paid-up Capital	= 390	73,036,106.

Eligible Investments *(Refer to Guide)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 *(Refer to Guide)*	+ 400	0.
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+ 402	0.
Mortgages due from other corporations	+ 403	0.
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+ 404	0.
Loans and advances to unrelated corporations	+ 405	64,873.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+ 406	0.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+ 407	0.
Total Eligible Investments	= 410	64,873.

continued on Page 10

Loans

Due to City of Oshawa	23,063,665.00
Customer deposits	3,397,205.00
	0.00
Regulatory liability	240,981.00
Other (Development Fund/Deferred Revenue)	908,197.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	27,610,048.00

Prepaid Expense	52,148.00
Securities Held for Deposit	12,725.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	64,873.00

Oshawa PUC Networks Inc.
Corp. Tax Acct. No. : 1800157

Year Ended: PILs 2001-12-31 Attached Sch.

UCC vs NBV

UCC per Ont Sch. 8		-53,040,452.00
NBV per F/S		38,316,384.00
less: land		-98,896.00
less: WIP		-2,641,774.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
	Total	-17,464,738.00

Non-deductible reserves

Employee future benefits	6,487,569.00
Employee sick leave benefits	537,221.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,024,790.00

Capital Tax *continued from Page 9*

Total Assets

Assets per balance sheet	+	420	68,244,040.
gages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	-	423	0.
Total Assets as adjusted	=	430	68,244,040.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	-	441	-17,464,738.
Subtract: Appraisal surplus if booked	-	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	85,708,778.

Investment Allowance (410 ÷ 450) x 390 — Not to exceed 410	=	460	55,281.
Taxable Capital 390 - 460	=	470	72,980,825.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	22,805,410.
Total Assets (as adjusted) From 430		68,244,040.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2002) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important: If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.

OR If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B and select and complete the one specific subsection (e.g. B4) that applies to the corporation.

OR If the corporation IS a member of an associated group and/or partnership, complete Section C. Next review, and if applicable, complete Section D. If Section D is not applicable review Section E and complete the applicable subsection: either E1 or E2. Note: if the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year end is before January 1, 2001 and 430 and 480 are both $1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B2. If the taxation year end is after December 31, 2000 and 430 and 480 are both $1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B3. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B4. If taxable capital, 470 on page 10 is $2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

continued on Page 11

Capital Tax Calculation *continued from page 10*

B5. If taxable capital, [470] exceeds $2,000,000 but is $5,000,000 or less, complete the following calculations and transfer the total from [508] to [543] and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From [470] 0. x .3000% = + [490] 0.

Deduct:

$2,400,000 – From [470] 0. x 1.5% = – [492] 0. *If 2,400,000 – [470] is negative, enter NIL in* [492]

([504] = [490] – [492]) = [504] 0. x From [30] 100.0000% (Ontario Allocation) x Days in taxation year after May 4, 1999 and before Jan 1, 2000 [552] 0 / ** 365 (366 if leap year) = + [505] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From [470] 0. x .3000% = + [490] 0.

Deduct:

$2,800,000 – From [470] 0. x 0.75% = – [493] 0. *If 2,800,000 – [470] is negative, enter NIL in* [493]

([506] = [490] – [493]) = [506] 0. x From [30] 100.0000% (Ontario Allocation) x Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 [553] 0 / ** 365 (366 if leap year) = + [507] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From [470] 0. x .3000% = + [490] 0.

Deduct:

$3,200,000 – From [470] 0. x 0.5% = – [495] 0. *If 3,200,000 – [470] is negative, enter NIL in* [495]

([509] = [490] – [495]) = [509] 0. x From [30] 100.0000% (Ontario Allocation) x Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 [554] 0 / ** 365 (366 if leap year) = + [522] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose taxable capital is $5,000,000 or less and that is not associated, is NIL. . . . . + 0.

Total Capital Tax for the taxation year [505] + [507] + [522] . . . . . = [508] 0.

Transfer to [543] *on page 13 and complete the return from that point.*

B6. If [470] exceeds **$5,000,000**, complete the following calculations and transfer the amount from [508] to [543] and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From [470] 0. x From [30] 100.0000% (Ontario Allocation) x .3000% x Days in taxation year before Oct 1, 2001 [559] 0 / ** 365 (366 if leap year) . . . . . = + [502] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From [470] 0.

Exemption – 0.

= [471] 16,323,530. x From [30] 100.0000% (Ontario Allocation) x .3000% x Days in taxation year after Sept 30, 2001 [560] 92 / ** 365 (366 if leap year) . . . . . = + [523] 0.

Total Capital Tax for the taxation year [502] + [523] . . . . . = [508] 0.

Transfer to [543] *on page 13 and complete the return from that point.*

*** If floating taxation year, refer to Guide.***

continued on Page 12

Capital Tax Calculation *continued from page 11*

SECTION C

corporation is a member of an associated group and/or partnership,
plete the following two aggregate taxable capital calculations as applicable, and (x) 510 X (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation . . . . . + From 470 72,980,825.

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada		Taxable Capital
See attached	+ 531	0.
Aggregate Taxable Capital 470 + 531 . . . . . =	540	72,980,825.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL.
Enter NIL in 523 in E1(d) or E2(b), as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From 470 72,980,825. ÷ From 540 72,980,825. x 5,000,000 . . . . . = 541 5,000,000.
Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners permanent establishment in Canada		Taxable Capital
	+ 514	0.
Total Aggregate Taxable Capital 540 + 514 . . . . . =	520	72,980,825.

If 520 is greater than $2,000,000 and less than $3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From 470 72,980,825. ÷ From 520 0. = 521 .0000.
Transfer to Section E1(a) and/or (b) and/or (c) as applicable

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 is *$2,000,000 or less.*

Enter NIL in 550 and complete the return from that point.

continued on Page 13

Capital Tax Calculation *continued from Page 12*

SECTION E

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 *exceeds $2,000,000.*

If the total aggregate taxable capital 520 exceeds **$2,000,000** but is **$3,200,000** or less, complete the following calculations and transfer the total From 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = + 490 0.

Deduct:

[$2,400,000 - From 520 0. x 1.5% x From 521 .0000 = - 492 0.]

If 2,400,000 - 520 is negative, enter NIL in 492

(504 = 490 - 492) = 504 0. x From 30 100.0000% Ontario Allocation x 552 0 / ** 365 (366 if leap year) = + 505 0.

Days in taxation year after May 4, 1999 and before Jan 1, 2000

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = + 490 0.

Deduct:

[$2,800,000 - From 520 0. x 0.75% x From 521 .0000 = - 493 0.]

If 2,800,000 - 520 is negative, enter NIL in 493

(506 = 490 - 493) = 506 0. x From 30 100.0000% Ontario Allocation x 553 0 / ** 365 (366 if leap year) = + 507 0.

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = + 490 0.

Deduct:

[$3,200,000 - From 520 0. x 0.5% x From 521 .0000 = - 495 0.]

If 3,200,000 - 520 is negative, enter NIL in 495

(509 = 490 - 495) = 509 0. x From 30 100.0000% Ontario Allocation x 557 0 / ** 365 (366 if leap year) = + 522 0.

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at 540 is $5,000,000 or less is NIL. Enter NIL . . . . . = + 523 0.

Total Capital Tax for the taxation year 505 + 507 + 522 + 523 . . . . . = 508 0.

Transfer to 543 and complete the return from that point.

E2. If the total aggregate taxable capital at 520 exceeds **$3,200,000** complete the following calculations and transfer the total From 508 to 543, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 72,980,825. x From 30 100.0000% Ontario Allocation x .3000% x 555 0 / ** 365 (366 if leap year) . . . . . = + 502 0.

Days in taxation year before Oct 1, 2001

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 72,980,825.

From 541 (section C) - 5,000,000.

= 471 67,980,825. x From 30 100.0000% Ontario Allocation x .3000% x 560 92 / ** 365 (366 if leap year) = + 523 51,405.

Days in taxation year after Sept 30, 2001

Total Capital Tax for the taxation year 502 + 523 . . . . . = 508 51,405.

** *If floating taxation year, refer to Guide.*

Transfer to 543 and complete the return from that point.

Capital Tax *before application of specified credits* . . . . . = 543 51,405.

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* . . . . . - 546 0.

Capital Tax 543 - 546 . . . . . = 550 51,405.

continued on Page 14

Transfer to Page 18

Capital Tax *continued from page 13*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in [550] on page 13, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) x 0.00% x From [30] ____% (Ontario Allocation) x [555] 0 ÷ ** 0 (366 if leap year) (Days in taxation year) = + [569] 0.

[570] 0. (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) x [571] 0.00% (Capital Tax Rate *(Refer to Guide)*) x From [30] ____% (Ontario Allocation) x [555] 0 ÷ ** 0 (366 if leap year) (Days in taxation year) = + [574] 0.

Capital Tax for Financial Institutions – other than Credit Unions (before Sections II) [569] + [574] = [575] 0.

*** If floating taxation year, refer to Guide.*

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments . . . . . – [585] 0.

Financial institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions [575] – [585] . . . . . = [586] 0.

Transfer to [543] on Page 13

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements . . . . . [587] 0. x 2% . . . . = [588] 0.

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* . . . . . – [589] 0.

Premium Tax [588] – [589] . . . . . = [590] 0.

Transfer to page 18

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 -4,013,774.
Transfer to page 16

Add:

Federal capital cost allowance	+ 601	702,433.
Federal cumulative eligible capital deduction	+ 602	0.
Ontario taxable capital gain	+ 603	0.
Federal non allowable reserves. Balance beginning of year	+ 604	6,951,922.
Federal allowable reserves. Balance end of year	+ 605	0.
Ontario non-allowable reserves. Balance end of year	+ 606	7,024,790.
Ontario allowable reserves. Balance beginning of year	+ 607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	0.
Federal resource allowance	+ 609	0.
Federal depletion allowance	+ 610	0.
Federal foreign exploration and development expenses	+ 611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

612	0.	x 5 ÷ 15.5000 x	Days before May 2, 2000 22	0	Total Days 73	92	= + 630	0.
612	0.	x 5 ÷ 14.5000 x	Days after May 1, 2000 and before Jan 1, 2001 24	0	Total Days 73	92	= + 631	0.
	0.	x 5 ÷ 14.0000 x	Days after Dec 31, 2000 and before Oct 1, 2001 26	0	Total Days 73	92	= + 632	0.
612	0.	x 5 ÷ 12.5000 x	Days after Sept 30, 2001 and before Jan 1, 2003 28	92	Total Days 73	92	= + 633	0.
612	0.	x 5 ÷ 12.5000 x	Days after Dec 31, 2002 and before Jan 1, 2004 31	0	Total Days 73	92	= + 634	0.

Total add-back amount for Management fees, etc. 630 + 631 + 632 + 633 + 634 = 0. + 613 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 0.

Federal Scientific Research Expenses claimed in year from federal form T661 0.

Negative Ontario SR&ED Pool amounts from Ontario schedule 161 line 473 + 0.

= 0. + 615 0.

Subtotal of Additions 601 to 611 + 613 + 620 + 614 + 615 = 14,679,145. 640 14,679,145.
Transfer to page 16

continued on Page 16

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 15

[redacted]come (loss) for federal income tax purposes, per federal T2 SCH 1	From ± 600	-4,013,774.
Subtotal of Additions	From + 640	14,679,145.

Deduct:

Ontario capital cost allowance	+ 650	702,433.
Ontario cumulative eligible capital deduction	+ 651	0.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves, Balance beginning of year	+ 653	6,951,922.
Ontario allowable reserves, Balance end of year	+ 654	0.
Federal non-allowable reserves, Balance end of year	+ 655	7,024,790.
Federal allowable reserves, Balance beginning of year	+ 656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	0.
Ontario depletion allowance	+ 658	0.
Ontario resource allowance	+ 659	0.
Ontario research and development super allowance *(Attach schedule)*	+ 660	0.
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	+ 674	0.
Ontario current cost adjustment *(Attach schedule)*	+ 661	0.

Ontario New Technology Tax Incentive (ONTTI) Gross-up
Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year 662 0.

ONTTI Gross-up deduction calculation:

[redacted] From Gross-up of CCA 0. x 100 / From 30 .0000 Ontario Allocation - From 662 0. = 663 0.

Workplace Child Care Tax Incentive: (***Applies*** to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: 665 0. x 30.00% x 100 / From 30 100.0000 Ontario Allocation = 666 0.

Workplace Accessibility Tax Incentive: (***Applies*** to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: 667 0. x 100.00% x 100 / From 30 100.0000 Ontario Allocation = 668 0.

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (***Applies*** to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: 670 0. x 30.00% x 100 / From 30 100.0000 Ontario Allocation = 671 0.

Educational Technology Tax Incentive: (***Applies*** to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 0. x 15.00% x 100 / From 30 100.0000 Ontario Allocation = 673 0.

Ontario allowable business investment loss	+ 678	0.
Ontario Scientific Research Expenses claimed in the year from Ontario form CT161	+ 679	0.
[redacted]otal of other deductions allowed by Ontario *(Attach schedule)*	+ 664	0.

Subtotal of Deductions

650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 664 = 14,679,145. 680 14,679,145.

Net income (loss) for Ontario Purposes 600 + 640 - 680 = 690 -4,013,774.

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 0	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 4,013,774	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 4,013,774	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 0	715 (4) 0	724 0	734 (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 18 0	716 (2) to Page 18 0	726 (2) to Page 18 0	736 (2) to Page 18 0	746 0	
Subtotal	707 0	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 4,013,774	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1993-09-30				850 0	870 0
801 1994-09-30				851 0	871 0
802 1995-09-30				852 0	872 0
803 1996-09-30	820 0	830 0	840 0	853 0	873 0
804 1997-09-30	821 0	831 0	841 0	854 0	874 0
805 1998-09-30	822 0	832 0	842 0	855 0	875 0
806 1999-09-30	823 0	833 0	843 0	856 0	876 0
807 2000-09-30	824 0	834 0	844 0	857 0	877 0
808 2001-09-30	825 0	835 0	845 0	858 0	878 0
2001-12-31	826 4,013,774	836 0	846 0	859 0	879 0
Total	829 4,013,774	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- After applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Predecessor Ontario Corporation's Tax Account No. (MOF)	Taxation Year Ending (year month day)	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss			910 4,013,774	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income						
i) 3rd preceding		901	911 0	921 0	931 0	941 0
ii) 2nd preceding		902	912 0	922 0	932 0	942 0
iii) 1st preceding		903	913 0	923 0	933 0	943 0
Total loss to be carried back			From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward			919 4,013,774	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		0.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		51,405.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		51,405.
Subtract: Payments	– 960		51,637.
Capital Gains Refund (s.48)	– 965		0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985		0.
Specified Tax Credits *(Refer to Guide)*	– 955		0.
Other (specify) _____	–		0.
Balance	= 970		-232.
If payment due	Enclosed * 990		0.
If overpayment: Refund *(Refer to Guide)*	= 975		232.
Apply to (year month day)	980		0.

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the MINISTER OF FINANCE*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

Luc Perron

Title

CFO

Full Residence Address

Signature | Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Loans

Due to City of Oshawa	23,063,665.00
Customer deposits	3,397,205.00
	0.00
Regulatory liability	240,981.00
Other (Development Fund/Deferred Revenue)	908,197.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	27,610,048.00

Prepaid Expense	52,148.00
Securities Held for Deposit	12,725.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	64,873.00

Oshawa PUC Networks Inc.
Corp. Tax Acct. No. : 1800157

Year Ended: PILs 2001-12-31 Attached Sch.

UCC vs NBV

UCC per Ont Sch. 8		-53,040,452.00
NBV per F/S		38,316,384.00
less: land		-98,896.00
less: WIP		-2,641,774.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
	Total	-17,464,738.00

Non-deductible reserves

Employee future benefits	6,487,569.00
Employee sick leave benefits	537,221.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,024,790.00

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc.	1800157	2001-12-31

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 -4,174,650.

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes	+ 2101	0.	
Provision for deferred income taxes (credits)	+ 2102	0.	
Equity income from corporations	+ 2103	0.	
Share of partnership(s)/joint venture(s) income	+ 2104	0.	
Dividends received/receivable deductible under fed.s.112	+ 2105	0.	
Dividends received/receivable deductible under fed.s.113	+ 2106	0.	
Dividends received/receivable deductible under fed.s.83(2)	+ 2107	0.	
Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1) 0. X 9/4	+ 2108	0.	
Subtotal	=	0.	- 2109 0.

Add (to extent reflected in net income/loss):

Provision for current taxes	+ 2110	40,000.	
Provision for deferred income taxes (debits)	+ 2111	0.	
Equity losses from corporations	+ 2112	0.	
Share of partnership(s)/joint venture(s) losses	+ 2113	0.	
Dividends that have been deducted to arrive at net income per Financial Statements. ***Applies*** to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2114	0.	
Subtotal	=	40,000.	+ 2115 40,000.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	+ 2116	0.	or - 2117	0.	
** Fed.s.85.1	+ 2118	0.	or - 2119	0.	
** Fed.s.97	+ 2120	0.	or - 2121	0.	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2122	0.	or - 2123	0.	
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2124	0.	or - 2125	0.	
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ 2126	0.	or - 2127	0.	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	- 2150	0.			

Subtotal (Additions)	= 0.	+ 2128	0.
Subtotal (Subtractions)	= 0.	- 2129	0.
** Other adjustments		± 2130	0.
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130		= 2131	-4,134,650.
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss		± 2132	0.
Adjusted net income (loss) (if loss, transfer to 2202 *in Schedule B: Continuity of CMT Losses Carried Forward, Page 20.)*		= 2133	-4,134,650.

Deduct: * CMT losses: pre-1994 Loss	+ From 2210	0.		
* CMT losses: other eligible losses	+ From 2211	0.		
* CMT losses applied cannot exceed adjusted net income or increase a loss	=	0.	- 2134	0.

* *Certain calculations. Do not submit with this tax return.*

CMT Base = 2135 0.

Transfer to CMT Base on Page 8

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)				+ 2201	0.
Add:	Current year's losses	+ 2202	4,134,650.		
	Losses from predecessor corporations on amalgamation (3)	+ 2203	0.		
	Losses from predecessor corporations on wind-up (3)	+ 2204	0.		
	Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes				
Subtotal		=	4,134,650.	+ 2207	4,134,650.
Adjustments (attach schedule)				± 2208	0.
CMT losses available	2201 + 2207 ± 2208			= 2209	4,134,650.
Subtract:	Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210	0.		
	Other eligible losses utilized during the year to reduce adjusted net income (4)	+ 2211	0.		
	Losses expired during the year	+ 2212	0.		
Subtotal		=	0.	− 2213	0.
Balances at End of Year (5)	2209 − 2213			= 2214	4,134,650.

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	2001-12-31	2260 4,134,650	2280 0
2241		2261 0	2281 0
2242		2262 0	2282 0
2243		2263 0	2283 0
2244		2264 0	2284 0
2245		2265 0	2285 0
2246		2266 0	2286 0
2247		2267 0	2287 0
2248		2268 0	2288 0
		2269 0	2289 0
Totals		2270 4,134,650	2290 0

The sum of amounts 2270 + 2290 *must equal amount in* 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1) . . . . . + 2301 0.

Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL) . . . . . + From 280 0.

CMT Credit Carryovers from predecessor corporations (2) . . . . . + 2302 0.

Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes

Subtotal . . . . . = 0. + 2305 0.

Adjustments *(Attach schedule)* . . . . . ± 2306 0.

CMT credit carryover available 2301 + 2305 ± 2306 . . . . . = 2307 0.

Transfer to Page 8

Subtract: CMT Credit utilized during the year to reduce income tax (Page 8) + From 310 0.

CMT Credit expired during the year . . . . . + 2308 0.

Subtotal . . . . . = 0. − 2309 0.

Balance at End of Year (3) 2307 − 2309 . . . . . = 2310 0.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	2001-12-31	2360 0	2380 0
2341		2361 0	2381 0
2342		2362 0	2382 0
2343		2363 0	2383 0
2344		2364 0	2384 0
2345		2365 0	2385 0
2346		2366 0	2386 0
2347		2367 0	2387 0
2348		2368 0	2388 0
		2369 0	2389 0
Totals		2370 0	2390 0

The sum of amounts 2370 + 2390 *must equal amount in* 2310

ONTARIO CT23 SUPPLEMENTARY - LIST OF ASSOCIATED CORPORATIONS

Name of Associated Corporation	Ontario Corp. Tax Number	Taxation Year end	Taxable Capital	Total Assets (Note 1)	Total Revenue (Note 1)	Taxable Income (Note 2)	No Perm Estab in Canada
Oshawa Power and Utilities Cor			0	23,063,665	0	0	
TOTALS			0	23,063,665	0	0	

Note 1: Enter total assets and total revenues only if "Corporate Minimum Tax (CMT)" is applicable.

Note 2: Enter Taxable Income amounts only if "Surtax on a CCPC" is applicable
(i.e. IDSBC is applicable).

Ontario CT23 Supplementary

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	47,784,000	2,839,664	0	0	50,623,664	1,419,832	49,203,832	4	0	0	496,082	50,127,582
8	625,000	119,562	0	0	744,562	59,781	684,781	20	0	0	34,520	710,042
10	1,710,000	398,374	0	0	2,108,374	199,187	1,909,187	30	0	0	144,366	1,964,008
12	75,000	19,285	0	0	94,285	9,642	84,643	100	0	0	21,335	72,950
42	126,000	0	0	0	126,000	0	126,000	12	0	0	3,811	122,189
13	46,000	0	0	0	46,000	0	46,000		0	0	2,319	43,681
Total	50,366,000	3,376,885	0	0	53,742,885	1,688,442	52,054,443		0	0	702,433	53,040,452
									Enter in boxes [650]	[650]	[650] on the CT23	

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

ONTARIO CONSENT FORM

This form authorizes the Ontario Ministry of Finance to release confidential client information
esignated third-party representative in matters pertaining to applicable legislation.

- Complete Parts 1, 2, and 5 to name a representative
- Complete Parts 3, 4, and 5 to cancel the consent provided for an existing representative
- Complete all the parts if you want to both name a new representative and cancel an existing representative

Part 1 - Consent for the release of information to a representative

Taxpayer's name: Ontario Corporation
Oshawa PUC Networks Inc. PILs Tax Acccount Number: 1800157
Taxpayer's address 1:..... 100 Simcoe Street South
Taxpayer's address 2:.....
City:..... Oshawa
Province:..... ON
Postal code:..... L1H-7M7

I consent to the release of confidential information about my Corporation Tax Return by the Ontario Ministry of Finance to the representative named below.

Representative's name: ERNST & YOUNG LLP
(If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual)
Address 1:.....
Address 2:.....

If you named a firm as your representative and want to specify a particular individual of that firm, that individual's first and last name.

Representative's name

416-864-1234
Representative's telephone number

416-864-1174
Representative's fax number

Part 2 - Details of consent

I request that this consent apply to all years. X OR

I request that this consent apply only to the following years:

1. All year-ends up to:
Year Month Day

2. All year-ends beginning in: and all years after that.
Year Month Day

3 The following year-ends only:
Year Month Day Year Month Day

Year Month Day Year Month Day

Part 3 - Cancellation of the consent for the release of information to a representative

Taxpayer's name:
Oshawa PUC Networks Inc. PILs
Taxpayer's address 1:..... 100 Simcoe Street South
Taxpayer's address 2:.....
City:..... Oshawa
Province:..... ON
Postal code:..... L1H-7M7

Ontario Corporation
Tax Acccount Number: 1800157

I cancel all previous consents for all representatives. OR

I cancel my consent for the release of confidential information about my Corporation Tax Return by the Ontario Ministry of Finance to the representative named below

Representative's name:
(If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)
Address 1:.....
Address 2:.....

If you named a firm as your representative and want to cancel the consent with respect to a particular individual of that firm, enter that individual's first and last name.

Representative's name

Representative's telephone number

Representative's fax number

Part 4 - Details of cancellation of consent

I request that this cancellation of consent apply to all years. OR

I request that this cancellation of consent apply only to the following years:

1. All year-ends up to:
Year Month Day

2. All year-ends beginning in: and all years after that.
Year Month Day

3. The following year-ends only:
Year Month Day Year Month Day
Year Month Day Year Month Day

Part 5 - Signature

Print your name Luc Perron Title CFO
This form must be signed by an owner, partner, director, trustee, or officer.

Sign here_____ Date
Year Month Day

WE WILL NOT PROCESS THIS FORM IF IT IS NOT SIGNED

Appendix 19

2002 T2 Federal Tax Return

T2 CORPORATION INCOME TAX RETURN

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

200
Code 0101

055 Do not use this area

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and the *General Index of Financial Information* (GIFI) to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

FILE
FILE

Identification

Business Number (BN) 001 891725210RC0001

Corporation's name

002 Oshawa PUC Networks Inc. PILs

Has the corporation changed its name since the last time we were notified? ... 003 1 Yes [ ] 2 No [X]

If *yes*, do you have a copy of the articles of amendment? ..... 004 1 Yes [ ] 2 No [ ]

Address of head office

Has the address changed since the last time we were notified? ..... 010 1 Yes [ ] 2 No [X]

011 100 Simcoe Street South

012

City	Province, territory, or state
015 Oshawa	016 ON
Country (other than Canada)	**Postal Code/ZIP code**
017	018 L1H-7M7

Mailing address (if different from head office address)

Has the address changed since the last time we were notified?

020 1 Yes [ ] 2 No [X]

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal code/ZIP code**
027	028

Location of books and records

031 100 Simcoe Street South

032

City	Province, territory, or state
035 Oshawa	036 ON
Country (other than Canada)	**Postal Code/ZIP code**
037	038 L1H-7M7

040 Type of corporation at the end of the taxation year

1 [X] Canadian-controlled private corporation (CCPC)
2 [ ] Other private corporation
3 [ ] Public corporation
4 [ ] Corporation controlled by a public corporation
5 [ ] Other corporation (please specify, below)

If the type of corporation changed during the taxation year, please provide the effective date of the change ..... 043 _____ YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year end
060 2002-01-01 YYYY/MM/DD	061 2002-12-31 YYYY/MM/DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? ..... 063 1 Yes [ ] 2 No [X]

If *yes*, provide the date control was acquired ..... 065 _____ YYYY/MM/DD

Is the corporation a professional corporation that is a member of a partnership? ..... 067 1 Yes [ ] 2 No [X]

Is this the first year of filing after:

Incorporation? ..... 070 1 Yes [ ] 2 No [X]
Amalgamation? ..... 071 1 Yes [ ] 2 No [X]

If *yes*, please provide Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year?

If *yes*, please provide Schedule 24 ..... 072 1 Yes [ ] 2 No [X]

Is this the final taxation year before amalgamation? ..... 076 1 Yes [ ] 2 No [X]

Is this the final return up to dissolution? ..... 078 1 Yes [ ] 2 No [X]

Is the corporation a resident of Canada?

080 1 Yes [X] 2 No [ ] If *no*, give the country of residence.

081 _____

Is the non-resident corporation claiming an exemption under an income tax treaty?

If *yes*, please provide Schedule 91 ..... 082 1 Yes [ ] 2 No [X]

If the corporation is exempt from tax under section 149, tick one of the following boxes:

085
1 [ ] Exempt under 149(1)(e) or (l)
2 [ ] Exempt under 149(1)(j)
3 [ ] Exempt under 149(1)(t)
4 [ ] Exempt under other paragraphs of section 149

Do not use this area

	092	093	094	095	096
097					

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules.
Schedules - Answer the following questions. For each *yes* response, attach to the T2 return the schedule that applies.

Guide item			Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
[redacted]	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's-length transactions with non-residents	162	X	11
33	If you answered *yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	X	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's-length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172		—
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	202		2
82,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
69-76	Is the corporation claiming any type of losses?	204	X	4
131	Is the corporation claiming a provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
[redacted]	i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210		10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
149	Is the corporation an investment corporation or a mutual fund corporation?	218		18
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	220		20 *
117	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
110	Does the corporation have any Canadian manufacturing and processing profits?	227		27
120	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661
123	Is the corporation subject to gross Part I.3 tax?	233	X	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	X	36
123	Is the corporation claiming a surtax credit?	237		37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
127	Is the corporation claiming a Part I tax credit?	242		42
128	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
127	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
[redacted]	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Corporation's name	Business Number	Taxation year-end
Oshawa PUC Networks Inc. PILs	891725210RC0001	2002-12-31

Attachments - continued from page 2

Guide item		Yes	Schedule
129	Is the corporation subject to Part XIII.1 tax?		92 *
152	Is the corporation claiming a film or video production services tax credit refund?		T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		T1134-A
44	Did the corporation have any controlled foreign affiliates?		T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		T1135
44	Did the corporation transfer or loan property to a non-resident trust?		T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		T1146
	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
	Is the corporation claiming the BC mining exploration tax credit?		421
	Is the corporation claiming the BC SR&ED tax credit?		T666

Additional information

Is the corporation inactive?	280	1 Yes		2 No	X
Has the major business activity changed since the last return was filed? (enter *yes* for first time filers)	281	1 Yes		2 No	X

What is the corporation's major business activity? (Only complete if *yes* was entered at line 281.) 282 _____

If the major activity involves the resale of goods, indicate whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	Utility Distribution	285	100 %
286		287	0 %
288		289	0 %

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes		2 No	X
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes		2 No	X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300		3,578,771 A
Deduct: Charitable donations from Schedule 2	311	0	
Gifts to Canada or a province from Schedule 2	312	0	
Cultural gifts from Schedule 2	313	0	
Ecological gifts from Schedule 2	314	0	
Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3	320	0	
Part VI.1 tax deduction from Schedule 43	325	0	
Non-capital losses of preceding taxation years from Schedule 4	331	3,578,771	
Net-capital losses of preceding taxation years from Schedule 4	332	0	
Restricted farm losses of preceding taxation years from Schedule 4	333	0	
Farm losses of preceding taxation years from Schedule 4	334	0	
Limited partnership losses of preceding taxation years from Schedule 4	335	0	
Taxable capital gains or taxable dividends allocated from a central credit union	340	0	
Prospector's and grubstaker's shares	350	0	
Subtotal		3,578,771	3,578,771 B
Subtotal (amount A minus amount B)			0 C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	355		0 D
Taxable income (amount C plus amount D)	360		0
Income exempt under paragraph 149(1)(t)	370		0
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			0 Z

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7	400	3,578,771	A
Taxable income from line 360 or amount Z on page 3, whichever applies. **minus** 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and **minus** any amount that, because of federal law is exempt from Part I tax	405	0	B
Business limit (for associated corporations, enter business limit from Schedule 23)	410	200,000	C

Reduction to business limit:

Amount C 200,000 x 415 *** 103,598 D / 11,250 = 1,841,742 E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	0	F
Small business deduction - 16.00% of the least of amounts A, B, C, and F (enter amount G on line 9 of page 7)	430	0	G

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

*** **Large corporation tax for preceding year** - Enter the total gross Part I.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425)	0 x 3/2 =	0	A
Net active business income (amount from line 400) *		3,578,771	B
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt for Part I Tax	0 C		
Deduct: Aggregate investment income (amount from line 440 of page 6)	0 D		
Amount C minus amount D (if negative, enter "0")	0	0	E
The least of amounts A, B, or E above		0	F
Amount Z from Part 9 of Schedule 27	0 x 100/7 =	0	G
Amount QQ from Part 13 of Schedule 27	0 H		
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =	0	I
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	0 J		
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction	0 K		
Total of amounts G, H, I, J, and K	0	0	L
Amount F minus amount L (if negative, enter "0")		0	M

Amount M 0 x (Number of days in the taxation year after December 31, 2000 / Number of days in the taxation year) 365/365 = 0 N

Accelerated tax reduction - 7% of amount N (enter amount O on line 637 of page 7) 0 O

* If the amount at line 450 of Schedule 7 is positive, specified partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 or amount Z of page 3				0 A
Amount Z from Part 9 of Schedule 27	0 x 100/7		0 B	
Amount QQ from Part 13 of Schedule 27			0 C	
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =		0 D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			0 E	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4			0 F	
Aggregate investment income form line 440 of page 6			0 G	
Amount used to calculate the accelerated tax reduction (amount M of page 4)			0 H	
Total of amounts B, C, D, E, F, G, and H			0	0 I
Amount A minus amount I (if negative, enter "0")				0 J

Amount J	0 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	0 / 365 x 1% =		0 K
Amount J	0 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	365 / 365 x 3% =		0 L
Amount J	0 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 365 x 5% =		0 M
Amount J	0 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0 / 365 x 7% =		0 N

General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N (enter amount O on line 638 of page 7) . . . . . 0 O

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 or amount Z of page 3				0 A
Amount Z from Part 9 of Schedule 27	0 x 100/7		0 B	
Amount QQ from Part 13 of Schedule 27			0 C	
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =		0 D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			0 E	
Total of amounts B, C, D, and E			0	0 F
Amount A minus amount F (if negative, enter "0")				0 G

Amount G	0 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	0 / 365 x 1% =		0 H
Amount G	0 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	365 / 365 x 3% =		0 I
Amount G	0 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 365 x 5% =		0 J
Amount G	0 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0 / 365 x 7% =		0 K

General tax reduction - Total of amounts H, I, J and K (enter amount L on line 639 of page 7) . . . . . 0 L

Corporation's name		Business Number	Taxation year-end
Oshawa PUC Networks Inc.	PILs	891725210RC0001	2002-12-31

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (amount P from Part 1 of Schedule 7) 440 — 0 x 26 2/3% = — 0 A

Foreign non-business income tax credit from line 632 on page 7 — 0

Deduct:

Foreign investment income (amount O from Part 1 of Schedule 7) 445 — 0 x 9 1/3% = — 0

(if negative, enter "0") — 0 — 0 B

Amount A minus amount B (if negative, enter "0") — 0 C

Taxable income from line 360 on page 3 — 0

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 — 0

Foreign non-business income tax credit from line 632 of page 7 — 0 x 25/9 = — 0

Foreign business income tax credit from line 636 of page 7 — 0 x 10/4 = — 0

0 — 0

0 x 26 2/3% = — 0 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) — 0

Deduct corporate surtax from line 600 of page 7 — 0

Net amount — 0 — 0 E

Refundable portion of Part I tax - The least of amounts C, D, and E — 450 — 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year — 460 — 0

Deduct dividend refund for the previous taxation year — 465 — 0

0 — 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above — 0

Total Part IV tax payable from line 360 on page 2 of Schedule 3 — 0

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation — 480 — 0

0 — 0 B

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B — 485 — 0

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 — 0 x 1/3 — 0 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above — 0 B

Dividend refund - Lesser of amounts A and B (enter this amount on line 784 of page 8) — 0

Corporation's name		Business Number	Taxation year-end
Oshawa PUC Networks Inc.	PILs	891725210RC0001	2002-12-31

Part I tax

Base amount of Part I tax - 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 0 A

Corporate surtax calculation

Base amount from line A above 0 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 0 2

Investment corporation deduction from line 620 below 0 3

Federal logging tax credit from line 640 below 0 4

Federal qualifying environmental trust tax credit from line 648 below 0 5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b, and c below on line 6:

28.00 % of taxable income from line 360 of page 3 ..... 0 a

28.00 % of taxed capital gains ..... 0 b

Part I tax otherwise payable ..... 0 c

(line A **plus** lines C and D **minus** line F) 0 6

Total of lines 2 to 6 ..... 0 7

Net amount (line 1 minus line 7) 0 8

Corporate surtax - 4.00% of the amount on line 8 ..... 600 0 B

Recapture of investment tax credit from line XX in Part 16 of Schedule 31 ..... 602 0 C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income
(for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6 ..... 0 i

Taxable income from line 360 on page 3 0

Deduct:

The least of amounts on lines 400, 405, 410, and 425 of page 4 .. 0

Net amount ..... 0 0 ii

Refundable tax on CCPC's investment income - 6 2/3% of the lesser of amounts i or ii ..... 604 0 D

Subtotal (add lines A, B, C, and D) 0 E

Deduct:

Small business deduction from line 430 of page 4 ..... 0 9

Federal tax abatement 608 0

Manufacturing and processing profits deduction from amount BB or amount VV of Schedule 27 ..... 616 0

Investment corporation deduction 620 0

(taxed capital gains 624 0)

Additional deduction - credit unions from Schedule 17 ..... 628 0

Federal foreign non-business income tax credit from Schedule 21 ..... 632 0

Federal foreign business income tax credit from Schedule 21 ..... 636 0

Accelerated tax reduction from amount O of page 4 ..... 637 0

General tax reduction for CCPCs from amount O of page 5 ..... 638 0

General tax reduction from amount L of page 5 ..... 639 0

Federal logging tax credit from Schedule 21 ..... 640 0

Federal political contribution tax credit 644 0

Federal political contributions 646 0

Federal qualifying environmental trust tax credit 648 0

Investment tax credit from Schedule 31 ..... 652 0

Subtotal 0 0 F

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) ..... 0 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	0
Part I.3 tax payable from Schedule 33, 34, or 35	704	111,299
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		111,299

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0	
		0	0
Total tax payable	770		111,299 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0	
Dividend refund from page 6	784	0	
Federal capital gains refund from Schedule 18	788	0	
Federal qualifying environmental trust tax credit refund	792	0	
Canadian film or video production tax credit refund from Form T1131	796	0	
Film or video production services tax credit refund from Form T1177	797	0	
Tax withheld at source	800	0	
Total payments on which tax has been withheld	801	0	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0	
Provincial and territorial capital gains refund from Schedule 18	808	0	
Provincial and territorial refundable tax credits from Schedule 5	812	0	
Royalties deductible under Syncrude Remission Order	815	0	
Tax remitted under Syncrude Remission Order	816	0	
Tax instalments paid	840	111,299	
Total credits	890	111,299	111,299 B
Balance (line A minus line B)			0

Refund code 894 [0] Overpayment 0

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.

Enter the amount on whichever line applies.
We do not charge or refund a difference of less than $2.

Balance unpaid 0

Enclosed payment 898 0

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information 910 _____ Branch number

914 _____ Institution number 918 _____ Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No [X]

Certification

I, 950 Perron (Last name in block letters) 951 Luc (First name in block letters) 954 CFO (Position, office or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 _____ Date (yyyy/mm/dd) _____ Signature of an authorized signing officer of the corporation 956 905-723-4626 Telephone number

Is the contact person the same as the authorized signing officer? If *no*, complete the information below 957 1 Yes [X] 2 No ☐

958 _____ Name in block letters 959 _____ Telephone number

Language of correspondence - Langue de correspondance

990 Please indicate the language of your choice. / Indiquer la langue de correspondance de votre choix 1 English/Anglais [X] 2 Français/French ☐

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Identification of the corporation (Imported Data)

[redacted] of the corporation	Oshawa PUC Networks Inc.		
[redacted]iness Number	891725210RC0001	Taxation year end	
Address	100 Simcoe Street South	City	Oshawa
Province, Territory	ON	Postal code	L1H-7M7

Balance Sheet

GIFI	Account	Description		Amount	Prior Year
Assets					
1599		Total current assets	+	33,163,677	29,914,931
2008		Total tangible capital assets	+	90,911,000	89,594,753
2009		Total accumulated amortization of tangible capital assets	-	54,165,000	51,278,369
2178		Total intangible capital assets	+	0	0
2179		Total accumulated amortization of intangible capital assets	-	0	0
2589		Total long term assets	+	1,971,000	12,725
2590		Assets held in trust	+	0	0
2599		**Total Assets** (mandatory field)	=	71,880,677	68,244,040
Liabilities					
3139		Total current liabilities		12,401,000	12,672,672
[redacted]		Total long term liabilities		35,616,000	34,634,838
[redacted]		Subordinated debt		0	0
3470		Amounts held in trust		0	0
3499		**Total liabilities** (mandatory field)		48,017,000	47,307,510
Shareholder equity					
3620		**Total shareholder equity** (mandatory field)		23,863,677	20,936,530
3640		**Total Liabilities and Shareholder Equity**		71,880,677	68,244,040
3849		**Retained Earnings/Deficit - End** (mandatory field)		800,011	-2,127,136

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Current Assets

Account		Description		Amount	Prior year
Cash and deposits					
1000	*	Cash and deposits		11,276,000	14,115,918
1001		Cash		0	0
1002		Deposits in Canadian banks and institutions - Canadian currency		0	0
1003		Deposits in Canadian banks and institutions - Foreign currency		0	0
1004		Deposits in foreign banks - Canadian currency		0	0
1005		Deposits in foreign banks - foreign currency		0	0
1006		Credit union central deposits		0	0
1007		Other cash like instruments		0	0
		Cash and deposits	+	11,276,000	14,115,918
Accounts receivable					
1060	*	Accounts receivable		0	0
1062		Trade accounts receivable		8,032,000	8,303,565
1064		Trade accounts receivable from related parties		0	0
1066		Taxes receivable		0	0
1067		Interest receivable		0	0
1068		Holdbacks receivable		0	0
		Leases receivable		0	0
		Accounts receivable from employees		0	0
1073		Amounts receivable from members of NPOs		0	0
		Accounts receivable	+	8,032,000	8,303,565
Allowance for doubtful accounts					
1061	*	Allowance for doubtful accounts		0	0
1063		Allowance for doubtful trade accounts receivable		0	0
1065		Allowance for doubtful trade accounts receivable related parties		0	0
1070		Allowance for doubtful amounts contained in leases receivable		0	0
1072		Allowance for doubtful accounts receivable from employees		0	0
		Allowance for doubtful accounts	-	0	0

Inventories

1120	*	Inventories	1,277,000	1,426,782
1121		Inventory of goods for sale	0	0
1122		Inventory parts and supplies	0	0
[redacted]		Inventory properties	0	0
[redacted]		Inventory of aggregates	0	0
1125		Work in progress	0	0
1126		Raw materials	0	0
1127		Inventory of securities	0	0
		Inventories	+ 1,277,000	1,426,782

Short term investments

1180	*	Short term investments	0	0
1181		Canadian term deposits	0	0
1182		Canadian shares	0	0
1183		Canadian bonds	0	0
1184		Canadian treasury bills	0	0
1185		Securities purchased under resale agreements	0	0
1186		Other short term Canadian investments	0	0
1187		Short term foreign investments	0	0
		Short term investments	+ 0	0

Loans and notes receivable

1240	*	Loans and notes receivable	0	0
1241		Demand loans receivable	0	0
[redacted]		Other loans receivable	0	0
[redacted]		Notes receivable	0	0
1244		Mortgages receivable	0	0
		Loans and notes receivable	+ 0	0

Due from shareholder(s)/director(s)

1300	*	Due from shareholder(s)/director(s)	0	0
1301		Due from individual shareholder(s)	0	0
1302		Due from corporate shareholder(s)	0	0
1303		Due from director(s)	0	0
		Due from shareholder(s)/director(s)	+ 0	0

1360		Investment in joint venture(s)/partnership(s)	+ 0	0
1380		Due from joint venture(s)/partnerships(s)	+ 0	0

Due from/investment in related parties

1400	*	Due from/investment in related parties	15,000	0
1401		Demand notes from related parties	0	0
1402		Interest receivable from related parties	0	0
		Loans/advances due from related parties	0	0
		Due from/investment in related parties +	15,000	0

1460		Customers' liability under acceptances +	0	0

Other current assets

1480	*	Other current assets	12,418,677	6,016,518
1481		Deferred income taxes	0	0
1482		Accrued investment income	0	0
1483		Taxes recoverable/refundable	0	0
1484		Prepaid expenses	145,000	52,148
1485		Drilling advances	0	0
1486		Security/tender deposits	0	0
		Other current assets +	12,563,677	6,068,666

1599		**Total Current Assets** =	33,163,677	29,914,931

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Tangible Capital Assets

Account	Description		Amount	Prior year
1600	Land	+	99,000	98,896
1601	Land improvements	+	0	0

Depletable assets

1620	* Depletable assets		0	0
1622	Petroleum and natural gas properties		0	0
1624	Mining properties		0	0
1626	Deferred exploration and development charges		0	0
1628	Quarries		0	0
1630	Gravel pits		0	0
1632	Timber limits		0	0
	Depletable assets	+	0	0

Buildings

1680	* Buildings		534,000	533,720
1682	Manufacturing and processing plant		0	0
1684	Buildings under construction		0	0
	Buildings	+	534,000	533,720

Machinery, equipment, furniture and fixtures

1740	* Machinery, equipment, furniture and fixtures		2,424,000	1,711,711
1742	Motor vehicles		3,235,000	3,388,695
1744	Tools and dies		0	0
1746	Construction and excavating equipment		0	0
1748	Forestry and logging equipment		0	0
1750	Fishing gear and nets		0	0
1752	Mining equipment		0	0
1754	Oil and gas systems		0	0
1756	Production equipment for resource industries		0	0
1758	Production equipment for other than resource industries		0	0
1760	Exploration equipment		0	0
1762	Shipping equipment		0	0
1764	Ships and boats		0	0
1766	Aircraft		0	0
1768	Signs		0	0

Machinery, equipment, furniture and fixtures (cont'd)

1770	Small tools		0	0
1772	Radio and communication equipment		0	93,425
1774	Computer equipment/software		1,544,000	1,478,062
	Musical instruments		0	0
	Satellites		0	0
1780	Earth stations		0	0
1782	Machinery and equipment under construction		0	0
1783	Transportation equipment		2,183,000	2,641,774
1785	Other machinery and equipment		80,892,000	79,014,696
1787	Furniture and fixtures		0	0
			0	600,948
	Machinery, equipment, furniture and fixtures	+	90,278,000	88,929,311

Other tangible capital assets

1900	* Other tangible capital assets		0	0
1902	Logging roads		0	0
1904	Asphalt and parking areas		0	0
1906	Wharves		0	0
1908	Fences		0	0
1910	Capital leases - buildings		0	0
1912	Capital leases - equipment		0	0
1914	Capital leases - vehicles		0	0
1916	Capital leases - others		0	0
1918	Leasehold improvements		0	0
1920	Other capital assets under construction		0	32,826
1921	Campsites		0	0
			0	0
	Other tangible capital assets	+	0	32,826

2008	**Total Tangible Capital Assets**	=	90,911,000	89,594,753

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Accumulated Amortization of Tangible Capital Assets

Account	Description		Amount	Prior year
1602	Land improvements	+	0	0
	Accumulated amortization of depletable assets			
1621	* Depletable assets		0	0
1623	Petroleum and natural gas properties		0	0
1625	Mining properties		0	0
1627	Deferred exploration and development charges		0	0
1629	Quarries		0	0
1631	Gravel pits		0	0
1633	Timber limits		0	0
	Accumulated amortization of depletable assets	+	0	0
	Accumulated amortization of buildings			
1681	* Buildings		204,000	195,228
1683	Manufacturing and processing plant		0	0
	Accumulated amortization of buildings	+	204,000	195,228
	Accumulated amortization of machinery, equipment, furniture and fixtures			
1741	* Machinery, equipment, furniture and fixtures		2,080,000	1,109,723
	Motor vehicles		2,664,000	2,629,614
1745	Tools and dies		0	0
1747	Construction and excavating equipment		0	0
1749	Forestry and logging equipment		0	0
1751	Fishing gear and nets		0	0
1753	Mining equipment		0	0
1755	Oil and gas systems		0	0
1757	Production equipment for resource industries		0	0
1759	Production equipment for other than resource industries		0	0
1761	Exploration equipment		0	0
1763	Shipping equipment		0	0
1765	Ships and boats		0	0
1767	Aircraft		0	0
1769	Signs		0	0
1771	Small tools		0	0
1773	Radio and communication equipment		0	0
1775	Computer equipment/software		1,459,000	1,636,659
1777	Musical instruments		0	0
1779	Satellites		0	0
1781	Earth stations		0	0
1784	Transportation equipment		47,758,000	45,183,470
1786	Other machinery and equipment		0	0
1788	Furniture and fixtures		0	490,849
	Accumulated amortization of machinery, equipment, furniture and fixtures	+	53,961,000	51,050,315

Accumulated amortization of other tangible capital assets

1901	*	Other tangible capital assets	0	0
1903		Logging roads	0	0
1905		Asphalt and parking areas	0	0
		Wharves	0	0
		Fences	0	0
1911		Capital leases - buildings	0	0
1913		Capital leases - equipment	0	0
1915		Capital leases - vehicles	0	0
1917		Capital leases - others	0	0
1919		Leasehold improvements	0	32,826
1922		Campsites	0	0
		Accumulated amortization of other tangible capital assets	+ 0	32,826

2009		**Total Accumulated Amortization of Tangible Capital Assets**	= 54,165,000	51,278,369

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Long Term Assets

Account	Description		Amount	Prior year
Due from shareholder(s)/director(s)				
2180	* Due from shareholder(s)/director(s)		0	0
2181	Due from individual shareholder(s)		0	0
2182	Due from corporate shareholder(s)		0	0
2183	Due from director(s)		0	0
	Due from shareholder(s)/director(s)	+	0	0
2190	Due from members	+	0	0
2200	Investment in joint venture(s)/partnership(s)	+	0	0
2220	Due from joint venture(s)/partnership(s)	+	0	0
Due from/investment in related parties				
2240	* Due from/investment in related parties		0	0
2241	Due from/investment in Canadian related parties		0	0
2242	Shares in Canadian related corporations		0	0
2243	Loans/advances to Canadian related corporations		0	0
2244	Investment in Canadian related corporations at cost		0	0
2245	Investment in Canadian related corporations at equity		0	0
[illegible]	Due from/investment in foreign related parties		0	0
[illegible]	Shares in foreign related corporations		0	0
2248	Loans/advances to foreign related corporations		0	0
2249	Investment in foreign related corporations at cost		0	0
2250	Investment in foreign related corporations at equity		0	0
	Due from/investment in related parties	+	0	0
2280	Investment in co-tenancy	+	0	0

Long term investments

2300	*	Long term investments	0	0
2301		Foreign shares	0	0
[redacted]		Other types of foreign investments	0	0
2304		Canadian shares	0	0
2305		Government of Canada debt	0	0
2306		Canadian, provincial and municipal government debt	0	0
2307		Canadian corporate bonds and debentures	0	0
2308		Debt securities	0	0
2309		Equity securities	0	0
2310		Securities purchased under resale agreements	0	0
2311		Central credit union shares	0	0
		Other Canadian long term investments	0	0
		Long term investments	+ 0	0

Long term loans

2360	*	Long term loans	0	0
2361		Mortgages	0	0
2362		Personal and credit card loans	0	0
2363		Business and government loans	0	0
2364		Line of credit	0	0
		Long term loans	+ 0	0

Other long term assets

[redacted]	*	Other long term assets	1,971,000	12,725
2422		Deferred income taxes	0	0
2423		Deferred pension charges	0	0
2424		Deferred unrealized exchange losses	0	0
2426		Other deferred items/charges	0	0
2427		Reserve fund	0	0
		Cash surrender value of life insurance	0	0
		Other long term assets	+ 1,971,000	12,725

2425		Accumulated amortization of deferred charges	- 0	0

2589		**Total Long Term Assets**	= 1,971,000	12,725

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Current Liabilities

Account	Description		Amount	Prior year
2600	Bank overdraft	+	0	0

Amounts payable and accrued liabilities

2620	* Amounts payable and accrued liabilities		12,401,000	12,672,672
2621	Trade payables		0	0
2622	Trade payables to related parties		0	0
2623	Holdbacks payable		0	0
2624	Wages payable		0	0
2625	Management fees payable		0	0
2626	Bonuses payable		0	0
2627	Employee deductions payable		0	0
2628	Withholding taxes payable		0	0
2629	Interest payable		0	0
2630	Amounts payable to members of NPOs		0	0
	Amounts payable and accrued liabilities	+	12,401,000	12,672,672

2680	Taxes payable	+	0	0

Short term debt

[illegible]	* Short term debt		0	0
2701	Loans from Canadian banks		0	0
2702	Liability for securities sold short		0	0
2703	Liability for securities sold under repurchase agreements		0	0
2704	Gold and silver certificates		0	0
2705	Cheques and other items in transit		0	0
2706	Lien notes		0	0
	Short term debt	+	0	0

2770	Deferred income	+	0	0

Due to shareholder(s)/director(s)

2780	* Due to shareholder(s)/director(s)		0	0
2781	Due to individual shareholder(s)		0	0
2782	Due to corporate shareholder(s)		0	0
2783	Due to director(s)		0	0
	Due to shareholder(s)/director(s)	+	0	0

2840	Due to joint venture(s)/partnership(s)	+	0	0

Due to related parties

2860	*	Due to related parties	0	0
2861		Demand notes due to related parties	0	0
2862		Interest payable to related parties	0	0
		Advances due to related parties	0	0
		Due to related parties	+ 0	0

2920		Current portion of long term liability	+ 0	0
2940		Bankers' acceptances	+ 0	0

Other current liabilities

2960	*	Other current liabilities	0	0
2961		Deposits received	0	0
2962		Dividends payable	0	0
2963		Deferred income taxes	0	0
2964		Reserve for guarantees, warranties or indemnities	0	0
2965		General provisions/reserves	0	0
2966		Crew shares	0	0
		Other current liabilities	+ 0	0

3139		**Total Current Liabilities**	= 12,401,000	12,672,672

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Long Term Liabilities

Account		Description		Amount	Prior year
Long term debt					
3140	*	Long term debt		23,064,000	23,063,666
3141		Mortgages		0	0
3142		Farm credit corporation loan		0	0
3143		Chartered bank loan		0	0
3144		Credit Union/Caisse Populaire loan		0	0
3145		Provincial government loan		0	0
3146		Supply company loan		0	0
3147		Private loan		0	0
3148		Centrals, leagues, and federation loans		0	0
3149		Line of credit		0	0
3150		Liability for securities sold short		0	0
3151		Liability for securities sold under repurchase agreements		0	0
3152		Lien notes		0	0
		Long term debt	+	23,064,000	23,063,666
3200		Deposit liabilities of financial institutions	+	0	0
3210		Bonds and debentures	+	0	0
3220		Deferred income	+	0	0
3240		Deferred income taxes	+	0	0
Due to shareholder(s)/director(s)					
3260	*	Due to shareholder(s)/director(s)		0	0
3261		Due to individual shareholder(s)		0	0
3262		Due to corporate shareholder(s)		0	0
3263		Due to director(s)		0	0
		Due to shareholder(s)/director(s)	+	0	0
3270		Due to members	+	0	0
3280		Due to joint venture(s)/partnership(s)	+	0	0
Due to related parties					
3300	*	Due to related parties		0	0
3301		Amounts owing to related Canadian parties		0	0
3302		Amounts owing to related foreign parties		0	0
		Due to related parties	+	0	0

Other long term liabilities

3320	*	Other long term liabilities	12,552,000	11,571,172
3321		Long term obligations/commitments/capital leases	0	0
3322		Reserves for guarantees, warranties or indemnities	0	0
		Provision for site restoration	0	0
		Contributions to qualifying environmental trust	0	0
3325		General provisions/reserves	0	0
3326		Preference shares restated	0	0
3327		Member allocations	0	0
3328		Deferred revenue from incomplete contracts	0	0
		Other long term liabilities	+ 12,552,000	11,571,172

3450		**Total Long Term Liabilities**	= 35,616,000	34,634,838

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Shareholder Equity

Account	Description		Amount	Prior year
Shareholder equity				
3500	Common shares	+	23,063,666	23,063,666
3520	Preferred shares	+	0	0
Contributed and other surplus				
3540	* Contributed and other surplus		0	0
3541	Contributed surplus		0	0
3542	Appraisal surplus		0	0
3543	General reserve		0	0
	Contributed and other surplus	+	0	0
3570	Head office account	+	0	0
3600	Retained earnings/deficit	+	800,011	2,127,136
3620	**Total Shareholder Equity**	=	23,863,677	20,936,530

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Retained Earning/Deficit

Account	Description		Amount	Prior year
3660	Retained earnings/deficit - start	+	-2,127,136	2,047,514
3680	Net income/loss	+	2,927,147	-4,174,650

Dividends declared

3700	* Dividends declared		0	0
3701	Cash dividends		0	0
3702	Patronage dividends		0	0
	Dividends declared	-	0	0

3720	Prior period adjustments	+	0	0

Other items affecting retained earnings

3740	* Other items affecting retained earnings		0	0
3741	Share redemptions		0	0
3742	Special reserves		0	0
3743	Currency adjustments		0	0
3744	Unusual revenue items		0	0
3745	Interfund transfer		0	0
	Other items affecting retained earnings	+	0	0

3849	**Retained Earnings/Deficit - End**	=	800,011	-2,127,136

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Income Statement

	Description
0001	Operating name
0002	Description of the operation
0003	Sequence Number

GIFI	Account	Description		Amount	Prior year
Income Statement Information					
8089		Total sales of goods and services	+	104,186,227	22,551,308
8518		Cost of sales	-	88,821,000	23,283,839
8519		**Gross profit/loss**	=	15,365,227	-732,531
8518		Cost of sales	+	88,821,000	23,283,839
9367		Total operating expenses	+	13,799,080	3,656,221
9368		**Total expenses** (mandatory field)	=	102,620,080	26,940,060
8299		Total revenue (mandatory field)	+	105,657,227	22,805,410
9368		Total expenses (mandatory field)	-	102,620,080	26,940,060
9369		**Net non-farming income**	=	3,037,147	-4,134,650
Farming Income Statement Information					
9659		Total farm revenue (mandatory field)	+	0	0
9898		Total farm expenses (mandatory field)	-	0	0
9899		**Net farm income**	=	0	0
9970		**Net Income/Loss before Taxes and Extraordinary Items**		3,037,147	-4,134,650

Extraordinary items and income taxes (linked to Schedule 140)

9975	Extraordinary item(s)	0	0
9976	Legal settlements	0	0
9980	Unrealized gains/losses	0	0
	Unusual items	0	0
	Current income taxes	110,000	40,000
9995	Deferred income tax provision	0	0
9999	**Net Income/Loss after Taxes and Extraordinary Items** (mandatory field)	2,927,147	-4,174,650

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Revenue

Account	Description		Amount	Prior year
8000	Trade sales of goods and services	+	104,186,227	22,829,771
8020	Sales of goods and services to related parties	+	0	-278,463
8030	Interdivisional sales	+	0	0

Sales from resource properties

8040	* Sales from resource properties		0	0
8041	Petroleum and natural gas sales		0	0
8042	Petroleum and natural gas sales to related parties		0	0
8043	Gas marketing		0	0
8044	Processing revenue		0	0
8045	Pipeline revenue		0	0
8046	Seismic sales		0	0
8047	Mining revenue		0	0
8048	Coal revenue		0	0
8049	Oil sands revenue		0	0
8050	Royalty income		0	0
8051	Oil and gas partnership/joint venture income/loss		0	0
8052	Mining partnership/joint venture income/loss		0	0
8053	Other production revenue		0	0
	Sales from resource properties	+	0	0

8089	**Total sales of goods and services**	=	104,186,227	22,551,308

Investment revenue

8090	* Investment revenue		0	0
8091	Interest from foreign sources		0	0
8092	Interest from Canadian bonds and debentures		0	0
8093	Interest from Canadian mortgage loans		0	0
8094	Interest from other Canadian sources		0	0
8095	Dividend income		0	0
8096	Dividends from Canadian sources		0	0
8097	Dividends from foreign sources		0	0
	Investment revenue	+	0	0

Interest income (financial institutions)

8100	*	Interest income (financial institutions)	0	0
8101		Loan interest	0	0
8102		Securities interest	0	0
[redacted]		Deposits with banks interest	0	0
		Interest income (financial institutions)	+ 0	0

Commission revenue

8120	*	Commission revenue	0	0
8121		Commission income on real estate transactions	0	0
		Commission revenue	+ 0	0

Rental revenue

8140	*	Rental revenue	0	0
8141		Real estate rental revenue	0	0
8142		Film rental revenue	0	0
		Rental revenue	+ 0	0

8150		Vehicle leasing	+ 0	0

Fishing revenue

[redacted]	*	Fishing revenue	0	0
[redacted]		Fish products	0	0
8162		Other marine products	0	0
8163		Fishing grants, credits and rebates	0	0
8164		Fishing subsidies	0	0
8165		Compensation for loss of fishing income or property	0	0
8166		Sharesman income	0	0
		Fishing revenue	+ 0	0

Realized gains/losses on disposal of assets

8210	*	Realized gains/losses on disposal of assets	0	0
8211		Realized gains/losses on sale of investments	0	0
8212		Realized gains/losses on sale of resource properties	0	0
		Realized gains/losses on disposal of assets	+ 0	0

NPO amounts received

8220	NPO amounts received		0	0
8221	Membership fees		0	0
8222	Assessments		0	0
	Gifts		0	0
	Gross sales and revenues from organizational activities		0	0
	NPO amounts received	+	0	0

Other revenue

8230	* Other revenue		1,471,000	254,102
8231	Foreign exchange gains/losses		0	0
8232	Income/loss of subsidiaries/affiliates		0	0
8233	Income/loss of other divisions		0	0
8234	Income/loss of joint ventures		0	0
8235	Income/loss of partnerships		0	0
8236	Realization of deferred revenues		0	0
8237	Royalty income other than resource		0	0
8238	Alberta royalty tax credits		0	0
8239	Management and administration fees		0	0
8240	Telecommunications revenue		0	0
8241	Consulting fees		0	0
8242	Subsidies and grants		0	0
8243	Sale of by-products		0	0
8244	Deposit services		0	0
8245	Credit services		0	0
8246	Card services		0	0
8247	Patronage dividends		0	0
8248	Insurance recoveries		0	0
	Expense recoveries		0	0
	Bad debt recoveries		0	0
	Other revenue	+	1,471,000	254,102

8299	**Total Revenue**	=	105,657,227	22,805,410

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Cost of Sales

Account		Description		Amount	Prior year
Opening inventory					
8300	*	Opening inventory		0	0
8301		Opening inventory - finished goods		0	0
8302		Opening inventory - raw materials		0	0
8303		Opening inventory - goods in process		0	0
		Opening inventory	+	0	0
8320		Purchases/cost of materials	+	88,821,000	23,283,839
8340		Direct wages	+	0	0
8350		Benefits on direct wages	+	0	0
8360		Trades and sub-contracts	+	0	0
8370		Production costs other than resource	+	0	0
Resource production costs					
8400	*	Resource production costs		0	0
8401		Pipeline operations		0	0
8402		Drilling		0	0
8403		Site restoration costs		0	0
8404		Gross overriding royalty		0	0
		Freehold royalties		0	0
		Other producing properties rental		0	0
8407		Prospect/geological		0	0
8408		Well operating, fuel and equipment		0	0
8409		Well abandonment and dry holes		0	0
8410		Other lease rentals		0	0
8411		Exploration expenses		0	0
8412		Development expenses		0	0
		Resource production costs	+	0	0
Crown charges					
8435	*	Crown charges		0	0
8436		Crown royalties		0	0
8437		Crown lease rentals		0	0
8438		Freehold mineral tax		0	0
8439		Mining taxes		0	0
8440		Oil sand leases		0	0
8441		Saskatchewan resource surcharge		0	0
		Crown charges	+	0	0

Other direct costs

8450	*	Other direct costs	0	0
8451		Equipment hire and operation	0	0
8452		Log yard	0	0
[redacted]		Forestry costs	0	0
[redacted]		Logging road costs	0	0
8455		Stumpage costs	0	0
8456		Royalty costs	0	0
8457		Freight in and duty	0	0
8458		Inventory write down	0	0
8459		Direct cost amortization of tangible assets	0	0
8460		Direct cost amortization of natural resource assets	0	0
8461		Overhead expenses allocated to cost of sales	0	0
		Other direct costs	+ 0	0

Closing inventory

8500	*	Closing inventory	0	0
8501		Closing inventory - finished goods	0	0
8502		Closing inventory - raw materials	0	0
8503		Closing inventory - goods in process	0	0
		Closing inventory	- 0	0

8518		**Cost of Sales**	= 88,821,000	23,283,839

[redacted]neric Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Operating Expenses

Account	Description		Amount	Prior year
Advertising and promotion				
8520	* Advertising and promotion		0	0
8521	Advertising		0	0
8522	Donations		0	0
8523	Meals and entertainment		0	0
8524	Promotion		0	0
	Advertising and promotion	+	0	0
8570	Amortization of intangible assets	+	0	0
8590	Bad debt expense	+	0	469,978
Loan losses				
8610	* Loan losses		0	0
8611	Provision for loan losses		0	0
	Loan losses	+	0	0
Employee benefits				
8620	* Employee benefits		0	307,885
8621	Group insurance benefits		0	0
8622	Employer's portion of employee benefits		0	0
8623	Contributions to deferred income plans		0	0
	Employee benefits	+	0	307,885
8650	Amortization of natural resource assets	+	0	0
8670	Amortization of tangible assets	+	3,079,080	894,570
Insurance				
8690	* Insurance		0	0
8691	Life insurance on executives		0	0
	Insurance	+	0	0

Interest and bank charges

8710	*	Interest and bank charges	1,114,000	0
8711		Interest on short term debt	0	0
8712		Interest on bonds and debentures	0	0
[redacted]		Interest on mortgages	0	0
[redacted]		Interest on long term debt	0	54,250
8715		Bank charges	0	0
8716		Credit card charges	0	0
8717		Collection and credit costs	0	0
		Interest and bank charges +	1,114,000	54,250

Interest paid (financial institutions)

8740	*	Interest paid (financial institutions)	0	0
8741		Interest paid on deposits	0	0
8742		Interest paid on bonds and debentures	0	0
		Interest paid (financial institutions) +	0	0

Business taxes, licences and memberships

8760	*	Business taxes, licences and memberships	0	0
8761		Memberships	0	0
8762		Business taxes	0	0
8763		Franchise fees	0	0
8764		Government fees	0	0
		Business taxes, licences and memberships +	0	0

8780		New Brunswick tax on large corporations +	0	0
8790		Nova Scotia tax on large corporations +	0	0

Office expenses

8810	*	Office expenses	0	572,611
8811		Office stationery and supplies	0	0
8812		Office utilities	0	0
8813		Data processing	0	0
		Office expenses +	0	572,611

Professional fees

8860	*	Professional fees	0	125,051
8861		Legal fees	0	0
8862		Accounting fees	0	0
[redacted]		Consulting fees	0	0
[redacted]		Architect fees	0	0
8865		Appraisal fees	0	0
8866		Laboratory fees	0	0
8867		Medical fees	0	0
8868		Veterinary fees	0	0
8869		Brokerage fees	0	0
8870		Transfer fees	0	0
8871		Management and administration fees	0	0
8872		Refining and assay	0	0
8873		Registrar and transfer agent fees	0	0
8874		Restructuring costs	0	0
8875		Security and exchange commission fees	0	0
8876		Training expense	0	0
8877		Studio and recording	0	0
		Professional fees	+ 0	125,051

Rental

8910	*	Rental	0	75,585
8911		Real estate rental	0	0
8912		Occupancy costs	0	0
8913		Condominium fees	0	0
8914		Equipment rental	0	0
8915		Motor vehicle rentals	0	0
[redacted]		Moorage (boat)	0	0
[redacted]		Storage	0	0
8918		Quota rental	0	0
		Rental	+ 0	75,585

Repairs and maintenance

8960	*	Repairs and maintenance	0	0
8961		Repairs and maintenance - buildings	0	0
8962		Repairs and maintenance - vehicles	0	0
8963		Repairs and maintenance - boats	0	0
8964		Repairs and maintenance - machinery and equipment	0	0
		Repairs and maintenance	+ 0	0

Other repairs and maintenance

9010	*	Other repairs and maintenance	0	0
9011		Machine shop expense	0	0
9012		Road costs	0	0
9013		Security	0	0
9014		Garbage removal	0	0
		Other repairs and maintenance	+ 0	0

Salaries and wages

9060	*	Salaries and wages		0	1,137,714
9061		Commissions		0	0
9062		Crew share		0	0
		Bonuses		0	0
		Directors fees		0	0
9065		Management salaries		0	0
9066		Employee salaries		0	0
		Salaries and wages	+	0	1,137,714

9110		Sub-contracts	+	0	0

Supplies

9130	*	Supplies		0	0
9131		Small tools		0	0
9132		Shop expense		0	0
9133		Uniforms		0	0
9134		Laundry		0	0
9135		Food and catering		0	0
9136		Fishing gear		0	0
9137		Nets and traps		0	0
9138		Salt, bait and ice		0	0
9139		Camp supplies		0	0
9150		Computer-related expenses		0	0
9151		Upgrade		0	0
9152		Internet		0	0
		Supplies	+	0	0

9180		Property taxes		0	0

Travel expenses

9200	*	Travel expenses		0	0
9201		Meetings and conventions		0	0
		Travel expenses	+	0	0

Utilities

9220	*	Utilities		0	18,577
9221		Electricity		0	0
9222		Water		0	0
9223		Heat		0	0
9224		Fuel costs		0	0
9225		Telephone and telecommunications		0	0
		Utilities	+	0	18,577

Other expenses

9270	*	Other expenses	9,606,000	0
9271		Cash over/short	0	0
9272		Reimbursement of parent company expense	0	0
		Selling expenses	0	0
		Shipping and warehouse expense	0	0
9275		Delivery, freight and express	0	0
9276		Warranty expenses	0	0
9277		Royalty expenses - resident	0	0
9278		Royalty expenses - non-resident	0	0
9279		Dumping charges	0	0
9280		Land fill fees	0	0
9281		Vehicle expenses	0	0
9282		Research and development	0	0
9283		Withholding taxes	0	0
9284		General and administrative expenses	0	0
9285		Interdivisional	0	0
9286		Interfund transfer	0	0
		Other expenses	+ 9,606,000	0

9367		**Total Operating Expenses**	= 13,799,080	3,656,221

* Generic Item

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NOTES CHECKLIST
(1998 and later taxation years)

This form is to be used by all corporations that do not use a software package to prepare financial statement information and are not eligible to use the GIFI-Short form.

- Use this schedule to report a notes checklist for the corporation's financial statement information.
- For more information, see the "Guide to the General Index of Financial Information (GIFI) for Corporations" and the "T2 Corporation Income Tax Guide."
- The following questions have to be answered:
  - questions 100, 101, and 108;
  - if you answer "yes" to question 101, you have to answer questions 102 to 107;
  - if you answer "yes" to question 108, you have to answer question 109.

Part 1 - Involvement of accountant

Who reported on or prepared the corporation's financial statements? 100

Tick only one of the following:

		[X]
An independent auditor with a report that expressed no reservation	1	[X]
An independent auditor with a report that expressed a reservation	2	[ ]
An independent accountant with a review engagement report that expressed no reservation	3	[ ]
An independent accountant with a review engagement report that expressed a reservation	4	[ ]
An independent accountant who conducted a compilation engagement with no review	5	[ ]
An independent accountant with a compilation and review engagement resulting in no reservation	6	[ ]
An independent accountant with a compilation and review engagement resulting in a reservation	7	[ ]
Prepared by an employee/associate/management of the company, or a person for the company, without a review/audit by an independent accountant/auditor	8	[ ]

Part 2 - Other information

		Yes/No
Were notes to the financial statements prepared?	101	[Y]
Are any values presented at other than cost?	102	[N]
Has there been a change in accounting policies since the last return?	103	[N]
Are subsequent events mentioned in the notes?	104	[Y]
Is re-evaluation of asset information mentioned in the notes?	105	[Y]
Is contingent liability information mentioned in the notes?	106	[Y]
Is information regarding commitments mentioned in the notes?	107	[Y]
Does the corporation have investments in joint venture(s) or partnership(s)?	108	[N]
If "yes," are you filing financial statements of the joint venture(s) or partnership(s)?	109	[ ]

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to an this shcedule are from the "Income Tax Act."
- For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and extraordinary items per financial statements			2,927,147	A
Additions:				
Provision for income taxes - current	101	110,000		
Amortization of tangible assets	104	3,079,080		
Loss on disposal of assets	111	17,974		
Non-deductible meals and entertainment expenses	121	7,005		
Reserves from financial statements - balance at the end of the year	126	7,344,811		
Subtotal of additions		10,558,870	10,558,870	
Other Additions:				
Miscellaneous Other Additions:				
Subtotal of Other Additions	199	0	0	
Total Additions	500	10,558,870	10,558,870	
Deductions:				
Capital cost allowance from Schedule 8	403	2,882,456		
Reserves from financial statements-balance at the beginning of the year	414	7,024,790		
Subtotal of Deductions		9,907,246	9,907,246	
Other Deductions:				
Miscellaneous Other Deductions:				
Subtotal of Other Deductions	499	0	0	
Total Deductions	510	9,907,246	9,907,246	
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)			3,578,771	

(Ce formulaire existe en français.)

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION
(2000 and later taxation years)

For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.

- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		3,578,771
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)	0	0
Subtotal (if positive, enter "0")		0
Deduct: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
Subtotal		0
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		0

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		4,013,774	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	4,013,774	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	0	4,013,774

Continuity of non-capital losses and request for a carryback (cont'd)

Deduct:

Amount applied against taxable income (enter on line 331 of the T2 return)	130	3,578,771	
Amount applied against taxable dividends subject to Part IV tax	135	0	
Section 80 - Adjustments for forgiven amounts	140	0	
Subsection 111(10) - Adjustments for fuel tax rebate		0	
Other adjustments	150	0	3,578,771
		Subtotal	435,003

Deduct - Request to carry back non-capital loss to:

First preceding taxation year to reduce taxable income	901	0	
Second preceding taxation year to reduce taxable income	902	0	
Third preceding taxation year to reduce taxable income	903	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	0	0
Non-capital losses - Closing balance	180		435,003

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 Yes [ ]

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200	0	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205	0	
Current-year capital loss (from Schedule 6 calculation)	210	0	0

Add:

Allowable business investment loss expired as non-capital loss	0 x 4/3	220	0
		Subtotal	0

Deduct:

Amount applied against current-year capital gain (see note 1)	225	0	
Section 80 - Adjustments for forgiven amounts	240	0	
Other adjustments	250	0	0
		Subtotal	0

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)		Amount carried back (100%)	
First preceding taxation year	0	951	0	
Second preceding taxation year	0	952	0	
Third preceding taxation year	0	953	0	0
Capital losses - Closing balance		280		0

Part 2 - Capital losses

Continuity of capital losses and request for a carryback (cont'd)

Capital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4
Capital losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.
axation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determine
dividing the total taxable capital gain by the total capital gain.

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2

Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 3 - Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	360	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	365	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330	0	
Amount applied against taxable dividends subject to Part IV tax	335	0	
Section 80 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:
Is the corporation exempt from the restricted farm loss rules?
(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Part 4 - Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485		0	A
Minus the deductible farm loss:				
$2,500 plus B or C, whichever is less			2,500	
(Amount A above 0 - $2,500) divided by 2 =		0 B		
		6,250 C	0	2,500
Current-year restricted farm loss (enter this amount on line 410)				0

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year		0	
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0
		Subtotal	0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941	0	
Second preceding taxation year to reduce farming income	942	0	
Third preceding taxation year to reduce farming income	943	0	0
ricted farm losses - Closing balance	480		0

Note

The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			0
Deduct: Listed personal property loss expired after seven taxation years	500		0
Listed personal property losses at beginning of taxation year	502		0
Add: Current-year listed personal property loss (from Schedule 6)	510		0
		Subtotal	0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	550	0	0
		Subtotal	0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961	0	
Second preceding taxation year to reduce listed personal property gains	962	0	
Third preceding taxation year to reduce listed personal property gains	963	0	0
isted personal property losses - Closing balance	580		0

Part 6 - Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	0	0	0	N/A	0	0	
2001	4,013,774	N/A	0	N/A	3,578,771	0	435,003	
2001	0	N/A	0	N/A	0	0	0	
2000	0	N/A	0	N/A	0	0	0	
1999	0	N/A	0	N/A	0	0	0	
1998	0	N/A	0	N/A	0	0	0	
1997	0	N/A	0	N/A	0	0	0	
1996	0	N/A	0	N/A	0	0	0	*
Total	4,013,774	0	0	0	3,578,771	0	435,003	

Farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	0	0	0	N/A	0	0	
2001	0	N/A	0	N/A	0	0	0	
2001	0	N/A	0	N/A	0	0	0	
2000	0	N/A	0	N/A	0	0	0	
1999	0	N/A	0	N/A	0	0	0	
1998	0	N/A	0	N/A	0	0	0	
1997	0	N/A	0	N/A	0	0	0	
1996	0	N/A	0	N/A	0	0	0	
1995	0	N/A	0	N/A	0	0	0	
1994	0	N/A	0	N/A	0	0	0	
1993	0	N/A	0	N/A	0	0	0	*
Total	0	0	0	0	0	0	0	

Restricted farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	0	0	0	N/A	N/A	0	
2001	0	N/A	0	N/A	0	N/A	0	
2001	0	N/A	0	N/A	0	N/A	0	
2000	0	N/A	0	N/A	0	N/A	0	
1999	0	N/A	0	N/A	0	N/A	0	
1998	0	N/A	0	N/A	0	N/A	0	
1997	0	N/A	0	N/A	0	N/A	0	
1996	0	N/A	0	N/A	0	N/A	0	
1995	0	N/A	0	N/A	0	N/A	0	
1994	0	N/A	0	N/A	0	N/A	0	
1993	0	N/A	0	N/A	0	N/A	0	*
Total	0	0	0	0	0	N/A	0	

* This balance expires this year and will not be available next year

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5q)? [101] N

[redacted] [200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
1	50,127,582	2,140,054	0	0	1,070,027	4	0	0	2,047,904	50,219,732
8	710,042	0	0	0	0	20	0	0	142,008	568,034
10	1,964,008	65,447	0	30,002	17,722	30	0	0	594,519	1,404,934
12	72,950	0	0	0	0	100	0	0	72,950	0
42	122,189	0	0	0	0	12	0	0	14,663	107,526
13	43,681	0	0	0	0		0	0	9,200	34,481
13	0	12,121	0	0	6,060		0	0	1,212	10,909
Total	53,040,452	2,217,622	0	30,002	1,093,809		0	0	2,882,456	52,345,616

Account/Business No.: 891725210RC0001 Year Ended: 2002-12-31

RELATED AND ASSOCIATED CORPORATIONS

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
- associated corporation(s)

Name	City of resi dence	Business Number (Note)	Rela- tion- ship Code	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of pre- ferred shares owned	Book value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
OSHAWA POWER AND UTILITIES COR		864867593RC0001	1	0	0.00	0	0.00	0
OSHAWA PUC ENERGY SERVICES INC		857491336RC0001	3	0	0.00	0	0.00	0
OSHAWA PUC SERVICES INC		865799662RC0001	3	0	0.00	0	0.00	0

Note: Enter "NR" if a corporation is not registered.

Relationship code:

1 Parent 2 Subsidiary 3 Associated 4 - Related, but not associated

The relationship code represents the relationship that the corporation named has to the filing corporation. For example, if the corporation is the parent corporation of the filing corporation, then the relationship code is "1".

Schedule 9

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

TRANSACTIONS WITH SHAREHOLDERS, OFFICERS, OR EMPLOYEES

Provide the details of any transactions with shareholders, officers or employees that involve:

- payments the corporation made or amounts credited to the account of shareholders, officers, or employees, which were not part of their remuneration or reimbursement of expenses;
- assets the corporation sold to or purchased from shareholders, officers, or employees, including those for which an election was made under section 85; or
- loans or indebtedness to shareholders, officers, or employees, or persons connected with a shareholder, which were not repaid by the end of the taxation year.

Relationship code (see note)	Payments	Reimbursement (Other than reimbursement of expenses)	Loans receivable from, or debts owing to	Assets sold or purchased	Does Section 85 apply to assets sold or purchased?
	$	$	$	$	[Y/N]
100	200	300	400	500	550
1	90,000	0	15,000	0	[ ]

Note: Enter the code number of the relationship that applies:
(if more than one relationship exists, enter the lowest applicable number)

1 - Shareholder
2 - Officer
3 - Employee

Canada Customs and Revenue Agency/Agences des douanes et du revenu du Canada

MISCELLANEOUS PAYMENTS TO RESIDENTS (1998 and later taxation years)

- This schedule must be completed by all corporations who made the following payments to residents of Canada:
  Royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

Name of recipient	Address of recipient 1 = Address 1 2 = Address 2 3 = City 4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
100	200	300	400	500	600	700
Oshawa Power and Utilitie	100 Simcoe Street South Oshawa ON L1H 3M7	0	0	90,000	0	0

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS (CCPC's) TO ALLOCATE THE BUSINESS LIMIT (1998 and later taxation years)

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.

- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation".

Column 4: Enter the amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 can not exceed $200,000.

Column 5: Complete column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Column 6: Enter the gross Part I.3 tax of the prior year. This is used for the business limit reduction.

Allocation of business limit

		Year Month Day
Date filed (for departmental use only)	025	
Enter the calendar year to which the agreement applies	050	Year 2002
Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?	075	[Y/N] [N]

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Association code	Business limit allocated (Note 1)	Taxation year end to which this agreement applies	Gross Part I 3 Tax of the prior year (Notes 2 & 3)
100	200	300	400	500	
Oshawa PUC Networks Inc.	891725210RC0001	1	200,000		103,598
See attached			0		0
	Totals (not to exceed $200,000)		200,000		103,598

Note 1:
Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Note 2:
Reduction to the business limit under subsection 125(5.1)
The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return.
The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note 3:
If the taxation year of the associated corporation was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

Account/Business No.: 891725210RC0001 Year Ended: 2002-12-31

AGREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6
Name of associated corporation	Business Number of associated corporation	Association code	Business limit allocated (Note)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year
[100]	[200]	[300]	[400]	[500]	
OSHAWA POWER AND UTILITIES COR	864867593RC0001	1	0	2002 12-31	0
OSHAWA PUC ENERGY SERVICES INC	857491336RC0001	1	0	2002 12 31	0
OSHAWA PUC SERVICES INC.	865799662RC0001	1	0	2002-12 31	0
TOTALS			0		0

Note: Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Reduction to the business limit under subsection 125(5.1)

The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction area of the T2 return. The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Schedule 23-Supplementary

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

PART I.3 TAX ON LARGE CORPORATIONS
(1998 and later taxation years)

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" within six months of the end of the taxation year.

		Year Month Day
Filing date (for departmental use only)	100	

mplete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation s not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	7,344,811
Capital stock (or members' contributions if incorporated without share capital)	103	23,063,666
Retained earnings	104	800,011
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	28,270,427
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	0
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

Part 1 - Capital (cont'd)

Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111 and 112) in respect of the partnership of which the corporation is a member the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	0		
	Subtotal	59,478,915	59,478,915	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121	0		
Any deficit deducted in computing the shareholders' equity	122	0		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	0		
The amount of deferred unrealized foreign exchange losses	124	0		
	Subtotal	0	0	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		59,478,915	

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	0
A loan or advance to another corporation (other than a financial institution)	402	12,725
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403	0
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)]	406	0
An interest in a partnership	407	0
Investment allowance for the year	490	12,725

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)		59,478,915	C
Deduct: Investment allowance for the year (line 490)		12,725	D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500	59,466,190	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year.

Taxable capital for year (line 500)	59,466,190	X	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	690	59,466,190
			Taxable income		1,000				

Notes: 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		0
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	0	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada	712	0	
Total amount of carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, personal property used or held by the corporation in carrying on any business during the year in Canada	713	0	
Total deductions (add lines 711, 712, and 713)		0	0 E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		0

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)						59,466,190
Deduct: Capital deduction claimed for the year (enter $10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801					10,000,000
Excess of taxable capital employed in Canada over capital deduction	811					49,466,190
Gross Part I.3 tax:	Line 811	49,466,190	x	.2250%	=	111,299 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

			Number of days in the year			
Amount F	111,299	x	365	=		0 G
			365			
Gross Part I.3 tax (amount F or G, whichever applies)	820					111,299

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part I 3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable

For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a)	line 600 from the T2 return				0	
b)	line 700 from the T2 return				0	0 H

In any other case, the lesser of c and d below:

			line 690 of this schedule			
c)	line 600 from the T2 return	0 x	59,466,190	=	0	
			59,466,190			
			line 500 of this schedule			
d)	line 700 from the T2 return				0	0 I

Current year surtax credit (amount H or I, whichever applies) [830] 0

Part 8 - Calculation of Part I.3 tax credit available for carry- forward

Amount on line 830		0
Less: Part I.3 tax before deducting surtax credits (line 820)	111,299	J
Net amount	-111,299	K

If the amount on line K is "positive," it represents the amount of Part I.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part I.3 tax credit balance 0 L

If the amount on line K is "negative," it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year 111,299 M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		0
Less: Part I.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)		0
Current year unused surtax credit (enter this amount on Schedule 37) [850]		0

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			111,299 N
Deduct the following amounts:			
Current year surtax credit applied			
(lesser of lines 820 and 830)	861	0	
Unused surtax credit from prior years applied	862	0	
Total (cannot exceed amount on line 820)		0	0 O
Net Part I.3 tax payable (amount N minus amount O)			
Enter this amount at line 704 of the T2 return	870		111,299

Loans

Due to City of Oshawa	23,063,665.00
Customer deposits	4,339,007.00
Other (Development Fund)	788,622.00
Deferred revenue	79,133.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	28,270,427.00

Securities Held for Deposit

	0.00
	12,725.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	12,725.00

Non-deductible reserves

Employee future benefits	6,795,569.00
Employee sick leave benefits	449,242.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,344,811.00

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
(1998 and later taxation years)

Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.

Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? ..... [Y/N] [Y]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal "Income Tax Act", a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

		Year Month Day
Date filed (for departmental use only)	010	
Is this an amended agreement?	020	[Y/N] [N]
Enter the calendar year to which the agreement applies	030	Year 2002

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (Note 1)	Allocation of capital deduction for the year $	Taxation year end to which this agreement applies (Note 2)
200	300	400	500
Oshawa PUC Networks Inc.	891725210RC0001	10,000,000	
See attached		0	
Total (not to exceed $10,000,000)		10,000,000	

Note 1: If a corporation is not registered enter, "NR".

Note 2: An entry is only required for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.

In accordance with subsection 181.5(7) of the federal Income Tax Act, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Names of all corporations which are members of the related group [200]	Business Number (Note 1) [300]	Allocation of capital deduction for the year [400]	Taxation year end to which this agreement applies (Note 2) [500]
OSHAWA POWER AND UTILITIES COR	864867593RC0001	0	2002-12-31
OSHAWA PUC ENERGY SERVICES INC	857491336RC0001	0	2002-12-31
OSHAWA PUC SERVICES INC.	865799662RC0001	0	2002-12-31
TOTAL		0	

Note 1: If a corporation is not registered, enter "NR".

Note 2: An entry is only required for a corporation that has more than one taxation ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Schedule 36 - Supplementary

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION
(1998 and later taxation years)

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
Oshawa Power and Utilities Corporation	864867593RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Schedule of Instalment Remittances

Name of Corporation Contact: . . . . . .
Telephone Number: . . . . . .

Effective Interest Date	Description (Instalment Remittance, Split Payment, Assessed Credit)	Amount of Credit
	Tax payment to Ministry of Finance	111,299
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
	Total amount of instalments claimed (A)	111,299
	Total instalments credited to the taxation year per T9 (B)	111,299

TRANSFER

Account Number	Taxation Year End	Amount	Effective Interest Date	Description
From:				
		0		
To:				

Appendix 20

2002 CT23 Provincial Tax Return

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2002 CT23 Corporations Tax and Annual Return

For taxation years commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return**, together with the applicable schedules. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, request and file the CT23 Short-Form Return** (see page 2)

Annual Return (common page 1 and MCBS Schedules A or K) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? *(Refer to Guide)* Yes [X] No [ ]

Corporation's Legal Name *(including punctuation)* and Mailing Address

Oshawa PUC Networks Inc. PILs

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Ontario Corporations Tax Account No. (MOF)
1800157

This CT23 Return covers the Taxation Year
Start: year month day 2002-01-01
End: year month day 2002-12-31

Has address changed since last filed CT23 Return? Yes [ ] Date of Change: year month day

Date of Incorporation or Amalgamation
year month day 2000-11-01

Registered/Head Office Address

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Ontario Corporation No. (MCBS)

Location of Books and Records

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter 891725210RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
Luc Perron	905-723-4626	

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA -

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
(Not Applicable) [X]

Former Corporation Name *(Extra-Provincial Corporations only)* ***(Not Applicable)*** [X] (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS).

[X] **No change**

Preferred Language/*Langue de préférence*
English *anglais* [X] French *français* [ ]

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

Perron

Title: D [ ] Director O [X] Officer P [ ] Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1 [X] Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100 %

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
if applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
if applicable, enter

Specify major business activity

Electricity Distribution

2 [ ] 1 Family Farm Corporation s.1 (2)
[ ] 2 Family Fishing Corporation s.1 (2)
[ ] 3 Mortgage Investment Corporation s.47
[ ] 4 Credit Union s.51
[ ] 5 Bank Mortgage Subsidiary s.61 (4)
[ ] 6 Bank s.1 (2)
[ ] 7 Loan and Trust Corporation s.61 (4)
[ ] 8 Non-resident Corporation s.2(2)(a) or (b)
[ ] 9 Non-resident Corporation s.2(2)(c)
[ ] 10 Mutual Fund Corporation s.48
[ ] 11 Non-resident owned investment Corporation s.49
[ ] 12 Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
[ ] 14 Bare Trustee Corporation
[ ] 15 Branch of Non-residents s.63(1)
[ ] 16 Financial institution prescribed by Regulation only
[ ] 17 Investment Dealer
[ ] 18 Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
[X] 19 Hydro successor, Municipal Electrical Utility or subsidiary of either
[ ] 20 Producer and seller of steam for uses other than for the generation of electricity
[ ] 21 Insurance Exchange s.74.4
[ ] 22 Farm Feeder Finance Co-operative Corporation
[ ] 23 Professional Corporation (incorporated professionals only)

Please "X" box(es) if applicable:

[ ] First Year of Filing
[ ] Amended Return
[ ] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)

Date Control was acquired
year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[ ]	[X]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction to that jurisdiction (s.39) (Inter. Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16)	±	From 690	3,578,771.		
Subtract: Charitable donations	–	1	0.		
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)*	–	2	0.		
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–	3	0.		
Subtract: Ontario political contributions *(Attach schedule)*	–	4	0.		
Subtract: Federal Part VI.1 tax 0. X 9/4	–	5	0.		
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	3,578,771.		
Net capital losses From 715 (page 17) 0. X inclusion rate 50.000000%	–	714	0.		
Farm losses	–	From 724	0.		
Restricted farm losses	–	From 734	0.		
Limited partnership losses	–	From 754	0.		
Taxable Income (Non-capital loss)	=	10	0.		
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	0.		
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=	20	0.		

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	0. × 30	100.0000% Ontario Allocation	× 15.5000%	Days before May 2, 2000 22	0 ÷	Total Days 73	365	= +	23	0.
From 10 (or 20 if applicable)	0. × 30	100.0000% Ontario Allocation	× 14.5000%	Days after May 1, 2000 and before Jan 1, 2001 24	0 ÷	Total Days 73	365	= +	25	0.
From 10 (or 20 if applicable)	0. × 30	100.0000% Ontario Allocation	× 14.0000%	Days after Dec 31, 2000 and before Oct 1, 2001 26	0 ÷	Total Days 73	365	= +	27	0.
From 10 (or 20 if applicable)	0. × 30	100.0000% Ontario Allocation	× 12.5000%	Days after Sept 30, 2001 and before Jan 1, 2003 28	365 ÷	Total Days 73	365	= +	29	0.
From 10 (or 20 if applicable)	0. × 30	100.0000% Ontario Allocation	× 12.5000%	Days after Dec 31, 2002 and before Jan 1, 2004 31	0 ÷	Total Days 73	365	= +	32	0.

Income Tax Payable (before deduction of tax credits) 23 + 25 + 27 + 29 + 32 = 40 **0.**

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) ☐ Yes ☒ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			50	0.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51 0.		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52 0.		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	–	53 0.		
Federal Business limit for the year before the application of fed.s.125(5.1)	=	0.	54	0.
(not exceeding $ 200,000) *(Attach federal T2 SCH 23 if associated)*	+	55 200,000.		
Add: Ontario enhancement of federal business limit				

Number of Days in Taxation Year

40,000 × X From 55 200,000 ÷ 200,000	Days after Dec 31, 2000 and before Oct 1, 2001	0 ÷	Total Days 73	365	= +	42	0.		
80,000 × X From 55 200,000 ÷ 200,000	Days after Sept 30, 2001 and before Jan 1, 2003	365 ÷	Total Days 73	365	= +	43	80,000.		
120,000 × X From 55 200,000 ÷ 200,000	Days after Dec 31, 2002 and before Jan 1, 2004	0 ÷	Total Days 73	365	= +	46	0.		
Ontario enhancement of federal business limit	42 + 43 + 46	=	80,000.	+	44	80,000.			
Business Limit for Ontario purposes	55 + 44	=	280,000.		45	280,000.			
Income eligible for the IDSBC	From 30	100.0000% * Ontario Allocation	×	56	0.	=	60	0.	
				Least of 50 54 or 45					

* **Note:** *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4))*

continued on Page 5

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

Number of Days in Taxation Year

	7.00%	x	Days after Dec 31, 1998 and before Jan 1, 2000	74	0	÷ 73	Total Days 365	= + 75	.0000
	7.50%	x	Days after Dec 31, 1999 and before Oct 1, 2001	76	0	÷ 73	Total Days 365	= + 77	.0000
	6.50%	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	365	÷ 73	Total Days 365	= + 79	6.5000
	7.00%	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 365	= + 89	.0000

IDSBC Rate for Taxation Year [75] + [77] + [79] + [89] = [78] 6.5000

Claim From [60] 0. x From [78] 6.5000% = [70] 0.

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in [114] below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations

** **Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** Taxable Income of the corporation From [10] (or [20] if applicable) + [80] 0.

If you are a member of an associated group (X) [81] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Income (if loss, enter nil) **
See attached			+ [82] 2.
			+ [83] .
			+ [84] .

Aggregate Taxable Income [80] + [82] + [83] + [84] , etc. = [85] 2.

Number of Days in Taxation Year

Subtract: 200,000	x	Days before Jan 1, 2001	558	0	÷ 73	Total Days 365	= + 111	0.
240,000	x	Days after Dec 31, 2000 and before Oct 1, 2001	26	0	÷ 73	Total Days 365	= + 112	0.
280,000	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	365	÷ 73	Total Days 365	= + 113	280,000.
320,000	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 365	= + 115	0.

[111] + [112] + [113] + [115] = 280,000. − [114] 280,000.

(If negative, enter nil) = [86] 0.

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	4.67%	x	Days after Dec 31, 1998 and before Jan 1, 2000	74	0	÷ 73	Total Days 365	= + 92	.0000
	5.00%	x	Days after Dec. 31, 1999 and before Oct 1, 2001	76	0	÷ 73	Total Days 365	= + 93	.0000
	4.3330%	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	365	÷ 73	Total Days 365	= + 95	4.3330
	4.6670%	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 365	= + 96	.0000

Specified rate of surtax for Taxation Year [92] + [93] + [95] + [96] = [94] 4.3330

From [86] 0. x From [94] 4.3330% = [87] 0.

From [87] 0. x From [60] 0. ÷ From [114] 280,000. = [88] 0.

Surtax Lesser of [70] or [88] = [100] 0

Continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule)* . . . . . 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits . . . . . + 120 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) . . . . . − From 56 0.

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 0. ÷ From 30 100.0000 % ÷ From 78 6.5000 % = 121 0.

* Ontario Allocation

Lesser of 56 or 121 . . . . . + 122 0.

120 − 56 + 122 . . . . . = 130 0.

Taxable Income . . . . . + From 10 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) . . . . . − From 56 0.

Add: Adjustments for Surtax on Canadian-controlled private corporations . . . . . + From 122 0.

Subtract: Taxable Income From 10 0. X Allocation % to jurisdictions outside Canada .0000 % . . . . − 140 0.

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses . . . . . − 141 0.

10 − 56 + 122 − 140 − 141 . . . . . = 142 0.

Number of Days in Taxation Year

Claim

143 0. X From 30 100.0000 % X 2.0000 % X (Days before Oct 1, 2001: 152 0 ÷ Total Days 73 365) = + 153 0.

Lesser of 130 or 142 — * Ontario Allocation

143 0. X From 30 100.0000 % X 1.5000 % X (Days after Sept 30, 2001 and before Jan 1, 2003: 28 0 ÷ Total Days 73 365) = + 154 0.

Lesser of 130 or 142 — * Ontario Allocation

143 0. X From 30 100.0000 % X 1.5000 % X (Days after Dec 31, 2002 and before Jan 1, 2004: 31 0 ÷ Total Days 73 365) = + 155 0.

Lesser of 130 or 142 — * Ontario Allocation

M&P claim for taxation year 153 + 154 + 155 . . . . . = 160 0.

* **Note:** *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations . . . . . = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity . . . . . = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) *(Attach schedule)*. 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies *if you* have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 − 70 + 100 − 110 − 160 − 161 − 162 − 170 − 180 . . . . . 190 0.

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.
Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible Credit From 5798 Summary Schedule F + 192 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible Credit From 5899 Claim Form Certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596
Applies to employment of eligible unemployed graduate students. 194 0
Eligible Credit From 6598 Summary Schedule G + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 Claim Form Certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.
Eligible Credit From 7300 Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* + 201 0.

Other (specify) _____ + 201.1 0.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 0.

Specified Tax Credits ***Applied to reduce Income Tax*** = 225 0.

Income Tax 190 − 225 **OR Enter NIL if reporting Non-Capital Loss** = 230 0.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in 230 to Income Tax in ***Summary*** section on ***Page 18.***

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on ***Page 8.***

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if *either* Total Assets [249] exceeds $5,000,000 *or* Total Revenue [250] exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation	+ [240]	71,880,677.
* Total Revenue of the corporation	+ [241]	105,657,227.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total assets	* Total Revenue
See attached			+ [243] 23,070,282.	+ [244] 90,002.
			+ [245] .	+ [246] .
			+ [247] .	+ [248] .

Aggregate Total Assets [240] + [243] + [245] + [247] , etc. = [249] 94,950,959.

Aggregate Total Revenue [241] + [244] + [246] + [248] , etc. = [250] 105,747,229.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 19, 20 and 21 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 19.)*

Gross CMT Payable . . . . . CMT Base From [2135] 0. (If negative, enter zero) X From [30] 100.0000 % (Ontario Allocation) X 4% = [276] 0.

Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)* . . . . . – [277] 0.

Subtract: Income Tax . . . . . – From [190] 0.

Net CMT Payable (If negative, enter Nil on Page 18.) . . . . . = [280] 0.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from ***Page 7*** to ***Income tax Summary, on Page 18.***

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to ***Page 18*** and transfer [280] to ***Page 18***, and to ***Schedule D: Continuity of CMT Credit Carryovers,*** on ***Page 21.***

CMT Credit Carryover available . . . . . From [2307] 0.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) . . . . . + From [190] 0.

Gross CMT Payable . . . . . + From [276] 0.

Subtract: Foreign Tax Credit for CMT purposes . . . . . – From [277] 0.

If [276] – [277] is negative, enter NIL in [290] . . . . . = 0. – [290] 0.

Income Tax eligible for CMT Credit . . . . . = [300] 0.

B. Income tax (after deduction of specified credits) . . . . . + From [230] 0.

Subtract: CMT credit used to reduce income taxes . . . . . – [310] 0.

Income Tax . . . . . = [320] 0.

Transfer to page 18

If A & B apply, [310] *cannot exceed the lesser of* [230], [300] *and your CMT credit carryover available* [2307].

If only B applies, [310] *cannot exceed the lesser of* [230] *and your CMT credit carryover available* [2307].

Capital Tax *(Refer to Guide)*

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 *and* 430 *are both $1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in* 480 *and* 430 *are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* 550 *on Page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

Paid-up capital stock	+	350	23,063,666.
Retained earnings (if deficit, deduct)	±	351	800,011.
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+	352	0.
Loans and advances *(Attach schedule)*	+	353	28,270,427.
Bank loans	+	354	0.
Bankers acceptances	+	355	0.
Bonds and debentures payable	+	356	0.
Mortgages payable	+	357	0.
Lien notes payable	+	358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	+	359	7,344,811.
Contingent, investment, inventory and similar reserves	+	360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)*	+	361	0.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	+	362	0.
Subtotal	=	370	59,478,915.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	–	371	-17,880,183.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	–	372	0.
Total Paid-up Capital	=	380	77,359,098.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	–	381	0.
Net Paid-up Capital	=	390	77,359,098.

Eligible Investments *(Refer to Guide)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 *(Refer to Guide)*	+	400	0.
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+	402	0.
Mortgages due from other corporations	+	403	0.
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+	404	0.
Loans and advances to unrelated corporations	+	405	12,725.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+	406	15,000.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+	407	0.
Total Eligible Investments	=	410	27,725.

continued on Page 10

Loans

Due to City of Oshawa	23,063,665.00
Customer deposits	4,339,007.00
Other (Development Fund)	788,622.00
Deferred revenue	79,133.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	28,270,427.00

	0.00
Securities Held for Deposit	12,725.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	12,725.00

UCC vs NBV

UCC per Ont Sch. 8	-52,345,616.00
NBV per F/S	36,745,759.00
less: land	-98,896.00
less: WIP	-2,181,430.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	-17,880,183.00

Non-deductible reserves

Employee future benefits	6,795,569.00
Employee sick leave benefits	449,242.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,344,811.00

Capital Tax *continued from Page 9*

Total Assets

Assets per balance sheet	+	420	71,880,677.
gages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	-	423	0.
Total Assets as adjusted	=	430	71,880,677.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	-	441	-17,880,183.
Subtract: Appraisal surplus if booked	-	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	89,760,860.

Investment Allowance (410 - 450) x 390 Not to exceed 410 = 460 23,894.

Taxable Capital 390 - 460 = 470 77,335,204.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 105,657,227.

Total Assets (as adjusted) From 430 71,880,677.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2002) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important: If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.

OR If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B and select and complete the one specific subsection (e.g. B4) that applies to the corporation.

OR If the corporation IS a member of an associated group and/or partnership, complete Section C. Next review, and if applicable, complete Section D. If Section D is not applicable review Section E and complete the applicable subsection: either E1 or E2. Note: if the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year end is before January 1, 2001 and 430 and 480 are both $1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B2. If the taxation year end is after December 31, 2000 and 430 and 480 are both $1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B3. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B4. If taxable capital, 470 on page 10 is $2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

continued on Page 11

Oshawa PUC Networks Inc. 1800157 2002-12-31 DOLLARS ONLY

Capital Tax Calculation *continued from page 10*

B5. If taxable capital, 470 exceeds $2,000,000 but is $5,000,000 or less, complete the following calculations and transfer the total from 508 to 543 and complete the return from that point

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = + 490 0.

Deduct:

[$2,400,000 - From 470 0.] x 1.5% = - 492 0.

If 2,400,000 - 470 is negative, enter NIL in 492

(504 = 490 - 492) = 504 0. x From 30 100.0000% Ontario Allocation x 0 / ** 365 (366 if leap year) = + 505 0.

Days in taxation year after May 4, 1999 and before Jan 1, 2000: 552

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = + 490 0.

Deduct:

[$2,800,000 - From 470 0.] x 0.75% = - 493 0.

If 2,800,000 - 470 is negative, enter NIL in 493

(506 = 490 - 493) = 506 0. x From 30 100.0000% Ontario Allocation x 0 / ** 365 (366 if leap year) = + 507 0.

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001: 553

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = + 490 0.

Deduct:

[$3,200,000 - From 470 0.] x 0.5% = - 495 0.

If 3,200,000 - 470 is negative, enter NIL in 495

(509 = 490 - 495) = 509 0. x From 30 100.0000% Ontario Allocation x 0 / ** 365 (366 if leap year) = + 522 0.

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001: 554

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose taxable capital is $5,000,000 or less and that is not associated, is NIL. + 0.

Total Capital Tax for the taxation year 505 + 507 + 522 = 508 0.

Transfer to 543 *on page 13 and complete the return from that point.*

B6. If 470 exceeds **$5,000,000**, complete the following calculations and transfer the amount from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 0. x From 30 100.0000% Ontario Allocation x .3000% x 0 / ** 365 (366 if leap year) = + 502 0.

Days in taxation year before Oct 1, 2001: 559

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 0.

Exemption - 0.

= 471 0. x From 30 100.0000% Ontario Allocation x .3000% x 365 / ** 365 (366 if leap year) = + 523 0.

Days in taxation year after Sept 30, 2001: 560

Total Capital Tax for the taxation year 502 + 523 = 508 0.

Transfer to 543 *on page 13 and complete the return from that point.*

*** If floating taxation year, refer to Guide.*

continued on Page 12

Oshawa PUC Networks Inc. 1800157 2002-12-31 DOLLARS ONLY

Capital Tax Calculation *continued from page 11*

SECTION C

corporation is a member of an associated group and/or partnership,
plete the following two aggregate taxable capital calculations as applicable, and (x) 510 X (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation . . . . . + From 470 77,335,204.

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada		Taxable Capital
See attached	+ 531	4,660.
Aggregate Taxable Capital 470 + 531	= 540	77,339,864.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL.
Enter NIL in 523 in E1(d) or E2(b), as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From 470 77,335,204. ÷ From 540 77,339,864. x 5,000,000 . . . . . = 541 4,999,699.
Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners ...o permanent establishment in Canada		Taxable Capital
	+ 514	0.
Total Aggregate Taxable Capital 540 + 514	= 520	77,339,864.

If 520 is greater than $2,000,000 and less than $3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From 470 77,335,204. ÷ From 520 0. = 521 .0000.
Transfer to Section E1(a) and/or (b) and/or (c) as applicable

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 is *$2,000,000 or less.*

Enter NIL in 550 and complete the return from that point.

continued on Page 13

Capital Tax Calculation *continued from Page 12*

SECTION E

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 *exceeds $2,000,000.*

If the total aggregate taxable capital 520 exceeds **$2,000,000** but is **$3,200,000** or less, complete the following calculations and transfer the total From 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = + 490 0.

Deduct:

[$2,400,000 – From 520 0.] x 1.5% x From 521 .0000 = – 492 0.

If 2,400,000 – 520 is negative, enter NIL in 492

Days in taxation year after May 4, 1999 and before Jan 1, 2000 552

(504 = 490 – 492) = 504 0. x From 30 Ontario Allocation 100.0000% x 0 ** 365 (366 if leap year) = + 505 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = + 490 0.

Deduct:

[$2,800,000 – From 520 0.] x 0.75% x From 521 .0000 = – 493 0.

If 2,800,000 – 520 is negative, enter NIL in 493

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553

(506 = 490 – 493) = 506 0. x From 30 Ontario Allocation 100.0000% x 0 ** 365 (366 if leap year) = + 507 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = + 490 0.

Deduct:

[$3,200,000 – From 520 0.] x 0.5% x From 521 .0000 = – 455 0.

If 3,200,000 – 520 is negative, enter NIL in 495

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 557

(509 = 490 – 495) = 509 0. x From 30 Ontario Allocation 100.0000% x 0 ** 365 (366 if leap year) = + 522 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at 540 is $5,000,000 or less is NIL. Enter NIL . . . . . = + 523 0.

Total Capital Tax for the taxation year 505 + 507 + 522 + 523 . . . . . = 508 0.

Transfer to 543 and complete the return from that point

E2. If the total aggregate taxable capital at 520 exceeds **$3,200,000** complete the following calculations and transfer the total From 508 to 543, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 77,335,204. x From 30 Ontario Allocation 100.0000% x .3000% x

Days in taxation year before Oct 1, 2001 555

0 ** 365 (366 if leap year) . . . . . = + 502 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 77,335,204.

From 541 (section C) – 4,999,699.

= 471 72,335,505. x From 30 Ontario Allocation 100.0000% x .3000% x

Days in taxation year after Sept 30, 2001 560

365 ** 365 (366 if leap year) = + 523 217,007.

Total Capital Tax for the taxation year 502 + 523 . . . . . = 508 217,007.

** *If floating taxation year, refer to Guide.*

Transfer to 543 and complete the return from that point

Capital Tax *before application of specified credits* . . . . . = 543 217,007.

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* . . . . . – 546 0.

Capital Tax 543 – 546 . . . . . = 550 217,007.

continued on Page 14

Transfer to Page 18

Capital Tax *continued from page 13*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in 550 on page 13, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes 565 and 570. Do not submit with this tax return.)

565 0. (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) x 0.00 % x From 30 ____ % (Ontario Allocation) x 555 0 ÷ ** 0 (366 if leap year) Days in taxation year = + 569 0.

570 0. (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) x 571 0.00 % (Capital Tax Rate *(Refer to Guide)*) x From 30 ____ % (Ontario Allocation) x 555 0 ÷ ** 0 (366 if leap year) Days in taxation year = + 574 0.

Capital Tax for Financial Institutions – other than Credit Unions (before Sections II) 569 + 574 = 575 0.

*** If floating taxation year, refer to Guide.*

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments . . . . . – 585 0.

Financial institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions 575 – 585 . . . . . = 586 0.

Transfer to 543 on Page13

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements . . . . . 587 0. x 2% . . . . = 588 0.

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in 588 and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in 588.)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* . . . . . – 589 0.

Premium Tax 588 – 589 . . . . . = 590 0.

Transfer to page 18

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... + 600 3,578,771.

Transfer to page 16

Add:

Federal capital cost allowance	+ 601	2,882,456.
Federal cumulative eligible capital deduction	+ 602	0.
Ontario taxable capital gain	+ 603	0.
Federal non allowable reserves. Balance beginning of year	+ 604	7,024,790.
Federal allowable reserves. Balance end of year	+ 605	0.
Ontario non-allowable reserves. Balance end of year	+ 606	7,344,811.
Ontario allowable reserves. Balance beginning of year	+ 607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	0.
Federal resource allowance	+ 609	0.
Federal depletion allowance	+ 610	0.
Federal foreign exploration and development expenses	+ 611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

612	0.	x 5 ÷ 15.5000 x	Days before May 2, 2000 22	0	÷ Total Days 73	365	= +	630	0.
612	0.	x 5 ÷ 14.5000 x	Days after May 1, 2000 and before Jan 1, 2001 24	0	÷ Total Days 73	365	= +	631	0.
612	0.	x 5 ÷ 14.0000 x	Days after Dec 31, 2000 and before Oct 1, 2001 26	0	÷ Total Days 73	365	= +	632	0.
612	0.	x 5 ÷ 12.5000 x	Days after Sept 30, 2001 and before Jan 1, 2003 28	365	÷ Total Days 73	365	= +	633	0.
612	0.	x 5 ÷ 12.5000 x	Days after Dec 31, 2002 and before Jan 1, 2004 31	0	÷ Total Days 73	365	= +	634	0.

Total add-back amount for Management fees, etc. 630 + 631 + 632 + 633 + 634 = 0. + 613 0.

Federal allowable business investment loss ..... + 620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* ..... + 614 0.

Federal Scientific Research Expenses claimed in year from federal form T661 ..... 0.

Negative Ontario SR&ED Pool amounts from Ontario schedule 161 line 473 ..... + 0.

= 0. + 615 0.

Subtotal of Additions 601 to 611 + 613 + 620 + 614 + 615 ..... = 17,252,057. 640 17,252,057.

Transfer to page 16

continued on Page 16

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 15

Income (loss) for federal income tax purposes, per federal T2 SCH 1	From + 600	3,578,771.
Subtotal of Additions	From + 640	17,252,057.

Deduct:

Ontario capital cost allowance	+ 650	2,882,456.
Ontario cumulative eligible capital deduction	+ 651	0.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves. Balance beginning of year	+ 653	7,024,790.
Ontario allowable reserves. Balance end of year	+ 654	0.
Federal non-allowable reserves. Balance end of year	+ 655	7,344,811.
Federal allowable reserves. Balance beginning of year	+ 656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	0.
Ontario depletion allowance	+ 658	0.
Ontario resource allowance	+ 659	0.
Ontario research and development super allowance *(Attach schedule)*	+ 660	0.
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	+ 674	0.
Ontario current cost adjustment *(Attach schedule)*	+ 661	0.

Ontario New Technology Tax Incentive (ONTTI) Gross-up
Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year 662 0.

ONTTI Gross-up deduction calculation:

[From 662 0. x (Gross-up of CCA 100 / From 30 .0000 Ontario Allocation)] - From 662 0. = 663 0.

Workplace Child Care Tax Incentive: (***Applies*** to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: [665 0. x 30.00% x (100 / From 30 100.0000 Ontario Allocation)] = 666 0.

Workplace Accessibility Tax Incentive: (***Applies*** to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: [667 0. x 100.00% x (100 / From 30 100.0000 Ontario Allocation)] = 668 0.

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (***Applies*** to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: [670 0. x 30.00% x (100 / From 30 100.0000 Ontario Allocation)] = 671 0.

Educational Technology Tax Incentive: (***Applies*** to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: [672 0. x 15.00% x (100 / From 30 100.0000 Ontario Allocation)] = 673 0.

Ontario allowable business investment loss	+ 678	0.
Ontario Scientific Research Expenses claimed in the year from Ontario form CT161	+ 679	0.
Total of other deductions allowed by Ontario *(Attach schedule)*	+ 664	0.

Subtotal of Deductions
650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 664 = 17,252,057. 680 17,252,057.

Net income (loss) for Ontario Purposes 600 + 640 - 680 = 690 3,578,771.
Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
nce at Beginning of Year	700 (2) 4,013,774	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 0	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 0	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 3,578,771	715 (4) 0	724 0	734 (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 18 0	716 (2) to Page 18 0	726 (2) to Page 18 0	736 (2) to Page 18 0	746 0	
Subtotal	707 3,578,771	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 435,003	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

To the extent of applicable gains/income/at-risk amount only.

Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1994-09-30				850 0	870 0
801 1995-09-30				851 0	871 0
802 1996-09-30				852 0	872 0
803 1997-09-30	820 0	830 0	840 0	853 0	873 0
804 1998-09-30	821 0	831 0	841 0	854 0	874 0
805 1999-09-30	822 0	832 0	842 0	855 0	875 0
806 2000-09-30	823 0	833 0	843 0	856 0	876 0
807 2001-09-30	824 0	834 0	844 0	857 0	877 0
808 2001-12-31	825 435,003	835 0	845 0	858 0	878 0
9 2002-12-31	826 0	836 0	846 0	859 0	879 0
Total	829 435,003	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- After applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 0	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF) / Taxation Year Ending (year month day)				
i) 3rd preceding ____ 901 ____	911 0	921 0	931 0	941 0
ii) 2nd preceding ____ 902 ____	912 0	922 0	932 0	942 0
iii) 1st preceding ____ 903 ____	913 0	923 0	933 0	943 0
Total loss to be carried back	From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward	919 0	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		0.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		217,007.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		217,007.
Subtract: Payments	- 960		188,701.
Capital Gains Refund (s.48)	- 965		0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	- 985		0.
Specified Tax Credits *(Refer to Guide)*	- 955		0.
Other (specify) ____	-		0.
Balance	= 970		28,306.
If payment due	Enclosed * 990		28,306.
If overpayment: Refund *(Refer to Guide)*	- 975		0.
Apply to (year month day)	980		0.

(includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the MINISTER OF FINANCE*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

Luc Perron
Title

CFO
Full Residence Address

Signature | Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Loans

Due to City of Oshawa	23,063,665.00
Customer deposits	4,339,007.00
Other (Development Fund)	788,622.00
Deferred revenue	79,133.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	28,270,427.00

	0.00
Securities Held for Deposit	12,725.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	12,725.00

UCC vs NBV

UCC per Ont Sch. 8	-52,345,616.00
NBV per F/S	36,745,759.00
less: land	-98,896.00
less: WIP	-2,181,430.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	-17,880,183.00

Non-deductible reserves

Employee future benefits	6,795,569.00
Employee sick leave benefits	449,242.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,344,811.00

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

DOLLARS ONLY

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 **2,927,147.**

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes	+ 2101	0.	
Provision for deferred income taxes (credits)	+ 2102	0.	
Equity income from corporations	+ 2103	0.	
Share of partnership(s)/joint venture(s) income	+ 2104	0.	
Dividends received/receivable deductible under fed.s.112	+ 2105	0.	
Dividends received/receivable deductible under fed.s.113	+ 2106	0.	
Dividends received/receivable deductible under fed.s.83(2)	+ 2107	0.	
Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1) 0. X 9/4	+ 2108	0.	
Subtotal	=	0.	- 2109 0.

Add (to extent reflected in net income/loss):

Provision for current taxes	+ 2110	110,000.	
Provision for deferred income taxes (debits)	+ 2111	0.	
Equity losses from corporations	+ 2112	0.	
Share of partnership(s)/joint venture(s) losses	+ 2113	0.	
Dividends that have been deducted to arrive at net income per Financial Statements. *Applies* to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2114	0.	
Subtotal	=	110,000.	+ 2115 110,000.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	+ 2116	0.	or - 2117	0.	
** Fed.s.85.1	+ 2118	0.	or - 2119	0.	
** Fed.s.97	+ 2120	0.	or - 2121	0.	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2122	0.	or - 2123	0.	
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2124	0.	or - 2125	0.	
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ 2126	0.	or - 2127	0.	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	- 2150	0.			
Subtotal (Additions)	=	0.	+ 2128	0.	
Subtotal (Subtractions)	=	0.	- 2129	0.	

** Other adjustments ± 2130 **0.**

Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130 = 2131 **3,037,147.**

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss ± 2132 **0.**

Adjusted net income (loss) (if loss, transfer to 2202 *in Schedule B: Continuity of CMT Losses Carried Forward, Page 20.)* = 2133 **3,037,147.**

Deduct: * CMT losses: pre-1994 Loss + From 2210 **0.**

* CMT losses other eligible losses + From 2211 **3,037,147.**

CMT losses applied cannot exceed adjusted net income or increase a loss = **3,037,147.** - 2134 **3,037,147.**

Retain calculations. Do not submit with this tax return.

CMT Base = 2135 **0.**

Transfer to CMT Base on Page 8

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)				2201	4,134,650.
Add: Current year's losses		2202	0.		
Losses from predecessor corporations on amalgamation (3)		2203	0.		
Losses from predecessor corporations on wind-up (3)		2204	0.		
Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes					
Subtotal	=	0.	2207	0.	
Adjustments (attach schedule)			± 2208	0.	
CMT losses available 2201 + 2207 ± 2208			= 2209	4,134,650.	
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income		2210	0.		
Other eligible losses utilized during the year to reduce adjusted net income (4)		2211	3,037,147.		
Losses expired during the year		2212	0.		
Subtotal	=	3,037,147.	2213	3,037,147.	
Balances at End of Year (5) 2209 − 2213			= 2214	1,097,503.	

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	2001-12-31	2260 1,097,503	2280 0
2241	2002-12-31	2261 0	2281 0
2242		2262 0	2282 0
2243		2263 0	2283 0
2244		2264 0	2284 0
2245		2265 0	2285 0
2246		2266 0	2286 0
2247		2267 0	2287 0
2248		2268 0	2288 0
[illegible]		2269 0	2289 0
Totals		2270 1,097,503	2290 0

The sum of amounts 2270 + 2290 *must equal amount in* 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1) . . . . . + 2301 0.

Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL) . . . . . + From 280 0.

CMT Credit Carryovers from predecessor corporations (2) . . . . . + 2302 0.

Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes

Subtotal . . . . . = 0. + 2305 0.

Adjustments *(Attach schedule)* . . . . . ± 2306 0.

CMT credit carryover available 2301 + 2305 ± 2306 . . . . . = 2307 0.

Transfer to Page 8

Subtract: CMT Credit utilized during the year to reduce income tax (Page 8) + From 310 0.

CMT Credit expired during the year . . . . . + 2308 0.

Subtotal . . . . . = 0. − 2309 0.

Balance at End of Year (3) 2307 − 2309 . . . . . = 2310 0.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	2001-12-31	2360 0	2380 0
2341	2002-12-31	2361 0	2381 0
2342		2362 0	2382 0
2343		2363 0	2383 0
2344		2364 0	2384 0
2345		2365 0	2385 0
2346		2366 0	2386 0
2347		2367 0	2387 0
2348		2368 0	2388 0
2349		2369 0	2389 0
Totals		2370 0	2390 0

The sum of amounts 2370 + 2390 *must equal amount in* 2310.

Corp. Tax Acct. No. : 1800157 Year Ended: 2002-12-31

ONTARIO CT23 SUPPLEMENTARY - LIST OF ASSOCIATED CORPORATIONS

Name of Associated Corporation	Ontario Corp. Tax Number	Taxation Year end	Taxable Capital	Total Assets (Note 1)	Total Revenue (Note 1)	Taxable Income (Note 2)	No Perm Estab in Canada
OSHAWA POWER AND UTILITIES COR		2002-12-31	2,658	23,068,280	90,000		0
OSHAWA PUC ENERGY SERVICES INC		2002-12-31	1,001	1,001	1		1
OSHAWA PUC SERVICES INC.		2002-12-31	1,001	1,001	1		1
TOTALS			4,660	23,070,282	90,002		2

Note 1: Enter total assets and total revenues only if "Corporate Minimum Tax (CMT)" is applicable.

Note 2: Enter Taxable Income amounts only if "Surtax on a CCPC" is applicable (i.e. IDSBC is applicable).

Ontario CT23 Supplementary

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? (Y/N) N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	50,127,582	2,140,054	0	0	52,267,636	1,070,027	51,197,609	4	0	0	2,047,904	50,219,732
8	710,042	0	0	0	710,042	0	710,042	20	0	0	142,008	568,034
10	1,964,008	65,447	0	30,002	1,999,453	17,722	1,981,731	30	0	0	594,519	1,404,934
12	72,950	0	0	0	72,950	0	72,950	100	0	0	72,950	0
42	122,189	0	0	0	122,189	0	122,189	12	0	0	14,663	107,526
13	43,681	0	0	0	43,681	0	43,681		0	0	9,200	34,481
13	0	12,121	0	0	12,121	6,060	6,061		0	0	1,212	10,909
Total	53,040,452	2,217,622	0	30,002	55,228,072	1,093,809	54,134,263		0	0	2,882,456	52,345,616
									Enter in boxes	[650]	[650]	[650] on the CT23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100 2 and 2.2. of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

FEDERAL TAX INSTALMENTS

For The Taxation Year Ended: 2003-12-31

The following is a list of federal instalments payable for the current taxation year. The last column indicates the instalments payable to Revenue Canada. The instalments are due no later than on the dates indicated, otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Receiver General. Payment may be made either to an authorized financial institution or filed with form T9 (instalment form) and addressed to the appropriate Revenue Canada Taxation Centre.

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2003-01-31	9,275	0	0	9,275
2003-02-28	9,275	0	0	9,275
2003-03-31	9,275	0	0	9,275
2003-04-30	9,275	0	0	9,275
2003-05-31	9,275	0	0	9,275
2003-06-30	9,275	0	0	9,275
2003-07-31	9,275	0	0	9,275
2003-08-31	9,275	0	0	9,275
2003-09-30	9,275	0	0	9,275
2003-10-31	9,275	0	0	9,275
2003-11-30	9,275	0	0	9,275
2003-12-31	9,275	0	0	9,275
Total	111,300	0		111,300

Indicate Instalment Method Chosen [1-3]: 1
1st Instalment Base Method

If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

1. 1st INSTALMENT BASE METHOD

1st Instalment Base Amount (Amount (I) Below)	111,299	/ 12	=	9,275
Monthly Instalments Required				9,275

2. COMBINED 1st AND 2nd INSTALMENT BASE METHOD

2nd Instalment Base Amount:

Indicate:

Part I Tax	0			
Part I.3, VI & VI.I Tax	103,597			
Provincial Tax	0			
Total	103,597	/ 12	= (A)	8,634
Less: 1/12 of Estimated Current Yr Credits [(H) below / 12]				0
Each of the first 2 Instalment Payments			= (B)	8,634
al tax from (I) below	111,299			
Less: Amount (B) above x 2	17,268			
	94,031	/ 10	=	9,404
Each of the remaining 10 Instalment Payments				9,404

3. ESTIMATED TAX METHOD

Instalment Base Amount (Amount (I) Below)	0	/ 12	=	0
Monthly Instalments Required				0

INSTALMENT BASE CALCULATION

	1st Instalment Base Method	Estimated Tax Method
Taxable Income	0	0
CALCULATION OF TAX PAYABLE		
Total of:		
Federal Part I Tax	0	0
Federal Surtax	0	0
Refundable Tax on a CCPC's Investment Income	0	0
Subtotal (A)	0	0
Less Total of:		
Small Business Deduction	0	0
Investment Corporation Deduction	0	0
Federal Tax Abatement	0	0
Manufacturing and Processing Profits Deduction	0	0
Non-Business Foreign Tax Credit	0	0
Business Foreign Tax Credit	0	0
Tax Reduction, General and Accelerated	0	0
Logging Tax Credit	0	0
Federal Political Contribution Tax Credit	0	0
Investment Tax Credit Per T2038	0	0
Qualifying Environmental Trust Tax Credit	0	0
Subtotal (B)	0	0
Total Part I Tax Payable (A) - (B) = (C)	0	0
Add: Part I.3 Tax (D)	111,299	0
Part VI Tax (D.1)	0	0
Part VI.I Tax (D.2)	0	0
Provincial/Territorial Tax (E)	0	0
Total Parts I, I.3, VI, VI.I and Provincial/Territorial Tax = (F)	111,299	0
Adjustment for Short Taxation Years:		
x 365/# of days in year if < 365	365 / 365	365 / 0
(G)	111,299	0
Less - Estimated Current Year Credits:		
Investment Tax Credit Refund	0	0
Dividend Refund	0	0
Federal Capital Gains Refund	0	0
Provincial and Territorial Capital Gains Refund	0	0
NRO Allowable Refund per Sch. 26	0	0
Tax Withheld at Source	0	0
Other Estimated Credits	0	0
Total Estimated Current Year Credits (H)	0	0
INSTALMENT BASE AMOUNT (G) - (H) = (I)	111,299	0

ONTARIO TAX INSTALMENTS

For The Taxation Year Ended: 2003-12-31

The following is a list of Ontario instalments payable for the current taxation year. The last column indicates the instalments payable to the Ontario Ministry of Revenue. The instalments are due no later than on the dates indicated otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Minister of Finance. Payment may be made either to a chartered bank in Ontario or filed with an instalment form and addressed to:

Ministry of Revenue (Ontario)
Corporation Tax Branch
P.O. Box 620
33 King Street West
Oshawa, Ontario
L1H 8E9

Quarterly Instalment

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2003-03-31	0	0	0	0
2003-06-30	0	0	0	0
2003-09-30	0	0	0	0
2003-12-31	0	0	0	0
	0	0		0

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2003-01-31	18,084	0	0	18,084
2003-02-28	18,084	0	0	18,084
2003-03-31	18,084	0	0	18,084
2003-04-30	18,084	0	0	18,084
2003-05-31	18,084	0	0	18,084
2003-06-30	18,084	0	0	18,084
2003-07-31	18,084	0	0	18,084
2003-08-31	18,084	0	0	18,084
2003-09-30	18,084	0	0	18,084
2003-10-31	18,084	0	0	18,084
2003-11-30	18,084	0	0	18,084
2003-12-31	18,084	0	0	18,084
Total	217,008	0		217,008

Indicate Instalment Method Chosen [1-3]: 1

1. 1st Instalment Base Method
2. Combined 1st and 2nd Instalment Base Method
3. Estimated Tax Method

Do not used the quarterly payment even if applicable "X" to continue monthly payments . . . . . [ ]

If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

1. 1st INSTALMENT BASE METHOD

1st Instalment Base Amount (Amt (I) Below)	217,007	/ 12	=	18,084
			Monthly Instalments Required	18,084
			Quarterly Instalments Required	0

2. COMBINED 1st AND 2nd INSTALMENT BASE METHOD

2nd Instalment Base Amount:

Indicate:	Income Tax, C.M.T	0			
	Capital Tax, Prem. Tax	205,555			
	Total	205,555	/ 12	= (A)	17,130
Each of the first 2 Instalment Payments				= (B)	17,130
Total tax from (I) below		217,007			
Less: Amount (A) above x 2		34,260			
		182,747	/ 10	=	18,275
Each of the remaining 10 Instalment Payments				=	18,275
				Quarterly Instalments Required	0

3. ESTIMATED TAX METHOD

Instalment Base Amount (Amt (I) Below)	0	/ 12	=	0
			Monthly Instalments Required	0
			Quarterly Instalments Required	0

INSTALMENT BASE CALCULATION

		1st Instalment Base Method	Estimated Tax Method
Ontario Taxable Income		0	0
CALCULATION OF TAX PAYABLE			
Gross Ontario Tax	(A)	0	0
Less Total of:			
Incentive Deduction for an S.B.C., net of surtax		0	0
Manufacturing and Processing Profits Credit		0	0
Additional deduction for credit unions		0	0
Credit for foreign taxes paid		0	0
Credit for Investment in S.B.D.C		0	0
Specified credits applied against income tax		0	0
Total Deduction and Credits	(B)	0	0
Income Tax (A) - (B) =	(C)	0	0
Add: Capital Tax	(D)	217,007	0
Corporate minimum tax paid (credited)	(E)	0	0
Premium Tax	(F)	0	0
Total Income Tax and Other Taxes (C+D+E+F) =	(G)	217,007	0
Adjustment for Short Taxation Years			
x 365 / number of days in year if < 365		365 / 365	365 / 365
	(H)	217,007	0
Less: Total estimated current year credits		0	0
	(I)	217,007	0

Appendix 21

2003 T2 Federal Tax Return

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

200
Code 0301

055 Do not use this area

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the corresponding items in the *T2 Corporation – Income Tax Guide* (T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

Identification

Business Number (BN) 001 891725210RC0001

Corporation's name

002 Oshawa PUC Networks Inc. PILs

Has the corporation changed its name since the last time we were notified? 003 1 Yes [ ] 2 No [X]

If *Yes*, do you have a copy of the articles of amendment? 004 1 Yes [ ] 2 No [ ]

Address of head office

Has the address changed since the last time we were notified? 010 1 Yes [ ] 2 No [X]

011 100 Simcoe Street South

012

City	Province, territory, or state
015 Oshawa	016 ON
Country (other than Canada)	**Postal code/ZIP code**
017	018 L1H-7M7

Mailing address (if different from head office address)

Has the address changed since the last time we were notified?

020 1 Yes [ ] 2 No [X]

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal code/ZIP code**
027	028

Location of books and records

031 100 Simcoe Street South

032

City	Province, territory, or state
035 Oshawa	036 ON
Country (other than Canada)	**Postal code/ZIP code**
037	038 L1H-7M7

040 **Type of corporation at the end of the taxation year**

1 [X] Canadian-controlled private corporation (CCPC)
2 [ ] Other private corporation
3 [ ] Public corporation
4 [ ] Corporation controlled by a public corporation
5 [ ] Other corporation (specify, below)

If the type of corporation changed during the taxation year, provide the effective date of the change 043 _____ YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year-end
060 2003-01-01	061 2003-12-31
YYYY/MM/DD	YYYY/MM/DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 1 Yes [ ] 2 No [X]

If *Yes*, give the date control was acquired 065 _____ YYYY/MM/DD

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes [ ] 2 No [X]

Is this the first year of filing after:

Incorporation? 070 1 Yes [ ] 2 No [X]
Amalgamation? 071 1 Yes [ ] 2 No [X]

If *Yes*, complete and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current taxation year? 072 1 Yes [ ] 2 No [X]

If *yes*, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? 076 1 Yes [ ] 2 No [X]

Is this the final return up to dissolution? 078 1 Yes [ ] 2 No [X]

Is the corporation a resident of Canada?

080 1 Yes [X] 2 No [ ] If *No*, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes [ ] 2 No [X]

If *yes*, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

085
1 [ ] Exempt under paragraph 149(1)(e) or (l)
2 [ ] Exempt under paragraph 149(1)(j)
3 [ ] Exempt under paragraph 149(1)(t)
4 [ ] Exempt under other paragraphs of section 149

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules.

Schedules – Answer the following questions. For each *Yes* response, attach to the T2 return the schedule that applies.

Line item			Yes	Schedule
[illegible]	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	X	11
33	If you answered *Yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	X	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172		—
46	For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of cultural or ecological property?	202		2
82,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
69-76	Is the corporation claiming any type of losses?	204	X	4
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
[illegible]	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
103	i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210		10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
150	Is the corporation an investment corporation or a mutual fund corporation?	218		18
131	Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
118	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
111	Does the corporation have any Canadian manufacturing and processing profits?	227		27
121	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661
124	Is the corporation subject to gross Part I.3 tax?	233	X	33/34/35
124	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	X	36
124	Is the corporation claiming a surtax credit?	237		37
128	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
128	Is the corporation claiming a Part I tax credit?	242		42
129	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
125	Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	249		46
[illegible]	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
128	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
128	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
152	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Attachments – continued from page 2

Guide item		Yes	Schedule
130	Is the corporation subject to Part XIII.1 tax?		92 *
153	Is the corporation claiming a film or video production services tax credit refund?		T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		T1134-A
44	Did the corporation have any controlled foreign affiliates?		T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		T1135
44	Did the corporation transfer or loan property to a non-resident trust?		T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
—	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
—	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		T1146
—	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
—	Is the corporation claiming the BC mining exploration tax credit?		421
—	Is the corporation claiming the BC SR&ED tax credit?		T666

Additional information

Is the corporation inactive?	280	1 Yes		2 No	X
Has the major business activity changed since the last return was filed? (enter *Yes* for first-time filers)	281	1 Yes		2 No	X

What is the corporation's major business activity? (Only complete if *Yes* was entered at line 281.) 282 _____

If the major activity involves the resale of goods, indicate whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	Utility Distribution	285	100%
286		287	0%
288		289	0%

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes		2 No	X
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes		2 No	X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300	5,601,489 A
Deduct: Charitable donations from Schedule 2	311	0		
Gifts to Canada, a province, or a territory from Schedule 2	312	0		
Cultural gifts from Schedule 2	313	0		
Ecological gifts from Schedule 2	314	0		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	0		
Part VI.1 tax deduction from Schedule 43	325	0		
Non-capital losses of preceding taxation years from Schedule 4	331	435,003		
Net-capital losses of preceding taxation years from Schedule 4	332	0		
Restricted farm losses of preceding taxation years from Schedule 4	333	0		
Farm losses of preceding taxation years from Schedule 4	334	0		
Limited partnership losses of preceding taxation years from Schedule 4	335	0		
Taxable capital gains or taxable dividends allocated from a central credit union	340	0		
Prospector's and grubstaker's shares	350	0		
Subtotal		435,003		435,003 B
Subtotal (amount A minus amount B) (if negative, enter "0")				5,166,486 C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions			355	0 D
Taxable income (amount C plus amount D)			360	5,166,486
Income exempt under paragraph 149(1)(t)			370	0
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)				5,166,486 Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7 ..... 400 5,601,489 A

Taxable income from line 360 on page 3, **minus** 10/3 of the amount at line 632* on page 7, **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax ... 405 5,166,486 B

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

200,000	x	Number of days in the taxation year before 2003 / Number of days in the taxation year	0 / 365	=	0	1
225,000	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365 / 365	=	225,000	2
250,000	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	0 / 365	=	0	3
275,000	x	Number of days in the taxation year in 2005 / Number of days in the taxation year	0 / 365	=	0	3.1

Add amounts at lines 1, 2, 3, and 3.1 225,000 4

Business limit (see notes 1 and 2 below) ..... 410 225,000 C

Notes: 1. For CCPCs that are note associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of dyas in the taxation year divided by 365, and enter the result on line 410.

2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line 410.

Business limit reduction:

Amount C 225,000 x 415 *** 111,301 D / 11,250 = ... 2,226,020 E

Reduced business limit (amount C minus amount E) (if negative, enter "0") ..... 425 0 F

Small business deduction - 16.00% of whichever amount is least: A, B, C, or F (enter amount G on line 9 of page 7) ..... 430 0 G

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

*** **Large corporation tax**

- The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada minus $10,000,000).
- If the corporation is not associated with any corporation in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporation in the current taxation year, but was associated in the preceding taxation year, and its current taxation year:
  - starts before December 21, 2002, enter the corporation's gross Part I.3 tax for its **preceding** taxation year; or
  - starts after December 20, 2002, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425) ..... 0 x 300,000 / line 4 above = 0 A

Net active business income (amount from line 400) * ..... 5,601,489 B

Taxable income from line 360 on page 3 **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt for Part I Tax ..... 5,166,486 C

Deduct:

Aggregate investment income (amount from line 440 of page 6) ..... 0 D

Amount C minus amount D (if negative, enter "0") ..... 5,166,486 5,166,486 E

Amount A, B, or E above, whichever is less ..... 0 F

Amount Z from Part 9 of Schedule 27 ..... 0 x 100/7 = 0 G

Amount QQ from Part 13 of Schedule 27 ..... 0 H

Taxable resource income from line 435 of page 5 ..... 0 I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) .. 0 J

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less .. 0 K

Total of amounts G, H, I, J, and K ..... 0 0 L

Amount F minus amount L (if negative, enter "0") ..... 0 M

Accelerated tax reduction - 7% of amount M (enter amount N on line 637 of page 7) ..... 0 N

* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction

Taxable resource income ... 435 | 0 A

Amount A	0	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365/365	x 1% =	0 B
Amount A	0	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	0/365	x 2% =	0 C
Amount A	0	x	Number of days in the taxation year in 2005 / Number of days in the taxation year	0/365	x 3% =	0 C.1

Resource deduction – total of amounts B, C, and C.1 ... 438 | 0 D
(enter amount D on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3 ... 5,166,486 E

Amount Z from Part 9 of Schedule 27	0 x 100/7	0 F	
Amount QQ from Part 13 of Schedule 27		0 G	
Taxable resource income from line 435 above		0 H	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 I	
Amount on line 400, 405, 410, or 425 on page 4, whichever is less		0 J	
Aggregate investment income from line 440 of page 6		0 K	
Amount used to calculate the accelerated tax reduction (amount M of page 4)		0 L	
Total of amounts F, G, H, I, J, K, and L		0	0 M

Amount E minus amount M (if negative, enter "0") ... 5,166,486 N

Amount N	5,166,486	x	Number of days in the taxation year in 2001 / Number of days in the taxation year	0/365	x 1% =	0
Amount N	5,166,486	x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0/365	x 3% =	0 O
Amount N	5,166,486	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365/365	x 5% =	258,324 P
Amount N	5,166,486	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0/365	x 7% =	0 Q

General tax reduction for Canadian-controlled private corporations - total of amounts year 2001, O, P, and Q ... 258,324 R
(enter amount R on line 638 of page 7)

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 of page 3 ... 0 S

Amount Z from Part 9 of Schedule 27	0 x 100/7	0 T	
Amount QQ from Part 13 of Schedule 27		0 U	
Taxable resource income from line 435 above		0 V	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 W	
Total of amounts T, U, V, and W		0	0 X

Amount S minus amount X (if negative, enter "0") ... 0 Y

Amount Y	0	x	Number of days in the taxation year in 2001 / Number of days in the taxation year	0/365	x 1% =	0
Amount Y	0	x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0/365	x 3% =	0 Z
Amount Y	0	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365/365	x 5% =	0 AA
Amount Y	0	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0/365	x 7% =	0 BB

General tax reduction - total of amounts year 2001, Z, AA, and BB ... 0 CC
(enter amount CC on line 639 of page 7)

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income .... 440 0 x 26 2/3% = ... 0 A
(amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

Foreign investment income ..... 445 0 x 9 1/3% = ... 0
(amount O from Part 1 of Schedule 7) (if negative, enter "0") 0 0 B

Amount A minus amount B (if negative, enter "0") ..... 0 C

Taxable income from line 360 on page 3 5,166,486

Deduct:

Amount on line 400, 405, 410, or 425 on page 4, whichever is less 0

Foreign non-business income tax credit from line 632 of page 7 ..... 0 x 25/9 = 0

Foreign business income tax credit from line 636 of page 7 ..... 0 x 3 = 0

0 0

5,166,486 x 26 2/3% = 1,377,730 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 1,246,157

Deduct: Corporate surtax from line 600 of page 7 57,865

Net amount ..... 1,188,292 1,188,292 E

Refundable portion of Part I tax – Amount C, D, or E, whichever is less ..... 450 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 0

Deduct: Dividend refund for the previous taxation year 465 0

0 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 0

Total Part IV tax payable from line 360 on page 2 of Schedule 3 0

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480 0

0 0 B

Refundable dividend tax on hand at the end of the taxation year – Amount A plus amount B 485 0

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 ..... 0 x 1/3 0 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above ..... 0 B

Dividend refund – Amount A or B, whichever is less (enter this amount on line 784 of page 8) 0

Part I tax

Base amount of Part I tax – 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 1,963,265 A

Corporate surtax calculation

Base amount from line A above	1,963,265	1
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	516,649	2
Investment corporation deduction from line 620 below	0	3
Federal logging tax credit from line 640 below	0	4
Federal qualifying environmental trust tax credit from line 648 below	0	5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is less:

28.00% of taxable income from line 360 of page 3	0	a	
28.00% of taxed capital gains	0	b	0 6
Part I tax otherwise payable (line A **plus** lines C and D **minus** line F)	0	c	
Total of lines 2 to 6			516,649 7
Net amount (line 1 minus line 7)			1,446,616 8

Corporate surtax – 4.00% of the amount on line 8 ..... 600 57,865 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 ..... 602 0 C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6		0	i
Taxable income from line 360 on page 3	5,166,486		
Deduct:			
Amount on line 400, 405, 410, or 425 of page 4, whichever is less	0		
Net amount	5,166,486	5,166,486	ii

Refundable tax on CCPC's investment income – 6 2/3% of the lesser of amounts i or ii ..... 604 0 D

Subtotal (add lines A, B, C, and D) 2,021,130 E

Deduct:

Small business deduction from line 430 of page 4		0	9
Federal tax abatement	608	516,649	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27	616	0	
Investment corporation deduction	620	0	
(taxed capital gains 624 0)			
Additional deduction – credit unions from Schedule 17	628	0	
Federal foreign non-business income tax credit from Schedule 21	632	0	
Federal foreign business income tax credit from Schedule 21	636	0	
Accelerated tax reduction from amount N of page 4	637	0	
Resource deduction from line 438 of page 5		0	10
General tax reduction for CCPCs from amount R of page 5	638	258,324	
General tax reduction from amount CC of page 5	639	0	
Federal logging tax credit from Schedule 21	640	0	
Federal political contribution tax credit	644	0	
Federal political contributions 646 0			
Federal qualifying environmental trust tax credit	648	0	
Investment tax credit from Schedule 31	652	0	
Subtotal		774,973	774,973 F

Part I tax payable – Line E minus line F (enter amount G on line 700 of page 8) ..... 1,246,157 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	1,246,157
Part I.3 tax payable from Schedule 33, 34, or 35	704	59,096
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
	Total federal tax	1,305,253

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0
		0
	Total tax payable 770	1,305,253 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0
Dividend refund from page 6	784	0
Federal capital gains refund from Schedule 18	788	0
Federal qualifying environmental trust tax credit refund	792	0
Canadian film or video production tax credit refund from Form T1131	796	0
Film or video production services tax credit refund from Form T1177	797	0
Tax withheld at source	800	0
Total payments on which tax has been withheld 801		0
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0
Provincial and territorial capital gains refund from Schedule 18	808	0
Provincial and territorial refundable tax credits from Schedule 5	812	0
Royalties deductible under Syncrude Remission Order 815		0
Tax remitted under Syncrude Remission Order	816	0
Tax instalments paid	840	1,305,253
Total credits	890	1,305,253
	Balance (line A minus line B)	1,305,253 B
		0

Refund code 894 1 Overpayment 0

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.

Enter the amount on whichever line applies.
We do not charge or refund a difference of less than $2.

Balance unpaid 0

Enclosed payment 898 0

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information 910 Branch number

914 Institution number 918 Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 Chase (Last name in block letters) 951 Michael (First name in block letters) 954 Controller (Position, office or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation 956 905-723-4626 Telephone number

Is the contact person the same as the authorized signing officer? If *No*, complete the information below 957 1 Yes ☒ 2 No ☐

958 Name in block letters 959 Telephone number

Language of correspondence - Langue de correspondance

990 Indicate the language of your choice.
Indiquer la langue de correspondance de votre choix. 1 English/Anglais ☒ 2 Français/French ☐

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Identification of the corporation (Imported Data)

Name of the corporation	Oshawa PUC Networks Inc.		
Business Number	891725210RC0001	Taxation year end	
Address	100 Simcoe Street South	City	Oshawa
Province, Territory	ON	Postal code	L1H-7M7

Balance Sheet

GIFI	Account	Description		Amount	Prior Year
Assets					
1599		Total current assets	+	36,994,000	33,163,677
2008		Total tangible capital assets	+	94,891,000	90,911,000
2009		Total accumulated amortization of tangible capital assets	-	57,086,000	54,165,000
2178		Total intangible capital assets	+	0	0
2179		Total accumulated amortization of intangible capital assets	-	0	0
2589		Total long term assets	+	2,961,000	1,971,000
2590		Assets held in trust	+	0	0
2599		**Total Assets** (mandatory field)	=	77,760,000	71,880,677
Liabilities					
3139		Total current liabilities		15,723,000	12,401,000
3450		Total long term liabilities		35,605,323	35,616,000
3460		Subordinated debt		0	0
3470		Amounts held in trust		0	0
3499		**Total liabilities** (mandatory field)		51,328,323	48,017,000
Shareholder equity					
3620		**Total shareholder equity** (mandatory field)		26,431,677	23,863,677
3640		**Total Liabilities and Shareholder Equity**		77,760,000	71,880,677
3849		**Retained Earnings/Deficit - End** (mandatory field)		3,368,011	800,011

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Current Assets

GIFI	Account	Description		Amount	Prior year
Cash and deposits					
1000	*	Cash and deposits		20,555,000	11,276,000
1001		Cash		0	0
1002		Deposits in Canadian banks and institutions - Canadian currency		0	0
1003		Deposits in Canadian banks and institutions - Foreign currency		0	0
1004		Deposits in foreign banks - Canadian currency		0	0
1005		Deposits in foreign banks - foreign currency		0	0
1006		Credit union central deposits		0	0
1007		Other cash like instruments		0	0
		Cash and deposits	+	20,555,000	11,276,000
Accounts receivable					
1060	*	Accounts receivable		0	0
1062		Trade accounts receivable		5,323,000	8,032,000
1064		Trade accounts receivable from related parties		0	0
[illegible]		Taxes receivable		0	0
1067		Interest receivable		0	0
1068		Holdbacks receivable		0	0
1069		Leases receivable		0	0
1071		Accounts receivable from employees		0	0
1073		Amounts receivable from members of NPOs		0	0
		Accounts receivable	+	5,323,000	8,032,000
Allowance for doubtful accounts					
1061	*	Allowance for doubtful accounts		0	0
1063		Allowance for doubtful trade accounts receivable		0	0
1065		Allowance for doubtful trade accounts receivable related parties		0	0
1070		Allowance for doubtful amounts contained in leases receivable		0	0
1072		Allowance for doubtful accounts receivable from employees		0	0
		Allowance for doubtful accounts	-	0	0

Inventories

	*	Inventories	481,000	1,277,000
1121		Inventory of goods for sale	0	0
1122		Inventory parts and supplies	0	0
1123		Inventory properties	0	0
1124		Inventory of aggregates	0	0
1125		Work in progress	0	0
1126		Raw materials	0	0
1127		Inventory of securities	0	0
		Inventories	+ 481,000	1,277,000

Short term investments

1180	*	Short term investments	0	0
1181		Canadian term deposits	0	0
1182		Canadian shares	0	0
1183		Canadian bonds	0	0
1184		Canadian treasury bills	0	0
1185		Securities purchased under resale agreements	0	0
1186		Other short term Canadian investments	0	0
1187		Short term foreign investments	0	0
		Short term investments	+ 0	0

Loans and notes receivable

1240	*	Loans and notes receivable	0	0
1241		Demand loans receivable	0	0
1242		Other loans receivable	0	0
1243		Notes receivable	0	0
1244		Mortgages receivable	0	0
		Loans and notes receivable	+ 0	0

Due from shareholder(s)/director(s)

1300	*	Due from shareholder(s)/director(s)	0	0
1301		Due from individual shareholder(s)	0	0
1302		Due from corporate shareholder(s)	0	0
1303		Due from director(s)	0	0
		Due from shareholder(s)/director(s)	+ 0	0

1360		Investment in joint venture(s)/partnership(s)	+ 0	0
1380		Due from joint venture(s)/partnerships(s)	+ 0	0

Due from/investment in related parties

	*	Due from/investment in related parties	336,000	15,000
1401		Demand notes from related parties	0	0
1402		Interest receivable from related parties	0	0
1403		Loans/advances due from related parties	0	0
		Due from/investment in related parties +	336,000	15,000

1460		Customers' liability under acceptances +	0	0

Other current assets

1480	*	Other current assets	10,258,000	12,418,677
1481		Deferred income taxes	0	0
1482		Accrued investment income	0	0
1483		Taxes recoverable/refundable	0	0
1484		Prepaid expenses	41,000	145,000
1485		Drilling advances	0	0
1486		Security/tender deposits	0	0
		Other current assets +	10,299,000	12,563,677

		Total Current Assets =	36,994,000	33,163,677

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Tangible Capital Assets

GIFI	Account	Description		Amount	Prior year
1600		Land	+	99,000	99,000
1601		Land improvements	+	0	0

Depletable assets

1620	*	Depletable assets		0	0
1622		Petroleum and natural gas properties		0	0
1624		Mining properties		0	0
1626		Deferred exploration and development charges		0	0
1628		Quarries		0	0
1630		Gravel pits		0	0
1632		Timber limits		0	0
		Depletable assets	+	0	0

Buildings

1680	*	Buildings		534,000	534,000
1682		Manufacturing and processing plant		0	0
		Buildings under construction		0	0
		Buildings	+	534,000	534,000

Machinery, equipment, furniture and fixtures

1740	*	Machinery, equipment, furniture and fixtures		2,511,000	2,424,000
1742		Motor vehicles		3,245,000	3,235,000
1744		Tools and dies		0	0
1746		Construction and excavating equipment		0	0
1748		Forestry and logging equipment		0	0
1750		Fishing gear and nets		0	0
1752		Mining equipment		0	0
1754		Oil and gas systems		0	0
1756		Production equipment for resource industries		0	0
1758		Production equipment for other than resource industries		0	0
1760		Exploration equipment		0	0
1762		Shipping equipment		0	0
1764		Ships and boats		0	0
1766		Aircraft		0	0
1768		Signs		0	0

Machinery, equipment, furniture and fixtures (cont'd)

	Small tools		0	0
1772	Radio and communication equipment		0	0
1774	Computer equipment/software		1,736,000	1,544,000
1776	Musical instruments		0	0
1778	Satellites		0	0
1780	Earth stations		0	0
1782	Machinery and equipment under construction		1,731,000	2,183,000
1783	Transportation equipment		85,035,000	80,892,000
1785	Other machinery and equipment		0	0
1787	Furniture and fixtures		0	0
	Machinery, equipment, furniture and fixtures	+	94,258,000	90,278,000

Other tangible capital assets

1900	* Other tangible capital assets		0	0
1902	Logging roads		0	0
1904	Asphalt and parking areas		0	0
1906	Wharves		0	0
1908	Fences		0	0
1910	Capital leases - buildings		0	0
1912	Capital leases - equipment		0	0
1914	Capital leases - vehicles		0	0
1916	Capital leases - others		0	0
1918	Leasehold improvements		0	0
1920	Other capital assets under construction		0	0
	Campsites		0	0
	Other tangible capital assets	+	0	0

2008	**Total Tangible Capital Assets**	=	94,891,000	90,911,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Accumulated Amortization of Tangible Capital Assets

GIFI	Account	Description		Amount	Prior year
1602		Land improvements	+	0	0
		Accumulated amortization of depletable assets			
1621	*	Depletable assets		0	0
1623		Petroleum and natural gas properties		0	0
1625		Mining properties		0	0
1627		Deferred exploration and development charges		0	0
1629		Quarries		0	0
1631		Gravel pits		0	0
1633		Timber limits		0	0
		Accumulated amortization of depletable assets	+	0	0
		Accumulated amortization of buildings			
1681	*	Buildings		250,000	204,000
1683		Manufacturing and processing plant		0	0
		Accumulated amortization of buildings	+	250,000	204,000
		Accumulated amortization of machinery, equipment, furniture and fixtures			
1741	*	Machinery, equipment, furniture and fixtures		2,191,000	2,080,000
1743		Motor vehicles		2,779,000	2,664,000
1745		Tools and dies		0	0
1747		Construction and excavating equipment		0	0
1749		Forestry and logging equipment		0	0
1751		Fishing gear and nets		0	0
1753		Mining equipment		0	0
1755		Oil and gas systems		0	0
1757		Production equipment for resource industries		0	0
1759		Production equipment for other than resource industries		0	0
1761		Exploration equipment		0	0
1763		Shipping equipment		0	0
1765		Ships and boats		0	0
1767		Aircraft		0	0
1769		Signs		0	0
1771		Small tools		0	0
1773		Radio and communication equipment		0	0
1775		Computer equipment/software		1,533,000	1,459,000
1777		Musical instruments		0	0
1779		Satellites		0	0
1781		Earth stations		0	0
1784		Transportation equipment		50,333,000	47,758,000
1786		Other machinery and equipment		0	0
1788		Furniture and fixtures		0	0
		Accumulated amortization of machinery, equipment, furniture and fixtures	+	56,836,000	53,961,000

Accumulated amortization of other tangible capital assets

	*	Other tangible capital assets	0	0
1903		Logging roads	0	0
1905		Asphalt and parking areas	0	0
1907		Wharves	0	0
1909		Fences	0	0
1911		Capital leases - buildings	0	0
1913		Capital leases - equipment	0	0
1915		Capital leases - vehicles	0	0
1917		Capital leases - others	0	0
1919		Leasehold improvements	0	0
1922		Campsites	0	0
		Accumulated amortization of other tangible capital assets +	0	0

2009		**Total Accumulated Amortization of Tangible Capital Assets** =	57,086,000	54,165,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Long Term Assets

GIFI		Account	Description		Amount	Prior year
Due from shareholder(s)/director(s)						
2180	*		Due from shareholder(s)/director(s)		0	0
2181			Due from individual shareholder(s)		0	0
2182			Due from corporate shareholder(s)		0	0
2183			Due from director(s)		0	0
			Due from shareholder(s)/director(s)	+	0	0
2190			Due from members	+	0	0
2200			Investment in joint venture(s)/partnership(s)	+	0	0
2220			Due from joint venture(s)/partnership(s)	+	0	0
Due from/investment in related parties						
2240	*		Due from/investment in related parties		0	0
2241			Due from/investment in Canadian related parties		0	0
2242			Shares in Canadian related corporations		0	0
			Loans/advances to Canadian related corporations		0	0
2244			Investment in Canadian related corporations at cost		0	0
2245			Investment in Canadian related corporations at equity		0	0
2246			Due from/investment in foreign related parties		0	0
2247			Shares in foreign related corporations		0	0
2248			Loans/advances to foreign related corporations		0	0
2249			Investment in foreign related corporations at cost		0	0
2250			Investment in foreign related corporations at equity		0	0
			Due from/investment in related parties	+	0	0
2280			Investment in co-tenancy	+	0	0

Long term investments

2300	*	Long term investments	0	0
2301		Foreign shares	0	0
2302		Other types of foreign investments	0	0
2303		Canadian shares	0	0
2304		Government of Canada debt	0	0
2305		Canadian, provincial and municipal government debt	0	0
2306		Canadian corporate bonds and debentures	0	0
2307		Debt securities	0	0
2308		Equity securities	0	0
2309		Securities purchased under resale agreements	0	0
2310		Central credit union shares	0	0
2311		Other Canadian long term investments	0	0
		Long term investments +	0	0

Long term loans

2360	*	Long term loans	0	0
2361		Mortgages	0	0
2362		Personal and credit card loans	0	0
2363		Business and government loans	0	0
2364		Line of credit	0	0
		Long term loans +	0	0

Other long term assets

2420	*	Other long term assets	2,961,000	1,971,000
2421		Deferred income taxes	0	0
2422		Deferred pension charges	0	0
2423		Deferred unrealized exchange losses	0	0
2424		Other deferred items/charges	0	0
2426		Reserve fund	0	0
2427		Cash surrender value of life insurance	0	0
		Other long term assets +	2,961,000	1,971,000

2425		Accumulated amortization of deferred charges -	0	0

2589		**Total Long Term Assets** =	2,961,000	1,971,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Current Liabilities

GIFI		Account	Description		Amount	Prior year
2600			Bank overdraft	+	0	0
Amounts payable and accrued liabilities						
2620	*		Amounts payable and accrued liabilities		15,723,000	12,401,000
2621			Trade payables		0	0
2622			Trade payables to related parties		0	0
2623			Holdbacks payable		0	0
2624			Wages payable		0	0
2625			Management fees payable		0	0
2626			Bonuses payable		0	0
2627			Employee deductions payable		0	0
2628			Withholding taxes payable		0	0
2629			Interest payable		0	0
2630			Amounts payable to members of NPOs		0	0
			Amounts payable and accrued liabilities	+	15,723,000	12,401,000
			Taxes payable	+	0	0
Short term debt						
2700	*		Short term debt		0	0
2701			Loans from Canadian banks		0	0
2702			Liability for securities sold short		0	0
2703			Liability for securities sold under repurchase agreements		0	0
2704			Gold and silver certificates		0	0
2705			Cheques and other items in transit		0	0
2706			Lien notes		0	0
			Short term debt	+	0	0
2770			Deferred income	+	0	0
Due to shareholder(s)/director(s)						
2780	*		Due to shareholder(s)/director(s)		0	0
2781			Due to individual shareholder(s)		0	0
2782			Due to corporate shareholder(s)		0	0
2783			Due to director(s)		0	0
			Due to shareholder(s)/director(s)	+	0	0
2840			Due to joint venture(s)/partnership(s)	+	0	0

Due to related parties

	* Due to related parties		0	0
[illegible]	Demand notes due to related parties		0	0
2862	Interest payable to related parties		0	0
2863	Advances due to related parties		0	0
	Due to related parties	+	0	0

2920	Current portion of long term liability	+	0	0
2940	Bankers' acceptances	+	0	0

Other current liabilities

2960	* Other current liabilities		0	0
2961	Deposits received		0	0
2962	Dividends payable		0	0
2963	Deferred income taxes		0	0
2964	Reserve for guarantees, warranties or indemnities		0	0
2965	General provisions/reserves		0	0
2966	Crew shares		0	0
	Other current liabilities	+	0	0

3139	**Total Current Liabilities**	=	15,723,000	12,401,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Long Term Liabilities

GIFI	Account	Description		Amount	Prior year
Long term debt					
3140	*	Long term debt		23,064,000	23,064,000
3141		Mortgages		0	0
3142		Farm credit corporation loan		0	0
3143		Chartered bank loan		0	0
3144		Credit Union/Caisse Populaire loan		0	0
3145		Provincial government loan		0	0
3146		Supply company loan		0	0
3147		Private loan		0	0
3148		Centrals, leagues, and federation loans		0	0
3149		Line of credit		0	0
3150		Liability for securities sold short		0	0
3151		Liability for securities sold under repurchase agreements		0	0
3152		Lien notes		0	0
		Long term debt	+	23,064,000	23,064,000
3200		Deposit liabilities of financial institutions	+	0	0
[redacted]		Bonds and debentures	+	0	0
[redacted]		Deferred income	+	0	0
3240		Deferred income taxes	+	0	0
Due to shareholder(s)/director(s)					
3260	*	Due to shareholder(s)/director(s)		0	0
3261		Due to individual shareholder(s)		0	0
3262		Due to corporate shareholder(s)		0	0
3263		Due to director(s)		0	0
		Due to shareholder(s)/director(s)	+	0	0
3270		Due to members	+	0	0
3280		Due to joint venture(s)/partnership(s)	+	0	0
Due to related parties					
3300	*	Due to related parties		0	0
3301		Amounts owing to related Canadian parties		0	0
3302		Amounts owing to related foreign parties		0	0
		Due to related parties	+	0	0

Other long term liabilities

	*	Other long term liabilities	12,541,323	12,552,000
[3321]		Long term obligations/commitments/capital leases	0	0
[3322]		Reserves for guarantees, warranties or indemnities	0	0
[3323]		Provision for site restoration	0	0
[3324]		Contributions to qualifying environmental trust	0	0
[3325]		General provisions/reserves	0	0
[3326]		Preference shares restated	0	0
[3327]		Member allocations	0	0
[3328]		Deferred revenue from incomplete contracts	0	0
		Other long term liabilities	+ 12,541,323	12,552,000

[3450]		**Total Long Term Liabilities**	= 35,605,323	35,616,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Shareholder Equity

GIFI	Account	Description		Amount	Prior year
Shareholder equity					
3500		Common shares	+	23,063,666	23,063,666
3520		Preferred shares	+	0	0
Contributed and other surplus					
3540	*	Contributed and other surplus		0	0
3541		Contributed surplus		0	0
3542		Appraisal surplus		0	0
3543		General reserve		0	0
		Contributed and other surplus	+	0	0
3570		Head office account	+	0	0
3600		Retained earnings/deficit	+	3,368,011	800,011
3620		**Total Shareholder Equity**	=	26,431,677	23,863,677

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Retained Earning/Deficit

GIFI	Account	Description		Amount	Prior year
3660		Retained earnings/deficit - start	+	800,011	-2,127,136
3680		Net income/loss	+	3,093,000	2,927,147
		Dividends declared			
3700	*	Dividends declared		525,000	0
3701		Cash dividends		0	0
3702		Patronage dividends		0	0
		Dividends declared	-	525,000	0
3720		Prior period adjustments	+	0	0
		Other items affecting retained earnings			
3740	*	Other items affecting retained earnings		0	0
3741		Share redemptions		0	0
3742		Special reserves		0	0
		Currency adjustments		0	0
		Unusual revenue items		0	0
3745		Interfund transfer		0	0
		Other items affecting retained earnings	+	0	0
3849		**Retained Earnings/Deficit - End**	=	3,368,011	800,011

* Generic Item

NERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Income Statement

GIFI	Description
0001	Operating name
0002	Description of the operation
0003	Sequence Number

GIFI	Account	Description		Amount	Prior year
Income Statement Information					
8089		Total sales of goods and services	+	93,250,000	104,186,227
8518		Cost of sales	-	75,512,000	88,821,000
8519		**Gross profit/loss**	=	17,738,000	15,365,227
8518		Cost of sales	+	75,512,000	88,821,000
9367		Total operating expenses	+	14,246,000	13,799,080
9368		**Total expenses** (mandatory field)	=	89,758,000	102,620,080
8299		Total revenue (mandatory field)	+	94,792,000	105,657,227
		Total expenses (mandatory field)	-	89,758,000	102,620,080
9369		**Net non-farming income**	=	5,034,000	3,037,147
Farming Income Statement Information					
9659		Total farm revenue (mandatory field)	+	0	0
9898		Total farm expenses (mandatory field)	-	0	0
9899		**Net farm income**	=	0	0
9970		**Net Income/Loss before Taxes and Extraordinary Items**		5,034,000	3,037,147

Extraordinary items and income taxes (linked to Schedule 140)

	Extraordinary item(s)	0	0
	Legal settlements	0	0
9980	Unrealized gains/losses	0	0
9985	Unusual items	0	0
9990	Current income taxes	1,941,000	110,000
9995	Deferred income tax provision	0	0
9999	**Net Income/Loss after Taxes and Extraordinary Items** (mandatory field)	3,093,000	2,927,147

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Revenue

GIFI	Account	Description		Amount	Prior year
8000		Trade sales of goods and services	+	93,250,000	104,186,227
8020		Sales of goods and services to related parties	+	0	0
8030		Interdivisional sales	+	0	0

Sales from resource properties

8040	*	Sales from resource properties		0	0
8041		Petroleum and natural gas sales		0	0
8042		Petroleum and natural gas sales to related parties		0	0
8043		Gas marketing		0	0
8044		Processing revenue		0	0
8045		Pipeline revenue		0	0
8046		Seismic sales		0	0
8047		Mining revenue		0	0
8048		Coal revenue		0	0
8049		Oil sands revenue		0	0
8050		Royalty income		0	0
8051		Oil and gas partnership/joint venture income/loss		0	0
8052		Mining partnership/joint venture income/loss		0	0
8053		Other production revenue		0	0
		Sales from resource properties	+	0	0

8089		**Total sales of goods and services**	=	93,250,000	104,186,227

Investment revenue

8090	*	Investment revenue		0	0
8091		Interest from foreign sources		0	0
8092		Interest from Canadian bonds and debentures		0	0
8093		Interest from Canadian mortgage loans		0	0
8094		Interest from other Canadian sources		0	0
8095		Dividend income		0	0
8096		Dividends from Canadian sources		0	0
8097		Dividends from foreign sources		0	0
		Investment revenue	+	0	0

Interest income (financial institutions)

	*	Interest income (financial institutions)	0	0
[illegible]		Loan interest	0	0
8102		Securities interest	0	0
8103		Deposits with banks interest	0	0
		Interest income (financial institutions) +	0	0

Commission revenue

8120	*	Commission revenue	0	0
8121		Commission income on real estate transactions	0	0
		Commission revenue +	0	0

Rental revenue

8140	*	Rental revenue	0	0
8141		Real estate rental revenue	0	0
8142		Film rental revenue	0	0
		Rental revenue +	0	0

8150		Vehicle leasing +	0	0

Fishing revenue

8160	*	Fishing revenue	0	0
8161		Fish products	0	0
8162		Other marine products	0	0
8163		Fishing grants, credits and rebates	0	0
8164		Fishing subsidies	0	0
8165		Compensation for loss of fishing income or property	0	0
8166		Sharesman income	0	0
		Fishing revenue +	0	0

Realized gains/losses on disposal of assets

8210	*	Realized gains/losses on disposal of assets	0	0
8211		Realized gains/losses on sale of investments	0	0
8212		Realized gains/losses on sale of resource properties	0	0
		Realized gains/losses on disposal of assets +	0	0

NPO amounts received

[redacted]	NPO amounts received		0	0
[redacted]	Membership fees		0	0
8222	Assessments		0	0
8223	Gifts		0	0
8224	Gross sales and revenues from organizational activities		0	0
	NPO amounts received	+	0	0

Other revenue

8230	* Other revenue		1,542,000	1,471,000
8231	Foreign exchange gains/losses		0	0
8232	Income/loss of subsidiaries/affiliates		0	0
8233	Income/loss of other divisions		0	0
8234	Income/loss of joint ventures		0	0
8235	Income/loss of partnerships		0	0
8236	Realization of deferred revenues		0	0
8237	Royalty income other than resource		0	0
8238	Alberta royalty tax credits		0	0
8239	Management and administration fees		0	0
8240	Telecommunications revenue		0	0
8241	Consulting fees		0	0
8242	Subsidies and grants		0	0
8243	Sale of by-products		0	0
8244	Deposit services		0	0
8245	Credit services		0	0
[redacted]	Card services		0	0
[redacted]	Patronage dividends		0	0
8248	Insurance recoveries		0	0
8249	Expense recoveries		0	0
8250	Bad debt recoveries		0	0
	Other revenue	+	1,542,000	1,471,000

8299	**Total Revenue**	=	94,792,000	105,657,227

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Cost of Sales

GIFI	Account	Description		Amount	Prior year
Opening inventory					
8300	*	Opening inventory		0	0
8301		Opening inventory - finished goods		0	0
8302		Opening inventory - raw materials		0	0
8303		Opening inventory - goods in process		0	0
		Opening inventory	+	0	0
8320		Purchases/cost of materials	+	75,512,000	88,821,000
8340		Direct wages	+	0	0
8350		Benefits on direct wages	+	0	0
8360		Trades and sub-contracts	+	0	0
8370		Production costs other than resource	+	0	0
Resource production costs					
8400	*	Resource production costs		0	0
8401		Pipeline operations		0	0
		Drilling		0	0
[illegible]		Site restoration costs		0	0
8404		Gross overriding royalty		0	0
8405		Freehold royalties		0	0
8406		Other producing properties rental		0	0
8407		Prospect/geological		0	0
8408		Well operating, fuel and equipment		0	0
8409		Well abandonment and dry holes		0	0
8410		Other lease rentals		0	0
8411		Exploration expenses		0	0
8412		Development expenses		0	0
		Resource production costs	+	0	0
Crown charges					
8435	*	Crown charges		0	0
8436		Crown royalties		0	0
8437		Crown lease rentals		0	0
8438		Freehold mineral tax		0	0
8439		Mining taxes		0	0
8440		Oil sand leases		0	0
8441		Saskatchewan resource surcharge		0	0
		Crown charges	+	0	0

Other direct costs

[illegible]	*	Other direct costs	0	0
[illegible]		Equipment hire and operation	0	0
8452		Log yard	0	0
8453		Forestry costs	0	0
8454		Logging road costs	0	0
8455		Stumpage costs	0	0
8456		Royalty costs	0	0
8457		Freight in and duty	0	0
8458		Inventory write down	0	0
8459		Direct cost amortization of tangible assets	0	0
8460		Direct cost amortization of natural resource assets	0	0
8461		Overhead expenses allocated to cost of sales	0	0
		Other direct costs	+ 0	0

Closing inventory

8500	*	Closing inventory	0	0
8501		Closing inventory - finished goods	0	0
8502		Closing inventory - raw materials	0	0
8503		Closing inventory - goods in process	0	0
		Closing inventory	- 0	0

[illegible]		**Cost of Sales**	= 75,512,000	88,821,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Operating Expenses

GIFI		Account	Description		Amount	Prior year
Advertising and promotion						
8520	*		Advertising and promotion		0	0
8521			Advertising		0	0
8522			Donations		0	0
8523			Meals and entertainment		0	0
8524			Promotion		0	0
			Advertising and promotion	+	0	0
8570			Amortization of intangible assets	+	0	0
8590			Bad debt expense	+	0	0
Loan losses						
8610	*		Loan losses		0	0
8611			Provision for loan losses		0	0
			Loan losses	+	0	0
Employee benefits						
8620	*		Employee benefits		0	0
8621			Group insurance benefits		0	0
8622			Employer's portion of employee benefits		0	0
8623			Contributions to deferred income plans		0	0
			Employee benefits	+	0	0
8650			Amortization of natural resource assets	+	0	0
8670			Amortization of tangible assets	+	2,921,702	3,079,080
Insurance						
8690	*		Insurance		0	0
8691			Life insurance on executives		0	0
			Insurance	+	0	0

Interest and bank charges

	*	Interest and bank charges	1,672,000	1,114,000
8711		Interest on short term debt	0	0
8712		Interest on bonds and debentures	0	0
8713		Interest on mortgages	0	0
8714		Interest on long term debt	0	0
8715		Bank charges	0	0
8716		Credit card charges	0	0
8717		Collection and credit costs	0	0
		Interest and bank charges +	1,672,000	1,114,000

Interest paid (financial institutions)

8740	*	Interest paid (financial institutions)	0	0
8741		Interest paid on deposits	0	0
8742		Interest paid on bonds and debentures	0	0
		Interest paid (financial institutions) +	0	0

Business taxes, licences and memberships

8760	*	Business taxes, licences and memberships	0	0
8761		Memberships	0	0
8762		Business taxes	0	0
8763		Franchise fees	0	0
8764		Government fees	0	0
		Business taxes, licences and memberships +	0	0

8780		New Brunswick tax on large corporations +	0	0
8790		Nova Scotia tax on large corporations +	0	0

Office expenses

8810	*	Office expenses	0	0
8811		Office stationery and supplies	0	0
8812		Office utilities	0	0
8813		Data processing	0	0
		Office expenses +	0	0

Professional fees

	* Professional fees	0	0
8861	Legal fees	0	0
8862	Accounting fees	0	0
8863	Consulting fees	0	0
8864	Architect fees	0	0
8865	Appraisal fees	0	0
8866	Laboratory fees	0	0
8867	Medical fees	0	0
8868	Veterinary fees	0	0
8869	Brokerage fees	0	0
8870	Transfer fees	0	0
8871	Management and administration fees	0	0
8872	Refining and assay	0	0
8873	Registrar and transfer agent fees	0	0
8874	Restructuring costs	0	0
8875	Security and exchange commission fees	0	0
8876	Training expense	0	0
8877	Studio and recording	0	0
	Professional fees +	0	0

Rental

8910	* Rental	0	0
8911	Real estate rental	0	0
8912	Occupancy costs	0	0
8913	Condominium fees	0	0
8914	Equipment rental	0	0
8915	Motor vehicle rentals	0	0
8916	Moorage (boat)	0	0
8917	Storage	0	0
8918	Quota rental	0	0
	Rental +	0	0

Repairs and maintenance

8960	* Repairs and maintenance	0	0
8961	Repairs and maintenance - buildings	0	0
8962	Repairs and maintenance - vehicles	0	0
8963	Repairs and maintenance - boats	0	0
8964	Repairs and maintenance - machinery and equipment	0	0
	Repairs and maintenance +	0	0

Other repairs and maintenance

9010	* Other repairs and maintenance	0	0
9011	Machine shop expense	0	0
9012	Road costs	0	0
9013	Security	0	0
	Garbage removal	0	0
	Other repairs and maintenance +	0	0

Salaries and wages

	*	Salaries and wages	0	0
		Commissions	0	0
9062		Crew share	0	0
9063		Bonuses	0	0
9064		Directors fees	0	0
9065		Management salaries	0	0
9066		Employee salaries	0	0
		Salaries and wages +	0	0

9110		Sub-contracts +	0	0

Supplies

9130	*	Supplies	0	0
9131		Small tools	0	0
9132		Shop expense	0	0
9133		Uniforms	0	0
9134		Laundry	0	0
9135		Food and catering	0	0
9136		Fishing gear	0	0
9137		Nets and traps	0	0
9138		Salt, bait and ice	0	0
9139		Camp supplies	0	0
9150		Computer-related expenses	0	0
		Upgrade	0	0
		Internet	0	0
		Supplies +	0	0

9180		Property taxes	0	0

Travel expenses

9200	*	Travel expenses	0	0
9201		Meetings and conventions	0	0
		Travel expenses +	0	0

Utilities

9220	*	Utilities	0	0
9221		Electricity	0	0
9222		Water	0	0
9223		Heat	0	0
9224		Fuel costs	0	0
9225		Telephone and telecommunications	0	0
		Utilities +	0	0

Other expenses

	*	Other expenses	9,652,298	9,606,000
9272		Cash over/short	0	0
9273		Reimbursement of parent company expense	0	0
9274		Selling expenses	0	0
9275		Shipping and warehouse expense	0	0
9276		Delivery, freight and express	0	0
9277		Warranty expenses	0	0
9278		Royalty expenses - resident	0	0
9279		Royalty expenses - non-resident	0	0
9280		Dumping charges	0	0
9281		Land fill fees	0	0
9282		Vehicle expenses	0	0
9283		Research and development	0	0
9284		Withholding taxes	0	0
9285		General and administrative expenses	0	0
9286		Interdivisional	0	0
		Interfund transfer	0	0
		Other expenses	+ 9,652,298	9,606,000

9367	**Total Operating Expenses**	= 14,246,000	13,799,080

* Generic Item

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NOTES CHECKLIST
(1998 and later taxation years)

- This form is to be used by all corporations that do not use a software package to prepare financial statement information and are not eligible to use the GIFI-Short form.
- Use this schedule to report a notes checklist for the corporation's financial statement information.
- For more information, see the "Guide to the General Index of Financial Information (GIFI) for Corporations" and the "T2 Corporation Income Tax Guide."
- The following questions have to be answered:
  - questions 100, 101, and 108;
  - if you answer "yes" to question 101, you have to answer questions 102 to 107;
  - if you answer "yes" to question 108, you have to answer question 109.

Part 1 - Involvement of accountant

Who reported on or prepared the corporation's financial statements? ... 100

Tick only one of the following:

		[X]
An independent auditor with a report that expressed no reservation	1	[X]
An independent auditor with a report that expressed a reservation	2	[ ]
An independent accountant with a review engagement report that expressed no reservation	3	[ ]
An independent accountant with a review engagement report that expressed a reservation	4	[ ]
An independent accountant who conducted a compilation engagement with no review	5	[ ]
An independent accountant with a compilation and review engagement resulting in no reservation	6	[ ]
An independent accountant with a compilation and review engagement resulting in a reservation	7	[ ]
Prepared by an employee/associate/management of the company, or a person for the company, without a review/audit by an independent accountant/auditor	8	[ ]

Part 2 - Other information

		Yes/No
Were notes to the financial statements prepared?	101	[Y]
Are any values presented at other than cost?	102	[N]
Has there been a change in accounting policies since the last return?	103	[N]
Are subsequent events mentioned in the notes?	104	[N]
Is re-evaluation of asset information mentioned in the notes?	105	[N]
Is contingent liability information mentioned in the notes?	106	[Y]
Is information regarding commitments mentioned in the notes?	107	[Y]
Does the corporation have investments in joint venture(s) or partnership(s)?	108	[N]
If "yes," are you filing financial statements of the joint venture(s) or partnership(s)?	109	[ ]

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to an this schedule are from the "Income Tax Act."
- For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and extraordinary items per financial statements			3,093,000	A
Additions:				
Provision for income taxes - current	101	1,941,000		
Amortization of tangible assets	104	2,921,702		
Non-deductible meals and entertainment expenses	121	8,821		
Reserves from financial statements - balance at the end of the year	126	7,685,345		
Subtotal of additions		12,556,868	12,556,868	
Other Additions:				
Miscellaneous Other Additions:				
Subtotal of Other Additions	199	0	0	
Total Additions	500	12,556,868	12,556,868	
Deductions:				
Capital cost allowance from Schedule 8	403	2,703,568		
Reserves from financial statements-balance at the beginning of the year	414	7,344,811		
Subtotal of Deductions		10,048,379	10,048,379	
Other Deductions:				
Miscellaneous Other Deductions:				
Subtotal of Other Deductions	499	0	0	
Total Deductions	510	10,048,379	10,048,379	
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)			5,601,489	

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION
(2000 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		5,601,489
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amount deductible as prospector's and grubstaker's shares [illegible]agraph 110(1)(d.2)	0	0
Subtotal (if positive, enter "0")		0
Deduct: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
Subtotal		0
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		0

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		435,003	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	435,003	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	0	435,003

Continuity of non-capital losses and request for a carryback (cont'd)

Deduct:

Amount applied against taxable income (enter on line 331 of the T2 return)	130	435,003	
Amount applied against taxable dividends subject to Part IV tax	135	0	
Section 80 - Adjustments for forgiven amounts	140	0	
Subsection 111(10) - Adjustments for fuel tax rebate		0	
Other adjustments	150	0	435,003
		Subtotal	0

Deduct - Request to carry back non-capital loss to:

First preceding taxation year to reduce taxable income	901	0	
Second preceding taxation year to reduce taxable income	902	0	
Third preceding taxation year to reduce taxable income	903	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	0	0
Non-capital losses - Closing balance	180		0

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 Yes [ ]

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200	0	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205	0	
Current-year capital loss (from Schedule 6 calculation)	210	0	0

Add:

Allowable business investment loss expired as non-capital loss	0 x 4/3	220		0
			Subtotal	0

Deduct:

Amount applied against current-year capital gain (see note 1)	225	0	
Section 80 - Adjustments for forgiven amounts	240	0	
Other adjustments	250	0	0
		Subtotal	0

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)		Amount carried back (100%)	
First preceding taxation year	0	951	0	
Second preceding taxation year	0	952	0	
Third preceding taxation year	0	953	0	0
Capital losses - Closing balance		280		0

Part 2 - Capital losses

Continuity of capital losses and request for a carryback (cont'd)

Capital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.
Capital losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.
For taxation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determine by dividing the total taxable capital gain by the total capital gain.

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2

Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 3 - Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	300	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	305	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330	0	
Amount applied against taxable dividends subject to Part IV tax	335	0	
Section 80 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:
Is the corporation exempt from the restricted farm loss rules?
(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Part 4 - Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485		0 A	
Minus the deductible farm loss:				
$2,500 plus B or C, whichever is less			2,500	
(Amount A above 0 - $2,500) divided by 2 =		0 B		
		6,250 C	0	2,500
Current-year restricted farm loss (enter this amount on line 410)				0

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year		0	
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0
		Subtotal	0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941	0	
Second preceding taxation year to reduce farming income	942	0	
Third preceding taxation year to reduce farming income	943	0	0
Restricted farm losses - Closing balance	480		0

Note

The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			0
Deduct: Listed personal property loss expired after seven taxation years	500		0
Listed personal property losses at beginning of taxation year	502		0
Add: Current-year listed personal property loss (from Schedule 6)	510		0
		Subtotal	0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	550	0	0
		Subtotal	0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961	0	
Second preceding taxation year to reduce listed personal property gains	962	0	
Third preceding taxation year to reduce listed personal property gains	963	0	0
Listed personal property losses - Closing balance	580		0

Part 6 - Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	0	0	0	N/A	0	0	
2002	0	N/A	0	N/A	0	0	0	
2001	435,003	N/A	0	N/A	435,003	0	0	
2001	0	N/A	0	N/A	0	0	0	
2000	0	N/A	0	N/A	0	0	0	
1999	0	N/A	0	N/A	0	0	0	
1998	0	N/A	0	N/A	0	0	0	
1997	0	N/A	0	N/A	0	0	0	*
Total	435,003	0	0	0	435,003	0	0	

Farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	0	0	0	N/A	0	0	
2002	0	N/A	0	N/A	0	0	0	
2001	0	N/A	0	N/A	0	0	0	
2001	0	N/A	0	N/A	0	0	0	
2000	0	N/A	0	N/A	0	0	0	
1999	0	N/A	0	N/A	0	0	0	
1998	0	N/A	0	N/A	0	0	0	
1997	0	N/A	0	N/A	0	0	0	
1996	0	N/A	0	N/A	0	0	0	
1995	0	N/A	0	N/A	0	0	0	
1994	0	N/A	0	N/A	0	0	0	*
Total	0	0	0	0	0	0	0	

Restricted farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	0	0	0	N/A	N/A	0	
2002	0	N/A	0	N/A	0	N/A	0	
2001	0	N/A	0	N/A	0	N/A	0	
2001	0	N/A	0	N/A	0	N/A	0	
2000	0	N/A	0	N/A	0	N/A	0	
1999	0	N/A	0	N/A	0	N/A	0	
1998	0	N/A	0	N/A	0	N/A	0	
1997	0	N/A	0	N/A	0	N/A	0	
1996	0	N/A	0	N/A	0	N/A	0	
1995	0	N/A	0	N/A	0	N/A	0	
1994	0	N/A	0	N/A	0	N/A	0	*
Total	0	0	0	0	0	N/A	0	

* This balance expires this year and will not be available next year

Summary of Capital Cost Allowance

e corporation electing under regulation 1101(5q)? [101] N

Class No. [200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
1	50,219,732	4,145,203	0	0	2,072,601	4	0	0	2,091,693	52,273,242
8	568,034	83,466	0	0	41,733	20	0	0	121,953	529,547
10	1,404,934	162,962	0	0	81,481	30	0	0	445,925	1,121,971
42	107,526	0	0	0	0	12	0	0	12,903	94,623
13	34,481	0	0	0	0		0	0	9,200	25,281
13	10,909	0	0	0	0		0	0	2,424	8,485
12	0	38,940	0	0	19,470	100	0	0	19,470	19,470
Total	52,345,616	4,430,571	0	0	2,215,285		0	0	2,703,568	54,072,619

Oshawa PUC Networks Inc.
891725210RC0001
December 31, 2003

Pursuant to subsection 13(7.4) of the Income Tax Act, Oshawa PUC Networks Inc. is electing to reduce the capital cost of additions to Class 1 by $1,899,538.

Signature: _____

Michael Chase, Controller
Oshawa PUC Networks Inc.

Date: _____

Oshawa PUC Networks Inc.
Account/Business No.: 891725210RC0001 Year Ended: 2003-12-31 PILs Sch. 009
RELATED AND ASSOCIATED CORPORATIONS

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
- associated corporation(s)

Name	Ctry of resi-dence	Business Number (Note)	Rela-tion-ship Code	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of pre-ferred shares owned	Book value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
OSHAWA POWER AND UTILITIES COR		864867593RC0001	1	0	0.00	0	0.00	0
OSHAWA PUC ENERGY SERVICES INC		857491336RC0001	3	0	0.00	0	0.00	0
OSHAWA PUC SERVICES INC.		865799662RC0001	3	0	0.00	0	0.00	0

Note: Enter "NR" if a corporation is not registered.

Relationship code:

1 - Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

The relationship code represents the relationship that the corporation named has to the filing corporation. For example, if the corporation is the parent corporation of the filing corporation, then the relationship code is "1".

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

TRANSACTIONS WITH SHAREHOLDERS, OFFICERS, OR EMPLOYEES

Provide the details of any transactions with shareholders, officers or employees that involve:

- payments the corporation made or amounts credited to the account of shareholders, officers, or employees, which were not part of their remuneration or reimbursement of expenses;
- assets the corporation sold to or purchased from shareholders, officers, or employees, including those for which an election was made under section 85; or
- loans or indebtedness to shareholders, officers, or employees, or persons connected with a shareholder, which were not repaid by the end of the taxation year.

Relationship code (see note)	Payments	Reimbursement (Other than reimbursement of expenses)	Loans receivable from, or debts owing to	Assets sold or purchased	Does Section 85 apply to assets sold or purchased?
100	$ 200	$ 300	$ 400	$ 500	[Y/N] 550
1	300,000	0	65,462	0	[ ]

Note: Enter the code number of the relationship that applies:
(if more than one relationship exists, enter the lowest applicable number)

1 - Shareholder
2 - Officer
3 - Employee

Canada Customs and Revenue Agency/Agences des douanes et du revenu du Canada

MISCELLANEOUS PAYMENTS TO RESIDENTS (1998 and later taxation years)

- This schedule must be completed by all corporations who made the following payments to residents of Canada:
  royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

Name of recipient	Address of recipient 1 = Address 1 2 = Address 2 3 = City 4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
100	200	300	400	500	600	700
Oshawa Power and Utilitie	100 Simcoe Street South Oshawa ON L1H-7M7	0	0	300,000	0	0

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT (2003 and later taxation years)

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.

- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the "Income Tax Act," not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation."

Column 4: Enter the business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:

- from $200,001 to $225,000, if the calendar year to which this agreement applies is 2003;
- from $225,001 to $250,000, if the calendar year to which this agreement applies is 2004;
- from $250,001 to $275,000, if the calendar year to which this agreement applies is 2005; or
- from $275,001 to $300,000, if the calendar year to which this agreement applies is 2006 or after.

Column 7: Complete this column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Allocation of the business limit

Date filed (do not use this area) . . . . . 025 Year Month Day

Enter the calendar year to which the agreement applies . . . . . 050 Year 2003

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . 075 [Y/N] [N]

1	2	3	4	5	6	7
Names of associated corporations	Business Number of associated corporations	Asso-ciation code	Business limit for the year (before the allocation) $	Percentage of the business limit %	Business limit allocated* $	Taxation year end to which this agreement applies (YYYY/MM/DD)
100	200	300		350	400	500
Oshawa PUC Networks Inc.	891725210RC0001	1	225,000	100.0000	225,000	
See attached			675,000	.0000	0	
			Total	100.0000	225,000A	

Business limit reduction under subsection 125(5.1)

The business limit reduction is calculated in the small business deduction area ot the T2 return. One of the amounts used in this calculation is the "Large corporation tax" at line 415 of the T2 return. If the corporation is a member of an associated group of corporations in the current taxation year, the amount to be entered at line 415 of the T2 return is equal to 0.225% x (A - $10,000,000) where, "A" is the total of taxable capital employed in Canada** of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's taxation year is less than 51 weeks, prorate the amount in column 6 by the number of days in the taxation year divided by 365, and enter the result on line 410 of the T2 return.

** "Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the "Income Tax Act."

*** The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

AGREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6	7	8
Name of associated corporation [100]	Business Number of associated corporation [200]	Asso-ciation code [300]	Business limit before the allo-cation	Percentage of the business limit allocated [350]	Business limit allocated [400]	Taxation year end to which this agreement applies [500]	Part I.3 Tax
OSHAWA POWER AND UTILITIES COR	864867593RC0001	1	225,000	.0000	0		0
OSHAWA PUC ENERGY SERVICES INC	857491336RC0001	1	225,000	.0000	0		0
OSHAWA PUC SERVICES INC.	865799662RC0001	1	225,000	.0000	0		2
TOTALS			675,000	.0000	0		2

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

PART I.3 TAX ON LARGE CORPORATIONS
(2000 and later taxation years)

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" no later than six months from the end of the taxation year.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	7,685,345
Capital stock (or members' contributions if incorporated without share capital)	103	23,063,666
Retained earnings	104	3,368,011
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	27,920,791
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	0
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

Part 1 - Capital (cont'd)

portion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	0		
	Subtotal	62,037,813	62,037,813	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121	0		
Any deficit deducted in computing the shareholders' equity	122	0		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	0		
The amount of deferred unrealized foreign exchange losses	124	0		
	Subtotal	0	0	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		62,037,813	

Note:

Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	0
A loan or advance to another corporation (other than a financial institution)	402	349,010
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	0
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	0
An interest in a partnership (see note 1 below)	407	0
Investment allowance for the year	490	349,010

Part 2 - Investment allowance (cont'd)

s:

1) Where the corporation has an interest in a partnership, the carrying value at the end of the taxation year, of that interest is deemed to be equal to that proportion of the total of the carrying value of each asset of the partnership described in 401 to 405 above, at the end of its last fiscal period ending at or before the end of the year, that the corporation's share of the partnership's income or loss is of the partnership's income or loss for that period.

2) Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d)).

3) Where, in certain circumstances, a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

Part 3 - Taxable capital

Capital for the year (line 190)		62,037,813	C
Deduct: Investment allowance for the year (line 490)		349,010	D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	61,688,803	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	61,688,803	X	Taxable income earned in Canada / Taxable income	610	5,166,486 / 5,166,486	=	**Taxable capital employed in Canada**	690	61,688,803

Notes:

1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 4 - Taxable capital employed in Canada (cont'd)

completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		0
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	0	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712	0	
Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	0	
Total deductions (add lines 711, 712, and 713)		0	0 E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		0

Complete line 713 only if the country in which the corporation is resident imposed neither a capital tax for the year on similar assets, nor a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies)			61,688,803
Deduct: Capital deduction claimed for the year (for related corporations, enter the amount allocated on Schedule 36)	801		9,705,997
Excess of taxable capital employed in Canada over capital deduction	811		51,982,806

Gross Part I.3 Tax

Year	Line 811		Number of days		Number of days in the taxation year			=		
Before 2004	51,982,806	x	(365	/	365)	x	.2250%	=	116,961	1
2004	51,982,806	x	(0	/	365)	x	.2000%	=	0	2
2005	51,982,806	x	(0	/	365)	x	.1750%	=	0	3

Total Gross Part I.3 tax (add lines 1, 2, and 3)	116,961	116,961 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 116,961 x (Number of days in the year 365) / 365 = 0 G

Gross Part I.3 tax (amount F or G, whichever applies)	820	116,961

Part 6 - Calculation of current-year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, the lesser of a and b, below:

a)	line 600 from the T2 return					0	
b)	line 700 from the T2 return					0	0 H

In any other case, the lesser of c and d below:

				line 690 of this schedule				
c)	line 600 from the T2 return	57,865	x	61,688,803	=	57,865		
				61,688,803				
				line 500 of this schedule				
d)	line 700 from the T2 return					1,246,157	57,865	I

Current-year surtax credit available (amount H or I, whichever applies) 830 57,865

Part 7 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)							57,865
Taxable capital employed in Canada (line 690 or 790, whichever applies)						61,688,803	
Deduct: Capital deduction claimed for the year						9,705,997	
Excess of taxable capital employed in Canada over capital deduction						51,982,806	a
Less: Gross Part I.3 tax							
Line a	51,982,806	x	.2250%	=	116,961		116,961 b

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

			Number of days in the year			
Amount b	116,961	x	365	=		0 c
			365			

Current-year unused surtax credit (if negative, enter "0") 850 0
Enter this amount at line 600 on Schedule 37

* For the purposes of the calculation of current-year unused surtax credit, the calculation is performed on a capital deduction based on $10 millions and a specified percentage of 0.225%.

Part 8 - Calculation of net Part I.3 tax payable

Part I.3 tax (line 820)			116,961 J
Deduct:			
Current-year surtax credit applied (the lesser of lines 820 and 830)	861	57,865	
Unused surtax credit from previous years applied	862	0	
Subtotal (cannot exceed amount on line 820)		57,865	57,865 K
Net Part I.3 tax payable (amount J minus amount K)	870		59,096

Enter this amount at line 704 of the T2 return

Loans

Due to City of Oshawa	23,064,000.00
Customer deposits	4,402,000.00
Other (Development Fund)	441,791.00
Deferred revenue	13,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	27,920,791.00

	0.00
Securities Held for Deposit	12,725.00
Due from related parties	336,285.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	349,010.00

Non-deductible reserves

Employee future benefits	7,215,569.00
Employee sick leave benefits	369,776.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,685,345.00

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
(1998 and later taxation years)

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 or $50,000,000 among the members of the related group.
  Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? ..... [Y/N] [Y]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.

- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.

- In accordance with subsection 181.5(7) of the federal "Income Tax Act", a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

- Attach additional schedules if space for agreement is not sufficient.

Agreement

		Year Month Day
Date filed (for departmental use only)	010	
an amended agreement?	020	[Y/N] [N]
Enter the calendar year to which the agreement applies	030	Year 2003

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number **(Note 1)**	Allocation of capital deduction for the year $	Taxation year end to which this agreement applies **(Note 2)**
200	300	400	500
Oshawa PUC Networks Inc.	891725210RC0001	9,705,997	
See attached		294,003	
		10,000,000	
Total (Before 2004 must not exceed $10,000,000 After 2003 must not exceed $50,000,000)			

Note 1: If a corporation is not registered enter, "NR".

Note 2: An entry is only required for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 or $50,000,000 among the members of the related group.
- In accordance with subsection 181.5(7) of the federal Income Tax Act, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Names of all corporations which are members of the related group [200]	Business Number (Note 1) [300]	Allocation of capital deduction for the year [400]	Taxation year end to which this agreement applies (Note 2) [500]
OSHAWA POWER AND UTILITIES COR	864867593RC0001	39,864	
OSHAWA PUC ENERGY SERVICES INC	857491336RC0001	0	
OSHAWA PUC SERVICES INC.	865799662RC0001	254,139	
TOTAL		294,003	

Note 1: If a corporation is not registered, enter "NR".

Note 2: An entry is only required for a corporation that has more than one taxation ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION
(1998 and later taxation years)

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
Oshawa Power and Utilities Corporation	864867593RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Schedule of Instalment Remittances

Name of Corporation Contact: . . . . . Michael Chase
Telephone Number: 905-723-4626

Effective Interest Date	Description (Instalment Remittance, Split Payment, Assessed Credit)		Amount of Credit
	Tax payment to Ministry of Finance		1,745,868
	less: amount reported on ONT CT23		-440,615
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
	Total amount of instalments claimed	(A)	1,305,253
	Total instalments credited to the taxation year per T9	(B)	1,305,253

TRANSFER

Account Number	Taxation Year End	Amount	Effective Interest Date	Description
From:				
		0		
To:				

Appendix 22

2003 CT23 Provincial Tax Return

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2003 CT23 Corporations Tax and Annual Return

For taxation years commencing after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17, together with the applicable schedules on pages 18-21. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedule A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt, Refer to Guide)* [X] Yes [ ] No

Corporation's Legal Name *(including punctuation)*

Oshawa PUC Networks Inc. PILs

Ontario Corporations Tax Account No. (MOF)
1800157

Mailing Address

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

This CT23 Return covers the Taxation Year
Start: year month day 2003-01-01
End: year month day 2003-12-31

Has the mailing address changed since last filed CT23 Return? [ ] Yes | Date of Change: year month day

Date of Incorporation or Amalgamation
year month day 2000-11-01

Registered/Head Office Address

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Ontario Corporation No. (MCBS)

Location of Books and Records

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter
891725210RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
Michael Chase	905-723-4626	905-723-3248

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA -

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
[X] *Not Applicable*

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS). [X] **No change**

Preferred Language/*Langue de préférence*
[X] English *anglais* [ ] French *français*

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

Michael Chase

Title: D [ ] Director O [X] Officer P [ ] Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc.	1800157	2003-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

[1]

1 [X] Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent): 100%

[2]

1 [ ] Family Farm Corporation s.1 (2)
2 [ ] Family Fishing Corporation s.1 (2)
3 [ ] Mortgage Investment Corporation s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61 (4)
6 [ ] Bank s.1 (2)
7 [ ] Loan and Trust Corporation s.61 (4)
8 [ ] Non-resident Corporation s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned investment Corporation s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-resident s.63(1)
16 [ ] Financial institution prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [X] Hydro successor, Municipal Electrical Utility or subsidiary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
if applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
if applicable, enter

Specify major business activity
Electricity Distribution

Please "X" box(es) if applicable:

[ ] First Year of Filing
[ ] Amended Return
[ ] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up) (Note: For discontinued businesses, see Guide.)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)

Date Control was acquired
year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[ ]	[X]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Int.B. 3008).

DOLLARS ONLY

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From	690	5,601,489.
Subtract: Charitable donations	–		1	0.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–		2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–		3	0.
Subtract: Ontario political contributions *(Attach schedule 2A)* (Int.B. 3002)	–		4	0.
Subtract: Federal Part VI.1 tax 0. X 9/4	–		5	0.
Subtract: Prior years' losses applied – Non-capital losses	–	From	704	435,003.
Net capital losses (From 715 page 16) 0. X inclusion rate 50.000000%	–		714	0.
Farm losses	–	From	724	0.
Restricted farm losses	–	From	734	0.
Limited partnership losses	–	From	754	0.
Taxable Income (Non-capital loss)	=		10	5,166,486.
Addition to taxable income for unused foreign tax deduction for federal purposes	+		11	0.
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=		20	5,166,486.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	5,166,486.	x	30	100.0000%	x	12.5000%	x	Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 365	÷	Total Days: 73 365	= +	29	645,811.
			Ontario Allocation										
From 10 (or 20 if applicable)	5,166,486.	x	30	100.0000%	x	14.0000%	x	Days after Dec. 31, 2003 and before Jan. 1, 2005: 34 0	÷	Total Days: 73 365	= +	32	0.
			Ontario Allocation										

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 645,811.

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [X] Yes [ ] No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			50	5,601,489.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51	5,166,486.	
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52	435,003.	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	–	53	435,003.	
	=		5,166,486.	54 5,166,486.
Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding $ 200,000)	+	55	200,000.	

Add: Ontario enhancement of federal business limit

Number of Days in Taxation Year

80,000 x	Days after Sept. 30, 2001 and before Jan. 1, 2003: 28 0	÷	Total Days: 73 365							
X From	55 200,000	÷	200,000	=+	43	0.				
120,000 x	Days after Dec. 31, 2002 and before Jan 1, 2004: 31 365	÷	Total Days: 73 365							
X From	55 200,000	÷	200,000	=+	46	120,000.				
000 x	Days after Dec 31, 2003 and before Jan 1, 2005: 31 0	÷	Total Days: 73 365							
X From	55 200,000	÷	200,000	=+	47	0.				
Ontario enhancement of federal business limit	43 + 46 + 47			–=		120,000.	+ 44	120,000.		
Business Limit for Ontario purposes	55 + 44			=		320,000.	45	320,000.		
Income eligible for the IDSBC	From 30					100.0000% * Ontario Allocation	x 56	320,000. Least of 50, 54 or 45	= 60	320,000.

* **Note:** *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

			Number of Days in Taxation Year					
			Days after Sept. 30, 2001 and before Jan 1, 2003		Total Days			
6.50 %	x	28	0	÷ 73	365	= + 79	.0000
		Days after Dec. 31, 2002 and before Jan. 1, 2004			Total Days		
7.00 %	x	31	365	÷ 73	365	= + 89	7.0000
		Days after Dec. 31, 2003 and before Jan 1, 2005			Total Days		
8.50 %	x	34	0	÷ 73	365	= + 90	.0000

IDSBC Rate for Taxation Year 79 + 89 + 90 = 78 **7.0000**

Claim From 60 320,000. x From 78 7.0000 % = 70 **22,400.**

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

** **Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** **Taxable Income of the corporation** From 10 (or 20 if applicable) + 80 **5,166,486.**

If you are a member of an associated group (X) 81 X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	** Taxable Income (if loss, enter nil)
See attached			+ 82 0.
			+ 83 .
			+ 84 .

Aggregate Taxable Income 80 + 82 + 83 + 84, etc. = 85 **5,166,486.**

			Number of Days in Taxation Year					
			Days after Sept. 30, 2001 and before Jan. 1, 2003		Total Days			
Subtract: 280,000	x	28	0	÷ 73	365	= + 113	0.
		Days after Dec. 31, 2002 and before Jan 1, 2004			Total Days		
320,000	x	31	365	÷ 73	365	= + 115	320,000.
		Days after Dec 31, 2003 and before Jan 1, 2005			Total Days		
400,000	x	34	0	÷ 73	365	= + 116	0.

113 + 115 + 116 = 320,000. − 114 320,000.

(If negative, enter nil) = 86 **4,846,486.**

			Number of Days in Taxation Year					
			Days after Sept. 30, 2001 and before Jan. 1, 2003		Total Days			
Calculation of Specified Rate for Surtax 4.3330 %	x	28	0	÷ 73	365	= + 95	.0000
		Days after Dec. 31, 2002 and before Jan. 1, 2004			Total Days		
4.6670 %	x	31	365	÷ 73	365	= + 96	4.6670
		Days after Dec. 31, 2003 and before Jan 1, 2005			Total Days		
4.6670 %	x	34	0	÷ 73	365	= + 97	.0000

Specified rate of surtax for Taxation Year 95 + 96 + 97 = 94 **4.6670**

From 86 4,846,486. x From 94 4.6670 % = 87 **226,186.**

From 87 226,186. x From 60 320,000. ÷ From 114 320,000. = 88 **226,186.**

Surtax Lesser of 70 or 88 = 100 **22,400**

Continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* ..... 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits ..... + 120 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) ..... – From 56 320,000.

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 22,400. ÷ From 30 100.0000 % * Ontario Allocation ÷ From 78 7.0000 % = 121 320,000.

Lesser of 56 or 121 ..... + 122 320,000.

120 – 56 + 122 ..... = 130 0.

Taxable Income ..... + From 10 5,166,486.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) ..... – From 56 320,000.

Add: Adjustments for Surtax on Canadian-controlled private corporations ..... + From 122 320,000.

Subtract: Taxable Income 10 5,166,486. X Allocation % to jurisdictions outside Canada .0000 % ..... – 140 0.

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses ..... – 141 0.

10 – 56 + 122 – 140 – 141 ..... = 142 5,166,486.

Claim

Number of Days in Taxation Year

143 0. Lesser of 130 or 142 X From 30 100.0000 % * Ontario Allocation X 1.5000 % X (Days after Sept 30, 2001 and before Jan 1, 2004: 33 0 ÷ Total Days: 73 365) = + 154 0.

143 0. Lesser of 130 or 142 X From 30 100.0000 % * Ontario Allocation X 2.0000 % X (Days after Dec 31, 2003 and before Jan 1, 2005: 34 0 ÷ Total Days: 73 365) = + 156 0.

M&P claim for taxation year 154 + 156 ..... = 160 0.

* **Note:** *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity ..... = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) *(Attach schedule).* ..... 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies *if you* have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 ..... = 190 645,811.

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.

Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* . . . + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.

Eligible Credit From 5798 Summary Schedule F . . . + 192 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Eligible Credit From 5899 either Claim Form from Ontario Media Development Corporation (OMDC) **or** Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

*(Attach the original Certification/Claim Form received from the OMDC **or** the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* . . . + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6)

Applies to employment of eligible unemployed post secondary graduate.

No. of Graduates From 6596 — 194 0

Eligible Credit From 6598 Summary Schedule G . . . + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)

Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.

Eligible Credit From 6900 OBPTC Claim Form *(Attach **both** the original Claim Form and the Certification Form)* . . . + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)

Applies to labour relating to computer animation and special effects on an eligible production.

Eligible Credit From 6700 Claim Form Certified by Ontario Media Development Corporation

(Attach the original Claim/Certification Form with the CT23 Tax Return.) . . . + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)

Applies to qualifying R&D expenditures under an eligible research institute contract.

Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* . . . + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)

Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.

Eligible Credit From 7300 either Claim Form from Ontario Media Development Corporation (OMDC) **or** Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

*(Attach the original Certification/Claim Form received from the OMDC **or** the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* . . . + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)

Applies to qualifying labour expenditures of eligible products for the taxation year.

Eligible Credit From 7400 Claim Form certified by Ontario Media Development Corporation

(Attach original Claim/Certification Form.) . . . + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)

Applies to qualifying expenditures in respect of eligible Canadian sound recordings.

Eligible Credit From 7500 OSRTC Claim Form *(Attach **both** the original Claim Form and the Certification Form)* . . . + 201 0.

Other (specify) _____ . . . + 201.1 0.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 0.

Specified Tax Credits ***Applied to reduce Income Tax*** . . . = 225 0.

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)*. . . . = 230 645,811.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in 230 to Income Tax in ***Summary*** section on ***Page 17.***

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on ***Page 8.***

rporate Minimum Tax (CMT)

Determination of Applicability

Applies if ***either*** Total Assets [249] exceeds $5,000,000 ***or*** Total Revenue [250] exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

*** Total Assets of the corporation**	+ [240]	77,760,000.	
*** Total Revenue of the corporation**			+ [241] 94,792,000.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
See attached			+ [243] 23,462,082.	+ [244] 1,025,481.
			+ [245] .	+ [246] .
			+ [247] .	+ [248] .

Aggregate Total Assets [240] + [243] + [245] + [247] , etc. = [249] 101,222,082.

Aggregate Total Revenue [241] + [244] + [246] + [248] , etc. = [250] 95,817,481.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 18, 19 and 20 of CT23.***

ulation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 18.)*

Gross CMT Payable ..... CMT Base From [2135] 3,936,497. (If negative, enter zero) X From [30] 100.0000 (Ontario Allocation) % X 4.0000 = [276] 157,460.

Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)* – [277] 0.

Subtract: Income Tax – From [190] 645,811.

Net CMT Payable (If negative, enter Nil on Page 17.) = [280] 0.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from ***Page 7*** to ***Income tax Summary, on Page 17.***

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to ***Page 17*** and transfer [280] to ***Page 17***, **and to** ***Schedule D: Continuity of CMT Credit Carryovers****, on* ***Page 20.***

CMT Credit Carryover available From [2307] 0.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) + From [190] 645,811.

Gross CMT Payable + From [276] 157,460.

Subtract: Foreign Tax Credit for CMT purposes – From [277] 0.

If [276] – [277] is negative, enter NIL in [290] = 157,460. – [290] 157,460.

Income Tax eligible for CMT Credit = [300] 488,351.

B. Income tax (after deduction of specified credits) + From [230] 645,811.

Subtract: CMT credit used to reduce income taxes – [310] 0.

Income Tax = [320] 645,811.

Transfer to page 17

If A & B apply, [310] ***cannot exceed the lesser of*** [230], [300] ***and your CMT credit carryover available*** [2307].

If only B applies, [310] ***cannot exceed the lesser of*** [230] ***and your CMT credit carryover available*** [2307].

Capital Tax *(Refer to Guide and Int.B. 3011)*

If your corporation is a Financial Institution (s.58(2)), complete lines 480 ***and*** 430 ***on page 10 then proceed to page 13.***
If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 ***and*** 430 ***are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in*** 480 ***and*** 430 ***are both $3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital tax for the taxation year. A Corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in*** 550 ***on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.***

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed. Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012 and 3015)	+ 350	23,063,666.
Retained earnings (if deficit, deduct) (Int.B. 3012)	± 351	3,368,011.
Capital and other surpluses, excluding appraisal surplus (Inf.B.3012)	+ 352	0.
Loans and advances *(Attach schedule)* (Int.B. 3013)	+ 353	27,920,791.
Bank loans (Int.B. 3013)	+ 354	0.
Bankers acceptances (Int.B. 3013)	+ 355	0.
Bonds and debentures payable (Int.B. 3013)	+ 356	0.
Mortgages payable (Int.B. 3013)	+ 357	0.
Lien notes payable (Int.B. 3013)	+ 358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	+ 359	7,685,345.
Contingent, investment, inventory and similar reserves (Int.B. 3012)	+ 360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012)	+ 361	0.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017)	+ 362	0.
Subtotal	= 370	62,037,813.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012)	− 371	-18,098,312.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	− 372	0.
Total Paid-up Capital	= 380	80,136,125.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	− 381	0.
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electicity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	− 382	0.
Net Paid-up Capital	= 390	80,136,125.

Eligible Investments *(Refer to Guide and Int.B. 3015)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+ 402	0.
Mortgages due from other corporations	+ 403	0.
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+ 404	0.
Loans and advances to unrelated corporations	+ 405	12,725.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+ 406	336,285.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+ 407	0.
Total Eligible Investments	= 410	349,010.

continued on Page 10

Loans

Due to City of Oshawa	23,064,000.00
Customer deposits	4,402,000.00
Other (Development Fund)	441,791.00
Deferred revenue	13,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	27,920,791.00

UCC vs NBV

UCC per Ont Sch. 8		-54,072,619.00
NBV per F/S		37,804,812.00
less: land		-98,896.00
less: WIP		-1,731,609.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
	Total	-18,098,312.00

Oshawa PUC Networks Inc.
Corp. Tax Acct. No. : 1800157

Year Ended: PILs 2003-12-31 Attached Sch.

Non-deductible reserves

Employee future benefits	7,215,569.00
Employee sick leave benefits	369,776.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,685,345.00

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015)

Total Assets per balance sheet	+	420	77,760,000.
Mortgages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	−	423	0.
Total Assets as adjusted	=	430	77,760,000.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	−	441	-18,098,312.
Subtract: Appraisal surplus if booked	−	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	95,858,312.

Investment Allowance (410 ÷ 450) x 390 — Not to exceed 410	=	460	291,767.
Taxable Capital 390 − 460	=	470	79,844,358.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	94,792,000.
Total Assets (as adjusted) From 430		77,760,000.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.

(Financial Institutions use calculations on page 13.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11, and if applicable, complete** Section D or Section E on page 12. **Note: if the corporation is a member of a connected partnership, please refer to the 2003 CT23 guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in 550 on page 12 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

B2. If taxable capital, 470 on page 10, is **$5,000,000 or less**, enter NIL in 550 on page 12 and complete the return from that point.

B3. If taxable capital, 470 on page 10 exceeds **$5,000,000**, complete the following calculation and transfer the amount From 523 to 543 on page 12, and complete the return from that point.

+ From 470 0.

− 0.

= 471 0. X From 30 100.0000% (Ontario Allocation) X .3000% X 555 365/** 365 (366 if leap year) = + 523 0.

Transfer to 543 on page 12 and complete the return from that point

** *If floating taxation year, refer to Guide.*

continued on Page 11

pital Tax Calculation *continued from page 10*

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (exluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

C1. ☐ 509 (X if applicable) **All corporations that you are associated with do not have a permanent establishment in Canada.**

If taxable capital 470 on page 10 is $5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

If taxable capital 470 on page 10 exceeds $5,000,000 proceed to **Section D**, enter $5,000,000 in 542 Section D, and complete Section D and the return from that point.

C2. ☒ 524 (X if applicable) **One or more of the corporations that you are associated with maintains a permanent establishment in Canada.**

If the taxation year **ends before January 1, 2003**, you must complete the *Calculation* below.

If the taxation year **ends after December 31, 2002**, you and your associated group may continue to allocate the $5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group **may file an election** under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the $15,000 capital tax effect, relating to the $5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

***Calculation** Do NOT complete this calculation if ss.69(2.1) election is filed*

Taxable Capital From 470 on page 10 . . . . . + From 470 79,844,358.

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding financial institutions and corporations exempt form capital tax) or related partners having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		Taxable Capital
See attached			+ 531	309,584.
			+ 532	.
			+ 533	.

Aggregate Taxable Capital 470 + 531 + 532 + 533, etc. . . . . = 540 80,153,942.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL. Enter NIL in 523 in section D on page 12, as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under Section D on page 12.

From 470 79,844,358. ÷ From 540 80,153,942. x 5,000,000 . . . . = 541 4,980,688.

Transfer to 542 in Section D on page 12

S.s.69(2.1) Election Filed

☐ 591 (X if applicable) **Election filed.** ***Attach a copy of the election with this CT23 Return.***
Proceed to **Section E** on page 12.

continued on Page 12

Capital Tax Calculation *continued from Page 11*

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, 540 *on page 11, exceeds $5,000,000.*

Complete the following calculation and transfer the amount From 523 to 543, and complete the return from that point.

+	From 470	79,844,358.											
–	542	4,980,688.											
=	471	74,863,670.	x	From 30	100.0000% Ontario Allocation	x	.3000%	x	555 Days in taxation year: 365 / ** 365 (366 if leap year)	.....	= +	523	224,591. **Total Capital Tax for the taxation year** *Transfer to 543 and complete the return from that point*

SECTION E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+	From 470	0.	x	From 30	100.0000% Ontario Allocation	x	.3000%	.....	= +	561	0.

– Capital tax deduction From 995 relating to *your corporation's* capital tax deduction, on ss.69(2.1) election form ..... – From 995 0.

= 562 0.

Capital Tax	562	0.	x	555 Days in taxation year: 365 / ** 365 (366 if leap year)	.....	=	563	0. *Transfer to 543 and complete the return from that point.*

** *If floating taxation year, refer to Guide.*

Capital Tax *before application of specified credits*	=	543	224,591.
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	–	546	0.
Capital Tax 543 – 546 *(amount cannot be negative)*	=	550	224,591. *Transfer to Page 17*

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in [550] on page 12, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. x 0.6% x From [30] ____% x [555] 0 ÷ ** 0 (366 if leap year) = + [569] 0.

Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1

Ontario Allocation

Days in taxation year

[570] 0. x [571] 0.00% x From [30] ____% x [555] 0 ÷ ** 0 (366 if leap year) = + [574] 0.

Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount

Capital Tax Rate *(Refer to Guide)*

Ontario Allocation

Days in taxation year

Capital Tax for Financial Institutions – other than Credit Unions (before Section II) [569] + [574] ..... = [575] 0.

** *If floating taxation year, refer to Guide.*

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments ..... – [585] 0.

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions [575] – [585] ..... = [586] 0.

Transfer to [543] on Page12

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements ..... [587] 0. x 2% .... = [588] 0.

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* ..... – [589] 0.

Premium Tax [588] – [589] ..... = [590] 0.

Transfer to page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 5,601,489.
Transfer to Page 15

Add:

Federal capital cost allowance	601	2,703,568.
Federal cumulative eligible capital deduction	602	0.
Ontario taxable capital gain	603	0.
Federal non-allowable reserves. Balance beginning of year	604	7,344,811.
Federal allowable reserves. Balance end of year	605	0.
Ontario non-allowable reserves. Balance end of year	606	7,685,345.
Ontario allowable reserves. Balance beginning of year	607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	608	0.
Federal resource allowance	609	0.
Federal depletion allowance	610	0.
Federal foreign exploration and development expenses	611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

		Days after Sept. 30, 2001 and before Jan. 1, 2004	Total Days		
612	0. x 5 ÷ 12.5000 x	33 365	÷ 73 365	= + 633	0.
	0. x 5 ÷ 14.0000 x	Days after Dec. 31, 2003 and before Jan. 1, 2005: 34 0	÷ 73 365	= + 634	0.

Total add-back amount for Management fees, etc. 633 + 634 .... = 0. + 613 0.

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 schedule 161 + 615 0.

Add any negative amount in 473 from Ont. CT23 Schedule 161 + 616 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 0.

Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 = 17,733,724. 640 17,733,724.
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	650	2,703,568.
Ontario cumulative eligible capital deduction	651	0.
Federal taxable capital gain	652	0.
Ontario non-allowable reserves. Balance beginning of year	653	7,344,811.
Ontario allowable reserves. Balance end of year	654	0.
Federal non-allowable reserves. Balance end of year	655	7,685,345.
Federal allowable reserves. Balance beginning of year	656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	657	0.
Ontario depletion allowance	658	0.
Ontario resource allowance	659	0.
Ontario current cost adjustment *(Attach schedule)*	661	0.
Incentive for new electricity supply (section 13.6 deduction from income) ***Applies** only to electrical generating corporations.)*	674	0.
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	675	0.

Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675 681 17,733,724.
Transfer to Page 15

continued on Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 14

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 . . . . . From ± 600 5,601,489.

Total of Additions . . . . . From = 640 17,733,724.

Subtotal of deductions on page 14 . . . . . From = 681 17,733,724.

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(***Applies*** only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year . . . . . 662 0.

ONTTI Gross-up deduction calculation:

[From 662 0. x Gross-up of CCA 100 / From 30 .0000 Ontario Allocation] – From 662 0. = 663 0.

Workplace Child Care Tax Incentive

Qualifying expenditures: [665 0. x 30.00% x 100 / From 30 100.0000 Ontario Allocation] = 666 0.

Workplace Accessibility Tax Incentive

Qualifying expenditures: [667 0. x 100.00% x 100 / From 30 100.0000 Ontario Allocation] = 668 0.

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (***Applies*** to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: [670 0. x 30.00% x 100 / From 30 100.0000 Ontario Allocation] = 671 0.

Educational Technology Tax Incentive: (***Applies*** to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: [672 0. x 15.00% x 100 / From 30 100.0000 Ontario Allocation] = 673 0.

Ontario allowable business investment loss . . . . . + 678 0.

Ontario Scientific Research Expenses claimed in year in from Ont. CT23 Schedule 161 477 . . . . . + 679 0.

Amount added to income federally for an amount that was negative in line 454 of federal form T661 . . . . . + 677 0.

Total of other deductions allowed by Ontario *(Attach schedule)* . . . . . + 664 0.

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 . . = 17,733,724. 680 17,733,724.

Net income (loss) for Ontario Purposes 600 + 640 – 680 . . . . . = 690 5,601,489.

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 435,003	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 0	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 0	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 (2) 435,003	715 (2) (4) 0	724 (2) 0	734 (2) (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17 0	716 (2) to Page 17 0	726 (2) to Page 17 0	736 (2) to Page 17 0	746 0	
Subtotal	707 435,003	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 0	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 9th preceding taxation year 1995-09-30				850 0	870 0
801 8th preceding taxation year 1996-09-30				851 0	871 0
802 7th preceding taxation year 1997-09-30				852 0	872 0
803 6th preceding taxation year 1998-09-30	820 0	830 0	840 0	853 0	873 0
804 5th preceding taxation year 1999-09-30	821 0	831 0	841 0	854 0	874 0
805 4th preceding taxation year 2000-09-30	822 0	832 0	842 0	855 0	875 0
806 3rd preceding taxation year 2001-09-30	823 0	833 0	843 0	856 0	876 0
807 2nd preceding taxation year 2001-12-31	824 0	834 0	844 0	857 0	877 0
1st preceding taxation year 2002-12-31	825 0	835 0	845 0	858 0	878 0
809 Current taxation year 2003-12-31	826 0	836 0	846 0	859 0	879 0
Total	829 0	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

Purpose to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 0	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF) / **Taxation Year Ending** (year month day)				
i) 3rd preceding _____ 901	911 0	921 0	931 0	941 0
ii) 2nd preceding _____ 902	912 0	922 0	932 0	942 0
iii) 1st preceding _____ 903	913 0	923 0	933 0	943 0
Total loss to be carried back	From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward	919 0	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320	645,811.
Corporate Minimum Tax	+ From 280	0.
Capital Tax	+ From 550	224,591.
Premium Tax	+ From 590	0.
Total Tax Payable	= 950	870,402.
Subtract: Payments	– 960	440,615.
Capital Gains Refund (s.48)	– 965	0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985	0.
Specified Tax Credits *(Refer to Guide)*	– 955	0.
Other (specify) _____	–	0.
Balance	= 970	429,787.
If payment due	Enclosed * 990	429,787.
Overpayment: Refund *(Refer to Guide)*	= 975	0.
Apply to (year month day)	980	0.

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the Minister of Finance*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

Michael Chase
Title

Controller
Full Residence Address

Signature | Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Loans

Due to City of Oshawa	23,064,000.00
Customer deposits	4,402,000.00
Other (Development Fund)	441,791.00
Deferred revenue	13,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	27,920,791.00

UCC vs NBV

UCC per Ont Sch. 8	-54,072,619.00
NBV per F/S	37,804,812.00
less: land	-98,896.00
less: WIP	-1,731,609.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	-18,098,312.00

Non-deductible reserves

Employee future benefits	7,215,569.00
Employee sick leave benefits	369,776.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,685,345.00

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

DOLLARS ONLY

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 **3,093,000.**

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes	+ 2101	0.	
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102	0.	
Equity income from corporations	+ 2103	0.	
Share of partnership(s)/joint venture(s) income	+ 2104	0.	
Dividends received/receivable deductible under fed.s.112	+ 2105	0.	
Dividends received/receivable deductible under fed.s.113	+ 2106	0.	
Dividends received/receivable deductible under fed.s.83(2)	+ 2107	0.	
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) 0. X 9/4	+ 2108	0.	
Subtotal	=	0.	– 2109 0.

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes	+ 2110	1,941,000.	
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2111	0.	
Equity losses from corporations	+ 2112	0.	
Share of partnership(s)/joint venture(s) losses	+ 2113	0.	
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2114	0.	
Subtotal	=	1,941,000.	+ 2115 1,941,000.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	+ 2116	0.	or – 2117	0.	
** Fed.s.85.1	+ 2118	0.	or – 2119	0.	
** Fed.s.97	+ 2120	0.	or – 2121	0.	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2122	0.	or – 2123	0.	
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2124	0.	or – 2125	0.	
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ 2126	0.	or – 2127	0.	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	– 2150	0.			

Subtotal (Additions)	=	0.	+ 2128 0.
Subtotal (Subtractions)	=	0.	– 2129 0.

** Other adjustments ± 2130 0.

Subtotal ± 2100 – 2109 + 2115 + 2128 – 2129 ± 2130 = 2131 **5,034,000.**

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss ± 2132 0.

Adjusted net income (loss) (if loss, transfer to 2202 *in Schedule B: Continuity of CMT Losses Carried Forward, Page 19.)* = 2133 **5,034,000.**

Deduct: * CMT losses: pre-1994 Loss	+ From 2210	0.		
* CMT losses: other eligible losses	+ 2211	1,097,503.		
	=	1,097,503.	2134	1,097,503.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base = 2135 **3,936,497.**

Transfer to CMT Base on Page 8

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)				+	2201	1,097,503.
Add:	Current year's losses	+	2202	0.		
	Losses from predecessor corporations on amalgamation (3)	+	2203	0.		
	Losses from predecessor corporations on wind-up (3)	+	2204	0.		
	Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes					
Subtotal		=		0.	+ 2207	0.
Adjustments (attach schedule)					± 2208	0.
CMT losses available 2201 + 2207 ± 2208					= 2209	1,097,503.
Subtract:	Pre-1994 loss utilized during the year to reduce adjusted net income	+	2210	0.		
	Other eligible losses utilized during the year to reduce adjusted net income (4)	+	2211	1,097,503.		
	Losses expired during the year	+	2212	0.		
Subtotal		=		1,097,503.	- 2213	1,097,503.
Balances at End of Year (5) 2209 - 2213					= 2214	0.

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 2001-12-31	2260 0	2280 0
2241	8th preceding taxation year 2002-12-31	2261 0	2281 0
2242	7th preceding taxation year 2003-12-31	2262 0	2282 0
2243	6th preceding taxation year	2263 0	2283 0
2244	5th preceding taxation year	2264 0	2284 0
2245	4th preceding taxation year	2265 0	2285 0
2246	3rd preceding taxation year	2266 0	2286 0
2247	2nd preceding taxation year	2267 0	2287 0
	1st preceding taxation year	2268 0	2288 0
2249	Current taxation year	2269 0	2289 0
Totals		2270 0	2290 0

The sum of amounts 2270 + 2290 *must equal amount in* 2214

rporate Minimum Tax (CMT)

DOLLARS ONLY

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1) . . . . . + 2301 0.

Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL) . . . . . + From 280 0.

CMT Credit Carryovers from predecessor corporations (2) . . . . . + 2302 0.

Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes

Subtotal . . . . . = 0. + 2305 0.

Adjustments *(Attach schedule)* . . . . . ± 2306 0.

CMT credit carryover available 2301 + 2305 ± 2306 . . . . . = 2307 0.

Transfer to Page 8

Subtract: CMT Credit utilized during the year to reduce income tax (Page 8) + From 310 0.

CMT Credit expired during the year . . . . . + 2308 0.

Subtotal . . . . . = 0. − 2309 0.

Balance at End of Year (3) 2307 − 2309 . . . . . = 2310 0.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

nclude and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 2001-12-31	2360 0	2380 0
2341	8th preceding taxation year 2002-12-31	2361 0	2381 0
2342	7th preceding taxation year 2003-12-31	2362 0	2382 0
2343	6th preceding taxation year	2363 0	2383 0
2344	5th preceding taxation year	2364 0	2384 0
2345	4th preceding taxation year	2365 0	2385 0
2346	3rd preceding taxation year	2366 0	2386 0
2347	2nd preceding taxation year	2367 0	2387 0
	1st preceding taxation year	2368 0	2388 0
2349	Current taxation year	2369 0	2389 0
Totals		2370 0	2390 0

The sum of amounts 2370 + 2390 *must equal amount in* 2310.

Calculation of Tax Rates for the

- Incentive Deduction for Small Business Corporations (IDSBC) (Small Business Tax Credit) (S.41)
- Surtax on Canadian-controlled Private Corporations (s.41.1)

1. Calculation of IDSBC Rate

Number of Days In Taxation Year

		Days after December 31, 1998 and before January 1, 2000		Total Days		
7.00%	x	0	/	365	=	.0000%
		Days after Dec 31, 1999 and before Jan 1, 2001		Total Days		
7.50%	x	0	/	365	=	.0000%
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days		
7.50%	x	0	/	365	=	.0000%
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days		
6.50%	x	0	/	365	=	.0000%
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
7.00%	x	365	/	365	=	7.0000%
		Days after Dec 31, 2003 and before Jan 1, 2005		Total Days		
8.50%	x	0	/	365	=	.0000%
IDSBC Rate for the Taxation Year					=	7.0000%

2. Calculation of Specified Rate for Surtax

Number of Days In Taxation Year

		Days after Dec 31, 1998 and before Jan 1, 2000		Total Days		
4.67%	x	0	/	365	=	.0000%
		Days after Dec 31, 1999 and before Jan 1, 2001		Total Days		
5.00%	x	0	/	365	=	.0000%
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days		
5.00%	x	0	/	365	=	.0000%
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days		
4.3330%	x	0	/	365	=	.0000%
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
4.6670%	x	365	/	365	=	4.6670%
		Days after Dec 31, 2003 and before Jan 1, 2005		Total Days		
4.6670%	x	0	/	365	=	.0000
Specified Rate of Surtax for the Taxation Year					=	4.6670%

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Surtax on Canadian-Controlled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2003-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
OSHAWA POWER AND UTILITIES CORPORATION	1800156	2003-12-31	+
OSHAWA PUC ENERGY SERVICES INC.	8114793	2003-12-31	+
OSHAWA PUC SERVICES INC.	8114781	2003-12-31	+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
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			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
		Total	=

Transfer to 85 *of the CT23*

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2003-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
OSHAWA POWER AND UTILITIES CORPORATION	1800156	2003-12-31	+ 23,121,147	+ 875,599
OSHAWA PUC ENERGY SERVICES INC.	8114793	2003-12-31	+ 1,026	+ 29
OSHAWA PUC SERVICES INC.	8114781	2003-12-31	+ 339,909	+ 149,853
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
Totals			= 23,462,082	= 1,025,481
			Transfer to 249 *of the CT23*	*Transfer to* 250 *of the CT23*

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	50,219,732	4,145,203	0	0	54,364,935	2,072,601	52,292,334	4	0	0	2,091,693	52,273,242
8	568,034	83,466	0	0	651,500	41,733	609,767	20	0	0	121,953	529,547
10	1,404,934	162,962	0	0	1,567,896	81,481	1,486,415	30	0	0	445,925	1,121,971
42	107,526	0	0	0	107,526	0	107,526	12	0	0	12,903	94,623
13	34,481	0	0	0	34,481	0	34,481		0	0	9,200	25,281
13	10,909	0	0	0	10,909	0	10,909		0	0	2,424	8,485
12	0	38,940	0	0	38,940	19,470	19,470	100	0	0	19,470	19,470
Total	52,345,616	4,430,571	0	0	56,776,187	2,215,285	54,560,902		0	0	2,703,568	54,072,619
								Enter in boxes	[650]	[650]	[650] on the CT23	

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Oshawa PUC Networks Inc.
891725210RC0001
December 31, 2003

Pursuant to subsection 13(7.4) of the Income Tax Act, Oshawa PUC Networks Inc. is electing to reduce the capital cost of additions to Class 1 by $1,899,538.

Signature: _____

Michael Chase, Controller
Oshawa PUC Networks Inc.

Date: _____

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Taxable Capital of Associated Corporations

(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2003-12-31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
OSHAWA POWER AND UTILITIES CORPORATION	1800156	2003-12-31	+ 55,445
OSHAWA PUC ENERGY SERVICES INC.	8114793	2003-12-31	+
OSHAWA PUC SERVICES INC.	8114781	2003-12-31	+ 254,139
			+
			+
			+

FEDERAL TAX INSTALMENTS

For The Taxation Year Ended: 2004-12-31

The following is a list of federal instalments payable for the current taxation year. The last column indicates the instalments payable to Revenue Canada. The instalments are due no later than on the dates indicated, otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Receiver General. Payment may be made either to an authorized financial institution or filed with form T9 (instalment form) and addressed to the appropriate Revenue Canada Taxation Centre.

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2004-01-31	108,772	0	0	108,772
2004-02-29	108,772	0	0	108,772
2004-03-31	108,772	0	0	108,772
2004-04-30	108,772	0	0	108,772
2004-05-31	108,772	0	0	108,772
2004-06-30	108,772	0	0	108,772
2004-07-31	108,772	0	0	108,772
2004-08-31	108,772	0	0	108,772
2004-09-30	108,772	0	0	108,772
2004-10-31	108,772	0	0	108,772
2004-11-30	108,772	0	0	108,772
2004-12-31	108,772	0	0	108,772
Total	1,305,264	0		1,305,264

Indicate Instalment Method Chosen [1-3]: 1
1st Instalment Base Method

If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

1. 1st INSTALMENT BASE METHOD

1st Instalment Base Amount (Amount (I) Below)	1,305,253	/ 12 =		108,772
Monthly Instalments Required				108,772

2. COMBINED 1st AND 2nd INSTALMENT BASE METHOD

2nd Instalment Base Amount:

Indicate:	Part I Tax	0			
	Part I.3, VI & VI.I Tax	111,299			
	Provincial Tax	0			
	Total	111,299	/ 12 =	(A)	9,275
Less: 1/12 of Estimated Current Yr Credits [(H) below / 12]					0
of the first 2 Instalment Payments			=	(B)	9,275
Total tax from (I) below	1,305,253				
Less: Amount (B) above x 2	18,550				
	1,286,703	/ 10 =			128,671
Each of the remaining 10 Instalment Payments					128,671

3. ESTIMATED TAX METHOD

Instalment Base Amount (Amount (I) Below)	0	/ 12 =	0
Monthly Instalments Required			0

INSTALMENT BASE CALCULATION

	1st Instalment Base Method	Estimated Tax Method
Taxable Income	5,166,486	0
CALCULATION OF TAX PAYABLE		
Total of:		
Federal Part I Tax	1,963,265	0
Federal Surtax	57,865	0
Refundable Tax on a CCPC's Investment Income	0	0
Subtotal (A)	2,021,130	0
Less Total of:		
Small Business Deduction	0	0
Investment Corporation Deduction	0	0
Federal Tax Abatement	516,649	0
Manufacturing and Processing Profits Deduction	0	0
Non-Business Foreign Tax Credit	0	0
Business Foreign Tax Credit	0	0
Tax Reduction, General and Accelerated	258,324	0
Logging Tax Credit	0	0
Federal Political Contribution Tax Credit	0	0
Investment tax credit per Schedule 31 and resource deduction	0	0
Qualifying Environmental Trust Tax Credit	0	0
Subtotal (B)	774,973	0
Total Part I Tax Payable (A) - (B) = (C)	1,246,157	0
Add: Part I.3 Tax (D)	59,096	0
Part VI Tax (D.1)	0	0
Part VI.I Tax (D.2)	0	0
Provincial/Territorial Tax (E)	0	0
Total Parts I, I.3, VI, VI.I and Provincial/Territorial Tax = (F)	1,305,253	0
Adjustment for Short Taxation Years:		
x 365/# of days in year if < 365	365 / 365	365 / 0
(G)	1,305,253	0
Less - Estimated Current Year Credits:		
Investment Tax Credit Refund	0	0
Dividend Refund	0	0
Federal Capital Gains Refund	0	0
Provincial and Territorial Capital Gains Refund	0	0
NRO Allowable Refund per Sch. 26	0	0
Tax Withheld at Source	0	0
Other Estimated Credits	0	0
Total Estimated Current Year Credits (H)	0	0
INSTALMENT BASE AMOUNT (G) - (H) = (I)	1,305,253	0

ONTARIO TAX INSTALMENTS

For The Taxation Year Ended: 2004-12-31

The following is a list of Ontario instalments payable for the current taxation year. The last column indicates the instalments payable to the Ontario Ministry of Revenue. The instalments are due no later than on the dates indicated otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Minister of Finance. Payment may be made either to a chartered bank in Ontario or filed with an instalment form and addressed to:

Ministry of Revenue (Ontario)
Corporation Tax Branch
P.O. Box 620
33 King Street West
Oshawa, Ontario
L1H 8E9

Quarterly Instalment

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2004-03-31	0	0	0	0
2004-06-30	0	0	0	0
2004-09-30	0	0	0	0
2004-12-31	0	0	0	0
	0	0		0

Date	Instalments Required	Instalments Paid	Cumulative Difference	Instalments Payable
2004-01-31	72,534	0	0	72,534
2004-02-29	72,534	0	0	72,534
2004-03-31	72,534	0	0	72,534
2004-04-30	72,534	0	0	72,534
2004-05-31	72,534	0	0	72,534
2004-06-30	72,534	0	0	72,534
2004-07-31	72,534	0	0	72,534
2004-08-31	72,534	0	0	72,534
2004-09-30	72,534	0	0	72,534
2004-10-31	72,534	0	0	72,534
2004-11-30	72,534	0	0	72,534
2004-12-31	72,534	0	0	72,534
Total	870,408	0		870,408

Indicate Instalment Method Chosen [1-3]: 1

1. 1st Instalment Base Method
2. Combined 1st and 2nd Instalment Base Method
3. Estimated Tax Method

Do not used the quarterly payment even if applicable "X" to continue monthly payments . . . . . [ ]

If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

1. 1st INSTALMENT BASE METHOD

1st Instalment Base Amount (Amt (I) Below)	870,402	/ 12	=	72,534
			Monthly Instalments Required	72,534
			Quarterly Instalments Required	0

2. COMBINED 1st AND 2nd INSTALMENT BASE METHOD

2nd Instalment Base Amount:

Indicate:	Income Tax, C.M.T	0			
	Capital Tax, Prem. Tax	217,007			
	Total	217,007	/ 12	= (A)	18,084
Each of the first 2 Instalment Payments				= (B)	18,084
Total tax from (I) below		870,402			
Less: Amount (A) above x 2		36,168			
		834,234	/ 10	=	83,424
Each of the remaining 10 Instalment Payments				=	83,424
				Quarterly Instalments Required	0

3. ESTIMATED TAX METHOD

Instalment Base Amount (Amt (I) Below)	0	/ 12	=	0
			Monthly Instalments Required	0
			Quarterly Instalments Required	0

INSTALMENT BASE CALCULATION

		1st Instalment Base Method	Estimated Tax Method
Ontario Taxable Income		5,166,486	0
CALCULATION OF TAX PAYABLE			
Gross Ontario Tax	(A)	645,811	0
Less Total of:			
Incentive Deduction for an S.B.C., net of surtax		0	0
Manufacturing and Processing Profits Credit		0	0
Additional deduction for credit unions		0	0
Credit for foreign taxes paid		0	0
Credit for Investment in S.B.D.C		0	0
Specified credits applied against income tax		0	0
Total Deduction and Credits	(B)	0	0
Income Tax (A) - (B) =	(C)	645,811	0
Add: Capital Tax	(D)	224,591	0
Corporate minimum tax paid (credited)	(E)	0	0
Premium Tax	(F)	0	0
Total Income Tax and Other Taxes (C+D+E+F) =	(G)	870,402	0
Adjustment for Short Taxation Years			
x 365 / number of days in year if < 365		365 / 365	365 / 365
	(H)	870,402	0
Less: Total estimated current year credits		0	0
	(I)	870,402	0

Appendix 23

2004 T2 Federal Tax Return

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

200
Code 0401

055 Do not use this area

FILE COPY

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the corresponding items in the *T2 Corporation – Income Tax Guide* (T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

Identification

Business Number (BN) 001 891725210RC0001

Corporation's name

002 Oshawa PUC Networks Inc. PILs

Has the corporation changed its name since the last time we were notified? 003 1 Yes [ ] 2 No [X]

If *Yes*, do you have a copy of the articles of amendment? 004 1 Yes [ ] 2 No [ ]

Address of head office

Has the address changed since the last time we were notified? 010 1 Yes [ ] 2 No [X]

011 100 Simcoe Street South

012

City	Province, territory, or state
015 Oshawa	016 ON
Country (other than Canada)	**Postal code/ZIP code**
017	018 L1H-7M7

Mailing address (if different from head office address)

Has the address changed since the last time we were notified? 020 1 Yes [ ] 2 No [X]

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal code/ZIP code**
027	028

Location of books and records

Has the location of books and records changed since the last time we were notified? 030 1 Yes [ ] 2 No [X]

031 100 Simcoe Street South

032

City	Province, territory, or state
035 Oshawa	036 ON
Country (other than Canada)	**Postal code/ZIP code**
037	038 L1H-7M7

040 **Type of corporation at the end of the taxation year**

1 [X] Canadian-controlled private corporation (CCPC)
2 [ ] Other private corporation
3 [ ] Public corporation
4 [ ] Corporation controlled by a public corporation
5 [ ] Other corporation (specify, below)

If the type of corporation changed during the taxation year, provide the effective date of the change 043 YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year-end
060 2004-01-01 YYYY/MM/DD	061 2004-12-31 YYYY/MM/DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 1 Yes [ ] 2 No [X]

If *Yes*, give the date control was acquired 065 YYYY/MM/DD

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes [ ] 2 No [X]

Is this the first year of filing after:

Incorporation? 070 1 Yes [ ] 2 No [X]
Amalgamation? 071 1 Yes [ ] 2 No [X]

If *Yes*, complete and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current taxation year? 072 1 Yes [ ] 2 No [X]

If *Yes*, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? 076 1 Yes [ ] 2 No [X]

Is this the final return up to dissolution? 078 1 Yes [ ] 2 No [X]

Is the corporation a resident of Canada?

080 1 Yes [X] 2 No [ ] If *No*, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes [ ] 2 No [X]

If *Yes*, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

085
1 [ ] Exempt under paragraph 149(1)(e) or (l)
2 [ ] Exempt under paragraph 149(1)(j)
3 [ ] Exempt under paragraph 149(1)(t)
4 [ ] Exempt under other paragraphs of section 149

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141. * We do not print these schedules.

Schedules – Answer the following questions. For each *Yes* response, attach to the T2 return the schedule that applies.

Guide item			Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	X	11
33	If you answered *Yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	X	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
		171		T106
43	Has the corporation had any non-arm's length transactions with a non-resident?	172		—
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	173	X	50
46	For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	201	X	1
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	202		2
78-81	Has the corporation made any charitable donations, gifts to Canada, a province or a territory, or gifts of cultural or ecological property?	203		3
82,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	204		4
69-76	Is the corporation claiming any type of losses?	205		5
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	206		6
	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?			
103	i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207		7
		208	X	8
57	Does the corporation have any property that is eligible for capital cost allowance?	210		10
58	Does the corporation have any property that is eligible capital property?	212		12
59	Does the corporation have any resource-related deductions?	213		13
60	Is the corporation claiming reserves of any kind?	216		16
61	Is the corporation claiming a patronage dividend deduction?	217		17
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	218		18
150	Is the corporation an investment corporation or a mutual fund corporation?	220		20
131	Was the corporation carrying on business in Canada as a non-resident corporation?	221		21
118	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	226		26 *
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	227		27
111	Does the corporation have any Canadian manufacturing and processing profits?	231		31
121	Is the corporation claiming an investment tax credit?	232		T661
63	Is the corporation claiming any scientific research and experimental development expenditures?	233	X	33/34/35
124	Is the corporation subject to gross Part I.3 tax?	236	X	36
124	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	237		37
124	Is the corporation claiming a surtax credit?	238		38
128	Is the corporation subject to gross Part VI tax on capital of financial institutions?	242		42
128	Is the corporation claiming a Part I tax credit?	243		43
129	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	244		45
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	249		46
125	Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	250		39
	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	253		T1131
152	Is the corporation claiming a Canadian film or video production tax credit refund?	254		T1177
153	Is the corporation claiming a film or video production services tax credit refund?	255		92 *
130	Is the corporation subject to Part XIII.1 tax?			

Attachments – continued from page 2

Guide item			Yes	Schedule
	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256		T1134-A
	Did the corporation have any controlled foreign affiliates?	258		T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?	259		T1135
44	Did the corporation transfer or loan property to a non-resident trust?	260		T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261		T1142
—	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262		T1145
—	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263		T1146
—	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264		T1174

Additional information

Is the corporation inactive?	280	1 Yes		2 No	X
Has the major business activity changed since the last return was filed? (enter *Yes* for first-time filers)	281	1 Yes		2 No	X

What is the corporation's major business activity? (Only complete if *Yes* was entered at line 281.) 282

If the major activity involves the resale of goods, indicate whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	Utility Distribution	285	100%
286		287	0%
288		289	0%

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes		2 No	X
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes		2 No	X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300	5,530,539	A
Deduct: Charitable donations from Schedule 2	311	0	
Gifts to Canada, a province, or a territory from Schedule 2	312	0	
Cultural gifts from Schedule 2	313	0	
Ecological gifts from Schedule 2	314	0	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	0	
Part VI.1 tax deduction from Schedule 43*	325	0	
Non-capital losses of preceding taxation years from Schedule 4	331	0	
Net-capital losses of preceding taxation years from Schedule 4	332	0	
Restricted farm losses of preceding taxation years from Schedule 4	333	0	
Farm losses of preceding taxation years from Schedule 4	334	0	
Limited partnership losses of preceding taxation years from Schedule 4	335	0	
Taxable capital gains or taxable dividends allocated from a central credit union	340	0	
Prospector's and grubstaker's shares	350	0	
Subtotal		0	B
Subtotal (amount A minus amount B) (if negative, enter "0")		5,530,539	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	355	0	D
Taxable income (amount C plus amount D)	360	5,530,539	
Income exempt under paragraph 149(1)(t)	370	0	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)		5,530,539	Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7 ..... 400 5,530,539 A

Taxable income from line 360 on page 3, **minus** 10/3 of the amount at line 632* on page 7, **minus** 3 times amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax ... 405 5,530,539 B

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

200,000	x	Number of days in the taxation year before 2003 / Number of days in the taxation year	0 / 366	=	0	1
225,000	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 366	=	0	2
250,000	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	366 / 366	=	250,000	3
300,000	x	Number of days in the taxation year after 2004 / Number of days in the taxation year	0 / 366	=	0	3.1

Add amounts at lines 1, 2, 3, and 3.1 ..... 250,000 4

Business limit (see notes 1 and 2 below) ..... 410 250,000 C

Notes: 1. For CCPCs that are note associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.

2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line 410.

Business limit reduction:

Amount C 250,000 x 415*** 116,961 D / 11,250 = ... 2,599,133 E

Reduced business limit (amount C minus amount E) (if negative, enter "0") ..... 425 0 F

Small business deduction - 16.00% of whichever amount is least: A, B, C, or F ..... 430 0 G
(enter amount G on line 9 of page 7)

* Calculate the amount of foreign non-business income tax credit deductible at line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

*** **Large corporation tax**

- The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada minus $10,000,000).
- If the corporation is not associated with any corporation in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporation in the current taxation year, but was associated in the preceding taxation year, and its current taxation year:
  - starts before December 21, 2002, enter the corporation's gross Part I.3 tax for its **preceding** taxation year; or
  - starts after December 20, 2002, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425) ..... 0 x 300,000 / line 4 above = 0 A

Net active business income (amount from line 400) * ..... 5,530,539 B

Taxable income from line 360 on page 3 **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt for Part I tax ..... 5,530,539 C

Deduct:

Aggregate investment income (amount from line 440 of page 6) ..... 0 D

Amount C minus amount D (if negative, enter "0") ..... 5,530,539 5,530,539 E

Amount A, B, or E above, whichever is less ..... 0 F

Amount Z from Part 9 of Schedule 27 ..... 0 x 100/7 = 0 G

Amount QQ from Part 13 of Schedule 27 ..... 0 H

Taxable resource income from line 435 of page 5 ..... 0 I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) .. 0 J

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less .. 0 K

Total of amounts G, H, I, J, and K ..... 0 0 L

Amount F minus amount L (if negative, enter "0") ..... 0 M

Accelerated tax reduction - 7% of amount M (enter amount N on line 637 of page 7) ..... 0 N

* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)] ..... 435 | 0 A

Amount A	0	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 366	x 1% =	0 B
Amount A	0	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	366 / 366	x 2% =	0 C
Amount A	0	x	Number of days in the taxation year in 2005 / Number of days in the taxation year	0 / 366	x 3% =	0 C.1
Amount A	0	x	Number of days in the taxation year in 2006 / Number of days in the taxation year	0 / 366	x 5% =	0 C.2

Resource deduction – total of amounts B, C, C.1, and C.2 ..... 438 | 0 D
(enter amount D on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3 ..... 5,530,539 E

Amount Z from Part 9 of Schedule 27	0 x 100/7 =	0 F	
Amount QQ from Part 13 of Schedule 27		0 G	
Taxable resource income from line 435 above		0 H	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 I	
Amount on line 400, 405, 410, or 425 on page 4, whichever is less		0 J	
Aggregate investment income from line 440 of page 6		0 K	
Amount used to calculate the accelerated tax reduction (amount M of page 4)		0 L	
Total of amounts F, G, H, I, J, K, and L		0	0 M

Amount E minus amount M (if negative, enter "0") ..... 5,530,539 N

Amount N	5,530,539	x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 366	x 3% =	0 O
Amount N	5,530,539	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 366	x 5% =	0 P
Amount N	5,530,539	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	366 / 366	x 7% =	387,138 Q

General tax reduction for Canadian-controlled private corporations - total of amounts O, P, and Q ..... 387,138 R
(enter amount R on line 638 of page 7)

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 of page 3 ..... 0 S

Amount Z from Part 9 of Schedule 27	0 x 100/7 =	0 T	
Amount QQ from Part 13 of Schedule 27		0 U	
Taxable resource income from line 435 above		0 V	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 W	
Total of amounts T, U, V, and W		0	0 X

Amount S minus amount X (if negative, enter "0") ..... 0 Y

Amount Y	0	x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 366	x 3% =	0 Z
Amount Y	0	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 366	x 5% =	0 AA
Amount Y	0	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	366 / 366	x 7% =	0 BB

General tax reduction - total of amounts Z, AA, and BB ..... 0 CC
(enter amount CC on line 639 of page 7)

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (amount P from Part 1 of Schedule 7)	440	0 x 26 2/3% =		0 A
Foreign non-business income tax credit from line 632 on page 7			0	
Deduct:				
Foreign investment income (amount O from Part 1 of Schedule 7)	445	0 x 9 1/3% =	0	
		(if negative, enter "0")	0	0 B
Amount A minus amount B (if negative, enter "0")				0 C
Taxable income from line 360 on page 3			5,530,539	
Deduct:				
Amount on line 400, 405, 410, or 425 on page 4, whichever is less			0	
Foreign non-business income tax credit from line 632 of page 7		0 x 25/9 =	0	
Foreign business income tax credit from line 636 of page 7		0 x 3 =	0	
			0	0
			5,530,539 x 26 2/3% =	1,474,810 D
Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8)			1,223,355	
Deduct: Corporate surtax from line 600 of page 7			61,942	
Net amount			1,161,413	1,161,413 E
Refundable portion of Part I tax – Amount C, D, or E, whichever is less	450			0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year	460		0	
Deduct: Dividend refund for the previous taxation year	465		0	
			0	0 A
Add the total of:				
Refundable portion of Part I tax from line 450 above			0	
Total Part IV tax payable from line 360 on page 2 of Schedule 3			0	
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	480		0	
			0	0 B
Refundable dividend tax on hand at the end of the taxation year – Amount A plus amount B	485			0

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3	0	x 1/3	0 A
Refundable dividend tax on hand at the end of the taxation year from line 485 above			0 B
Dividend refund – Amount A or B, whichever is less (enter this amount on line 784 of page 8)			0

Part I tax

Base amount of Part I tax – 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 2,101,605 A

Corporate surtax calculation

Base amount from line A above	2,101,605	1
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	553,054	2
Investment corporation deduction from line 620 below	0	3
Federal logging tax credit from line 640 below	0	4
Federal qualifying environmental trust tax credit from line 648 below	0	5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is less:

28.00% of taxable income from line 360 of page 3	0	a	
28.00% of taxed capital gains	0	b	0 6
Part I tax otherwise payable (line A **plus** lines C and D **minus** line F)	0	c	
Total of lines 2 to 6			553,054 7
Net amount (line 1 minus line 7)			1,548,551 8

Corporate surtax – 4.00% of the amount on line 8 ..... 600 61,942 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 ..... 602 0 C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6		0	i
Taxable income from line 360 on page 3	5,530,539		
Deduct:			
Amount on lines 400, 405, 410, or 425 of page 4, whichever is less	0		
Net amount	5,530,539	5,530,539	ii

Refundable tax on CCPC's investment income – 6 2/3% of the lesser of amounts i or ii ..... 604 0 D

Subtotal (add lines A, B, C, and D) 2,163,547 E

Deduct:

Small business deduction from line 430 of page 4		0	9
Federal tax abatement	608	553,054	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27	616	0	
Investment corporation deduction	620	0	
(taxed capital gains 624 0)			
Additional deduction – credit unions from Schedule 17	628	0	
Federal foreign non-business income tax credit from Schedule 21	632	0	
Federal foreign business income tax credit from Schedule 21	636	0	
Accelerated tax reduction from amount N of page 4	637	0	
Resource deduction from line 438 of page 5		0	10
General tax reduction for CCPCs from amount R of page 5	638	387,138	
General tax reduction from amount CC of page 5	639	0	
Federal logging tax credit from Schedule 21	640	0	
Federal political contribution tax credit	644	0	
Federal political contributions 646 0			
Federal qualifying environmental trust tax credit	648	0	
Investment tax credit from Schedule 31	652	0	
Subtotal		940,192	940,192 F

Part I tax payable – Line E minus line F (enter amount G on line 700 of page 8) ..... 1,223,355 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	1,223,355
Part I.3 tax payable from Schedule 33, 34, or 35	704	0
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		1,223,355

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0
		0
Total tax payable	770	1,223,355 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0
Dividend refund from page 6	784	0
Federal capital gains refund from Schedule 18	788	0
Federal qualifying environmental trust tax credit refund	792	0
Canadian film or video production tax credit refund from Form T1131	796	0
Film or video production services tax credit refund from Form T1177	797	0
Tax withheld at source	800	0
Total payments on which tax has been withheld 801		0
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0
Provincial and territorial capital gains refund from Schedule 18	808	0
Provincial and territorial refundable tax credits from Schedule 5	812	0
Royalties deductible under Syncrude Remission Order 815		0
Tax remitted under Syncrude Remission Order	816	0
Tax instalments paid	840	1,223,355
Total credits	890	1,223,355
Balance (line A minus line B)		1,223,355 B
		0

Refund code 894 0 Overpayment 0

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.

Enter the amount on whichever line applies.
We do not charge or refund a difference of $2 or less.

Balance unpaid 0

Enclosed payment 898 0

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information 910 Branch number

914 Institution number 918 Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 Chase (Last name in block letters) 951 Michael (First name in block letters) 954 Controller (Position, office, or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation

956 905-723-4626 Telephone number

Is the contact person the same as the authorized signing officer? If *No*, complete the information below 957 1 Yes ☒ 2 No ☐

958 Name in block letters

959 Telephone number

Language of correspondence - Langue de correspondance

990 Indicate the language of your choice. Indiquer la langue de correspondance de votre choix. 1 English/Anglais ☒ 2 Français/French ☐

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Identification of the corporation (Imported Data)

Name of the corporation	Oshawa PUC Networks Inc.	Taxation year end	
Business Number	891725210RC0001	City	Oshawa
Address	100 Simcoe Street South	Postal code	L1H-7M7
Province, Territory	ON		

Balance Sheet

GIFI	Account	Description		Amount	Prior Year
		Assets			
1599		Total current assets	+	34,211,000	36,994,000
2008		Total tangible capital assets	+	102,583,000	94,891,000
2009		Total accumulated amortization of tangible capital assets	-	60,425,000	57,086,000
2178		Total intangible capital assets	+	0	0
2179		Total accumulated amortization of intangible capital assets	-	0	0
2589		Total long-term assets	+	2,013,000	2,961,000
2590		Assets held in trust	+	0	0
2599		**Total Assets** (mandatory field)	=	78,382,000	77,760,000
		Liabilities			
3139		Total current liabilities		12,764,000	15,723,000
3450		Total long-term liabilities		36,499,323	35,605,323
3460		Subordinated debt		0	0
3470		Amounts held in trust		0	0
3499		**Total liabilities** (mandatory field)		49,263,323	51,328,323
		Shareholder equity			
3620		**Total shareholder equity** (mandatory field)		29,118,677	26,431,677
3640		**Total Liabilities and Shareholder Equity**		78,382,000	77,760,000
3849		**Retained Earnings/Deficit - End** (mandatory field)		6,055,011	3,368,011

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Current Assets

GIFI	Account	Description		Amount	Prior year
Cash and deposits					
1000	*	Cash and deposits		10,575,000	20,555,000
1001		Cash		0	0
1002		Deposits in Canadian banks and institutions - Canadian currency		0	0
1003		Deposits in Canadian banks and institutions - foreign currency		0	0
1004		Deposits in foreign banks - Canadian currency		0	0
1005		Deposits in foreign banks - foreign currency		0	0
1006		Credit union central deposits		0	0
1007		Other cash like instruments		0	0
		Cash and deposits	+	10,575,000	20,555,000
Accounts receivable					
1060	*	Accounts receivable		0	0
1062		Trade accounts receivable		6,711,000	5,323,000
1064		Trade accounts receivable from related parties		0	0
1066		Taxes receivable		0	0
1		Interest receivable		0	0
1068		Holdbacks receivable		0	0
1069		Leases receivable		0	0
1071		Accounts receivable from employees		0	0
1073		Amounts receivable from members of NPOs		0	0
		Accounts receivable	+	6,711,000	5,323,000
Allowance for doubtful accounts					
1061	*	Allowance for doubtful accounts		0	0
1063		Allowance for doubtful trade accounts receivable		0	0
1065		Allowance for doubtful trade accounts receivable related parties		0	0
1070		Allowance for doubtful amounts contained in leases receivable		0	0
1072		Allowance for doubtful accounts receivable from employees		0	0
		Allowance for doubtful accounts	-	0	0

Inventories

1120	*	Inventories	443,000	481,000
1121		Inventory of goods for sale	0	0
1122		Inventory parts and supplies	0	0
1123		Inventory properties	0	0
1124		Inventory of aggregates	0	0
1125		Work in progress	0	0
1126		Raw materials	0	0
1127		Inventory of securities	0	0
		Inventories	+ 443,000	481,000

Short-term investments

1180	*	Short-term investments	0	0
1181		Canadian term deposits	0	0
1182		Canadian shares	0	0
1183		Canadian bonds	0	0
1184		Canadian treasury bills	6,000,000	0
1185		Securities purchased under resale agreements	0	0
1186		Other short-term Canadian investments	0	0
1187		Short-term foreign investments	0	0
		Short-term investments	+ 6,000,000	0

Loans and notes receivable

12	*	Loans and notes receivable	0	0
1241		Demand loans receivable	0	0
1242		Other loans receivable	0	0
1243		Notes receivable	0	0
1244		Mortgages receivable	0	0
		Loans and notes receivable	+ 0	0

Due from shareholder(s)/director(s)

1300	*	Due from shareholder(s)/director(s)	0	0
1301		Due from individual shareholder(s)	0	0
1302		Due from corporate shareholder(s)	0	0
1303		Due from director(s)	0	0
		Due from shareholder(s)/director(s)	+ 0	0

1360		Investment in joint venture(s)/partnership(s)	+ 0	0
1380		Due from joint venture(s)/partnerships(s)	+ 0	0

Due from/investment in related parties

1400	*	Due from/investment in related parties	490,000	336,000
1401		Demand notes from related parties	0	0
1402		Interest receivable from related parties	0	0
1403		Loans/advances due from related parties	0	0
		Due from/investment in related parties	+ 490,000	336,000

1460		Customers' liability under acceptances	+ 0	0

Other current assets

1480	*	Other current assets	9,783,000	10,258,000
1481		Deferred income taxes	0	0
1482		Accrued investment income	0	0
1483		Taxes recoverable/refundable	0	0
1484		Prepaid expenses	209,000	41,000
1485		Drilling advances	0	0
1486		Security/tender deposits	0	0
		Other current assets	+ 9,992,000	10,299,000

1599		**Total Current Assets**	= 34,211,000	36,994,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Tangible Capital Assets

GIFI	Account	Description		Amount	Prior year
1600		Land	+	99,000	99,000
1601		Land improvements	+	0	0

Depletable assets

1620	*	Depletable assets		0	0
1622		Petroleum and natural gas properties		0	0
1624		Mining properties		0	0
1626		Deferred exploration and development charges		0	0
1628		Quarries		0	0
1630		Gravel pits		0	0
1632		Timber limits		0	0
		Depletable assets	+	0	0

Buildings

1680	*	Buildings		534,000	534,000
1682		Manufacturing and processing plant		0	0
168		Buildings under construction		0	0
		Buildings	+	534,000	534,000

Machinery, equipment, furniture, and fixtures

1740	*	Machinery, equipment, furniture, and fixtures		2,631,000	2,511,000
1742		Motor vehicles		3,908,000	3,245,000
1744		Tools and dies		0	0
1746		Construction and excavating equipment		0	0
1748		Forestry and logging equipment		0	0
1750		Fishing gear and nets		0	0
1752		Mining equipment		0	0
1754		Oil and gas systems		0	0
1756		Production equipment for resource industries		0	0
1758		Production equipment for other than resource industries		0	0
1760		Exploration equipment		0	0
1762		Shipping equipment		0	0
1764		Ships and boats		0	0
1766		Aircraft		0	0
1768		Signs		0	0

Machinery, equipment, furniture, and fixtures (cont'd)

1770	Small tools	0	0
1772	Radio and communication equipment	0	0
1774	Computer equipment/software	1,826,000	1,736,000
1776	Musical instruments	0	0
1778	Satellites	0	0
1780	Earth stations	0	0
1782	Machinery and equipment under construction	1,489,000	1,731,000
1783	Transportation equipment	92,096,000	85,035,000
1785	Other machinery and equipment	0	0
1787	Furniture and fixtures	0	0
	Machinery, equipment, furniture, and fixtures	+ 101,950,000	94,258,000

Other tangible capital assets

1900	* Other tangible capital assets	0	0
1902	Logging roads	0	0
1904	Asphalt and parking areas	0	0
1906	Wharves	0	0
1908	Fences	0	0
1910	Capital leases - buildings	0	0
1912	Capital leases - equipment	0	0
1914	Capital leases - vehicles	0	0
1916	Capital leases - others	0	0
1918	Leasehold improvements	0	0
1920	Other capital assets under construction	0	0
19	Campsites	0	0
	Other tangible capital assets	+ 0	0

2008	**Total Tangible Capital Assets**	= 102,583,000	94,891,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Accumulated Amortization of Tangible Capital Assets

GIFI	Account	Description		Amount	Prior year
1602		Land improvements	+	0	0
		Accumulated amortization of depletable assets			
1621	*	Depletable assets		0	0
1623		Petroleum and natural gas properties		0	0
1625		Mining properties		0	0
1627		Deferred exploration and development charges		0	0
1629		Quarries		0	0
1631		Gravel pits		0	0
1633		Timber limits		0	0
		Accumulated amortization of depletable assets	+	0	0
		Accumulated amortization of buildings			
1681	*	Buildings		258,000	250,000
1683		Manufacturing and processing plant		0	0
		Accumulated amortization of buildings	+	258,000	250,000
		Accumulated amortization of machinery, equipment, furniture, and fixtures			
1741	*	Machinery, equipment, furniture, and fixtures		2,285,000	2,191,000
1743		Motor vehicles		2,980,000	2,779,000
1745		Tools and dies		0	0
1747		Construction and excavating equipment		0	0
1749		Forestry and logging equipment		0	0
1751		Fishing gear and nets		0	0
1753		Mining equipment		0	0
1755		Oil and gas systems		0	0
1757		Production equipment for resource industries		0	0
1759		Production equipment for other than resource industries		0	0
1761		Exploration equipment		0	0
1763		Shipping equipment		0	0
1765		Ships and boats		0	0
1767		Aircraft		0	0
1769		Signs		0	0
1771		Small tools		0	0
1773		Radio and communication equipment		1,630,000	1,533,000
1775		Computer equipment/software		0	0
1777		Musical instruments		0	0
1779		Satellites		0	0
1781		Earth stations		53,272,000	50,333,000
1784		Transportation equipment		0	0
1786		Other machinery and equipment		0	0
1788		Furniture and fixtures		0	0
		Accumulated amortization of machinery, equipment, furniture, and fixtures	+	60,167,000	56,836,000

Accumulated amortization of other tangible capital assets

1901	*	Other tangible capital assets	0	0
1903		Logging roads	0	0
1905		Asphalt and parking areas	0	0
1907		Wharves	0	0
1909		Fences	0	0
1911		Capital leases - buildings	0	0
1913		Capital leases - equipment	0	0
1915		Capital leases - vehicles	0	0
1917		Capital leases - others	0	0
1919		Leasehold improvements	0	0
1922		Campsites	0	0
		Accumulated amortization of other tangible capital assets +	0	0

2009	**Total Accumulated Amortization of Tangible Capital Assets**	=	60,425,000	57,086,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Long-term Assets

GIFI	Account	Description		Amount	Prior year
		Due from shareholder(s)/director(s)			
2180	*	Due from shareholder(s)/director(s)		0	0
2181		Due from individual shareholder(s)		0	0
2182		Due from corporate shareholder(s)		0	0
2183		Due from director(s)		0	0
		Due from shareholder(s)/director(s)	+	0	0
2190		Due from members	+	0	0
2200		Investment in joint venture(s)/partnership(s)	+	0	0
2220		Due from joint venture(s)/partnership(s)	+	0	0
		Due from/investment in related parties			
2240	*	Due from/investment in related parties		0	0
2241		Due from/investment in Canadian related parties		0	0
2242		Shares in Canadian related corporations		0	0
2243		Loans/advances to Canadian related corporations		0	0
2244		Investment in Canadian related corporations at cost		0	0
2245		Investment in Canadian related corporations at equity		0	0
2246		Due from/investment in foreign related parties		0	0
2247		Shares in foreign related corporations		0	0
2248		Loans/advances to foreign related corporations		0	0
2249		Investment in foreign related corporations at cost		0	0
2250		Investment in foreign related corporations at equity		0	0
		Due from/investment in related parties	+	0	0
2280		Investment in co-tenancy	+	0	0

Long-term investments

2300	*	Long term investments	0	0
2301		Foreign shares	0	0
2302		Other types of foreign investments	0	0
2303		Canadian shares	0	0
2304		Government of Canada debt	0	0
2305		Canadian, provincial, and municipal government debt	0	0
2306		Canadian corporate bonds and debentures	0	0
2307		Debt securities	0	0
2308		Equity securities	0	0
2309		Securities purchased under resale agreements	0	0
2310		Central credit union shares	0	0
2311		Other Canadian long-term investments	0	0
		Long term investments	+ 0	0

Long-term loans

2360	*	Long-term loans	0	0
2361		Mortgages	0	0
2362		Personal and credit card loans	0	0
2363		Business and government loans	0	0
2364		Line of credit	0	0
		Long-term loans	+ 0	0

Other long-term assets

2420	*	Other long-term assets	2,013,000	2,961,000
2421		Deferred income taxes	0	0
2422		Deferred pension charges	0	0
2423		Deferred unrealized exchange losses	0	0
2424		Other deferred items/charges	0	0
2426		Reserve fund	0	0
2427		Cash surrender value of life insurance	0	0
		Other long-term assets	+ 2,013,000	2,961,000

2425		Accumulated amortization of deferred charges	- 0	0

2589		**Total Long-Term Assets**	= 2,013,000	2,961,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Current Liabilities

GIFI	Account	Description		Amount	Prior year
2600		Bank overdraft	+	0	0

Amounts payable and accrued liabilities

2620	*	Amounts payable and accrued liabilities		12,764,000	15,723,000
2621		Trade payables		0	0
2622		Trade payables to related parties		0	0
2623		Holdbacks payable		0	0
2624		Wages payable		0	0
2625		Management fees payable		0	0
2626		Bonuses payable		0	0
2627		Employee deductions payable		0	0
2628		Withholding taxes payable		0	0
2629		Interest payable		0	0
2630		Amounts payable to members of NPOs		0	0
		Amounts payable and accrued liabilities	+	12,764,000	15,723,000
2660		Taxes payable	+	0	0

Short term debt

2700	*	Short term debt		0	0
2701		Loans from Canadian banks		0	0
2702		Liability for securities sold short		0	0
2703		Liability for securities sold under repurchase agreements		0	0
2704		Gold and silver certificates		0	0
2705		Cheques and other items in transit		0	0
2706		Lien notes		0	0
		Short term debt	+	0	0
2770		Deferred income	+	0	0

Due to shareholder(s)/director(s)

2780	*	Due to shareholder(s)/director(s)		0	0
2781		Due to individual shareholder(s)		0	0
2782		Due to corporate shareholder(s)		0	0
2783		Due to director(s)		0	0
		Due to shareholder(s)/director(s)	+	0	0
2840		Due to joint venture(s)/partnership(s)	+	0	0

Due to related parties

2860	*	Due to related parties	0	0
2861		Demand notes due to related parties	0	0
2862		Interest payable to related parties	0	0
2863		Advances due to related parties	0	0
		Due to related parties	+ 0	0
2920		Current portion of long-term liability	+ 0	0
2940		Bankers' acceptances	+ 0	0

Other current liabilities

2960	*	Other current liabilities	0	0
2961		Deposits received	0	0
2962		Dividends payable	0	0
2963		Deferred income taxes	0	0
2964		Reserve for guarantees, warranties or indemnities	0	0
2965		General provisions/reserves	0	0
2966		Crew shares	0	0
		Other current liabilities	+ 0	0
3139		**Total Current Liabilities**	= 12,764,000	15,723,000

* Generic Item

ENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

on rm Liabilities

GIFI		Account	Description	Amount	Prior year
Long-term debt					
3140	*		Long-term debt	23,064,000	23,064,000
3141			Mortgages	0	0
3142			Farm credit corporation loan	0	0
3143			Chartered bank loan	0	0
3144			Credit Union/Caisse Populaire loan	0	0
3145			Provincial government loan	0	0
3146			Supply company loan	0	0
3147			Private loan	0	0
3148			Central, league, and federation loans	0	0
3149			Line of credit	0	0
3150			Liability for securities sold short	0	0
3151			Liability for securities sold under repurchase agreements	0	0
3152			Lien notes	0	0
			Long-term debt	+ 23,064,000	23,064,000
3200			Deposit liabilities of financial institutions	+ 0	0
3210			Bonds and debentures	+ 0	0
32			Deferred income	+ 0	0
3240			Deferred income taxes	+ 0	0
Due to shareholder(s)/director(s)					
3260	*		Due to shareholder(s)/director(s)	0	0
3261			Due to individual shareholder(s)	0	0
3262			Due to corporate shareholder(s)	0	0
3263			Due to director(s)	0	0
			Due to shareholder(s)/director(s)	+ 0	0
3270			Due to members	+ 0	0
3280			Due to joint venture(s)/partnership(s)	+ 0	0
Due to related parties					
3300	*		Due to related parties	0	0
3301			Amounts owing to related Canadian parties	0	0
3302			Amounts owing to related foreign parties	0	0
			Due to related parties	+ 0	0

Other long-term liabilities

3320	*	Other long-term liabilities	13,435,323	12,541,323
3321		Long-term obligations/commitments/capital leases	0	0
3322		Reserves for guarantees, warranties, or indemnities	0	0
3323		Provision for site restoration	0	0
3324		Contributions to qualifying environmental trust	0	0
3325		General provisions/reserves	0	0
3326		Preference shares restated	0	0
3327		Member allocations	0	0
3328		Deferred revenue from incomplete contracts	0	0
		Other long-term liabilities	+ 13,435,323	12,541,323

3450		**Total Long-Term Liabilities**	= 36,499,323	35,605,323

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Shareholder equity

GIFI	Account	Description		Amount	Prior year
		Shareholder equity			
3500		Common shares	+	23,063,666	23,063,666
3520		Preferred shares	+	0	0
		Contributed and other surplus			
3540	*	Contributed and other surplus		0	0
3541		Contributed surplus		0	0
3542		Appraisal surplus		0	0
3543		General reserve		0	0
		Contributed and other surplus	+	0	0
3570		Head office account	+	0	0
3600		Retained earnings/deficit	+	6,055,011	3,368,011
3620		**Total Shareholder equity**	=	29,118,677	26,431,677

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Retained Earnings/Deficit

GIFI	Account	Description		Amount	Prior year
3660		Retained earnings/deficit - start	+	3,368,011	800,011
3680		Net income/loss	+	3,069,000	3,093,000
		Dividends declared			
3700	*	Dividends declared		1,000,000	525,000
3701		Cash dividends		0	0
3702		Patronage dividends		0	0
		Dividends declared	-	1,000,000	525,000
3720		Prior period adjustments	+	618,000	0
		Other items affecting retained earnings			
3740	*	Other items affecting retained earnings		0	0
3741		Share redemptions		0	0
3742		Special reserves		0	0
374[illegible]		Currency adjustments		0	0
3[illegible]		Unusual revenue items		0	0
3743		Interfund transfer		0	0
		Other items affecting retained earnings	+	0	0
3849		**Retained Earnings/Deficit - End**	=	6,055,011	3,368,011

* Generic Item

;ENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

ncome Statement

;IFI	Description
0001	Operating name
0002	Description of the operation
0003	Sequence Number

GIFI	Account	Description		Amount	Prior year
		Income Statement Information			
8089		Total sales of goods and services	+	98,308,000	93,250,000
8518		Cost of sales	-	81,658,000	75,512,000
8519		**Gross profit/loss**	=	16,650,000	17,738,000
8518		Cost of sales	+	81,658,000	75,512,000
9367		Total operating expenses	+	13,263,000	14,246,000
9368		**Total expenses** (mandatory field)	=	94,921,000	89,758,000
8299		Total revenue (mandatory field)	+	99,989,000	94,792,000
9368		Total expenses (mandatory field)	-	94,921,000	89,758,000
936[illegible]		**Net non-farming income**	=	5,068,000	5,034,000
		Farming Income Statement Information			
9659		Total farm revenue (mandatory field)	+	0	0
9898		Total farm expenses (mandatory field)	-	0	0
9899		**Net farm income**	=	0	0
9970		**Net Income/Loss before Taxes and Extraordinary Items**		5,068,000	5,034,000

Extraordinary items and income taxes (linked to Schedule 140)

9975	**Extraordinary item(s)**	0	0
9976	Legal settlements	0	0
9980	**Unrealized gains/losses**	0	0
9985	**Unusual items**	0	0
9990	**Current income taxes**	1,999,000	1,941,000
9995	**Deferred income tax provision**	0	0
9999	**Net Income/Loss after Taxes and Extraordinary Items** (mandatory field)	3,069,000	3,093,000

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Revenue

GIFI	Account	Description		Amount	Prior year
8000		Trade sales of goods and services	+	98,308,000	93,250,000
8020		Sales of goods and services to related parties	+	0	0
8030		Interdivisional sales	+	0	0

Sales from resource properties

8040	*	Sales from resource properties		0	0
8041		Petroleum and natural gas sales		0	0
8042		Petroleum and natural gas sales to related parties		0	0
8043		Gas marketing		0	0
8044		Processing revenue		0	0
8045		Pipeline revenue		0	0
8046		Seismic sales		0	0
8047		Mining revenue		0	0
8048		Coal revenue		0	0
8049		Oil sands revenue		0	0
8050		Royalty income		0	0
8051		Oil and gas partnership/joint venture income/loss		0	0
8052		Mining partnership/joint venture income/loss		0	0
8053		Other production revenue		0	0
		Sales from resource properties	+	0	0
8089		**Total sales of goods and services**	=	98,308,000	93,250,000

Investment revenue

8090	*	Investment revenue		0	0
8091		Interest from foreign sources		0	0
8092		Interest from Canadian bonds and debentures		0	0
8093		Interest from Canadian mortgage loans		0	0
8094		Interest from other Canadian sources		393,000	0
8095		Dividend income		0	0
8096		Dividends from Canadian sources		0	0
8097		Dividends from foreign sources		0	0
		Investment revenue	+	393,000	0

Interest income (financial institutions)

8100	*	Interest income (financial institutions)	0	0
8101		Loan interest	0	0
8102		Securities interest	0	0
8103		Deposits with banks interest	0	0
		Interest income (financial institutions)	+ 0	0

Commission revenue

8120	*	Commission revenue	0	0
8121		Commission income on real estate transactions	0	0
		Commission revenue	+ 0	0

Rental revenue

8140	*	Rental revenue	0	0
8141		Real estate rental revenue	0	0
8142		Film rental revenue	0	0
		Rental revenue	+ 0	0

8150		Vehicle leasing	+ 0	0

Fishing revenue

8160	*	Fishing revenue	0	0
8161		Fish products	0	0
8162		Other marine products	0	0
8163		Fishing grants, credits, and rebates	0	0
8164		Fishing subsidies	0	0
8165		Compensation for loss of fishing income or property	0	0
8166		Sharesman income	0	0
		Fishing revenue	+ 0	0

Realized gains/losses on disposal of assets

8210	*	Realized gains/losses on disposal of assets	0	0
8211		Realized gains/losses on sale of investments	0	0
8212		Realized gains/losses on sale of resource properties	0	0
		Realized gains/losses on disposal of assets	+ 0	0

NPO amounts received

8220	NPO amounts received		0	0
8221	Membership fees		0	0
8222	Assessments		0	0
8223	Gifts		0	0
8224	Gross sales and revenues from organizational activities		0	0
	NPO amounts received	+	0	0

Other revenue

8230	* Other revenue		1,288,000	1,542,000
8231	Foreign exchange gains/losses		0	0
8232	Income/loss of subsidiaries/affiliates		0	0
8233	Income/loss of other divisions		0	0
8234	Income/loss of joint ventures		0	0
8235	Income/loss of partnerships		0	0
8236	Realization of deferred revenues		0	0
8237	Royalty income other than resource		0	0
8238	Alberta royalty tax credits		0	0
8239	Management and administration fees		0	0
8240	Telecommunications revenue		0	0
8241	Consulting fees		0	0
8242	Subsidies and grants		0	0
8243	Sale of by-products		0	0
8244	Deposit services		0	0
8245	Credit services		0	0
8246	Card services		0	0
8247	Patronage dividends		0	0
8248	Insurance recoveries		0	0
8249	Expense recoveries		0	0
8250	Bad debt recoveries		0	0
	Other revenue	+	1,288,000	1,542,000

8299	**Total Revenue**	=	99,989,000	94,792,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Cost of Sales

GIFI	Account	Description		Amount	Prior year
		Opening inventory			
8300	*	Opening inventory		0	0
8301		Opening inventory - finished goods		0	0
8302		Opening inventory - raw materials		0	0
8303		Opening inventory - goods in process		0	0
		Opening inventory	+	0	0
8320		Purchases/cost of materials	+	81,658,000	75,512,000
8340		Direct wages	+	0	0
8350		Benefits on direct wages	+	0	0
8360		Trades and sub-contracts	+	0	0
8370		Production costs other than resource	+	0	0
		Resource production costs			
8400	*	Resource production costs		0	0
8401		Pipeline operations		0	0
8402		Drilling		0	0
8[illegible]		Site restoration costs		0	0
8404		Gross overriding royalty		0	0
8405		Freehold royalties		0	0
8406		Other producing properties rental		0	0
8407		Prospect/geological		0	0
8408		Well operating, fuel and equipment		0	0
8409		Well abandonment and dry holes		0	0
8410		Other lease rentals		0	0
8411		Exploration expenses		0	0
8412		Development expenses		0	0
		Resource production costs	+	0	0
		Crown charges			
8435	*	Crown charges		0	0
8436		Crown royalties		0	0
8437		Crown lease rentals		0	0
8438		Freehold mineral tax		0	0
8439		Mining taxes		0	0
8440		Oil sand leases		0	0
8441		Saskatchewan resource surcharge		0	0
		Crown charges	+	0	0

Other direct costs

8450	*	Other direct costs	0	0
8451		Equipment hire and operation	0	0
8452		Log yard	0	0
8453		Forestry costs	0	0
8454		Logging road costs	0	0
8455		Stumpage costs	0	0
8456		Royalty costs	0	0
8457		Freight in and duty	0	0
8458		Inventory write down	0	0
8459		Direct cost amortization of tangible assets	0	0
8460		Direct cost amortization of natural resource assets	0	0
8461		Overhead expenses allocated to cost of sales	0	0
		Other direct costs	+ 0	0

Closing inventory

8500	*	Closing inventory	0	0
8501		Closing inventory - finished goods	0	0
8502		Closing inventory - raw materials	0	0
8503		Closing inventory - goods in process	0	0
		Closing inventory	- 0	0

8518		**Cost of Sales**	= 81,658,000	75,512,000

* Generic Item

ENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

pe ng Expenses

FI	Account	Description		Amount	Prior year
		Advertising and promotion			
8520	*	Advertising and promotion		0	0
8521		Advertising		0	0
8522		Donations		0	0
8523		Meals and entertainment		0	0
8524		Promotion		0	0
		Advertising and promotion	+	0	0
8570		Amortization of intangible assets	+	0	0
8590		Bad debt expense	+	0	0
		Loan losses			
8610	*	Loan losses		0	0
8611		Provision for loan losses		0	0
		Loan losses	+	0	0
		Employee benefits			
8620	*	Employee benefits		0	0
8621		Group insurance benefits		0	0
8622		Employer's portion of employee benefits		0	0
8623		Contributions to deferred income plans		0	0
		Employee benefits	+	0	0
8650		Amortization of natural resource assets	+	0	0
8670		Amortization of tangible assets	+	3,339,000	2,921,702
		Insurance			
8690	*	Insurance		0	0
8691		Life insurance on executives		0	0
		Insurance	+	0	0

Interest and bank charges

8710	*	Interest and bank charges	1,485,000	1,672,000
8711		Interest on short-term debt	0	0
8712		Interest on bonds and debentures	0	0
8713		Interest on mortgages	0	0
8714		Interest on long-term debt	0	0
8715		Bank charges	0	0
8716		Credit card charges	0	0
8717		Collection and credit costs	0	0
		Interest and bank charges	+ 1,485,000	1,672,000

Interest paid (financial institutions)

8740	*	Interest paid (financial institutions)	0	0
8741		Interest paid on deposits	0	0
8742		Interest paid on bonds and debentures	0	0
		Interest paid (financial institutions)	+ 0	0

Business taxes, licences, and memberships

8760	*	Business taxes, licences, and memberships	0	0
8761		Memberships	0	0
8762		Business taxes	0	0
8763		Franchise fees	0	0
8764		Government fees	0	0
		Business taxes, licences, and memberships	+ 0	0

8780		New Brunswick tax on large corporations	+ 0	0
8790		Nova Scotia tax on large corporations	+ 0	0

Office expenses

8810	*	Office expenses	0	0
8811		Office stationery and supplies	0	0
8812		Office utilities	0	0
8813		Data processing	0	0
		Office expenses	+ 0	0

Professional fees

8860	*	Professional fees	0	0
8861		Legal fees	0	0
8862		Accounting fees	0	0
8863		Consulting fees	0	0
8864		Architect fees	0	0
8865		Appraisal fees	0	0
8866		Laboratory fees	0	0
8867		Medical fees	0	0
8868		Veterinary fees	0	0
8869		Brokerage fees	0	0
8870		Transfer fees	0	0
8871		Management and administration fees	0	0
8872		Refining and assay	0	0
8873		Registrar and transfer agent fees	0	0
8874		Restructuring costs	0	0
8875		Security commission fees	0	0
8876		Training expense	0	0
8877		Studio and recording	0	0
			---	---
		Professional fees	+ 0	0
			==========	==========

Rental

8910	*	Rental	0	0
8911		Real estate rental	0	0
8912		Occupancy costs	0	0
8913		Condominium fees	0	0
[illegible]		Equipment rental	0	0
[illegible]		Motor vehicle rentals	0	0
8916		Moorage (boat)	0	0
8917		Storage	0	0
8918		Quota rental	0	0
			---	---
		Rental	+ 0	0
			==========	==========

Repairs and maintenance

8960	*	Repairs and maintenance	0	0
8961		Repairs and maintenance - buildings	0	0
8962		Repairs and maintenance - vehicles	0	0
8963		Repairs and maintenance - boats	0	0
8964		Repairs and maintenance - machinery and equipment	0	0
			---	---
		Repairs and maintenance	+ 0	0
			==========	==========

Other repairs and maintenance

9010	*	Other repairs and maintenance	0	0
9011		Machine shop expense	0	0
9012		Road costs	0	0
9013		Security	0	0
9014		Garbage removal	0	0
			---	---
		Other repairs and maintenance	+ 0	0
			==========	==========

Salaries and wages

9060	*	Salaries and wages	0	0
9061		Commissions	0	0
9062		Crew share	0	0
9063		Bonuses	0	0
9064		Directors fees	0	0
9065		Management salaries	0	0
9066		Employee salaries	0	0
		Salaries and wages	+ 0	0
9110		**Sub-contracts**	+ 0	0

Supplies

9130	*	Supplies	0	0
9131		Small tools	0	0
9132		Shop expense	0	0
9133		Uniforms	0	0
9134		Laundry	0	0
9135		Food and catering	0	0
9136		Fishing gear	0	0
9137		Nets and traps	0	0
9138		Salt, bait, and ice	0	0
9139		Camp supplies	0	0

nputer-related expenses

915[illegible]		Computer-related expenses	0	0
9151		Upgrade	0	0
9152		Internet	0	0
		Supplies and computer-related expenses	+ 0	0
9180		**Property taxes**	+ 0	0

Travel expenses

9200	*	Travel expenses	0	0
9201		Meetings and conventions	0	0
		Travel expenses	+ 0	0

Utilities

9220	*	Utilities	0	0
9221		Electricity	0	0
9222		Water	0	0
9223		Heat	0	0
9224		Fuel costs	0	0
9225		Telephone and telecommunications	0	0
		Utilities	+ 0	0

Other expenses

9270	*	Other expenses	8,439,000	9,652,298
9271		Cash over/short	0	0
9272		Reimbursement of parent company expense	0	0
9273		Selling expenses	0	0
9274		Shipping and warehouse expense	0	0
9275		Delivery, freight and express	0	0
9276		Warranty expenses	0	0
9277		Royalty expenses - resident	0	0
9278		Royalty expenses - non-resident	0	0
9279		Dumping charges	0	0
9280		Land fill fees	0	0
9281		Vehicle expenses	0	0
9282		Research and development	0	0
9283		Withholding taxes	0	0
9284		General and administrative expenses	0	0
9285		Interdivisional expenses	0	0
92		Interfund transfer	0	0
		Other expenses	+ 8,439,000	9,652,298

9367	**Total Operating Expenses**	= 13,263,000	14,246,000

* Generic Item

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Income Statement Summary

These amounts will print on Schedule 125 **if only one** Schedule 125 has been completed.

Total number of schedule 125 forms: 1

GIFI	Account	Description		Amount	Prior year
9970		**Net income/loss before taxes and extraordinary items**	+	5,068,000	5,034,000
9975		**Extraordinary item(s)**	-	0	0
9976		Legal settlements	-	0	0
9980		**Unrealized gains/losses**	+	0	0
9985		**Unusual items**	-	0	0
9990		**Current income taxes**	-	1,999,000	1,941,000
9995		**Deferred income tax provision**	-	0	0
9999		**Net Income/Loss after Taxes and Extraordinary Items** (mandatory field)	=	3,069,000	3,093,000

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NC CHECKLIST

- This form is to be used by all corporations that do not use a software package to prepare financial statement information and are not eligible to use the GIFI-Short form.
- Use this schedule to report a notes checklist for the corporation's financial statement information.
- For more information, see the "Guide to the General Index of Financial Information (GIFI) for Corporations" and the "T2 Corporation - Income Tax Guide."
- For the purposes of this schedule, the person who reported on or prepared the financial statement of the corporation is referred to as the "accounting practitioner."

Part 1 - Accounting practitioner information

Choose only one of the following three options, whichever applies to the accounting practitioner:

		096	
Chartered accountant	1		[X]
Other professional designation	2		[ ]
No professional designation	3		[ ]

Is the accounting practitioner connected* with the corporation? 097 [Y/N] [N]

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Part 2 - Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner:

		098	
Completed an auditor's report	1		[X]
Completed a review engagement report	2		[ ]
Compiled the financial statements along with reviewing the books	3		[ ]
Conducted a compilation engagement	4		[ ]

Part 3 - Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation? 099 [Y/N] [N]

Part 4 - Other information

		Yes/No
Were [redacted] to the financial statements prepared?	101	[Y]

If you answered "Yes" to the question at line 101, complete lines 102 to 107 below:

Are any values presented at other than cost?	102	[N]
Has there been a change in accounting policies since the last return?	103	[Y]
Are subsequent events mentioned in the notes?	104	[N]
Is re-evaluation of asset information mentioned in the notes?	105	[N]
Is contingent liability information mentioned in the notes?	106	[Y]
Is information regarding commitments mentioned in the notes?	107	[Y]
Does the corporation have investments in joint venture(s) or partnership(s)?	108	[N]

If you answered "Yes" to the question at line 108, complete line 109 below:

Are you filing financial statements of the joint venture(s) or partnership(s)?	109	[ ]

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to an this schedule are from the "Income Tax Act."
- For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and extraordinary items per financial statements			3,069,000 A

Additions:

Provision for income taxes - current	101	1,999,000	
Amortization of tangible assets	104	3,339,000	
Non-deductible meals and entertainment expenses	121	4,634	
Reserves from financial statements - balance at the end of the year	126	7,819,342	
Subtotal of additions		13,161,976	13,161,976

Other Additions:

Miscellaneous Other Additions:

603a		0			
603b	Ontario Specified Tax Credits	1,000			
603c		0			
		1,000	293	1,000	
Subtotal of Other Additions			199	1,000	1,000
			Total Additions	500	13,162,976

eductions:

apit allowance from Schedule 8	403	2,829,320	
eserves from financial statements-balance at the beginning of the year	414	7,685,345	
ubtotal of Deductions		10,514,665	10,514,665

Other Deductions:

Miscellaneous Other Deductions:

700	INTEREST EXPENSE CAPITALIZED FOR ACCTG PURPOSES	390	186,772	
Subtotal of Other Deductions		499	186,772	186,772
	Total Deductions	510		10,701,437

Net income (loss) for income tax purposes 5,530,539
(enter on line 300 on the T2 return)

awa PUC Networks Inc.
ount/Business No.: 891725210RC0001 Year Ended:

mary of Capital Cost Allowance

ng corporation electing under regulation 1101(5q)? [101] N

ass o. 0]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
	52,273,242	6,143,379	0	0	3,071,689	4	0	0	2,213,797	56,202,824
	529,547	120,443	0	0	60,221	20	0	0	117,954	532,036
0	1,121,971	736,522	0	0	368,261	30	0	0	447,070	1,411,423
2	94,623	0	0	0	0	12	0	0	11,355	83,268
3	25,281	0	0	0	0		0	0	9,200	16,081
3	8,485	0	0	0	0		0	0	2,424	6,061
2	19,470	16,099	0	0	8,049	100	0	0	27,520	8,049
otal	54,072,619	7,016,443	0	0	3,508,220		0	0	2,829,320	58,259,742

awa PUC Networks Inc.
ount/Business No.: 891725210RC0001 Year Ended:
ATED AND ASSOCIATED CORPORATIONS

schedule is to be completed by a corporation having one or more of the following:

elated corporation(s)
ss ed corporation(s)

[100]	Ctry of resi-dence [200]	Business Number (Note) [300]	Rela-tion-ship Code [400]	Number of common shares owned [500]	% of common shares owned [550]	Number of preferred shares owned [600]	% of pre-ferred shares owned [650]	Book value of capital stock [700]
AWA POWER AND UTILITIES COR		864867593RC0001	1	0	0.00	0	0.00	0
AWA PUC ENERGY SERVICES INC		857491336RC0001	3	0	0.00	0	0.00	0
AWA PUC SERVICES INC.		865799662RC0001	3	0	0.00	0	0.00	0

e: Enter "NR" if a corporation is not registered.

ationship code:
Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

relationship code represents the relationship that the corporation named has
the filing corporation. For example, if the corporation is the parent corporation
the filing corporation, then the relationship code is "1".

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F[redacted]ACTIONS WITH SHAREHOLDERS, OFFICERS, OR EMPLOYEES

rovide the details of any transactions with shareholders, officers or employees that involve:

- payments the corporation made or amounts credited to the account of shareholders, officers, or employees, which were not part of their remuneration or reimbursement of expenses;
- assets the corporation sold to or purchased from shareholders, officers, or employees, including those for which an election was made under section 85; or
- loans or indebtedness to shareholders, officers, or employees, or persons connected with a shareholder, which were not repaid by the end of the taxation year.

Relationship code (see note) 100	Payments $ 200	Reimbursement (Other than reimbursement of expenses) $ 300	Loans receivable from, or debts owing to $ 400	Assets sold or purchased $ 500	Does Section 85 apply to assets sold or purchased? [Y/N] 550
1	470,000	0	98,412	0	[ ]

Note: Enter the code number of the relationship that applies:
(if more than one relationship exists, enter the lowest applicable number)

1 - Shareholder
2 - Officer
3 - Employee

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CONTINUITY OF RESERVES

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal "Income Tax Act".
- File one completed copy of this schedule with the corporation's "T2 Corporation Income Tax Return".
- For more information, see the "T2 Corporation Income Tax Guide".

Part 1 - Capital gains reserves

Description of property 001	Balance at the beginning of the year $ 002	Transfer on amalgamation or wind-up of subsidiary $ 003	Add $	Deduct $	Balance at the end of the year $ 004
	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
Totals 008	0	009 0	0	0	010 0

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transferred on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

Financial Statement Reserves (not deductible)

Description	Balance at the beginning of the year	Transfer on amalgamation or wind-up of subsidiary	Add	Deduct	Balance at the end of the year
Employee future benefits	7,215,569	0	228,801	0	7,444,370
Employee sick leave benefits	369,776	0	0	94,804	274,972
Environmental provision	100,000	0	0	0	100,000
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
	0	0	0	0	0
Reserves From Section 2 below	0	0	0	0	0
Totals	7,685,345	0	228,801	94,804	7,819,342

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

Part 2 - Other reserves

Description	[X]		Balance at the beginning of the year $		Transfer on amalgamation or wind-up of subsidiary $	Add $	Deduct $		Balance at the end of the year $
Reserve for doubtful debts	[ ]	110	0	115	0	0	0	120	0
Reserve for undelivered goods and services not rendered	[ ]	130	0	135	0	0	0	140	0
Reserve for prepaid rent	[ ]	150	0	155	0	0	0	160	0
Reserve for December 31, 1995 income	[ ]	170	0	175	0	0	0	180	0
Reserve for refundable containers	[ ]	190	0	195	0	0	0	200	0
Reserve for unpaid amounts	[ ]	210	0	215	0	0	0	220	0
Other tax reserves	[ ]	230	0	235	0	0	0	240	0
Totals		270	0	275	0	0	0	280	0

Enter "X" in the column above if the tax reserve has also been reported on the corporation's financial statements. This allows offsetting entries on Schedule 1, resulting in a zero effect on net income for tax purposes.

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.

The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

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MISCELLANEOUS PAYMENTS TO RESIDENTS

- This schedule must be completed by all corporations who made the following payments to residents of Canada:
  royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

Name of recipient	Address of recipient 1 = Address 1 2 = Address 2 3 = City 4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
100	200	300	400	500	600	700
Oshawa Power and Utilitie	100 Simcoe Street South Oshawa ON L1H-7M7	0	0	470,000	0	0

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AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT

For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.

An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the "Income Tax Act," not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:

- from $200,001 to $225,000, if the calendar year to which this agreement applies is 2003;
- from $225,001 to $250,000, if the calendar year to which this agreement applies is 2004; or
- from $250,001 to $300,000, if the calendar year to which this agreement applies is 2005.

If the calendar year to which this agreement applies is after 2005, ensure that the total at line A does not exceed $300,000.

Allocation of the business limit

		Year Month Day
Date filed (do not use this area)	025	
		Year
Enter the calendar year to which the agreement applies	050	2004

— Allocation of the business limit (cont'd)

Is this amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? ..... 075 [Y/N] [N]

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Association code	Business limit for the year (before the allocation) $	Percentage of the business limit %	Business limit allocated * $
100	200	300		350	400
Oshawa PUC Networks Inc.	891725210RC0001	1	250,000	100.0000	250,000
See attached				.0000	0
			Total	100.0000	250,000 A

* The % of the annual business limit required to maximize the small business deduction is .0000%.

100.0000% of the annual business limit can be attributed to an associated corporation.

Business limit reduction under subsection 125(5.1)

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the amounts used in this calculation is the "Large corporation tax" at line 415 of the T2 return. If the corporation is a member of an associated group*** of corporations in the current taxation year, and that taxation year:

- starts before December 21, 2002, the amount at line 415 of the T2 return is equal to the gross Part I.3 tax of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year. The gross Part I.3 tax is the amount before deducting the surtax credits, which is increased to reflect a full-year tax liability if the taxation year is less than 51 weeks; or
- starts after December 20, 2002, the amount at line 415 of the T2 return is equal to 0.225% x (A - $10,000,000) where, "A" is the total of taxable capital employed in Canada** of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's taxation year is less than 51 weeks, prorate the amount in column 6 by the number of days in the taxation year divided by 365, and enter the result on line 410 of the T2 return.

If a CCPC has more than one taxation year ending in a calendar year and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year, the business limit for the second (and subsequent) taxation year(s) will be equal to the business limit allocated for the first taxation year ending in the calendar year.

** "Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the "Income Tax Act."

*** The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

hawa PUC Networks Inc. **2004-12-31**

count/Business No.: 891725210RC0001 Year Ended:

REEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6	7
ıe of associated :poration [100]	Business Number of associated corporation [200]	Asso-ciation code [300]	Business limit (before the allo-cation)	Percentage of the business limit % [350]	Business limit allocated $ [400]	Part I.3 Tax
HAWA POWER AND UTILITIES COR	864867593RC0001	1	250,000	.0000	0	0
HAWA PUC ENERGY SERVICES INC	857491336RC0001	1	250,000	.0000	0	0
HAWA PUC SERVICES INC.	865799662RC0001	1	250,000	.0000	0	0
OTALS			750,000	.0000	0	0

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PART I.3 TAX ON LARGE CORPORATIONS

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before deducting surtax credits (line 820 in Part 5). You should also use and file this schedule if you calculate a **gross Part I.3 tax for the purposes or unused surtax credit** (line 821 in Part 6) and a **current-year unused surtax credit** (line 850 in Part 8).
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act" and the "Income Tax Regulations."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" no later than six months from the end of the taxation year.
- This schedule may contain changes that had not yet become law at the time of printing.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	7,819,342
Capital stock (or members' contributions if incorporated without share capital)	103	23,063,666
Retained earnings	104	6,055,011
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	28,655,816
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	0
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

Part 1 - Capital (cont'd)

Pro[illegible] of the amount, if any, by which the total of all amounts (see [illegible] below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses	112	0		
	Subtotal	65,593,835	65,593,835	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121	0		
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122	0		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	0		
The amount of deferred unrealized foreign exchange losses at the end of the year	124	0		
	Subtotal	0	0	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		65,593,835	

Note:

Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- If the partnership is a member of another partnership (tiered partnerships), include the amounts of the partnership and tiered partnerships.
- Amounts for the partnership and tiered partnerships are those that would be determined under lines 101, 107, 108, 109, 111, and 112 as if they apply in the same way that they apply to corporations.
- [illegible]unts owing to the member or to other corporations that are members of the partnership are not to be [illegible]ded.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	0
A loan or advance to another corporation (other than a financial institution)	402	503,977
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	0
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	0
An interest in a partnership (see note 1 below)	407	0
Investment allowance for the year	490	503,977

- Part 2 - Investment allowance (cont'd)

tes:

Whe corporation has an interest in a partnership or tiered partnerships, consider the following:

- the investment allowance of a partnership is deemed to be the amount calculated at line 490 above, at the end of its fiscal period, as if it was a corporation;
- the total of the carrying value of each asset of the partnership described in the above lines is for its last fiscal period ending at or before the end of the corporation's taxation year; and
- the carrying value of a partnership member's interest at the end of the year is its specified proportion [as defined in subsection 248(1)] of the partnership's investment allowance.

Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)].

Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

– Part 3 - Taxable capital

apital for the year (line 190)		65,593,835	C
educt: Investment allowance for the year (line 490)		503,977	D
axable capital for the year			
mount C minus amount D) (if negative, enter "0")	500	65,089,858	

– P 4 - Taxable capital employed in Canada

o be completed by a corporation that was resident in Canada at any time in the year

axable capital for ie year (line 500)	65,089,858	X	Taxable income earned in Canada / Taxable income	610	5,530,539 / 5,530,539	=	**Taxable capital employed in Canada**	690	65,089,858

otes:

1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 4 - Taxable capital employed in Canada (cont'd)

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		0
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	0	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712	0	
Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	0	
Total deductions (add lines 711, 712, and 713)		0	0 E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		0

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies)			65,089,858
Deduct: Capital deduction claimed for the year (enter $50,000,000 or, for related corporations, the amount allocated on Schedule 36)	801	49,270,000	
Excess of taxable capital employed in Canada over capital deduction	811	15,819,858	

Year	Line 811	Number of days	Number of days in the taxation year			
Before 2004	15,819,858	x (0	/ 366)	x .2250% =	0	F
2004	15,819,858	x (366	/ 366)	x .2000% =	31,640	G
2005	15,819,858	x (0	/ 366)	x .1750% =	0	H
2006	15,819,858	x (0	/ 366)	x .1250% =	0	I
2007	15,819,858	x (0	/ 366)	x .0625% =	0	J
				Subtotal (add amounts F to J)	31,640	K

Note: The Part I.3 tax rate is reduced to 0% for the days in the taxation year that are after 2007.

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax as follows:

Amount K 31,640 x (Number of days in the year 365 / 365) = 0 L

Gross Part I.3 tax (amount K or L, whichever applies)	820	31,640

Part 6 - Calculation of gross Part I.3 tax for purposes of the unused surtax credit

Taxable capital employed in Canada (line 690 or 790, whichever applies)	65,089,858	M
Deduct: Capital deduction claimed for the year (1/5 of line 801 if the taxation year end after 2003)	9,854,000	N
Excess (amount M minus amount N) (if negative, enter "0")	55,235,858	O
Amount O 55,235,858 x .2250% =	124,281	P

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax for purposes of the unused surtax credit as follows:

Amount P	124,281	x	Number of days in the year / 365	=	0	Q

Gross Part I.3 tax for purposes of the unused surtax credit (amount P or Q, whichever applies) [821] 124,281

Part 7 - Calculation of current-year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, enter amount **a** or **b** at line R, whichever is less:

a) line 600 from the T2 return	0	**a**		
b) line 700 from the T2 return	0	**b**	0	R

In any other case, enter amount **c** or **d** at line S, whichever is less:

c) line 600 from the T2 return	61,942	x	line 690 of this schedule 65,089,858 / line 500 of this schedule 65,089,858	=	61,942	**c**	
d) line 700 from the T2 return					1,223,355	**d**	61,942 S

Current-year surtax credit available (amount R or S, whichever applies) [830] 61,942

Part 8 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)	61,942	
Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821)	124,281	
Current-year unused surtax credit (if negative, enter "0") [850]	0	

Enter this amount at line 600 on Schedule 37.

Part 9 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			31,640	T
Ded				
Current-year surtax credit applied (line 820 or 830, whichever is less)	861	31,640		
Unused surtax credit form previous years applied (amount from line 320 on Schedule 37)	862	0		
Subtotal (cannot be more than amount on line 820)		31,640	31,640	U
Net Part I.3 tax payable (amount T minus amount U)	870		0	

Enter this amount at line 704 of the T2 return.

Loans

Due to City of Oshawa	23,064,000.00
Customer deposits	4,520,399.00
Other (Development Fund)	1,057,551.00
Deferred revenue	13,866.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	28,655,816.00

	0.00
Securities Held for Deposit	13,866.00
Due from related parties	490,111.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	503,977.00

Non-deductible reserves

Employee future benefits	7,444,370.00
Employee sick leave benefits	274,972.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,819,342.00

nada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGR IENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 or $50,000,000 among the members of the related group.
Do not file this agreement if no members of the related group have to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? ..... [Y/N] [Y]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it has to file an agreement for each of those taxation years.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation that ends in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal "Income Tax Act", a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.
- Attach additional schedules if space for agreement is not sufficient.

Agreement

		Year Month Day
Date filed (do not use this area)	010	
Is this an amended agreement?	020	[Y/N] [N]
Calendar year to which the agreement applies	030	Year 2004

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member that is exempt from Part I.3 tax under subsection 181.1(3) does not have to be included.

Names of all corporations which are members of the related group	Business Number **(Note 1)**	Allocation of capital deduction for the year $	Taxation year end to which this agreement applies **(Note 2)**
200	300	400	500
Oshawa PUC Networks Inc.	891725210RC0001	49,270,000	
See attached		730,000	
		50,000,000	
Total (Before 2004 must not exceed $10,000,000 After 2003 must not exceed $50,000,000)			

Note 1: If a corporation is not registered, enter "NR."

Note 2: Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

shawa PUC Networks Inc.
ccount/Business No.: 891725210RC0001 Year Ended:
GREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 or $50,000,000 among the members of the related group.
In [redacted]rdance with subsection 181.5(7) of the federal "Income Tax Act," a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

mes of all corporations ich are members of the lated group [200]	Business Number (Note 1) [300]	Allocation of capital deduction for the year [400]	Taxation year end to which this agreement applies (Note 2) [500]
HAWA POWER AND UTILITIES COR	864867593RC0001	0	
HAWA PUC ENERGY SERVICES INC	857491336RC0001	1,500	
HAWA PUC SERVICES INC.	865799662RC0001	728,500	
OTAL		730,000	

ote 1: If a corporation is not registered, enter "NR."

ote 2: Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
Oshawa Power and Utilities Corporation	864867593RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Schedule of Instalment Remittances

Name of Corporation Contact: . . . . . Michael Chase
Telephone Number: 905-723-4626

Effective Interest Date	Description (Instalment Remittance, Split Payment, Assessed Credit)	Amount of Credit
	Tax payment to Ministry of Finance	1,608,000
	less: amount reported on ONT CT23	-384,645
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
		0
	Total amount of instalments claimed (A)	1,223,355
	Total instalments credited to the taxation year per T9 (B)	1,223,355

TRANSFER

Account Number	Taxation Year End	Amount	Effective Interest Date	Description
From:				
		0		
To:				

Appendix 24

2004 CT23 Provincial Tax Return

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2003 CT23 Corporations Tax and Annual Return

For taxation years commencing after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17, together with the applicable schedules on pages 18-21. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedule A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

FILE COPY

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* [X] Yes [ ] No

Page 1 of 24

Corporation's Legal Name *(including punctuation)*

Oshawa PUC Networks Inc. PILs

Ontario Corporations Tax Account No. (MOF)
1800157

This CT23 Return covers the Taxation Year
Start: year month day 2004-01-01
End: year month day 2004-12-31

Mailing Address

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Has the mailing address changed since last filed CT23 Return? [ ] Yes | Date of Change: year month day

Date of Incorporation or Amalgamation
year month day 2000-11-01

Registered/Head Office Address

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Ontario Corporation No. (MCBS)

Location of Books and Records

100 Simcoe Street South

Oshawa
ON CA L1H-7M7

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter
891725210RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
Michael Chase	905-723-4626	905-723-3248

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA -

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
[X] *Not Applicable*

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MCBS)

Preferred Language/*Langue de préférence*
[X] English *anglais* [ ] French *français*

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS).

[X] **No Change**

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

Michael Chase

Title: [ ] D Director [X] O Officer [ ] P Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name		Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc.	PILs	1800157	2004-12-31

CT[illegible] Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

[1]
1 [X] Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))
2 [ ] Other Private
3 [ ] Public
4 [ ] Non-share Capital
5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent): 100 %

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
if applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
if applicable, enter

Specify major business activity
Electricity Distribution

[2]
1 [ ] Family Farm Corporation s.1 (2)
2 [ ] Family Fishing Corporation s.1 (2)
3 [ ] Mortgage Investment Corporation s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61 (4)
6 [ ] Bank s.1 (2)
7 [ ] Loan and Trust Corporation s.61 (4)
8 [ ] Non-resident Corporation s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned investment Corporation s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-resident s.63(1)
16 [ ] Financial institution prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [X] Hydro successor, Municipal Electrical Utility or subsidiary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Please "X" box(es) if applicable:

[ ] First Year of Filing
[ ] Amended Return
[ ] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up) (Note: For discontinued businesses, see Guide.)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)

Date Control was acquired
year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[ ]	[X]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

DOLLARS ONLY

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Int.B. 3008).

Net (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	5,530,539.
Subtract: Charitable donations	–	1	0.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–	2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–	3	0.
Subtract: Ontario political contributions *(Attach schedule 2A)* (Int.B. 3002)	–	4	0.
Subtract: Federal Part VI.1 tax 0. X 9/3	–	5	0.
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	0.
Net capital losses From 715 (page 16) 0. X inclusion rate 50.000000%	–	714	0.
Farm losses	–	From 724	0.
Restricted farm losses	–	From 734	0.
Limited partnership losses	–	From 754	0.
Taxable income (Non-capital loss)	=	10	5,530,539.
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	0.
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=	20	5,530,539.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	5,530,539.	x 30	100.0000% Ontario Allocation	x 12.5000%	x	Days after Sept. 30, 2001 and before Jan. 1, 2004 33: 0	÷	Total Days 73: 366	= +	29	0.
From 10 (or 20 if applicable)	5,530,539.	x 30	100.0000% Ontario Allocation	x 14.0000%	x	Days after Dec. 31, 2003 34: 366	÷	Total Days 73: 366	= +	32	774,275.

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 **774,275.**

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [X] Yes [ ] No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	5,530,539.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51	5,530,539.	
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52	0.	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	– 53	0.	
	=	5,530,539.	54 5,530,539.
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	55	250,000.	

Ontario Business Limit Calculation

280,000 x	Days after Sept. 30, 2001 and before Jan. 1, 2003 28: 0 ÷ ** 366	= +	43	0.		
320,000 x	Days after Dec. 31, 2002 and before Jan. 1, 2004 31: 0 ÷ ** 366	= +	46	0.		
400,000 x	Days after Dec. 31, 2003 34: 366 ÷ ** 366	= +	47	400,000.		
Business Limit for Ontario purposes	43 + 46 + 47	=	44	400,000.	x *** Percentage of Federal Business limit (from T2 Sch. 23). Enter 100% if not associated. 48: 100.0000 %	= 45 400,000.
Are eligible for the IDSBC		From 30	100.0000 % **** Ontario Allocation		x 56 400,000.	= 60 400,000.
					Least of 50, 54 or 45	

* ***Note:*** *Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)*

** ***Note:*** *Adjust accordingly for a floating taxation year and use 366 for a leap year.*

*** ***Note:*** *For a taxation year ending before Jan. 1, 2003, use your proportion of the associated group business limit.*

**** ***Note:*** *Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

Number of Days in Taxation Year

6.50%	x	Days after Sept. 30, 2001 and before Jan. 1, 2003	28	0	÷ 73	Total Days 366	= + 79	.0000
7.00%	x	Days after Dec. 31, 2002 and before Jan. 1, 2004	31	0	÷ 73	Total Days 366	= + 89	.0000
8.50%	x	Days after Dec. 31, 2003	34	366	÷ 73	Total Days 366	= + 90	8.5000

IDSBC Rate for Taxation Year 79 + 89 + 90 ..... = 78 **8.5000**

Claim ..... From 60 **400,000.** x From 78 **8.5000%** ..... = 70 **34,000.**

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

*** ***Short Taxation Years*** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

*** **Taxable Income of the corporation** ..... From 10 (or 20 if applicable) + 80 **5,530,539.**

If you are a member of an associated group (X) 81 **X** (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	*** Taxable Income (if loss, enter nil)	
See attached			+ 82	0.
			+ 83	.
			+ 84	.
			= 85	5,530,539.

Aggregate Taxable Income 80 + 82 + 83 + 84, etc. .....

Number of Days in Taxation Year

Subtract: 280,000	x	Days after Sept. 30, 2001 and before Jan. 1, 2003	28	0	÷ 73	Total Days 366	= + 113	0.
320,000	x	Days after Dec. 31, 2002 and before Jan. 1, 2004	31	0	÷ 73	Total Days 366	= + 115	0.
400,000	x	Days after Dec. 31, 2003	34	366	÷ 73	Total Days 366	= + 116	400,000.

113 + 115 + 116 = **400,000.** ..... − 114 **400,000.**

(If negative, enter nil) ..... = 86 **5,130,539.**

Calculation of Specified Rate for Surtax

Number of Days in Taxation Year

4.3330%	x	Days after Sept. 30, 2001 and before Jan. 1, 2003	28	0	÷ 73	Total Days 366	= + 95	.0000
4.6670%	x	Days after Dec. 31, 2002 and before Jan. 1, 2004	31	0	÷ 73	Total Days 366	= + 96	.0000
4.6670%	x	Days after Dec. 31, 2003	34	366	÷ 73	Total Days 366	= + 97	4.6670

ed rate of surtax for Taxation Year 95 + 96 + 97 ..... = 94 **4.6670**

From 86 **5,130,539.** x From 94 **4.6670%** ..... = 87 **239,442.**

From 87 **239,442.** x From 60 **400,000.** ÷ From 114 **400,000.** = 88 **239,442.**

Surtax Lesser of 70 or 88 ..... = 100 **34,000**

continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* ..... 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits			+	120 0.
			− From 56	400,000.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)				
Add: Adjustment for Surtax on Canadian-controlled private corporations				
From 100 34,000. ÷ From 30 100.0000 % * Ontario Allocation ÷ From 78 8.5000 % =	121 400,000.		+	122 400,000.
Lesser of 56 or 121			=	130 0.
120 − 56 + 122			+ From 10	5,530,539.
Taxable Income			− From 56	400,000.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)			+ From 122	400,000.
Add: Adjustments for Surtax on Canadian-controlled private corporations			−	140 0.
Subtract: Taxable Income 10 5,530,539. X Allocation % to jurisdictions outside Canada	.0000 %		−	141 0.
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses			=	142 5,530,539.
10 − 56 + 122 − 140 − 141				

Claim

Number of Days in Taxation Year

143 0. Lesser of 130 or 142 X From 30 100.0000 % * Ontario Allocation X 1.5000 % X (Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 0 ÷ Total Days 73 366) = + 154 0.

143 0. Lesser of 130 or 142 X From 30 100.0000 % * Ontario Allocation X 2.0000 % X (Days after Dec. 31, 2003: 34 0 ÷ Total Days 73 366) = + 156 0.

M&P claim for taxation year 154 + 156 ..... = 160 0.

* ***Note:*** *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity ..... = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) *(Attach schedule).* ..... 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies *if you* have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 − 70 + 100 − 110 − 160 − 161 − 162 − 170 − 180 ..... = 190 774,275.

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.
Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible Credit From 5798 Summary Schedule F + 192 1,000.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible Credit From 5899 either Claim Form from Ontario Media Development Corporation (OMDC) **or** Ministry of Finance (MOF) CT Schedule 193/199, as applicable.
*(Attach the original Certification/Claim Form received from the OMDC **or** the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6)
No. of Graduates From 6596
194 0
Applies to employment of eligible unemployed post secondary graduate.
Eligible Credit From 6598 Summary Schedule G + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach **both** the original Claim Form and the Certification Form)* + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 Claim Form Certified by Ontario Media Development Corporation
(Attach the original Claim/Certification Form with the CT23 Tax Return.) + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit From 7300 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.
*(Attach the original Certification/Claim Form received from the OMDC **or** the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 Claim Form certified by Ontario Media Development Corporation
(Attach original Claim/Certification Form.) + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach **both** the original Claim Form and the Certification Form)* + 201 0.

Other (specify) _____ + 201.1 0.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 1,000.

Specified Tax Credits ***Applied to reduce Income Tax*** = 225 1,000.

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 773,275.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in 230 to Income Tax in ***Summary*** section on ***Page 17.***

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on ***Page 8.***

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if ***either*** Total Assets 249 exceeds $5,000,000 ***or*** Total Revenue 250 exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

*** Total Assets of the corporation**	+ 240	78,382,000.	
*** Total Revenue of the corporation**			+ 241 99,989,000.

If you are a member of an associated group (x) 242 X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
See attached			+ 243 .	+ 244 .
			+ 245 .	+ 246 .
			+ 247 .	+ 248 .

Aggregate Total Assets 240 + 243 + 245 + 247 , etc. = 249 78,382,000.

Aggregate Total Revenue 241 + 244 + 246 + 248 , etc. = 250 99,989,000.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 18, 19 and 20 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 18.)*

Gross CMT Payable ..... CMT Base From 2135 5,068,000. (If negative, enter zero) X From 30 100.0000 % (Ontario Allocation) X 4.0000% = 276 202,720.

Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)* ..... – 277 0.

Subtract: Income Tax ..... – From 190 774,275.

Net CMT Payable (If negative, enter Nil on Page 17.) ..... = 280 0.

If 280 is less than zero and you do not have a CMT credit carryover, transfer 230 from ***Page 7*** to ***Income tax Summary, on Page 17.***

If 280 is less than zero and you have a CMT credit carryover, complete A & B below.

If 280 is greater than or equal to zero, transfer 230 to ***Page 17*** and transfer 280 to ***Page 17***, **and** to ***Schedule D: Continuity of CMT Credit Carryovers***, *on* ***Page 20.***

CMT Credit Carryover available ..... From 2307 0.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) ..... + From 190 774,275.

Gross CMT Payable ..... + From 276 202,720.

Subtract: Foreign Tax Credit for CMT purposes ..... – From 277 0.

If 276 – 277 is negative, enter NIL in 290 ..... = 202,720. – 290 202,720.

Income Tax eligible for CMT Credit ..... = 300 571,555.

B. Income Tax (after deduction of specified credits) ..... + From 230 773,275.

Subtract: CMT credit used to reduce income taxes ..... – 310 0.

Income Tax ..... = 320 773,275.

Transfer to page 17

If A & B apply, 310 ***cannot exceed the lesser of*** 230, 300 ***and your CMT credit carryover available*** 2307.

If only B applies, 310 ***cannot exceed the lesser of*** 230 ***and your CMT credit carryover available*** 2307.

Capital Tax *(Refer to Guide and Int.B. 3011)*

If your corporation is a Financial Institution (s.58(2)), complete lines 480 ***and*** [illegible] ***on page 10 then proceed to page 13.***
If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 ***and*** 430 ***are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in*** 480 ***and*** 430 ***are both $3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in*** 550 ***on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.***

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012 and 3015)	+	350	23,063,666.
Retained earnings (if deficit, deduct) (Int.B. 3012)	±	351	6,055,011.
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	+	352	0.
Loans and advances *(Attach schedule)* (Int.B. 3013)	+	353	28,655,816.
Bank loans (Int.B. 3013)	+	354	0.
Bankers acceptances (Int.B. 3013)	+	355	0.
Bonds and debentures payable (Int.B. 3013)	+	356	0.
Mortgages payable (Int.B. 3013)	+	357	0.
Liens payable (Int.B. 3013)	+	358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	+	359	7,819,342.
Contingent, investment, inventory and similar reserves (Int.B. 3012)	+	360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012)	+	361	0.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017)	+	362	0.
Subtotal	=	370	65,593,835.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012)	−	371	-17,800,483.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	−	372	0.
Total Paid-up Capital	=	380	83,394,318.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	−	381	0.
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	−	382	0.
Net Paid-up Capital	=	390	83,394,318.

Eligible Investments *(Refer to Guide and Int.B. 3015)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+	402	0.
Mortgages due from other corporations	+	403	0.
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+	404	0.
Loans and advances to unrelated corporations	+	405	13,866.
Short-term loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+	406	490,111.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+	407	0.
Total Eligible Investments	=	410	503,977.

continued on Page 10

UCC vs NBV

UCC per Ont Sch. 8		-58,259,742.00
NBV per F/S		42,157,643.00
less: land		-98,896.00
less: WIP		-1,489,488.00
less: ARO		-110,000.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
	Total	-17,800,483.00

Non-deductible reserves

Employee future benefits	7,444,370.00
Employee sick leave benefits	274,972.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,819,342.00

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015)

Total Assets per balance sheet	+ 420	78,382,000.
Mortgages or other liabilities deducted from assets	+ 421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+ 422	0.
Subtract: Investment in partnership(s)/joint venture(s)	− 423	0.
Total Assets as adjusted	= 430	78,382,000.
Amounts in 360 and 361 (if deducted from assets)	+ 440	0.
Subtract: Amounts in 371, 372 and 381	− 441	-17,800,483.
Subtract: Appraisal surplus if booked	− 442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	± 443	0.
Total Assets	= 450	96,182,483.
Investment Allowance (410 ÷ 450) x 390 — Not to exceed 410	= 460	436,970.
Taxable Capital 390 − 460	= 470	82,957,348.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	99,989,000.
Total Assets (as adjusted) From 430		78,382,000.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.

(Financial Institutions use calculations on page 13.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11, and if applicable, complete** Section D or Section E on page 12. **Note: If the corporation is a member of a connected partnership, please refer to the 2003 CT23 guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in 550 on page 12 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

B2. If taxable capital, 470 on page 10, is **$5,000,000 or less**, enter NIL in 550 on page 12 and complete the return from that point.

B3. If taxable capital, 470 on page 10 exceeds **$5,000,000**, complete the following calculation and transfer the amount From 523 to 543 on page 12, and complete the return from that point.

+ From 470	0.						
−	0.						
= 471	0.	X From 30	100.0000% (Ontario Allocation)	X .3000%	X 555 366 / ** 366 (366 if leap year) (Days in taxation year)	= + 523	0.

Transfer to 543 on page 12 and complete the return from that point

*** If floating taxation year, refer to Guide.***

continued on Page 11

Capital Tax Calculation *continued from Page 10*

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (exluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

C1. ☐ 509 (X if applicable) **All corporations that you are associated with do not have a permanent establishment in Canada.**

If taxable capital 470 on page 10 is $5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

If taxable capital 470 on page 10 exceeds $5,000,000 proceed to **Section D**, enter $5,000,000 in 542 Section D, and complete Section D and the return from that point.

C2. ☒ 524 (X if applicable) **One or more of the corporations that you are associated with maintains a permanent establishment in Canada.**

If the taxation year **ends before January 1, 2003**, you must complete the *Calculation* below.

If the taxation year **ends after December 31, 2002**, you and your associated group may continue to allocate the $5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group **may file an election** under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the $15,000 capital tax effect, relating to the $5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do NOT complete this calculation if ss.69(2.1) election is filed

Taxable Capital From 470 on page 10 ..... + From 470 0.

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding financial institutions and corporations exempt from capital tax) or related partners having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Capital
			+ 531 0.
			+ 532 .
			+ 533 .
Aggregate Taxable Capital 470 + 531 + 532 + 533, etc.			= 540 0.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL.
Enter NIL in 523 in section D on page 12, as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under Section D on page 12.

From 470 0. ÷ From 540 0. x 0 ..... = 541 0.
Transfer to 542 in Section D on page 12

S.s.69(2.1) Election Filed

☒ 591 (X if applicable) **Election filed.** ***Attach a copy of the election with this CT23 Return.***
Proceed to **Section E** on page 12.

continued on Page 12

Capital Tax Calculation *continued from Page 11*

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, [540] *on page 11, exceeds $5,000,000.*

Complete the following calculation and transfer the amount From [523] to [543], and complete the return from that point.

+	From [470]	0.										**Total Capital Tax for the taxation year**
–	[542]	0.										
=	[471]	0.	x	From [30]	100.0000% Ontario Allocation	x	.3000%	x	[555] 366 / ** 366 (366 if leap year) Days in taxation year	.....	= + [523] 0.	*Transfer to [543] and complete the return from that point*

SECTION E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+	From [470] 82,957,348.	x	From [30]	100.0000% Ontario Allocation	x	.3000%	.....	= +	[561]	248,872.	
–	Capital tax deduction From [995] relating to *your corporation's* capital tax deduction, on ss.69(2.1) election form							– From	[995]	12,637.	
								=	[562]	236,235.	
Capital Tax	..... [562] 236,235.	x	[555] 366 / ** 366 (366 if leap year) Days in taxation year				.....	=	[563]	236,235.	*Transfer to [543] and complete the return from that point*

***** If floating taxation year, refer to Guide.***

Capital Tax *before application of specified credits*	=	[543]	236,235.
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	–	[546]	0.
Capital Tax [543] – [546] *(amount cannot be negative)*	=	[550]	236,235.

Transfer to Page 17

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in [550] on page 12, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. x 0.6% x From [30] ____% x [555] 0 ÷ ** 0 (366 if leap year) = + [569] 0.
Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1 — Ontario Allocation — Days in taxation year

[570] 0. x [571] 0.00% x From [30] ____% x [555] 0 ÷ ** 0 (366 if leap year) = + [574] 0.
Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount — Capital Tax Rate *(Refer to Guide)* — Ontario Allocation — Days in taxation year

Capital Tax for Financial Institutions – other than Credit Unions (before Section II) [569] + [574] ..... = [575] 0.

**** If floating taxation year, refer to Guide.***

II Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments ..... - [585] 0.

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions [575] - [585] ..... = [586] 0.
Transfer to [543] on Page12

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements ..... [587] 0. x 2% .... = [588] 0.
Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* ..... - [589] 0.

Premium Tax [588] - [589] ..... = [590] 0.
Transfer to page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 5,530,539.
Transfer to Page 15

Add:

Federal capital cost allowance	601	2,829,320.
Federal cumulative eligible capital deduction	602	0.
Ontario taxable capital gain	603	0.
Federal non-allowable reserves. Balance beginning of year	604	7,685,345.
Federal allowable reserves. Balance end of year	605	0.
Ontario non-allowable reserves. Balance end of year	606	7,819,342.
Ontario allowable reserves. Balance beginning of year	607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	608	0.
Federal resource allowance	609	0.
Federal depletion allowance	610	0.
Federal foreign exploration and development expenses	611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

612 0. × 5 ÷ 12.5000 × (Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 0 ÷ Total Days: 73 366) = + 633 0.

612 0. × 5 ÷ 14.0000 × (Days after Dec. 31, 2003: 34 366 ÷ Total Days: 73 366) = + 634 0.

Total add-back amount for Management fees, etc. 633 + 634 .... = 0. + 613 0.

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 schedule 161 + 615 0.

Add any negative amount in 473 from Ont. CT23 Schedule 161 + 616 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 0.

Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 = 18,334,007. 640 18,334,007.
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	650	2,829,320.
Ontario cumulative eligible capital deduction	651	0.
Federal taxable capital gain	652	0.
Ontario non-allowable reserves. Balance beginning of year	653	7,685,345.
Ontario allowable reserves. Balance end of year	654	0.
Federal non-allowable reserves. Balance end of year	655	7,819,342.
Federal allowable reserves. Balance beginning of year	656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	657	0.
Ontario depletion allowance	658	0.
Ontario resource allowance	659	0.
Ontario current cost adjustment *(Attach schedule)*	661	0.
Incentive for new electricity supply (section 13.6 deduction from income) (***Applies*** only to electrical generating corporations.)	674	0.
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	675	0.

Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675 681 18,334,007.
Transfer to Page 15

continued on Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 14

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 5,530,539.

Total of Additions ..... From = 640 18,334,007.

Sub Total of deductions on page 14 ..... From = 681 18,334,007.

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(***Applies*** only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year ..... 662 0.

ONTTI Gross-up deduction calculation:

[From 662 0. x (Gross-up of CCA 100 / From 30 Ontario Allocation 100.0000)] – From 662 0. = 663 0.

Workplace Child Care Tax Incentive

Qualifying expenditures: [665 0. x 30.00% x (100 / From 30 Ontario Allocation 100.0000)] = 666 0.

Workplace Accessibility Tax Incentive

Qualifying expenditures: [667 0. x 100.00% x (100 / From 30 Ontario Allocation 100.0000)] = 668 0.

Number of employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI) (***Applies*** to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: [670 0. x 30.00% x (100 / From 30 Ontario Allocation 100.0000)] = 671 0.

Educational Technology Tax Incentive (***Applies*** to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: [672 0. x 15.00% x (100 / From 30 Ontario Allocation 100.0000)] = 673 0.

Ontario allowable business investment loss ..... + 678 0.

Ontario Scientific Research Expenses claimed in year in from Ont. CT23 Schedule 161 [477] ..... + 679 0.

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) ..... + 677 0.

Total of other deductions allowed by Ontario *(Attach schedule)* ..... + 664 0.

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 .. = 18,334,007. 680 18,334,007.

Net income (loss) for Ontario Purposes 600 + 640 – 680 ..... = 690 5,530,539.

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 0	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 0	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 0	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 (2) 0	715 (2) (4) 0	724 (2) 0	734 (2) (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17 0	716 (2) to Page 17 0	726 (2) to Page 17 0	736 (2) to Page 17 0	746 0	
Subtotal	707 0	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 0	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 9th preceding taxation year 1996-09-30				850 0	870 0
801 8th preceding taxation year 1997-09-30				851 0	871 0
802 7th preceding taxation year 1998-09-30				852 0	872 0
803 6th preceding taxation year 1999-09-30	820 0	830 0	840 0	853 0	873 0
804 5th preceding taxation year 2000-09-30	821 0	831 0	841 0	854 0	874 0
805 4th preceding taxation year 2001-09-30	822 0	832 0	842 0	855 0	875 0
806 3rd preceding taxation year 2001-12-31	823 0	833 0	843 0	856 0	876 0
807 2nd preceding taxation year 2002-12-31	824 0	834 0	844 0	857 0	877 0
1st preceding taxation year 2003-12-31	825 0	835 0	845 0	858 0	878 0
809 Current taxation year 2004-12-31	826 0	836 0	846 0	859 0	879 0
Total	829 0	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

Application corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 0	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF) / **Taxation Year Ending** (year month day)				
i) 3rd preceding ____ 901	911 0	921 0	931 0	941 0
ii) 2nd preceding ____ 902	912 0	922 0	932 0	942 0
iii) 1st preceding ____ 903	913 0	923 0	933 0	943 0
Total loss to be carried back	From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward	919 0	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		773,275.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		236,235.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		1,009,510.
Subtract: Payments	– 960		384,866.
Capital Gains Refund (s.48)	– 965		0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985		0.
Specified Tax Credits *(Refer to Guide)*	– 955		0.
Other (specify) ____	–		0.
Balance	= 970		624,644.
If payment due	Enclosed * 990		624,644.
Overpayment: Refund *(Refer to Guide)*	= 975		0.
Apply to (year month day)	980		0.

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the Minister of Finance*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

Michael Chase
Title

Controller
Full Residence Address

Signature | Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

UCC vs NBV

UCC per Ont Sch. 8		-58,259,742.00
NBV per F/S		42,157,643.00
less: land		-98,896.00
less: WIP		-1,489,488.00
less: ARO		-110,000.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
		0.00
	Total	-17,800,483.00

Non-deductible reserves

Employee future benefits	7,444,370.00
Employee sick leave benefits	274,972.00
Environmental provision	100,000.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
	0.00
Total	7,819,342.00

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Bank – Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 **3,069,000.**

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes	+ 2101	0.	
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102	0.	
Equity income from corporations	+ 2103	0.	
Share of partnership(s)/joint venture(s) income	+ 2104	0.	
Dividends received/receivable deductible under fed.s.112	+ 2105	0.	
Dividends received/receivable deductible under fed.s.113	+ 2106	0.	
Dividends received/receivable deductible under fed.s.83(2)	+ 2107	0.	
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) 0. X 9/3	+ 2108	0.	
Subtotal	=	0.	– 2109 0.

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes	+ 2110	1,999,000.	
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2111	0.	
Equity losses from corporations	+ 2112	0.	
Share of partnership(s)/joint venture(s) losses	+ 2113	0.	
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2114	0.	
Subtotal	=	1,999,000.	+ 2115 1,999,000.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	+ 2116	0.	or – 2117	0.	
** Fed.s.85.1	+ 2118	0.	or – 2119	0.	
** Fed.s.97	+ 2120	0.	or – 2121	0.	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2122	0.	or – 2123	0.	
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2124	0.	or – 2125	0.	
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ 2126	0.	or – 2127	0.	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income			– 2150	0.	
Subtotal (Additions)	=	0.			+ 2128 0.
Subtotal (Subtractions)	=	0.			– 2129 0.
** Other adjustments					± 2130 0.
Subtotal ± 2100 – 2109 + 2115 + 2128 – 2129 ± 2130					= 2131 5,068,000.
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss					± 2132 0.
Adjusted net income (loss) (if loss, transfer to 2202 in ***Schedule B: Continuity of CMT Losses Carried Forward, Page 19.***)					= 2133 5,068,000.

Deduct: * CMT losses: pre-1994 Loss + From 2210 0.

* CMT losses: other eligible losses + 2211 0.

= 0. – 2134 0.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base = 2135 5,068,000.

Transfer to CMT Base on Page 8

DOLLARS ONLY

Corporate Minimum Tax (CMT)

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)				+ 2201	0.
Add: Current year's losses		+ 2202	0.		
Losses from predecessor corporations on amalgamation (3)		+ 2203	0.		
Losses from predecessor corporations on wind-up (3)		+ 2204	0.		
Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes					
Subtotal		=	0.	+ 2207	0.
Adjustments (attach schedule)				± 2208	0.
CMT losses available 2201 + 2207 ± 2208				= 2209	0.
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income		+ 2210	0.		
Other eligible losses utilized during the year to reduce adjusted net income (4)		+ 2211	0.		
Losses expired during the year		+ 2212	0.		
Subtotal		=	0.	- 2213	0.
Balances at End of Year (5) 2209 - 2213				= 2214	0.

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 1996-09-30	2260 0	2280 0
2241	8th preceding taxation year 1997-09-30	2261 0	2281 0
2242	7th preceding taxation year 1998-09-30	2262 0	2282 0
2243	6th preceding taxation year 1999-09-30	2263 0	2283 0
2244	5th preceding taxation year 2000-09-30	2264 0	2284 0
2245	4th preceding taxation year 2001-09-30	2265 0	2285 0
2246	3rd preceding taxation year 2001-12-31	2266 0	2286 0
2247	2nd preceding taxation year 2002-12-31	2267 0	2287 0
2248	1st preceding taxation year 2003-12-31	2268 0	2288 0
2249	Current taxation year 2004-12-31	2269 0	2289 0
Totals		2270 0	2290 0

The sum of amounts 2270 + 2290 ***must equal amount in*** 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1)				+ 2301	0.
Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL)	+ From 280	0.			
CMT Credit Carryovers from predecessor corporations (2)	+ 2302	0.			
Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes					
Subtotal	=	0.	+ 2305		0.
Adjustments *(Attach schedule)*			± 2306		0.
CMT credit carryover available 2301 + 2305 ± 2306			= 2307		0.
				Transfer to Page 8	
Subtract: CMT Credit utilized during the year to reduce income tax (Page 8)	+ From 310	0.			
CMT Credit expired during the year	+ 2308	0.			
Subtotal	=	0.	– 2309		0.
Balance at End of Year (3) 2307 – 2309			= 2310		0.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1996-09-30	2360 0	2380 0
2341	8th preceding taxation year 1997-09-30	2361 0	2381 0
2342	7th preceding taxation year 1998-09-30	2362 0	2382 0
2343	6th preceding taxation year 1999-09-30	2363 0	2383 0
2344	5th preceding taxation year 2000-09-30	2364 0	2384 0
2345	4th preceding taxation year 2001-09-30	2365 0	2385 0
2346	3rd preceding taxation year 2001-12-31	2366 0	2386 0
2347	2nd preceding taxation year 2002-12-31	2367 0	2387 0
[illegible]	1st preceding taxation year 2003-12-31	2368 0	2388 0
2349	Current taxation year 2004-12-31	2369 0	2389 0
Totals		2370 0	2390 0

The sum of amounts 2370 + 2390 ***must equal amount in*** 2310.

Schedule F:
Summary of Co-operative Education Tax Credit Claimed

Complete a separate entry for each student work placement which ended during the corporation's taxation year. The tax credit is for co-op work placements and leading-edge technology work placements. A work placement is generally considered to be a full-time work assignment for up to 4 months in duration.

Example: If a corporation, with a December 31, 2001 taxation year end, hires an eligible student from September 1, 2001 until April 30, 2002, this would be considered 2 work placements. The first work placement is September 1, 2001 to December 31, 2001 and would be claimed in the 2001 taxation year. The second placement is January 1, 2002 to April 30, 2002 and must be claimed in the 2002 taxation year.

Qualifying Work Placements

Name of University/College and Education Program	Name of Student	Social Insurance No. of Student	Work Placement Start and End Dates (year month day)	Eligible Costs of Placement (ECP)	* Credit Claimed (See notes below) (max. $1,000 per work placement)
UNIVERSITY OF TORONTO	EDWARDS DARYL		From 2004-01-01 To 2005-08-31	5749 25,868	5775 1,000
			From To	5750 0	5776 0
			From To	5751 0	5777 0
			From To	5752 0	5778 0
			From To	5753 0	5779 0
			From To	5754 0	5780 0
			From To	5755 0	5781 0
			From To	5756 0	5782 0
			From To	5757 0	5783 0
			From To	5758 0	5784 0
				5774 25,868	5796 1,000

If insufficient space, attach schedule

Totals

Transfer to 192 *Page 7 of the Tax Return*

Note: Enter corporation's salaries & wages paid in the preceding taxation year [A] $ 5,084,455.

[ ] is $600,000 or greater use 10%. If [A] is $400,000 or les use 15%.

If [A] is over $400,000 but less than $600,000 use the following formula to calculate the rate: Rate = .15 – [.05 (From [A] 5,084,455. – $400,000) ÷ $200,000]

Indicate rate used: 10.00%. *** Credit claimed equals ECP multiplied by rate.**

Calculation of Tax Rates for the

- ntive Deduction for Small Business Corporations (IDSBC) (Small Business Tax Credit) (S.41)
- Surtax on Canadian-controlled Private Corporations (s.41.1)

1. Calculation of IDSBC Rate

Number of Days In Taxation Year

		Days after December 31, 1998 and before January 1, 2000		Total Days		
7.00%	x	0	/	366	=	.0000%
		Days after Dec 31, 1999 and before Jan 1, 2001		Total Days		
7.50%	x	0	/	366	=	.0000%
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days		
7.50%	x	0	/	366	=	.0000%
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days		
6.50%	x	0	/	366	=	.0000%
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
7.00%	x	0	/	366	=	.0000%
		Days after Dec 31, 2003		Total Days		
8.50%	x	366	/	366	=	8.5000%
IDSBC Rate for the Taxation Year					=	8.5000%

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2. Calculation of Specified Rate for Surtax

Number of Days In Taxation Year

		Days after Dec 31, 1998 and before Jan 1, 2000		Total Days		
4.67%	x	0	/	366	=	.0000%
		Days after Dec 31, 1999 and before Jan 1, 2001		Total Days		
5.00%	x	0	/	366	=	.0000%
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days		
5.00%	x	0	/	366	=	.0000%
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days		
4.3330%	x	0	/	366	=	.0000%
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
4.6670%	x	0	/	366	=	.0000%
		Days after Dec 31, 2003		Total Days		
4.6670%	x	366	/	366	=	4.6670%
Specified Rate of Surtax for the Taxation Year					=	4.6670%

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Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Surtax on Canadian-Controlled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2004-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
OSHAWA POWER AND UTILITIES CORPORATION	1800156	2004-12-31	+
OSHAWA PUC ENERGY SERVICES INC.	8114793	2004-12-31	+
OSHAWA PUC SERVICES INC.	8114781	2004-12-31	+
			+
			+
			+
			+
			+
			+
			+
			+
			+
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			+
			+
			+
			+
			+
		Total	
		Transfer to 85 *of the CT23*	=

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2004-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
OSHAWA POWER AND UTILITIES CORPORATION	1800156	2004-12-31	+	+
OSHAWA PUC ENERGY SERVICES INC.	8114793	2004-12-31	+	+
OSHAWA PUC SERVICES INC.	8114781	2004-12-31	+	+
			+	+
			+	+

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Paid-Up Capital: Loans and Advances

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2004-12-31

Loans or Advances Credited or Advanced to Corporation
(includes accounts payable to related parties outstanding at the taxation year end for 120 days or more, and accounts payable to non-related parties outstanding for 365 days or more at the taxation year end)

Due to City of Oshawa	+	23,064,000
Customer deposits	+	4,520,399
Other (Development Fund)	+	1,057,551
Deferred revenue	+	13,866
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
Total *Transfer to* 353 *of the CT23*	=	28,655,816

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Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario unde-preciated capital cost at the beginning of the year (unde-preciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario unde-preciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced unde-preciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario unde-preciated capital cost at the end of the year (column 6 minus column 12)
1	52,273,242	6,143,379	0	0	58,416,621	3,071,689	55,344,932	4	0	0	2,213,797	56,202,824
8	529,547	120,443	0	0	649,990	60,221	589,769	20	0	0	117,954	532,036
10	1,121,971	736,522	0	0	1,858,493	368,261	1,490,232	30	0	0	447,070	1,411,423
42	94,623	0	0	0	94,623	0	94,623	12	0	0	11,355	83,268
13	25,281	0	0	0	25,281	0	25,281		0	0	9,200	16,081
13	8,485	0	0	0	8,485	0	8,485		0	0	2,424	6,061
12	19,470	16,099	0	0	35,569	8,049	27,520	100	0	0	27,520	8,049
stotal	54,072,619	7,016,443	0	0	61,089,062	3,508,220	57,580,842		0	0	2,829,320	58,259,742

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
Total	54,072,619	7,016,443	0	0	61,089,062	3,508,220	57,580,842		0	0	2,829,320	58,259,742
Enter in boxes									[650]	[650]	[650] on the CT23	

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Oshawa PUC Networks Inc.

PILs

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

1800157 2004-12-31

2003 Capital Tax Election of Associated Group Agreement for Allocation of $5,000,000 Exemption

CT23 SCHEDULE 591

Applies to taxation years ending in the 2003 calendar year.

The following associated group of corporations includes all the corporations in this associated group (excluding financial institutions and corporations exempt from capital tax) having a permanent establishment in Canada and are hereby making an election under subsection 69(2.1) of the *Corporation Tax Act* to allocate the tax effect (maximum of $15,000) from the group's $5,000,000 exemption from taxable paid-up capital for all taxation years which end in the 2003 calendar year, based on each corporation's total assets and Ontario allocation factor from each corporation's last taxation year ending in the 2002 calendar year.

Corporation having a permanent establishment in Canada	Last taxation year ending in 2002 calendar	Ontario Allocation A	Total Assets T	Net Deduction A x [$15,000 x (T ÷ X)] ND	Allocation of Net Deduction AND
Corporation Tax Account Number (if applicable)	Year Month Day				995
1800157	2003-12-31	100.0000	77,760,000	11,523	12,637
Corporation Name: Oshawa PUC Networks Inc.					
Authorized signing officer Title: Controller					
Name: Michael Chase — Signature					
Corporation Tax Account Number (if applicable)	Year Month Day				995
1800156	2003-12-31	100.0000	23,121,147	3,426	171
Corporation Name: OSHAWA POWER AND UTILITIES CORPORATION					
Authorized signing officer Title: CONTROLLER					
Name: MICHAEL CHASE — Signature					
Corporation Tax Account Number (if applicable)	Year Month Day				995
8114793	2003-12-31	100.0000	1,026		3
Corporation Name: OSHAWA PUC ENERGY SERVICES INC.					
Authorized signing officer Title: CONTROLLER					
Name: MICHAEL CHASE — Signature					
Corporation Tax Account Number (if applicable)	Year Month Day				995
8114781	2003-12-31	100.0000	339,909	50	2,188
Corporation Name: OSHAWA PUC SERVICES INC.					
Authorized signing officer Title: CONTROLLER					
Name: MICHAEL CHASE — Signature					
Corporation Tax Account Number (if applicable)	Year Month Day				995
Corporation Name					
Authorized signing officer Title					
Name — Signature					

Total Assets of Associated Group having permanent establishments in Canada ..... X 101,222,082 [959]

Total Net Deductions of Associated Group having permanent establishments in Canada ..... TND 14,999 [994]

Total Allocated Net Deductions of Associated Group having permanent establishments in Canada ..... TAND 14,999

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Taxable Capital of Associated Corporations

(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2004-12-31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
OSHAWA POWER AND UTILITIES CORPORATION	1800156	2004-12-31	+
OSHAWA PUC ENERGY SERVICES INC.	8114793	2004-12-31	+
OSHAWA PUC SERVICES INC.	8114781	2004-12-31	+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
		Aggregate of taxable capital	=

Transfer to box 540 *of the CT23*

Oshawa PUC Networks Inc.
December 30, 2004
ing Instructions - Federal Exempt Return

These instructions are for your use in filing your returns.

FILE COPY

	FEDERAL
	T2 Corporation Income Tax Return
	Refund/Amount due
	$0
FILING DUE DATE	The balance owing and the return must be MAILED on or before June 30, 2005.
ENCLOSURES	-One signed copy of the Federal RSI Schedules
MAKE CHEQUE PAYABLE TO	N/A
WHERE TO MAIL RETURN AND AYMENT	Canada Revenue Agency Tax Services Centre 1050 Notre Dame Avenue Sudbury, Ontario P3A 5C1

Appendix 25

2005 T2 Federal Tax Return

Federal Tax Instalments

Federal tax instalments

For the taxation year ended 2006-12-31

The following is a list of federal instalments payable for the current taxation year. The last column indicates the instalments payable to Revenue Canada. The instalments are due no later than on the dates indicated, otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Receiver General. Payment may be made either to an authorized financial institution or filed with form T9 (instalment form) and addressed to the appropriate Revenue Canada Taxation Centre.

Quarterly instalment workchart

Date	Quarterly tax instalments	Instalments paid	Cumulative difference	Instalments payable
2006-03-31				
2006-06-30				
2006-09-30				
2006-12-31				
Total				

Monthly instalment workchart

Date	Monthly tax instalments	Instalments paid	Cumulative difference	Instalments payable
2006-01-31	90,431			90,431
2006-02-28	90,431			90,431
2006-03-31	90,431			90,431
2006-04-30	90,431			90,431
2006-05-31	90,431			90,431
2006-06-30	90,431			90,431
2006-07-31	90,431			90,431
2006-08-31	90,431			90,431
2006-09-30	90,431			90,431
2006-10-31	90,431			90,431
2006-11-30	90,431			90,431
2006-12-31	90,423			90,423
Total	1,085,164			1,085,164

Indicate instalment method chosen [1-3] 1

1st Instalment base method

If payment of instalments other than quarterly instalments is delayed, indicate the MONTH in which you want them to begin (1=January, 2=February, etc.). 1

Quarterly instalments calculation

The corporation must meet requirements 1 to 5 to be eligible for quarterly instalments for a tax year.

1 – Is the corporation a Canadian-controlled private corporation (CCPC)?	[X] Yes	[ ] No
2 – Did the corporation claim the small business deduction, during either the current or previous year?	[X] Yes	[ ] No
3 – Is the corporation's, or any of its associated corporations', taxable income for the current or previous year less than or equal to $400,000?	[ ] Yes	[ ] No
4 – Is the corporation and any associated corporations' taxable capital employed in Canada for the current or previous year less than or equal to $10,000,000?	[ ] Yes	[ ] No
5 – Does the corporation have a perfect compliance history in the last 12 months?	[ ] Yes	[ ] No

If you do not want to use the quarterly instalments option, select this box to go back to monthly instalments. [ ]

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1 – 1st Instalment base method

1st Instalment base amount (amount I below)		1,085,164	÷	12	=	90,431
	Monthly instalments required					90,431
Quarterly tax instalments required		1,085,164	÷	4	=	

2 – Combined 1st and 2nd instalment base method

2nd Monthly instalment base amount

Indicate:	Part I tax		1,223,355				
	Part I.3, VI & VI.I tax	+					
	Provincial tax, other than Alberta, Québec and Ontario	+					
	Ontario tax	+					
	Total	=	1,223,355	÷	12	= 101,947	**A**
1/12 of estimated current year credits (M below /12)						–	
	Each of the first two instalment payments					= 101,947	**B**
Total tax from N below			1,085,164				
Amount B above x 2		–	203,894				
		=	881,270	÷	10	= 88,127	
	Each of the remaining ten instalment payments					= 88,127	

2nd Quarterly instalment base amount

Indicate:	Part I tax						
	Part I.3, VI & VI.I tax	+					
	Provincial tax, other than Alberta, Québec and Ontario	+					
	Ontario tax	+					
	Total	=		÷	4	=	**A**
1/4 of estimated current year credits (M below /4)						–	
	The first instalment payment					=	**B**
Total tax from N below			1,085,164				
Amount B above		–					
		=	1,085,164	÷	3	= 361,722	
	Each of the remaining three instalment payments					=	

3 – Estimated tax method

Instalment base amount (amount N below)		÷	12	=	
	Monthly instalments required				
Quarterly tax instalments required		÷	4	=	

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Instalment base calculation

		1st instalment base method		Estimated tax method	
Taxable income		5,027,868			
Calculation of tax payable					
Federal part I tax		1,910,590			
Federal surtax	+	56,312	+		
Refundable tax on a CCPC's investment income	+		+		
Subtotal	=	1,966,902	=		A
Small business deduction		48,000			
Investment corporation deduction	+		+		
Federal tax abatement	+	502,787	+		
Manufacturing and processing profits deduction	+		+		
Non-business foreign tax credit	+		+		
Business foreign tax credit	+		+		
Tax reduction, general and accelerated	+	330,951	+		
Logging tax credit	+		+		
Federal political contribution tax credit	+		+		
Investment tax credit per Schedule 31 and resource deduction	+		+		
Qualifying environmental trust tax credit	+		+		
Subtotal	=	881,738	=		B
Total part I tax payable (A minus B)		1,085,164			C
Part I.3 tax	+		+		D
Part VI tax	+		+		D
Part VI.I tax	+		+		E
Total					
Parts I, I.3, VI and VI.I		1,085,164			F
Adjustment for short taxation years x 365 ÷ number of days in year if less than 365	365 ÷	365	365 ÷	365	
		1,085,164			G
Provincial/territorial tax, other than Alberta, Québec and Ontario	+		+		H

Use this section only to calculate instalments payable with regard to taxation years ending in 2009 and after (for other tax years, see the *Ontario Tax Instalments* schedule (Jump Code: **ION**)):

Ontario tax	Income tax	+				
	Capital tax	+				
	Corporate minimum tax paid	+				
	Total Ontario tax*	=	+		+	I
Total harmonized provincial tax						
Harmonized provincial tax (H + I)		+			+	J
Adjustment for short taxation years x 365 ÷ number of days in year if less than 365		365 ÷	365	365 ÷		K
Total of tax before refundable credits (G + K)**		=	1,085,164		=	L

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Instalment base calculation (continued)

Estimated current year credits				
Investment tax credit refund				
Dividend refund	+		+	
Federal capital gains refund	+		+	
Provincial and territorial capital gains refund	+		+	
NRO allowable refund per Schedule 26	+		+	
Tax withheld at source	+		+	
Other estimated credits	+		+	
Total estimated current year credits	=		=	**M**
Instalment base amount (L minus M)		1,085,164		**N**

*Ontario tax corresponds to the amount before the application of specified Ontario tax credits.

**For instalments payable for tax years beginning before 2008, the amount on line G is not added to line L unless it exceeds 1,000. The same rule applies to line K. For instalments payable for tax years beginning after 2007, the amount on line G is not added to line L unless it exceeds $3,000. The same rule applies to line K.

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Ontario Tax Instalments

Corporation's Legal Name		Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc.	PILs	1800157	2005-12-31

Ontario tax instalments

For the taxation year ended: 2006-12-31

The following is a list of Ontario instalments payable for the current taxation year. The last column indicates the instalments payable to the Ontario Ministry of Revenue. The instalments are due no later than on the dates indicated, otherwise non-deductible interest will be charged. A cheque or money order should be made payable to the Minister of Finance. Payment may be made either to a chartered bank in Ontario or filed with an instalment form and addressed to:

Ministry of Revenue (Ontario)
Corporation Tax
33 King Street West
P.O. Box 620
Oshawa Ontario
L1H 8E9

Quarterly instalment

Date	Instalments required	Instalments paid	Cumulative difference	Instalments payable
Total				

Date	Instalments required	Instalments paid	Cumulative difference	Instalments payable
2006-01-31	80,364			80,364
2006-02-28	80,364			80,364
2006-03-31	80,364			80,364
2006-04-30	80,364			80,364
2006-05-31	80,364			80,364
2006-06-30	80,364			80,364
2006-07-31	80,364			80,364
2006-08-31	80,364			80,364
2006-09-30	80,364			80,364
2006-10-31	80,364			80,364
2006-11-30	80,364			80,364
2006-12-31	80,356			80,356
Total	964,360			964,360

Indicate instalment method chosen [1-3]: 1

1st Instalment base method

Do not use the quarterly payment even if applicable "X" to continue montly payments

If instalments are starting late, indicate the MONTH in which you want them to start (1=January, 2=February, etc.) 1

1 – 1st Instalment base method

1st instalment base amount (amount I below)	964,360	÷ 12	=	80,364
Monthly instalments required				80,364
Quarterly instalments required				

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2 – Combined 1st and 2nd instalment method

2nd instalment base amount:

Indicate:	Income tax, C.M.T		773,276					
	Capital tax, prem. tax	+	182,879					
	Total	=	956,155	÷	12	=	79,680	A
Each of the first two instalment payments							79,680	B
Total tax from I below			964,360					
Amount A above x 2		–	159,360					
		=	805,000	÷	10	=	80,500	
Each of the remaining ten instalment payments							80,500	
Quarterly instalments required								

3 – Estimated tax method

Instalment base amount (amount I below)		÷ 12	=	
Monthly instalments required				
Quarterly instalments required				

Instalment base calculation

		1st instalment base method		Estimated tax method	
Ontario taxable income		5,027,868			
Calculation of tax payable					
Gross Ontario tax		703,902			A
Incentive deduction for an S.B.C., net of surtax					
Manufacturing and processing profits credit	+		+		
Additional deduction for credit unions	+		+		
Credit for foreign taxes paid	+		+		
Credit for investment in S.B.D.C.	+		+		
Specified credits applied against income tax	+		+		
Total deduction and credits	=		=		B
Income tax (A - B)		703,902			C
Capital tax	+	260,458	+		D
Corporate minimum tax paid (credited)	+		+		E
Premium tax	+		+		F
Total income tax and other taxes (C + D + E + F)	=	964,360	=		G
Adjustment for short taxation years x 365 ÷ number of days in year if less than 365	365 ÷	365	365 ÷	365	
		964,360			H
Total estimated current year credits	–		–		
		964,360			I

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Canada Revenue Agency / Agence du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

200

055 Do not use this area

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the federal *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **www.cra.gc.ca** or the *T2 Corporation – Income Tax Guide* (T4012).

Identification

Business Number (BN) 001 89172 5210 RC0001

Corporation's name

002 Oshawa PUC Networks Inc. PILs

Has the corporation changed its name since the last time you filed your T2 return? 003 1 Yes [ ] 2 No [X]

If **yes**, do you have a copy of the articles of amendment? ***(Do not submit)*** 004 1 Yes [ ] 2 No [ ]

Address of head office

Has this address changed since the last time you filed your T2 return? 010 1 Yes [ ] 2 No [X]

(If **yes**, complete lines 011 to 018)

011 100 Simcoe Street South

012

City: 015 Oshawa

Province, territory, or state: 016 ON

Country (other than Canada): 017

Postal code/Zip code: 018 L1H 7M7

Mailing address (if different from head office address)

Has this address changed since the last time you filed your T2 return? 020 1 Yes [ ] 2 No [X]

(If **yes**, complete lines 021 to 028)

021 c/o

022

023

City: 025

Province, territory, or state: 026

Country (other than Canada): 027

Postal code/Zip code: 028

Location of books and records

Has the location of books and records changed since the last time you filed your T2 return? 030 1 Yes [ ] 2 No [X]

(If **yes**, complete lines 031 to 038)

031 100 Simcoe Street South

032

City: 035 Oshawa

Province, territory, or state: 036 ON

Country (other than Canada): 037

Postal code/Zip code: 038 L1H 7M7

040 **Type of corporation at the end of the tax year**

1 [X] Canadian-controlled private corporation (CCPC)
2 [ ] Other private corporation
3 [ ] Public corporation
4 [ ] Corporation controlled by a public corporation
5 [ ] Other corporation (specify, below)

If the type of corporation changed during the tax year, provide the effective date of the change. 043 _____ YYYY MM DD

To which tax year does this return apply?

Tax year start: 060 2005-01-01 YYYY MM DD

Tax year-end: 061 2005-12-31 YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous tax year? 063 1 Yes [ ] 2 No [X]

If **yes**, provide the date control was acquired 065 _____ YYYY MM DD

Is the date on line 061 a deemed tax year-end in accordance with subsection 249(3.1)? 066 1 Yes [ ] 2 No [X]

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes [ ] 2 No [X]

Is this the first year of filing after:

Incorporation? 070 1 Yes [ ] 2 No [X]

Amalgamation? 071 1 Yes [ ] 2 No [X]

If **yes**, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? 072 1 Yes [ ] 2 No [X]

If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? 076 1 Yes [ ] 2 No [X]

Is this the final return up to dissolution? 078 1 Yes [ ] 2 No [X]

Is the corporation a resident of Canada?

080 1 Yes [X] 2 No [ ] If **no**, give the country of residence on line 081 and **complete and attach** Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes [ ] 2 No [X]

If **yes**, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

085
1 [ ] Exempt under paragraph 149(1)(e) or (l)
2 [ ] Exempt under paragraph 149(1)(j)
3 [ ] Exempt under paragraph 149(1)(t)
4 [ ] Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096
100					

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Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.
Schedules – Answer the following questions. For each *Yes* response, **attach** to the T2 return the schedule that applies.

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders?	151		19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	X	11
If you answered **yes** to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	X	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
Did the corporation have any foreign affiliates during the year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal *Income Tax Regulations*?	170		29
Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172		
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	202		2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
Is the corporation claiming any type of losses?	204		4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any property that is eligible capital property?	210		10
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming reserves of any kind?	213		13
Is the corporation claiming a patronage dividend deduction?	216		16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
Is the corporation an investment corporation or a mutual fund corporation?	218		18
Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
Does the corporation have any Canadian manufacturing and processing profits?	227		27
Is the corporation claiming an investment tax credit?	231		31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232		T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over $10,000,000?	233	X	
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234		
Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	X	36
Is the corporation claiming a surtax credit?	237		37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
Is the corporation claiming a Part I tax credit?	242		42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131
Is the corporation claiming a film or video production services tax credit refund?	254		T1177

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Attachments – continued from page 2

		Yes	Schedule
Is the corporation subject to Part XIII.1 tax?	255		92 *
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256		T1134-A
Did the corporation have any controlled foreign affiliates?	258		T1134-B
Did the corporation own specified foreign property in the year with a cost amount over $100,000?	259		T1135
Did the corporation transfer or loan property to a non-resident trust?	260		T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261		T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262		T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263		T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264		T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265		55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266		T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267		T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268		53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269		54

*** We do not print this schedule.**

Additional information

Is the corporation inactive?	280	1 Yes	2 No X
Has the major business activity changed since the last return was filed? (enter **yes** for first-time filers)	281	1 Yes	2 No X

What is the corporation's major business activity? 282
(Only complete if **yes** was entered at line 281)

If the major business activity involves the resale of goods, show whether it is wholesale or retail 283 1 Wholesale 2 Retail

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	Utility Distribution	285	100.000 %
286		287	%
288		289	%

Did the corporation immigrate to Canada during the tax year?	291	1 Yes	2 No X
Did the corporation emigrate from Canada during the tax year?	292	1 Yes	2 No X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI.	300	5,027,868	A
Deduct: Charitable donations from Schedule 2	311		
Gifts to Canada, a province, or a territory from Schedule 2	312		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Gifts of medicine from Schedule 2	315		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction *	325		
Non-capital losses of previous tax years from Schedule 4	331		
Net capital losses of previous tax years from Schedule 4	332		
Restricted farm losses of previous tax years from Schedule 4	333		
Farm losses of previous tax years from Schedule 4	334		
Limited partnership losses of previous tax years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Subtotal		▶	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")		5,027,868	C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C **plus** amount D)	360	5,027,868	
Income exempt under paragraph 149(1)(t)	370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370)		5,027,868	Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724.

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Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7 . . . . . **400** 5,027,868 A

Taxable income from line 360, **minus** 10/3 of the amount on line 632*, **minus** 3 times the amount on line 636**, and **minus** any amount that, because of federal law, is exempt form Part I tax . . . . . **405** 5,027,868 B

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

300,000 x (Number of days in the tax year in 2005 and in 2006 / Number of days in the tax year) 365/365 = ... 300,000 1

400,000 x (Number of days in the tax year after 2006 / Number of days in the tax year) ___/365 = ... ___ 2

Add amounts at lines 1 and 2 300,000 4

Business limit (see notes 1 and 2 below) . . . . . **410** 300,000 C

Notes:
1. For CCPCs that are not associated, enter the amount from line 4 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate the amount from line 4 by the number of days in the tax year divided by 365, and enter the result on line 410.
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C 300,000 x **415** *** ___ / 11,250 D = ... E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0") . . . . . **425** 300,000 F

Small business deduction

Amount A, B, C, or F whichever is the least 300,000 x (Number of days in the tax year before January 1, 2008 / Number of days in the tax year) 365/365 x 16 % = 48,000 5

Amount A, B, C, or F whichever is the least 300,000 x (Number of days in the tax year after December 31, 2007 and before January 1, 2009 / Number of days in the tax year) ___/365 x 17 % = ___ 6

Amount A, B, C, or F whichever is the least 300,000 x (Number of days in the tax year after December 31, 2008 / Number of days in the tax year) ___/365 x 17 % = ___ 7

Total of amounts 5, 6, and 7 – enter on line 9 **430** 48,000 G

***** Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

****** Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporate tax reductions under section 123.4.

***** Large corporations**

- If the corporation is not associated with any corporations in both the current and the previous tax years, the amount to be entered at line 415 is: (Total taxable capital employed in Canada for the **prior year** minus $10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered at line 415 is: (Total taxable capital employed in Canada for the **current year** minus $10,000,000) x 0.225%
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)] . . . . . **435** ___ H

Amount H ___ x (Number of days in the tax year in 2005 / Number of days in the tax year) 365/365 x 3 % = ___ I

Amount H ___ x (Number of days in the tax year in 2006 / Number of days in the tax year) ___/365 x 5 % = ___ J

Amount H ___ x (Number of days in the tax year in 2007 / Number of days in the tax year) ___/365 x 7 % = ___ K

Resource deduction – total of amounts I, J and K . . . . . **438** ___ L

Enter amount L on line 10.

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General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360						5,027,868	A
Amount Z1 from Part 9 of Schedule 27							B
Amount QQ from Part 13 of Schedule 27							C
Taxable resource income from line 435							D
Amount used to calculate the credit union deduction (from Schedule 17)							E
Amount from line 400, 405, 410, or 425, whichever is the least					300,000		F
Aggregate investment income from line 440							G
Total of amounts B, C, D, E, F, and G					300,000 ▶	300,000	H
Amount A **minus** amount H (if negative, enter "0")						4,727,868	I
Amount I	4,727,868 x	Number of days in the tax year before January 1, 2008 / Number of days in the tax year	365 / 365 x	7 %	=	330,951	J
Amount I	4,727,868 x	Number of days in the tax year after December 31, 2007 and before January 1, 2009 / Number of days in the tax year	/ 365 x	8.5 %	=		K
Amount I	4,727,868 x	Number of days in the tax year after December 31, 2008 and before January 1, 2010 / Number of days in the tax year	/ 365 x	9 %	=		K1
Amount I	4,727,868 x	Number of days in the tax year after December 31, 2009 and before January 1, 2011 / Number of days in the tax year	/ 365 x	10 %	=		K2
General tax reduction for Canadian-controlled private corporations – total of amounts J, K, K1, and K2						330,951	L

Enter amount L on line 638.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation, and for tax years starting after May 1, 2006, any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 (for tax years starting after May 1, 2006, amount Z)							M
Amount Z1 from Part 9 of Schedule 27							N
Amount QQ from Part 13 of Schedule 27							O
Taxable resource income from line 435							P
Amount used to calculate the credit union deduction (from Schedule 17)							Q
Total of amounts N, O, P, and Q					▶		R
Amount M **minus** amount R (if negative, enter "0")							S
Amount S	x	Number of days in the tax year before January 1, 2008 / Number of days in the tax year	365 / 365 x	7 %	=		T
Amount S	x	Number of days in the tax year after December 31, 2007 and before January 1, 2009 / Number of days in the tax year	/ 365 x	8.5 %	=		U
Amount S	x	Number of days in the tax year after December 31, 2008 and before January 1, 2010 / Number of days in the tax year	/ 365 x	9 %	=		U1
Amount S	x	Number of days in the tax year after December 31, 2009 and before January 1, 2011 / Number of days in the tax year	/ 365 x	10 %	=		U2
General tax reduction – total of amounts T, U, U1, and U2							V

Enter amount V on line 639.

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Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income (from Schedule 7) . . . . . 440 _____ x 26 2 / 3 % = _____ A

Foreign non-business income tax credit from line 632 . . . . . _____

Deduct:

Foreign investment income (from Schedule 7) . . . . . 445 _____ x 9 1 / 3 % = _____
(if negative, enter "0") _____ ▶ _____ B

Amount A **minus** amount B (if negative, enter "0") . . . . . _____ C

Taxable income from line 360 5,027,868

Deduct:

Amount from line 400, 405, 410, or 425, whichever is the least 300,000

Foreign non-business income tax credit from line 632 . . . . . _____ x 25 / 9 = _____

Foreign business income tax credit from line 636 . . . . . _____ x 3 = _____

300,000 ▶ 300,000

4,727,868

x 26 2 / 3 % = 1,260,765 D

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780) 1,085,164

Deduct: Corporate surtax from line 600 56,312

Net amount . . . . . 1,028,852 ▶ 1,028,852 E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least . . . . . 450 _____ F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year . . . . . 460 _____

Deduct: Dividend refund for the previous tax year . . . . . 465 _____

_____ ▶ _____ G

Add the total of:

Refundable portion of Part I tax from line 450 above . . . . . _____

Total Part IV tax payable from Schedule 3 . . . . . _____

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation . . . . . 480 _____

_____ ▶ _____ H

Refundable dividend tax on hand at the end of the tax year – Amount G **plus** amount H . . . . . 485 _____

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 of Schedule 3 . . . . . _____ x 1 / 3 _____ I

Refundable dividend tax on hand at the end of the tax year from line 485 above . . . . . _____ J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784) . . . . . _____

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Part I tax

Base amount of Part I tax – taxable income (line 360 or amount Z, whichever applies) **multiplied** by 38.00 % . . . . . **550** 1,910,590 A

Corporate surtax calculation

Base amount from line A above 1,910,590 1

Deduct:

10 % of taxable income (line 360 or amount Z, whichever applies) 502,787 2

Investment corporation deduction from line 620 below 3

Federal logging tax credit from line 640 below 4

Federal qualifying environmental trust tax credit from line 648 below 5

For a mutual fund corporation or an investment corporation throughout the tax year, enter amount a, b, or c below on line 6, whichever is the least:

28.00 % of taxable income from line 360 . . . . . a

28.00 % of taxed capital gains . . . . . b

Part I tax otherwise payable (line A **plus** lines C and D **minus** line F) c

6

Total of lines 2 to 6 . . . . . 502,787 7

Net amount (line 1 **minus** line 7) 1,407,803 8

Corporate surtax*

Line 8 1,407,803 x (Number of days in the tax year before January 1, 2008 365 / Number of days in the tax year 365) x 4 % = **600** 56,312 B

* The corporate surtax is zero effective January 1, 2008.

Recapture of investment tax credit from Schedule 31 . . . . . **602** C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 i

Taxable income from line 360 5,027,868

Deduct:

Amount from line 400, 405, 410, or 425, whichever is the least 300,000

Net amount . . . . . 4,727,868 ▶ 4,727,868 ii

Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii . . . . . **604** D

Subtotal (**add** lines A, B, C, and D) 1,966,902 E

Deduct:

Small business deduction from line 430 . . . . . 48,000 9

Federal tax abatement **608** 502,787

Manufacturing and processing profits deduction from Schedule 27 . . . . . **616**

Investment corporation deduction **620**

(taxed capital gains **624**)

Additional deduction – credit unions from Schedule 17 . . . . . **628**

Federal foreign non-business income tax credit from Schedule 21 . . . . . **632**

Federal foreign business income tax credit from Schedule 21 . . . . . **636**

Resource deduction from line 438 10

General tax reduction for CCPCs from amount L **638** 330,951

General tax reduction from amount V **639**

Federal logging tax credit from Schedule 21 . . . . . **640**

Federal political contribution tax credit **644**

Federal political contributions **646**

Federal qualifying environmental trust tax credit **648**

Investment tax credit from Schedule 31 . . . . . **652**

Subtotal 881,738 ▶ 881,738 F

Part I tax payable – Line E **minus** line F . . . . . 1,085,164 G

Enter amount G on line 700.

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Summary of tax and credits

Federal tax

Part I tax payable	700	1,085,164
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax payable from Schedule 46	708	
Part III.1 tax payable from Schedule 55	710	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		1,085,164

Add provincial or territorial tax:

Provincial or territorial jurisdiction 750 Ontario
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Québec, Ontario, and Alberta)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	
Total tax payable	770	1,085,164 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780		
Dividend refund	784		
Federal capital gains refund from Schedule 18	788		
Federal qualifying environmental trust tax credit refund	792		
Canadian film or video production tax credit refund (Form T1131)	796		
Film or video production services tax credit refund (Form T1177)	797		
Tax withheld at source	800		
Total payments on which tax has been withheld	801		
Provincial and territorial capital gains refund from Schedule 18	808		
Provincial and territorial refundable tax credits from Schedule 5	812		
Tax instalments paid	840	1,168,354	
Total credits	890	1,168,354	1,168,354 B

Refund code 894 1 Overpayment 83,190

Balance (line A **minus** line B) -83,190

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Balance unpaid

Enclosed payment 898

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information

910 Branch number

914 Institution number 918 Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 MARTIN (Last name in block letters) 951 PHIL (First name in block letters) 954 VP FINANCE & REGULATORY COMPLI (Position, office, or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this tax year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation

956 (905) 743-5219 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 1 Yes ☒ 2 No ☐

958 Name in block letters

959 Telephone number

Language of correspondence – Langue de correspondance

990 Indicate your language of correspondence by entering **1** for English or **2** for French.
Indiquez votre langue de correspondance en inscrivant **1** pour anglais ou **2** pour français.

1 English / Anglais ☒ 2 Français / French ☐

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Schedule of Instalment Remittances

Name of corporation contact Michael Chase
Telephone number (905) 723-4626

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
	Tax installments made during the year (PILS)	1,168,354

Total amount of instalments claimed (carry the result to line 840 of the T2 Return) 1,168,354 **A**

Total instalments credited to the taxation year per T9 1,168,354 **B**

Transfer

Account number	Taxation year end	Amount	Effective interest date	Description
From:				
To:				
From:				
To:				
From:				
To:				
From:				
To:				
From:				
To:				

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Canada Revenue Agency / Agence du revenu du Canada

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 100

Name of corporation		Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	PILs	89172 5210 RC0001	2005-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
Assets					
	Total current assets	1599	+	40,264,000	34,211,000
	Total tangible capital assets	2008	+	108,119,000	102,583,000
	Total accumulated amortization of tangible capital assets	2009	–	63,362,000	60,425,000
	Total intangible capital assets	2178	+		
	Total accumulated amortization of intangible capital assets	2179	–		
	Total long-term assets	2589	+	5,390,000	2,013,000
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	90,411,000	78,382,000
Liabilities					
	Total current liabilities	3139	+	17,927,000	12,764,000
	Total long-term liabilities	3450	+	40,978,000	36,499,323
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	58,905,000	49,263,323
Shareholder equity					
	Total shareholder equity (mandatory field)	3620	+	31,506,000	29,118,677
	Total liabilities and shareholder equity	3640	=	90,411,000	78,382,000
Retained earnings					
	Retained earnings/deficit – end (mandatory field)	3849	=	8,442,000	6,055,011

***** Generic item

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Current Assets

Form identifier 1599

Account	Description	GIFI		Current year	Prior year
Cash and deposits					
	* Cash and deposits	1000		21,883,000	10,575,000
	Cash	1001			
	Deposits in Canadian banks and institutions – Canadian currency	1002			
	Deposits in Canadian banks and institutions – foreign currency	1003			
	Deposits in foreign banks – Canadian currency	1004			
	Deposits in foreign banks – foreign currency	1005			
	Credit union central deposits	1006			
	Other cash like instruments	1007			
	Cash and deposits		+	21,883,000	10,575,000
Accounts receivable					
	* Accounts receivable	1060			
	Trade accounts receivable	1062		4,230,000	6,711,000
	Trade accounts receivable from related parties	1064			
	Taxes receivable	1066			
	Interest receivable	1067			
	Holdbacks receivable	1068			
	Leases receivable	1069			
	Accounts receivable from employees	1071			
	Amounts receivable from members of NPOs	1073			
	Accounts receivable		+	4,230,000	6,711,000
Allowance for doubtful accounts					
	* Allowance for doubtful accounts	1061			
	Allowance for doubtful trade accounts receivable	1063			
	Allowance for doubtful trade accounts receivable from related parties	1065			
	Allowance for doubtful amounts contained in leases receivable	1070			
	Allowance for doubtful accounts receivable from employees	1072			
	Allowance for doubtful accounts		–		
Inventories					
	* Inventories	1120		590,000	443,000
	Inventory of goods for sale	1121			
	Inventory parts and supplies	1122			
	Inventory properties	1123			
	Inventory of aggregates	1124			
	Work in progress	1125			
	Raw materials	1126			
	Inventory of securities	1127			
	Inventories		+	590,000	443,000
Short-term investments					
	* Short-term investments	1180			
	Canadian term deposits	1181			
	Canadian shares	1182			
	Canadian bonds	1183			
	Canadian treasury bills	1184		6,001,000	6,000,000
	Securities purchased under resale agreements	1185			
	Other short-term Canadian investments	1186			
	Short-term foreign investments	1187			
	Short-term investments		+	6,001,000	6,000,000

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Loans and notes receivable

*	Loans and notes receivable	1240		
	Demand loans receivable	1241		
	Other loans receivable	1242		
	Notes receivable	1243		
	Mortgages receivable	1244		
	Loans and notes receivable	+		

Due from shareholder(s)/director(s)

*	Due from shareholder(s)/director(s)	1300		
	Due from individual shareholder(s)	1301		
	Due from corporate shareholder(s)	1302		
	Due from director(s)	1303		
	Due from shareholder(s)/director(s)	+		

*	Investment in joint venture(s)/partnership(s)	1360	+	

*	Due from joint venture(s)/partnership(s)	1380	+	

Due from/investment in related parties

*	Due from/investment in related parties	1400	644,000	490,000
	Demand notes from related parties	1401		
	Interest receivable from related parties	1402		
	Loans/advances due from related parties	1403		
	Due from/investment in related parties	+	644,000	490,000

*	Customers' liability under acceptances	1460	+	

Other current assets

*	Other current assets	1480	6,631,000	9,783,000
	Future (deferred) income taxes	1481		
	Accrued investment income	1482		
	Taxes recoverable/refundable	1483		
	Prepaid expenses	1484	285,000	209,000
	Drilling advances	1485		
	Security/tender deposits	1486		
	Other current assets	+	6,916,000	9,992,000

	Total current assets	1599	=	40,264,000	34,211,000

***** Generic item

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Tangible Capital Assets and Accumulated Amortization

Form identifier 2008/2009

Account	Description	GIFI		Tangible capital assets		Accumulated amortization	Prior year
Land							
	* Land	1600	+	111,000			99,000
	Land improvements	1601	+				
	Accumulated amortization of land improvements	1602			–		
	Total			111,000			
Depletable assets							
	* Depletable assets	1620	+				
	*Accumulated amortization of depletable assets	1621			–		
	Petroleum and natural gas properties	1622	+				
	Accumulated amortization of petroleum and natural gas properties	1623			–		
	Mining properties	1624	+				
	Accumulated amortization of mining properties	1625			–		
	Deferred exploration and development charges	1626	+				
	Accumulated amortization of deferred exploration and development charges	1627			–		
	Quarries	1628	+				
	Accumulated amortization of quarries	1629			–		
	Gravel pits	1630	+				
	Accumulated amortization of gravel pits	1631			–		
	Timber limits	1632	+				
	Accumulated amortization of timber limits	1633			–		
	Total						
Buildings							
	* Buildings	1680	+	528,000			534,000
	*Accumulated amortization of buildings	1681			–	259,000	258,000
	Manufacturing and processing plant	1682	+				
	Accumulated amortization of manufacturing and processing plant	1683			–		
	Buildings under construction	1684	+				
	Total			528,000		259,000	
Machinery, equipment, furniture and fixtures							
	* Machinery, equipment, furniture, and fixtures	1740	+	2,804,000			2,631,000
	*Accumulated amortization of machinery, equipment, furniture, and fixtures	1741			–	2,375,000	2,285,000
	Motor vehicles	1742	+	3,624,000			3,908,000
	Accumulated amortization of motor vehicles	1743			–	2,618,000	2,980,000
	Tools and dies	1744	+				
	Accumulated amortization of tools and dies	1745			–		
	Construction and excavating equipment	1746	+				
	Accumulated amortization of construction and excavating equipment	1747			–		
	Forestry and logging equipment	1748	+				
	Accumulated amortization of forestry and logging equipment	1749			–		
	Fishing gear and nets	1750	+				
	Accumulated amortization of fishing gear and nets	1751			–		
	Mining equipment	1752	+				
	Accumulated amortization of mining equipment	1753			–		
	Oil and gas systems	1754	+				

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Machinery, equipment, furniture and fixtures (continued)

	Accumulated amortization of oil and gas systems	1755		–		
	Production equipment for resource industries	1756	+			
	Accumulated amortization of production equipment for resource industries	1757		–		
	Production equipment for other than resource industries	1758	+			
	Accumulated amortization of production equipment for other than resource industries	1759		–		
	Exploration equipment	1760	+			
	Accumulated amortization of exploration equipment	1761		–		
	Shipping equipment	1762	+			
	Accumulated amortization of shipping equipment	1763		–		
	Ships and boats	1764	+			
	Accumulated amortization of ships and boats	1765		–		
	Aircraft	1766	+			
	Accumulated amortization of aircraft	1767		–		
	Signs	1768	+			
	Accumulated amortization of signs	1769		–		
	Small tools	1770	+			
	Accumulated amortization of small tools	1771		–		
	Radio and communication equipment	1772	+			
	Accumulated amortization of radio and communication equipment	1773		–		
	Computer equipment/software	1774	+	2,007,000		1,826,000
	Accumulated amortization of computer equipment/software	1775		–	1,747,000	1,630,000
	Musical instruments	1776	+			
	Accumulated amortization of musical instruments	1777		–		
	Satellites	1778	+			
	Accumulated amortization of satellites	1779		–		
	Earth stations	1780	+			
	Accumulated amortization of earth stations	1781		–		
	Machinery and equipment under construction	1782	+	2,654,000		1,489,000
	Transportation equipment	1783	+	96,391,000		92,096,000
	Accumulated amortization of transportation equipment	1784		–	56,363,000	53,272,000
	Other machinery and equipment	1785	+			
	Accumulated amortization of other machinery and equipment	1786		–		
	Furniture and fixtures	1787	+			
	Accumulated amortization of furniture and fixtures	1788		–		
	Total			107,480,000	63,103,000	

Other tangible capital assets

	* Other tangible capital assets	1900	+			
	*Accumulated amortization of other tangible capital assets	1901		–		
	Logging roads	1902	+			
	Accumulated amortization of logging roads	1903		–		
	Asphalt and parking areas	1904	+			
	Accumulated amortization of asphalt and parking areas	1905		–		
	Wharves	1906	+			
	Accumulated amortization of wharves	1907		–		

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Other tangible capital assets (continued)

	Fences	1908	+			
	Accumulated amortization of fences	1909			–	
	Capital leases – buildings	1910	+			
	Accumulated amortization of capital leases – buildings	1911			–	
	Capital leases – equipment	1912	+			
	Accumulated amortization of capital leases – equipment	1913			–	
	Capital leases – vehicles	1914	+			
	Accumulated amortization of capital leases – vehicles	1915			–	
	Capital leases – others	1916	+			
	Accumulated amortization of capital leases – others	1917			–	
	Leasehold improvements	1918	+			
	Accumulated amortization of leasehold improvements	1919			–	
	Other capital assets under construction	1920	+			
	Campsites	1921	+			
	Accumulated amortization of campsites	1922			–	
	Total					

	Total tangible capital assets	2008	=	108,119,000	102,583,000

	Total accumulated amortization of tangible capital assets	2009	=	63,362,000	60,425,000

***** Generic item

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Long-term Assets

Form identifier 2589

Account	Description	GIFI	Current year	Prior year
Due from shareholder(s)/director(s)				
	* Due from shareholder(s)/director(s)	2180		
	Due from individual shareholder(s)	2181		
	Due from corporate shareholder(s)	2182		
	Due from director(s)	2183		
	Due from shareholder(s)/director(s)	+		
	* Due from members	2190 +		
	* Investment in joint venture(s)/partnership(s)	2200 +		
	* Due from joint venture(s)/partnership(s)	2220 +		
Due from/investment in related parties				
	* Due from/investment in related parties	2240		
	Due from/investment in Canadian related parties	2241		
	Shares in Canadian related corporations	2242		
	Loans/advances to Canadian related corporations	2243		
	Investment in Canadian related corporations at cost	2244		
	Investment in Canadian related corporations at equity	2245		
	Due from/investment in foreign related parties	2246		
	Shares in foreign related corporations	2247		
	Loans/advances to foreign related corporations	2248		
	Investment in foreign related corporations at cost	2249		
	Investment in foreign related corporations at equity	2250		
	Due from/investment in related parties	+		
	* Investment in co-tenancy	2280 +		
Long-term investments				
	* Long-term investments	2300		
	Foreign shares	2301		
	Other types of foreign investments	2302		
	Canadian shares	2303		
	Government of Canada debt	2304		
	Canadian, provincial and municipal government debt	2305		
	Canadian corporate bonds and debentures	2306		
	Debt securities	2307		
	Equity securities	2308		
	Securities purchased under resale agreements	2309		
	Central credit union shares	2310		
	Other Canadian long-term investments	2311		
	Long-term investments	+		

Data for Discussion Only

Long-term loans

*	Long-term loans	2360		
	Mortgages	2361		
	Personal and credit card loans	2362		
	Business and government loans	2363		
	Line of credit	2364		
	Long-term loans		+	

Other long-term assets

*	Other long-term assets	2420	5,390,000	2,013,000
	Future (deferred) income taxes	2421		
	Deferred pension charges	2422		
	Deferred unrealized exchange losses	2423		
	Other deferred items/charges	2424		
	Reserve fund	2426		
	Cash surrender value of life insurance	2427		
	Other long-term assets		+ 5,390,000	2,013,000

	Accumulated amortization of deferred charges	2425	–	

	Total long-term assets	2589	=	5,390,000	2,013,000

* Generic item

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Current Liabilities

Form identifier 3139

Account	Description	GIFI		Current year	Prior year
	* Bank overdraft	2600	+		
Amounts payable and accrued liabilities					
	* Amounts payable and accrued liabilities	2620		17,582,000	12,764,000
	Trade payables	2621			
	Trade payables to related parties	2622			
	Holdbacks payable	2623			
	Wages payable	2624			
	Management fees payable	2625			
	Bonuses payable	2626			
	Employee deductions payable	2627			
	Withholding taxes payable	2628			
	Interest payable	2629			
	Amounts payable to members of NPOs	2630			
	Amounts payable and accrued liabilities		+	17,582,000	12,764,000
	* Taxes payable	2680	+		
Short-term debt					
	* Short-term debt	2700			
	Loans from Canadian banks	2701			
	Liability for securities sold short	2702			
	Liability for securities sold under repurchase agreements	2703			
	Gold and silver certificates	2704			
	Cheques and other items in transit	2705			
	Lien notes	2706			
	Credit card loans	2707			
	Short-term debt		+		
	* Deferred income	2770	+	345,000	
Due to shareholder(s)/director(s)					
	* Due to shareholder(s)/director(s)	2780			
	Due to individual shareholder(s)	2781			
	Due to corporate shareholder(s)	2782			
	Due to director(s)	2783			
	Due to shareholder(s)/director(s)		+		
	* Due to joint venture(s)/partnership(s)	2840	+		
Due to related parties					
	* Due to related parties	2860			
	Demand notes due to related parties	2861			
	Interest payable to related parties	2862			
	Advances due to related parties	2863			
	Due to related parties		+		

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	* Current portion of long-term liability	2920	+		

	* Bankers' acceptances	2940	+		

Other current liabilities

	* Other current liabilities	2960			
	Deposits received	2961			
	Dividends payable	2962			
	Future (deferred) income taxes	2963			
	Reserves for guarantees, warranties, or indemnities	2964			
	General provisions/reserves	2965			
	Crew shares	2966			
	Other current liabilities		+		

	Total current liabilities	3139	=	17,927,000	12,764,000

***** Generic item

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Long-term Liabilities

Form identifier 3450

Account	Description	GIFI	Current year	Prior year
Long-term debt				
	* Long-term debt	3140	23,064,000	23,064,000
	Mortgages	3141		
	Farm credit corporation loan	3142		
	Chartered bank loan	3143		
	Credit Union/Caisse Populaire loan	3144		
	Provincial government loan	3145		
	Supply company loan	3146		
	Private loan	3147		
	Central, league, and federation loans	3148		
	Line of credit	3149		
	Liability for securities sold short	3150		
	Liability for securities sold under repurchase agreements	3151		
	Lien notes	3152		
	Long-term debt	+	23,064,000	23,064,000
	* Deposit liabilities of financial institutions	3200 +		
	* Bonds and debentures	3210 +		
	* Deferred income	3220 +	24,000	
	* Future (deferred) income taxes	3240 +		
Due to shareholder(s)/director(s)				
	* Due to shareholder(s)/director(s)	3260		
	Due to individual shareholder(s)	3261		
	Due to corporate shareholder(s)	3262		
	Due to director(s)	3263		
	Due to shareholder(s)/director(s)	+		
	* Due to members	3270 +		
	* Due to joint venture(s)/partnership(s)	3280 +		
Due to related parties				
	* Due to related parties	3300		
	Amounts owing to related Canadian parties	3301		
	Amounts owing to related foreign parties	3302		
	Due to related parties	+		

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Other long-term liabilities

*	Other long-term liabilities	3320	17,890,000	13,435,323
	Long-term obligations/commitments/capital leases	3321		
	Reserves for guarantees, warranties, or indemnities	3322		
	Provision for site restoration	3323		
	Contributions to qualifying environmental trust	3324		
	General provisions/reserves	3325		
	Preference shares restated	3326		
	Member allocations	3327		
	Deferred revenue from incomplete contracts	3328		
	Other long-term liabilities	+	17,890,000	13,435,323

	Total long-term liabilities	**3450**	=	40,978,000	36,499,323

***** Generic item

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Shareholder Equity

Form identifier 3620

Account	Description	GIFI		Current year	Prior year
	* Common shares	3500	+	23,064,000	23,063,666
	* Preferred shares	3520	+		
Contributed and other surplus					
	* Contributed and other surplus	3540			
	Contributed surplus	3541			
	Appraisal surplus	3542			
	General reserve	3543			
	Contributed and other surplus		+		
	* Head office account	3570	+		
	* Retained earnings/deficit	3600	+	8,442,000	6,055,011
	Total shareholder equity	3620	=	31,506,000	29,118,677

* Generic item

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Retained Earnings/Deficit

Form identifier 3849

Account	Description	GIFI		Current year	Prior year
	* Retained earnings/deficit – start	3660	+	6,055,000	3,368,011
	* Net income/loss	3680	+	2,475,000	3,069,000
Dividends declared					
	* Dividends declared	3700		720,000	1,000,000
	Cash dividends	3701			
	Patronage dividends	3702			
	Dividends declared		–	720,000	1,000,000
	* Prior period adjustments	3720	+	632,000	618,000
Other items affecting retained earnings					
	* Other items affecting retained earnings	3740			
	Share redemptions	3741			
	Special reserves	3742			
	Currency adjustments	3743			
	Unusual revenue items	3744			
	Interfund transfer	3745			
	Other items affecting retained earnings		+		
	Retained earnings/deficit – end	3849	=	8,442,000	6,055,011

***** Generic item

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GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

Name of corporation		Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	PILs	89172 5210 RC0001	2005-12-31

Income statement information

Description **GIFI**

Operating name **0001**
Description of the operation . . **0002**
Sequence Number **0003** 01

Account	Description	GIFI		Current year	Prior year
Income statement information					
	Total sales of goods and services	8089	+	84,232,000	98,308,000
	Cost of sales	8518	–	67,379,000	81,658,000
	Gross profit/loss	8519	=	16,853,000	16,650,000
	Cost of sales	8518	+	67,379,000	81,658,000
	Total operating expenses	9367	+	13,613,000	13,263,000
	Total expenses (mandatory field)	9368	=	80,992,000	94,921,000
	Total revenue (mandatory field)	8299	+	85,477,000	99,989,000
	Total expenses (mandatory field)	9368	–	80,992,000	94,921,000
	Net non-farming income	9369	=	4,485,000	5,068,000
Farming income statement information					
	Total farm revenue (mandatory field)	9659	+		
	Total farm expenses (mandatory field)	9898	–		
	Net farm income	9899	=		
	Net income/loss before taxes and extraordinary items	9970	=	4,485,000	5,068,000
Extraordinary items and income (linked to Schedule 140)					
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–		
	Current income taxes	9990	–	2,010,000	1,999,000
	Deferred income tax provision	9995	–		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	2,475,000	3,069,000

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Revenue

Form identifier 8299

Account	Description	GIFI		Current year	Prior year
	* Trade sales of goods and services	8000	+	84,232,000	98,308,000
	* Sales of goods and services to related parties	8020	+		
	* Interdivisional sales	8030	+		
Sales from resource properties					
	* Sales from resource properties	8040			
	Petroleum and natural gas sales	8041			
	Petroleum and natural gas sales to related parties	8042			
	Gas marketing	8043			
	Processing revenue	8044			
	Pipeline revenue	8045			
	Seismic sales	8046			
	Mining revenue	8047			
	Coal revenue	8048			
	Oil sands revenue	8049			
	Royalty income	8050			
	Oil and gas partnership/joint venture income/loss	8051			
	Mining partnership/joint venture income/loss	8052			
	Other production revenue	8053			
	Sales from resource properties		+		
	Total sales of goods and services	8089	=	84,232,000	98,308,000
Investment revenue					
	* Investment revenue	8090			
	Interest from foreign sources	8091			
	Interest from Canadian bonds and debentures	8092			
	Interest from Canadian mortgage loans	8093			
	Interest from other Canadian sources	8094		498,000	393,000
	Dividend income	8095			
	Dividends from Canadian sources	8096			
	Dividends from foreign sources	8097			
	Investment revenue		+	498,000	393,000
Interest income (financial institutions)					
	* Interest income (financial institutions)	8100			
	Loan interest	8101			
	Securities interest	8102			
	Deposits with banks interest	8103			
	Interest income (financial institutions)		+		
Commission revenue					
	* Commission revenue	8120			
	Commission income on real estate transactions	8121			
	Commission revenue		+		

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Rental revenue

*	Rental revenue	8140		
	Real estate rental revenue	8141		
	Film rental revenue	8142		
	Rental revenue		+	

*	Vehicle leasing	8150	+	

Fishing revenue

*	Fishing revenue	8160		
	Fish products	8161		
	Other marine products	8162		
	Fishing grants, credits, and rebates	8163		
	Fishing subsidies	8164		
	Compensation for loss of fishing income or property	8165		
	Sharesman income	8166		
	Fishing revenue		+	

Realized gains/losses on disposal of assets

*	Realized gains/losses on disposal of assets	8210	35,000	
	Realized gains/losses on sale of investments	8211		
	Realized gains/losses on sale of resource properties	8212		
	Realized gains/losses on disposal of assets		+ 35,000	

NPO amounts received

*	Non-Profit organizations amounts received	8220		
	Membership fees	8221		
	Assessments	8222		
	Gifts	8223		
	Gross sales and revenues from organizational activities	8224		
	NPO amounts received		+	

Other revenue

*	Other revenue	8230	712,000	1,288,000
	Foreign exchange gains/losses	8231		
	Income/loss of subsidiaries/affiliates	8232		
	Income/loss of other divisions	8233		
	Income/loss of joint ventures	8234		
	Income/loss of partnerships	8235		
	Realization of deferred revenues	8236		
	Royalty income other than resource	8237		
	Alberta royalty tax credits	8238		
	Management and administration fees	8239		
	Telecommunications revenue	8240		
	Consulting fees	8241		
	Subsidies and grants	8242		
	Sale of by-products	8243		
	Deposit services	8244		
	Credit services	8245		
	Card services	8246		
	Patronage dividends	8247		
	Insurance recoveries	8248		
	Expense recoveries	8249		
	Bad debt recoveries	8250		
	Other revenue		+ 712,000	1,288,000

	Total revenue	8299	=	85,477,000	99,989,000

***** Generic item

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Cost of Sales

Form identifier 8518

Account	Description	GIFI		Current year	Prior year
Opening inventory					
	* Opening inventory	8300			
	Opening inventory – finished goods	8301			
	Opening inventory – raw materials	8302			
	Opening inventory – goods in process	8303			
	Opening inventory		+		
	* Purchases/cost of materials	8320	+	67,379,000	81,658,000
	* Direct wages	8340	+		
	* Benefits on direct wages	8350	+		
	* Trades and sub-contracts	8360	+		
	* Production costs other than resource	8370	+		
Resource production costs					
	* Resource production costs	8400			
	Pipeline operations	8401			
	Drilling	8402			
	Site restoration costs	8403			
	Gross overriding royalty	8404			
	Freehold royalties	8405			
	Other producing properties rental	8406			
	Prospect/geological	8407			
	Well operating, fuel and equipment	8408			
	Well abandonment and dry holes	8409			
	Other lease rentals	8410			
	Exploration expenses	8411			
	Development expenses	8412			
	Resource production costs		+		
Crown charges					
	* Crown charges	8435			
	Crown royalties	8436			
	Crown lease rentals	8437			
	Freehold mineral tax	8438			
	Mining taxes	8439			
	Oil sand leases	8440			
	Saskatchewan resource surcharge	8441			
	Crown charges		+		

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Other direct costs

*	Other direct costs	8450		
	Equipment hire and operation	8451		
	Log yard	8452		
	Forestry costs	8453		
	Logging road costs	8454		
	Stumpage costs	8455		
	Royalty costs	8456		
	Freight in and duty	8457		
	Inventory write down	8458		
	Direct cost amortization of tangible assets	8459		
	Direct cost amortization of natural resource assets	8460		
	Overhead expenses allocated to cost of sales	8461		
	Other direct costs		+	

Closing inventory

*	Closing inventory	8500		
	Closing inventory – finished goods	8501		
	Closing inventory – raw materials	8502		
	Closing inventory – goods in process	8503		
	Closing inventory		–	

	Cost of sales	8518	=	67,379,000	81,658,000

***** Generic item

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Operating Expenses

Form identifier 9367

Account	Description	GIFI		Current year	Prior year
Advertising and promotion					
	* Advertising and promotion	8520			
	Advertising	8521			
	Donations	8522			
	Meals and entertainment	8523			
	Promotion	8524			
	Advertising and promotion		+		
	* Amortization of intangible assets	8570	+		
	* Goodwill impairment loss	8571	+		
	* Bad debt expense	8590	+		
Loan losses					
	* Loan losses	8610			
	Provision for loan losses	8611			
	Loan losses		+		
Employee benefits					
	* Employee benefits	8620			
	Group insurance benefits	8621			
	Employer's portion of employee benefits	8622			
	Contributions to deferred income plans	8623			
	Employee benefits		+		
	* Amortization of natural resource assets	8650	+		
	* Amortization of tangible assets	8670	+	3,545,000	3,339,000
Insurance					
	* Insurance	8690			
	Life insurance on executives	8691			
	Insurance		+		
Interest and bank charges					
	* Interest and bank charges	8710		1,534,000	1,485,000
	Interest on short-term debt	8711			
	Interest on bonds and debentures	8712			
	Interest on mortgages	8713			
	Interest on long-term debt	8714			
	Bank charges	8715			
	Credit card charges	8716			
	Collection and credit costs	8717			
	Interest and bank charges		+	1,534,000	1,485,000

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Interest paid (financial institutions)

	* Interest paid (financial institutions)	8740		
	Interest paid on deposits	8741		
	Interest paid on bonds and debentures	8742		
	Interest paid (financial institutions)	+		

Business taxes, licences, and memberships

	* Business taxes, licences, and memberships	8760		
	Memberships	8761		
	Business taxes	8762		
	Franchise fees	8763		
	Government fees	8764		
	Business taxes, licences, and memberships	+		

	* New Brunswick tax on large corporations	8780	+	

	* Nova Scotia tax on large corporations	8790	+	

Office expenses

	* Office expenses	8810		
	Office stationery and supplies	8811		
	Office utilities	8812		
	Data processing	8813		
	Office expenses	+		

Professional fees

	* Professional fees	8860		
	Legal fees	8861		
	Accounting fees	8862		
	Consulting fees	8863		
	Architect fees	8864		
	Appraisal fees	8865		
	Laboratory fees	8866		
	Medical fees	8867		
	Veterinary fees	8868		
	Brokerage fees	8869		
	Transfer fees	8870		
	Management and administration fees	8871		
	Refining and assay	8872		
	Registrar and transfer agent fees	8873		
	Restructuring costs	8874		
	Security commission fees	8875		
	Training expense	8876		
	Studio and recording	8877		
	Professional fees	+		

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Rental

	* Rental	8910			
	Real estate rental	8911			
	Occupancy costs	8912			
	Condominium fees	8913			
	Equipment rental	8914			
	Motor vehicle rentals	8915			
	Moorage (boat)	8916			
	Storage	8917			
	Quota rental	8918			
	Rental		+		

Repairs and maintenance

	* Repairs and maintenance	8960			
	Repairs and maintenance – buildings	8961			
	Repairs and maintenance – vehicles	8962			
	Repairs and maintenance – boats	8963			
	Repairs and maintenance – machinery and equipment	8964			
	Repairs and maintenance		+		

Other repairs and maintenance

	* Other repairs and maintenance	9010			
	Machine shop expense	9011			
	Road costs	9012			
	Security	9013			
	Garbage removal	9014			
	Other repairs and maintenance		+		

Salaries and wages

	* Salaries and wages	9060			
	Commissions	9061			
	Crew share	9062			
	Bonuses	9063			
	Directors fees	9064			
	Management salaries	9065			
	Employee salaries	9066			
	Salaries and wages		+		

	* Sub-contracts	9110	+		

Supplies

	* Supplies	9130			
	Small tools	9131			
	Shop expense	9132			
	Uniforms	9133			
	Laundry	9134			
	Food and catering	9135			
	Fishing gear	9136			
	Nets and traps	9137			
	Salt, bait, and ice	9138			
	Camp supplies	9139			
	Computer-related expenses	9150			
	Upgrade	9151			
	Internet	9152			
	Supplies		+		

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	* Property taxes	9180	+		

Travel expenses

	* Travel expenses	9200			
	Meetings and conventions	9201			
	Travel expenses		+		

Utilities

	* Utilities	9220			
	Electricity	9221			
	Water	9222			
	Heat	9223			
	Fuel costs	9224			
	Telephone et telecommunications	9225			
	Utilities		+		

Other expenses

	* Other expenses	9270		8,534,000	8,439,000
	Cash over/short	9271			
	Reimbursement of parent company expense	9272			
	Selling expenses	9273			
	Shipping and warehouse expense	9274			
	Delivery, freight and express	9275			
	Warranty expenses	9276			
	Royalty expenses – resident	9277			
	Royalty expenses – non-resident	9278			
	Dumping charges	9279			
	Land fill fees	9280			
	Vehicle expenses	9281			
	Research and development	9282			
	Withholding taxes	9283			
	General and administrative expenses	9284			
	Interdivisional expenses	9285			
	Interfund transfer	9286			
	Other expenses		+	8,534,000	8,439,000

	Total operating expenses	9367	=	13,613,000	13,263,000

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SCHEDULE 141

NOTES CHECKLIST

Corporation's name	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

- This schedule should be completed from the perspective of the person who prepared or reported on the **financial statements**. This person is referred to as the "accounting practitioner", in this schedule.
- For more information, see RC4088, *Guide to the General Index of Financial Information (GIFI) for Corporations* and T4012, *T2 Corporation – Income Tax Guide*.
- Attach a copy of this schedule, along with any Notes to the financial statements, to the GIFI.

Part 1 – Accounting practitioner information

Does the accounting practitioner have a professional designation?	095	1 Yes	X	2 No	
Is the accounting practitioner connected* with the corporation?	097	1 Yes		2 No	X

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note
If the accounting practitioner does not have a professional designation **or** is connected with the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4.

Part 2 – Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner: **198**

Completed an auditor's report	1	X
Completed a review engagement report	2	
Conducted a compilation engagement	3	

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation?	099	1 Yes		2 No	X

Part 4 – Other information

Were notes to the financial statements prepared?	101	1 Yes	X	2 No	
If *Yes*, complete lines 102 to 107 below:					
Are any values presented at other than cost?	102	1 Yes		2 No	X
Has there been a change in accounting policies since the last return?	103	1 Yes	X	2 No	
Are subsequent events mentioned in the notes?	104	1 Yes	X	2 No	
Is re-evaluation of asset information mentioned in the notes?	105	1 Yes		2 No	X
Is contingent liability information mentioned in the notes?	106	1 Yes	X	2 No	
Is information regarding commitments mentioned in the notes?	107	1 Yes	X	2 No	
Does the corporation have investments in joint venture(s) or partnership(s)?	108	1 Yes		2 No	X
If *Yes*, complete line 109 below:					
Are you filing financial statements of the joint venture(s) or partnership(s)?	109	1 Yes		2 No	

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

SCHEDULE 1

Corporation's name	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 *Corporation Income Tax Guide*.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items per financial statements				2,475,000 A
Add:				
Provision for income taxes – current	101	2,010,000		
Amortization of tangible assets	104	3,544,568		
Scientific research expenditures deducted per financial statements	118	264,314		
Non-deductible meals and entertainment expenses	121	6,584		
Reserves from financial statements – balance at the end of the year	126	8,387,075		
Subtotal of additions		14,212,541	▶	14,212,541
Other additions:				
Non-deductible interest	227	28,819		
Miscellaneous other additions:				
600 Provision for Capital Tax	290	240,000		
Subtotal of other additions	199	268,819	▶	268,819
Total additions	500	14,481,360	▶	14,481,360
Deduct:				
Gain on disposal of assets per financial statements	401	35,437		
Capital cost allowance from Schedule 8	403	3,050,819		
Scientific research expenses claimed in year from Form T661	411	264,314		
Reserves from financial statements – balance at the beginning of the year	414	7,819,342		
Subtotal of deductions		11,169,912	▶	11,169,912
Other deductions:				
Miscellaneous other deductions:				
700 Interest Expense Capitalized for Accounting Purposes	390	143,968		
701 Financing Fees	391	8,075		
702 Ontario Capital Tax	392	260,458		
703 Executive Salaries Capitalized for Acctng under Article 340	393	346,079		
Total	394			
Subtotal of other deductions	499	758,580	▶	758,580
Total deductions	510	11,928,492	▶	11,928,492
Net income (loss) for income tax purposes – enter on line 300 of the T2 return				5,027,868

* For reference purposes only

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SCHEDULE 8

CAPITAL COST ALLOWANCE (CCA)

Name of corporation	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

Is the corporation electing under regulation 1101(5q)? **101** 1 Yes ☐ 2 No ☒

	1 Class number **200**	Description	2 Undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of last year) **201**	3 Cost of acquisitions during the year (new property must be available for use)* **203**	4 Net adjustments** **205**	5 Proceeds of dispositions during the year (amount not to exceed the capital cost) **207**	6 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)*** **211**	7 Reduced undepreciated capital cost	8 CCA rate % **212**	9 Recapture of capital cost allowance (line 107 of Schedule 1) **213**	10 Terminal loss (line 404 of Schedule 1) **215**	11 Capital cost allowance (column 7 **multiplied** by column 8; or a lower amount) (line 403 of Schedule 1)**** **217**	12 Undepreciated capital cost at the end of the year (column 6 **plus** column 7 **minus** column 11) **220**
1	1		55,513,286	223,566		0	111,783	55,625,069	4	0	0	2,225,003	53,511,849
2	8		532,036	173,256		0	86,628	618,664	20	0	0	123,733	581,559
3	10		1,411,423			0		1,411,423	30	0	0	423,427	987,996
4	42		83,268			0		83,268	12	0	0	9,992	73,276
5	12		8,050	58,650		0	29,325	37,375	100	0	0	37,375	29,325
6	13		16,081			0		16,081	N/A	0	0	9,200	6,881
7	13		6,061			0		6,061	N/A	0	0	2,424	3,637
8	45			366,962		35,437	165,763	165,762	45	0	0	74,593	256,932
9	47			3,626,789		0	1,813,395	1,813,394	8	0	0	145,072	3,481,717
		Total	57,570,205	4,449,223		35,437	2,206,894	59,777,097				3,050,819	58,933,172

* Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).

** Include amounts transferred under section 85, or on amalgamation and winding-up of a subsidiary. See the *T2 Corporation Income Tax Guide* for other examples of adjustments to include in column 4.

*** The net cost of acquisitions is the cost of acquisitions (column 3) plus or minus certain adjustments from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance – General Comments*.

**** If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

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Canada

Fixed Assets Reconciliation

Reconciliation of change in fixed assets per financial statements to amounts used per tax return.

Tax return

Additions for tax purposes – Schedule 8 regular classes		4,449,223		
Additions for tax purposes – Schedule 8 leasehold improvements	+			
Operating leases capitalized for book purposes	+			
Capital gain deferred	+			
Recapture deferred	+			
Deductible expenses capitalized for book purposes – Schedule 1	+	346,079		
Change in construction in progress	+	1,227,614		
Total additions per books	=	6,022,916	▶	6,022,916
Proceeds up to original cost – Schedule 8 regular classes		35,437		
Proceeds up to original cost – Schedule 8 leasehold improvements	+			
Proceeds in excess of original cost – capital gain	+			
Recapture deferred – as above	+			
Capital gain deferred – as above	+			
Pre V-day appreciation	+			
	+		–	
Total proceeds per books	=	35,437	▶	35,437
Depreciation and amortization per accounts – Schedule 1			–	3,544,568
Loss on disposal of fixed assets per accounts			–	
Gain on disposal of fixed assets per accounts			+	35,000
Net change per tax return			=	2,477,911

Financial statements

Fixed assets (excluding land) per financial statements

Closing net book value		44,646,000
Opening net book value	–	42,158,000
Net change per financial statements	=	2,488,000

If the amounts from the tax return and the financial statements differ, explain why below.

Diff= $10,089 (due to rounding)

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
- associated corporations(s)

	Name 100	Country of residence (if other than Canada) 200	Business Number (Canadian corporation only) (see note 1) 300	Relationship code (see note 2) 400	Number of common shares owned 500	% of common shares owned 550	Number of preferred shares owned 600	% of preferred shares owned 650	Book value of capital stock 700
1.	OSHAWA POWER AND UTILITIES C(		86486 7593 RC0001	1					
2.	OSHAWA PUC ENERGY SERVICES I		85749 1336 RC0001	3					
3.	OSHAWA PUC SERVICES INC.		86579 9662 RC0001	3					

Note 1: Enter "NR" if a corporation is not registered.
Note 2: Enter the code number of the relationship that applies from the following order: 1 – Parent 2 – Subsidiary 3 – Associated 4 – Related, but not associated.

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SCHEDULE 11

TRANSACTIONS WITH SHAREHOLDERS, OFFICERS, OR EMPLOYEES

Corporation's name	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

Provide the details of any transactions with shareholders, officers or employees that involve:

- payments the corporation made or amounts credited to the account of shareholders, officers, or employees, which were not part of their remuneration or reimbursement of expenses;
- assets the corporation sold to or purchased from shareholders, officers, or employees, including those for which an election was made under section 85; or
- loans or indebtedness to shareholders, officers, or employees, or persons connected with a shareholder, which were not repaid by the end of the taxation year.

	Relationship code (see note) 100	Payments $ 200	Reimbursement (Other than reimbursement of expenses) $ 300	Loans receivable from, or debts owing to $ 400	Assets sold or purchased $ 500	Does section 85 apply to assets sold or purchased? 550
1	1	480,000		245,623		Yes / No

Note: Enter the code number of the relationship that applies: (if more than one relationship exists, enter the lowest applicable number)

1 - Shareholder
2 - Officer
3 - Employee

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SCHEDULE 13

CONTINUITY OF RESERVES

Name of corporation	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- References to parts, sections, subsections, paragraphs, and subparagraphs are from the federal *Income Tax Act*.
- File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 – Capital gains reserves

	Description of property 001	Balance at the beginning of the year $ 002	Transfer on amalgamation or wind-up of subsidiary $ 003	Add $	Deduct $	Balance at the end of the year $ 004
1						
Totals		008	009			010

The total capital gains reserve at the beginning of the taxation year plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary should be entered on line 880, and the total capital gains reserve at the end of the taxation year, should be entered on line 885 of Schedule 6.

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Part 2 – Other reserves

Description	Balance at the beginning of the year $	Transfer on amalgamation or wind-up of subsidiary $	Add $	Deduct $	Balance at the end of the year $
Reserve for doubtful debts ☐	110	115			120
Reserve for undelivered goods and services not rendered ☐	130	135			140
Reserve for prepaid rent ☐	150	155			160
Reserve for December 31, 1995 income ☐	170	175			180
Reserve for refundable containers ☐	190	195			200
Reserve for unpaid amounts ☐	210	215			220
Insurance corporation policy reserves ☐					
Bank reserves ☐					
Other tax reserves ☐	230	235			240
Totals	270	275			280

Enter "X" in the column above if the tax reserve has also been reported on the corporation's financial statements. This allows offsetting entries on Schedule 1, resulting in a zero effect on net income for tax purposes.

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1 as an addition.
The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

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Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on amalgamation or wind-up of subsidiary	Add	Deduct	Balance at the end of the year
1	Employee future benefits	7,444,370		352,800		7,797,170
2	Employee sick leave benefits	274,972			30,067	244,905
3	Environmental provision	100,000			100,000	
4	Deferred Income			345,000		345,000
5						
	Reserves from Part 2 of Schedule 13					
	Totals	7,819,342		697,800	130,067	8,387,075

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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SCHEDULE 14

MISCELLANEOUS PAYMENTS TO RESIDENTS

Name of corporation	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

- This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipient 100	Address of recipient 200	Royalties 300	Research and development fees 400	Management fees 500	Technical assistance fees 600	Similar payments 700
1	Oshawa Power and Utilities C	100 Simcoe Street South Oshawa ON L1H 7M7			480,000		

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SCHEDULE 23

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year, is required to file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group. Include non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the *Income Tax Act* (ITA) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code that applies to each corporation:

1 - Associated for purposes of allocating the business limit (unless code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - Non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - Associated non-CCPC
5 - Associated CCPC to which code 1 does not apply because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the business limit for the year of each corporation in the associated group. The business limit is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A falls within the range for the calendar year to which the agreement applies:

Calendar year	Acceptable range
2004	$225,001 to $250,000
2005	$250,001 to $300,000
2006	maximum $300,000
2007	$300,001 to $400,000

If the calendar year to which this agreement applies is after 2007, ensure that the total at line A does not exceed $400,000.

Allocating the business limit

Date filed (do not use this area) . . . . . 025 Year Month Day

Enter the calendar year to which the agreement applies . . . . . 050 Year 2005

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . 075 1 Yes ☐ 2 No ☒

	1 Names of associated corporations 100	2 Business Number of associated corporations 200	3 Asso-ciation code 300	4 Business limit for the year (before the allocation) $	5 Percentage of the business limit % 350	6 Business limit allocated* $ 400	
1	Oshawa PUC Networks Inc.	89172 5210 RC0001	1	300,000	100.0000	300,000	
2	OSHAWA POWER AND UTILITIES CORPORATI(	86486 7593 RC0001	1	300,000			
3	OSHAWA PUC ENERGY SERVICES INC.	85749 1336 RC0001	1	300,000			
4	OSHAWA PUC SERVICES INC.	86579 9662 RC0001	1	300,000			
				Total	100.0000	300,000	**A**

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Business limit reduction under subsection 125(5.1) of the ITA

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "Large corporation amount" at line 415 of the T2 return. If the corporation is a member of an associated group** of corporations in the current tax year, the amount at line 415 of the T2 return is equal to 0.225% x (A - $10,000,000) where, "A" is the total of taxable capital employed in Canada*** of each corporation in the associated group for its last tax year ending in the preceding calendar year.

*Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules apply if a CCPC has more than one tax year ending in a calendar year and is associated in more than one of those years with another CCPC that has a tax year ending in the same calendar year. In this case, the business limit for the second (or subsequent) tax year(s) will be equal to the lesser of the business limit determined for the first tax year ending in the calendar year and the business limit determined for the second (or subsequent) tax year(s) ending in the same calendar year.

** The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

***"Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the ITA.

T2 SCH 23 (06)

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SCHEDULE 33

PART I.3 TAX ON LARGE CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

- File this schedule if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- Even if there is no Part I.3 tax payable for the days in the tax year that are after 2005, you must still complete this schedule (except parts 5 and 9).
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a tax year by a corporation that was:
  1) bankrupt [as defined by subsection 128(3)] at the end of the year;
  2) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  3) exempt from tax under section 149 throughout the year on all of its taxable income;
  4) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
  5) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- This schedule may contain changes that had not yet become law at the time of printing.

If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 – Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	10,083,935	
Capital stock (or members' contributions if incorporated without share capital)	103	23,063,666	
Retained earnings	104	8,442,000	
Contributed surplus	105		
Any other surpluses	106		
Deferred unrealized foreign exchange gains	107		
All loans and advances to the corporation	108	34,212,786	
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109		
Any dividends declared but not paid by the corporation before the end of the year	110		
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111		
Proportion of the amount, if any, by which the total of all amounts (see note below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses	112		
Subtotal		75,802,387 ▶	75,802,387 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121		
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, as long as the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123		
The amount of deferred unrealized foreign exchange losses at the end of the year	124		
Subtotal		▶	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		75,802,387

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- If the partnership is a member of another partnership (tiered partnerships), include the amounts of the partnership and tiered partnerships.
- Amounts for the partnership and tiered partnerships are those that would be determined for lines 101, 107, 108, 109, 111, and 112 as if they apply in the same way that they apply to corporations.
- Do not include amounts owing to the member or to other corporations that are members of the partnership.
- Amounts are determined at the end of the last fiscal period of the partnership ending in the year of the corporation.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

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Part 2 – Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	651,092
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)]	406	
An interest in a partnership (see note 1 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	651,092

Notes:

1. Where the corporation has an interest in a partnership or in tiered partnerships, consider the following:
   - the investment allowance of a partnership is deemed to be the amount calculated at line 490 above, at the end of its fiscal period, as if it was a corporation;
   - the total of the carrying value of each asset of the partnership described in the above lines is for its last fiscal period ending at or before the end of the corporation's tax year; and
   - the carrying value of a partnership member's interest at the end of the year is its specified proportion [as defined in subsection 248(1)] of the partnership's investment allowance.
2. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)].
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

Part 3 – Taxable capital

Capital for the year (line 190)		75,802,387 C
Deduct: Investment allowance for the year (line 490)		651,092 D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	75,151,295

Part 4 – Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500) 75,151,295 x (Taxable income earned in Canada 610 5,027,868 / Taxable income 5,027,868) = **Taxable capital employed in Canada** 690 75,151,295

Notes:

1. Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2. Where a corporation's taxable income for a tax year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3. In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701	

Deduct the following amounts:

Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada	712	
Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal or movable property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	
Total deductions (add lines 711, 712, and 713) ▶		E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790	

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

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Part 5 – Calculation of gross Part 1.3 tax

If the tax year starts after 2005, do not complete this part.

Taxable capital employed in Canada (line 690 or 790, whichever applies) 75,151,295

Deduct: Capital deduction claimed for the year (enter $50,000,000 or, for related corporations, the amount allocated on Schedule 36) 48,900,000

Excess of taxable capital employed in Canada over capital deduction **811** 26,251,295

Line 811 26,251,295 x (Number of days in the tax year in 2004 / Number of days in the tax year) ____ / 365 x 0.002 = ... F

Line 811 26,251,295 x (Number of days in the tax year in 2005 / Number of days in the tax year) 365 / 365 x 0.00175 = ... 45,940 G

Note: The Part I.3 tax rate is reduced to 0% for the days in the tax year that are after 2005.

Subtotal (add amounts F and G) 45,940 H

Where the tax year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax as follows:

Amount H 45,940 x (Number of days in the year (365) / 365) = ... I

Gross Part I.3 tax (amount H or I, whichever applies) **820** 45,940

Part 6 – Calculation of gross Part I.3 tax for purposes of the unused surtax credit

Taxable capital employed in Canada (line 690 or 790, whichever applies) . . . . . 75,151,295 J

Deduct: Capital deduction claimed for the year (enter $50,000,000 or, for related corporations, the amount allocated on Schedule 36) . . . . . **801** 48,900,000 x 1/5 = 9,780,000 K

Excess (amount J minus amount K) (if negative, enter "0") 65,371,295 L

Amount L 65,371,295 x 0.00225 = ... 147,085 M

Where the tax year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax for purposes of the unused surtax credit as follows:

Amount M 147,085 x (Number of days in the year (365) / 365) = ... N

Gross Part I.3 tax for purposes of the unused surtax credit (amount M or N, whichever applies) **821** 147,085

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Part 7 – Calculation of current-year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, enter amount **a** or **b** at line O, whichever is less:

a) line 600 from the T2 return . . . . . **a**

b) line 700 from the T2 return . . . . . **b** O

In any other case, enter amount **c** or **d** at line P, whichever is less:

c) line 600 from the T2 return 56,312 x (line 690 of this schedule / line 500 of this schedule) 75,151,295 / 75,151,295 = 56,312 **c**

d) line 700 from the T2 return . . . . . 1,085,164 **d** 56,312 P

Current-year surtax credit available (amount O or P, whichever applies) **830** 56,312

Part 8 – Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830) 56,312

Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821) 147,085

Current-year unused surtax credit (if negative, enter "0") **850**

Enter this amount at line 600 on Schedule 37.

Part 9 – Calculation of net Part I.3 tax payable

If the tax year starts after 2005, do not complete this part.

Gross Part I.3 tax (line 820) . . . . . 45,940 Q

Deduct:

Current-year surtax credit applied (line 820 or 830, whichever is less) **861** 45,940

Unused surtax credit from previous years applied (amount from line 320 on Schedule 37) **862**

Subtotal (cannot be more than amount on line 820) 45,940 ▶ 45,940 R

Net Part I.3 tax payable (amount Q minus amount R) **870**

Enter this amount at line 704 of the T2 return.

Part 10 – Calculation for purposes of the small business deduction

This part is applicable only to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (line 690 or 790, whichever applies) . . . . . S

Deduct:

Capital deduction claimed for the year (enter $10,000,000) . . . . . T

Excess (amount S minus amount T) (if negative, enter "0") U

Gross Part I.3 tax for purposes of the small business deduction (Amount U x 0.00225) V

Enter this amount at line 415 of the T2 return

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Attached Schedule with Total

Part 1 – Reserves that have not been deducted in computing income for the year under Part I

Title Non-deductible reserves

Description	Amount
Employee future benefits	7,797,170 00
Employee sick leave benefits	244,905 00
Deferred Income	345,000 00
Customer Advance Payments & Customer EPP	1,696,860 00
Total	10,083,935 00

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Attached Schedule with Total

Part 2 – A loan or advance to another corporation (other than a financial institution)

Title S33 - Loan or Advance to another Corporation

Description	Amount
Securities Held for Deposit	7,192 00
Due from related parties	643,900 00
Total	651,092 00

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SCHEDULE 36

AGREEMENT AMONG RELATED CORPORATIONS – PART I.3 TAX

- Corporations related at any time in their tax year that ends in the calendar year of the agreement should use this schedule to allocate the capital deduction of $50,000,000 among the members of the related group if:
  - any member has to pay Part I.3 tax;
  - any member applies the surtax credit against Part I.3 tax in a tax year starting before January 1, 2006; or
  - any member wants to carry back an unused surtax credit against Part I.3 tax to a tax year starting before January 1, 2006.
- According to subsection 181.5(7) of the *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for the capital deduction unless it is also associated with that corporation.
- In cases where a related corporation has more than one tax year ending in a calendar year, it has to file this agreement for each of those tax years.
- Any corporation in the related group may file this agreement on behalf of the group. However, if an agreement is not already on file with us when we assess any of the returns for a tax year ending in the calendar year of the agreement, we will ask for one.

Agreement

Date filed (do not use this area) . . . . . **010** Year Month Day

Is this an amended agreement? . . . . . **020** 1 Yes ☐ 2 No ☒

Calendar year to which the agreement applies . . . . . **030** Year 2005

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member that is exempt from Part 1.3 tax under subsection 181.1(3) of the *Income Tax Act* does not have to be included.

	Names of all corporations which are members of the related group **200**	Business Number (if a corporation is not registered, enter "NR") **300**	Allocation of capital deduction for the year $ **400**	Tax year-end to which this agreement applies* (YYYY/MM/DD) **500**
1	Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	48,900,000	
2	OSHAWA POWER AND UTILITIES CORPORATION	86486 7593 RC0001		
3	OSHAWA PUC ENERGY SERVICES INC.	85749 1336 RC0001		
4	OSHAWA PUC SERVICES INC.	86579 9662 RC0001	1,100,000	

Total (cannot be more than $50,000,000) 50,000,000

* Entries are only required in this column for a corporation that has more than one tax year ending in the same calendar year and is related in two or more of those tax years to another corporation that has a tax year ending in that calendar year. The capital deduction of the first corporation for each such tax year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such tax year. Enter the tax year-end to which this agreement applies.

T2 SCH 36 (07)

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SCHEDULE 37

CALCULATION OF UNUSED SURTAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

- Use this schedule to calculate a corporation's unused surtax credit.
- You should also use this schedule to request a carryback of unused surtax credit. This request should be filed by the required filing date of the *T2 Corporation Income Tax Return* for the year in which the surtax credit arose.
- Any unused surtax credit can be carried back three years and carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the *Income Tax Act* when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.
- Attach this schedule to the T2 return or mail it separately to the tax centre where the return is filed.

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Part 1 – Calculation of closing balance of unused surtax credit

Unused surtax credit at the end of the preceding tax year . . . . . _____

Deduct: Unused surtax credit expired after seven tax years . . . . . **115** _____

Unused surtax credit at the beginning of the tax year . . . . . **120** _____

Add: Unused surtax credit transferred on an amalgamation or the wind-up of a subsidiary . . . . . **220** _____

Subtotal _____ A

Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part I.3 tax payable in the current year (see line 862 of Schedule 33, line 862 of Schedule 34, or line 862 of Schedule 35, whichever applies) . . . . . **320** _____

Unused surtax credit balance . . . . . _____

Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part VI tax payable in the current year. (If the current tax year ends before July 1, 2006, enter amount from line 887 of Schedule 38. If the current tax year starts after June 30, 2006, enter amount from line 885 of Schedule 38. If the current tax year straddles July 1, 2006, enter amount from line 887 of Schedule 38 multiplied by the number of days in the tax year before July 1, 2006, divided by the number of days in the tax year, **plus** amount from line 885 of Schedule 38 multiplied by the number of days in the tax year after June 30, 2006, divided by the number of days in the tax year.) . . . . . **420** _____

Excess _____

Add: Current-year unused surtax credit (enter amount from line 850 of Schedule 33, line 850 of Schedule 34, or line 850 of Schedule 35) . . . . . **600** _____

Subtotal _____

Deduct: Unused surtax credit carried back to preceding tax year(s) (complete Part 2 below) . . . . . _____ B

Closing balance of unused surtax credit . . . . . **820** _____

Part 2 – Request for carryback of unused surtax credit

	Year Month Day
1st preceding tax year	2004-12-31
2nd preceding tax year	2003-12-31
3rd preceding tax year	2002-12-31

		Part I.3 Tax		Part VI Tax
Credit to be applied	**901**	_____	**911**	_____
Credit to be applied	**902**	_____	**912**	_____
Credit to be applied	**903**	_____	**913**	_____
Subtotal		_____ C		_____ D

Total of C and D(enter this amount at line B in Part 1 above) _____

If you carry back an amount against Part VI tax payable to a tax year that straddles July 1, 2006, see Part 3.

Part 3 – Calculation of current-year unused surtax credit that can be carried back against Part VI tax payable to a tax year that straddles July 1, 2006

Line 600* _____ x (Days in the tax year** before July 1, 2006 ( ) / Days in the tax year** ( )) = _____ E

Net Part VI tax payable for the period before July 1, 2006
(line HH of Schedule 38 for the straddle tax year) . . . . . _____ F

Enter amount E or F, whichever is less . . . . . _____ G

Line 600* _____ x (Days in the tax year** after June 30, 2006 ( ) / Days in the tax year** ( )) = _____ H

Net Part VI tax payable for the period after June 30, 2006
(line RR of Schedule 38 for the straddle tax year) . . . . . _____ I

Enter amount H or I, whichever is less . . . . . _____ J

Current-year unused surtax credit that can be carried back against Part VI tax payable to a tax year that straddles July 1, 2006 (amount G plus amount J) . . . . . _____ K

Amount K is the maximum amount that you can carry back against Part VI tax payable to a tax year that straddles July 1, 2006. Enter the amount you want to carry back on line 911, 912 or 913 (whichever applies).

* Deduct from line 600 any amount that is carried back to another tax year preceding the tax year that is straddling 2006.

** Tax year to which the credit will be carried back.

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SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc. PILs	89172 5210 RC0001	2005-12-31

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

		Provide only one number per shareholder				
	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business Number 200	Social insurance number 300	Trust number 350	Percentage common shares 400	Percentage preferred shares 500
1	Oshawa Power and Utilities Corporation	86486 7593 RC0001			100.000	
2						
3						
4						
5						
6						
7						
8						
9						
10						

T2 SCH 50 (06)

Canada

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Appendix 26

2005 CT23 Provincial Tax Return

Ontario

Ministry of Finance
Corporations Tax
33 King Street West
PO Box 620
Oshawa ON L1H 8E9

2007 CT23 Corporations Tax and Annual Return

For taxation years commencing after December 31, 2004

Corporations Tax Act – Ministry of Finance (MOF)
Corporations Information Act – Ministry of Government Services (MGS)

This form is a combination of the Ministry of Finance (MOF) **CT23 Corporations Tax Return** and the Ministry of Government Services (MGS) **Annual Return**. Page 1 is a common page required for both Returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17. Corporations that **do not** meet the EFF criteria but **do** meet the Short-Form criteria, may request and file the **CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MGS Schedule A on pages 18 and 19, and Schedule K on page 20) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MGS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* ☐ Yes ☒ No

Ministry Use

Corporation's Legal Name *(including punctuation)*

Oshawa PUC Networks Inc. PILs

Ontario Corporations Tax Account No. (MOF)
1800157

Mailing Address

100 Simcoe Street South

Oshawa
ON CA L1H 7M7

This Return covers the Taxation Year

Start: year month day — 2005-01-01

End: year month day — 2005-12-31

Has the mailing address changed since last filed CT23 Return? ☐ Yes | Date of Change: year month day

Date of Incorporation or Amalgamation: year month day — 2000-11-01

Registered/Head Office Address

100 Simcoe Street South

Oshawa
ON CA L1H 7M7

Ontario Corporation No. (MGS): 0000001

Location of Books and Records

100 Simcoe Street South

Oshawa
ON CA L1H 7M7

Canada Revenue Agency Business No.
If applicable, enter: 89172 5210 RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
PHIL MARTIN	(905) 743-5219	(905) 723-3248

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MGS)

Ontario Canada

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:

Commenced: year month day

Ceased: year month day

☒ *Not Applicable*

Former Corporation Name *(Extra-Provincial Corporations only)* ☒ *Not Applicable* (MGS)

Information on Directors/Officers/Administrators must be completed on MGS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MGS). ▶

No. of Schedule(s)

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MGS, please check (X) this box. Schedule(s) A and K are not required (MGS). ▶ ☒ **No Change**

Preferred Language / *Langue de préférence*

☒ English *anglais* ☐ French *français*

Ministry Use

Certification (MGS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

Title D ☐ Director O ☒ Officer P ☐ Other individuals having knowledge of the Corporation's business activities

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

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CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Please check applicable (X) **box(es) and complete required information.**

Type of corporation

1

- 1 [X] Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))
- 2 [ ] Other Private
- 3 [ ] Public
- 4 [ ] Non-share Capital
- 5 [ ] Other *(specify)* ▼

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100 %

2

- 1 [ ] Family Farm corporation s.1(2)
- 2 [ ] Family Fishing corporation s.1(2)
- 3 [ ] Mortgage Investment corporation s.47
- 4 [ ] Credit Union s.51
- 5 [ ] Bank Mortgage subsidiary s.61(4)
- 6 [ ] Bank s.1(2)
- 7 [ ] Loan and Trust corporation s.61(4)
- 8 [ ] Non-resident corporation s.2(2)(a) or (b)
- 9 [ ] Non-resident corporation s.2(2)(c)
- 10 [ ] Mutual Fund corporation s.48
- 11 [ ] Non-resident owned Investment corporation s.49
- 12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
- 14 [ ] Bare Trustee corporation
- 15 [ ] Branch of Non-resident s.63(1)
- 16 [ ] Financial institution prescribed by Regulation only
- 17 [ ] Investment Dealer
- 18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
- 19 [X] Hydro successor, municipal electrical utility or subsidiary of either
- 20 [ ] Producer and seller of steam for uses other than for the generation of electricity
- 21 [ ] Insurance Exchange s.74.4
- 22 [ ] Farm Feeder Finance Co-operative corporation
- 23 [ ] Professional corporation (incorporated professionals only)

- [ ] This is the first year filing after incorporation or an amalgamation (If checked, attach Ontario Schedule 24.)
- [X] Amended Return
- [ ] Taxation year end change – Canada Revenue Agency approval required
- [ ] Final taxation year up to dissolution *(Note: for discontinued businesses, see guide.)*
- [ ] Final taxation year before amalgamation
- [ ] The corporation has a floating fiscal year end
- [ ] There has been a transfer or receipt of asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
- [ ] There was an acquisition of control to which subsection 249(4) of the federal *Income Tax Act* (ITA) applies since the previous taxation year

  If checked, date control was acquired year month day
- [ ] The corporation was involved in a transaction where all or substantially all (90% or more) of the assets of a non-arm's length corporation were received in the taxation year and subsection 85(1) or 85(2) of the federal ITA applied to the transaction (If checked, attach Ontario Schedule 44.)
- [ ] First year filing of a parent corporation after winding-up a subsidiary corporation(s) under section 88 of the federal ITA during the taxation year. (If checked, attach Ontario Schedule 24.)
- [ ] Section 83.1 of the CTA applies (redirection of payments for certain electricity corporations)

Yes	No	
[ ]	[X]	Was the corporation inactive throughout the taxation year?
[X]	[ ]	Has the corporation's Federal T2 Return been filed with the Canada Revenue Agency?

Are you requesting a refund due to:

[ ]	[X]	the Carry-back of a Loss?
[X]	[ ]	an Overpayment?
[ ]	[X]	a Specified Refundable Tax Credit?
[ ]	[X]	Are you a member of a Partnership or Joint Venture?

Complete if applicable

Ontario Retail Sales Tax Vendor Permit no. (Use head office no.)

Ontario Employer Health Tax Account no. (Use head office no.)

Specify major business activity

Electricity Distrib

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Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction to that jurisdiction (s.39) (Int.B. 3008).

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	5,027,868 .
Subtract: Charitable donations	–	1	.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–	2	.
Subtract: Taxable dividends deductible, per federal Schedule 3	–	3	.
Subtract: Ontario political contributions *(Attach Schedule 2A)* (Int.B. 3002R)	–	4	.
Subtract: Federal Part VI.1 tax . x 3	–	5	.
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	.
From 715 Net capital losses (page 16) . x inclusion rate 50.000000 %	–	714	.
Farm losses	–	From 724	.
Restricted farm losses	–	From 734	.
Limited partnership losses	–	From 754	.
Taxable Income (Non-capital loss)	=	10	5,027,868 .
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	.
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=	20	5,027,868 .

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	5,027,868 .	x	30	100.0000 % Ontario Allocation	x	12.5 %	x	Days after Dec. 31, 2002 and before Jan. 1, 2004 33	÷	Total Days 73 365	= +	29	.
From 10 (or 20 if applicable)	5,027,868 .	x	30	100.0000 % Ontario Allocation	x	14 %	x	Days after Dec. 31, 2003 34 365	÷	Total Days 73 365	= +	32	703,902 .
Income Tax Payable (before deduction of tax credits) 29 + 32											=	40	703,902 .

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

If this section is not completed, the IDSBC will be denied.

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [X] Yes [ ] No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	5,027,868 .
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51	5,027,868 .	
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52	.	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	– 53	.	
	=	5,027,868 .	54 5,027,868 .
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)		55	300,000 .

Ontario Business Limit Calculation

320,000 x Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 ÷ ** 365 = + 46 .

400,000 x Days after Dec. 31, 2003: 34 365 ÷ ** 365 = + 47 400,000 .

Business Limit for Ontario purposes: 46 + 47 = 44 400,000 . x Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated. 48 100.0000 % = 45 400,000 .

Income eligible for the IDSBC From 30 100.0000 % ***Ontario Allocation x 56 400,000 . = 60 400,000 .

Least of 50 , 54 or 45

* ***Note:*** *Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)*

** ***Note:*** *Adjust accordingly for a floating taxation year and use 366 for a leap year.*

*** ***Note:*** *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

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Income Tax *continued from Page 4*

Calculation of IDSBC Rate - - - - - - - - - - - - - - - - 7 % x

Number of Days in Taxation Year

Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 ____ ÷ Total Days 73 365 = + 89 .

Days after Dec. 31, 2003: 8.5 % x 34 365 ÷ Total Days 73 365 = + 90 8.5000

IDSBC Rate for Taxation Year 89 + 90 - = 78 8.5000

Claim - - - - - - - - - - - - - - - From 60 400,000 • x From 78 8.5000 % - - - = 70 34,000 •

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount 400,000 in 114 below.

Surtax on Canadian-controlled Private Corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

Associated Corporation - The Taxable Income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

***Taxable Income of the corporation** - - - - - - - - - - - - - - - - - - From 10 (or 20 if applicable) + 80 5,027,868 •

If you are a member of an associated group (X) 81 X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Taxable Income (if loss, enter nil)
OSHAWA POWER AND UTILITIES CORPORATION	1800156	2005-12-31	+ 82 •
OSHAWA PUC ENERGY SERVICES INC.	8114793	2005-12-31	+ 83 •
OSHAWA PUC SERVICES INC.	8114781	2005-12-31	+ 84 •

Aggregate Taxable Income 80 + 82 + 83 + 84 , etc. - - - - - - - - - - - - - - - - - - = 85 5,027,868 •

Number of Days in Taxation Year

320,000 x Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 ____ ÷ Total Days 73 365 = + 115 •

400,000 x Days after Dec. 31, 2003: 34 365 ÷ Total Days 73 365 = + 116 400,000 •

115 + 116 = 400,000 • ▶ - - - - - - - - - 114 400,000 •

(If negative, enter nil) - = 86 4,627,868 •

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax - - - - - - - - - - 4.6670 % x Days after Dec. 31, 2002: 38 365 ÷ Total Days 73 365 = + 97 4.6670

From 86 4,627,868 • x From 97 4.6670 % - - - - - - - - - - = 87 215,983 •

From 87 215,983 • x From 60 400,000 • ÷ From 114 400,000 • = 88 215,983 •

Surtax Lesser of 70 or 88 - = 100 34,000

**** Note: Short Taxation Years –*** Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

continued on Page 6

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Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)*

110 .

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits + 120 .

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) – From 56 400,000 .

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 34,000 . ÷ From 30 100.0000 % ÷ From 78 8.5000 % = 121 400,000 .

*Ontario Allocation

Lesser of 56 or 121 + 122 400,000 .

120 – 56 + 122 = 130 .

Taxable Income + From 10 5,027,868 .

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) – From 56 400,000 .

Add: Adjustments for Surtax on Canadian-controlled private corporations + From 122 400,000 .

Subtract: Taxable Income 10 5,027,868 X Allocation % to jurisdictions outside Canada – 140 .

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses – 141 .

10 – 56 + 122 – 140 – 141 = 142 5,027,868 .

Claim

Number of Days in Taxation Year

143 . (Lesser of 130 or 142) X From 30 100.0000 % (Ontario Allocation) X 1.5 % X (Days after Dec. 31, 2002 and before Jan. 1, 2004 33 ÷ Total Days 73 365) = + 154 .

143 . (Lesser of 130 or 142) X From 30 100.0000 % (Ontario Allocation) X 2 % X (Days after Dec. 31, 2003 34 365 ÷ Total Days 73 365) = + 156 .

M&P claim for taxation year 154 + 156 = 160 .

**** Note:** Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations

= 161 .

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity

= 162 .

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). *(Attach schedule)* - 170 .

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former *Small Business Development Corporations Act*)

Eligible Credit 175 . Credit Claimed 180 .

Subtotal of Income Tax

40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 = 190 703,902 .

continued on Page 7

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Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to scientific research and experimental development in Ontario.
Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* + 191

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible Credit From 5798 CT23 Schedule 113 *(Attach Schedule 113)* + 192

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Name of Production 204
Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 193

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596
Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005. 194
Eligible Credit From 6598 CT23 Schedule 115 (*Attach Schedule 115*) + 195

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 196

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 197

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit From 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 199

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 200

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 201

Apprenticeship Training Tax Credit (ATTC) (s.43.13) No. of Apprentices From 5896
Applies to employment of eligible apprentices. 202
Eligible Credit From 5898 CT23 Schedule 114 (*Attach Schedule 114*) + 203

Other (specify) _____ + 203.1

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 + 203.1 = 220

Specified Tax Credits ***Applied to reduce Income Tax*** = 225

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 703,902

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8.** If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17.**

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8.**

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Total Assets of the corporation + 240 90,411,000 .

Total Revenue of the corporation + 241 85,477,000 .

The above amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

If you are a member of an associated group (X) 242 **X** (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		Total Assets		Total Revenue
OSHAWA POWER AND UTILITIES CORPORATION	1800156	2005-12-31	+ 243	46,297,200 .	+ 244	1,202,498 .
OSHAWA PUC ENERGY SERVICES INC.	8114793	2005-12-31	+ 245	1,215 .	+ 246	27 .
OSHAWA PUC SERVICES INC.	8114781	2005-12-31	+ 247	1,260,635 .	+ 248	141,975 .
Aggregate Total Assets 240 + 243 + 245 + 247 , etc.			= 249	137,970,050 .		
Aggregate Total Revenue 241 + 244 + 246 + 248 , etc.					= 250	86,821,500 .

Determination of Applicability

Applies if ***either*** Total Assets 249 exceeds $5,000,000 ***or*** Total Revenue 250 exceeds $10,000,000.

Short Taxation Years – Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation – The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedule 101**.

Calculation: CMT *(Attach Schedule 101.)*

Gross CMT Payable – CMT Base From Schedule 101 2136 4,485,000 . (If negative, enter zero) X From 30 100.0000 % (Ontario Allocation) X 4 % = 276 179,400 .

Subtract: Foreign Tax Credit for CMT purposes *(Attach Schedule)* – 277 .

Subtract: Income Tax – From 190 703,902 .

Net CMT Payable (If negative, enter Nil on Page 17.) = 280 -524,502 .

If 280 is less than zero and you do not have a CMT credit carryover, transfer 230 from **Page 7** to **Income Tax Summary, on Page 17.**

If 280 is less than zero and you have a CMT credit carryover, complete A & B below.

If 280 is greater than or equal to zero, transfer 230 to **Page 17** and transfer 280 to **Page 17, and** to **Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.**

CMT Credit Carryover available From Schedule 101 From 2333 .

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) + From 190 703,902 .

Gross CMT Payable + From 276 179,400 .

Subtract: Foreign Tax Credit for CMT purposes – From 277 .

If 276 – 277 is negative, enter NIL in 290 = 179,400 . – 290 179,400 .

Income Tax eligible for CMT Credit = 300 524,502 .

B. Income Tax (after deduction of specified credits) + From 230 703,902 .

Subtract: CMT credit used to reduce income taxes – 310 .

Income Tax = 320 703,902 .

Transfer to page 17

If A & B apply, 310 ***cannot exceed the lesser of*** 230 , 300 ***and your CMT credit carryover available*** 2333 .

If only B applies, 310 ***cannot exceed the lesser of*** 230 ***and your CMT credit carryover available*** 2333 .

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Capital Tax *(Refer to Guide and Int.B. 3011R)*

If your corporation is a Financial Institution (s.58(2)), complete lines 480 *and* 430 *on page 10 then proceed to page 13.*

If your corporation is not a member of an associated group and/or partnership and the Gross Revenue and Total Assets as calculated on page 10 in 480 *and* 430 *are both $3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* 550 *on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(2)(a) or 2(2)(b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R)	+	350	23,063,666
Retained earnings (if deficit, deduct) (Int.B. 3012R)	±	351	8,442,000
Capital and other surpluses, excluding appraisal surplus (Int.B.3012R)	+	352	
Loans and advances *(Attach schedule)* (Int.B. 3013R)	+	353	34,212,786
Bank loans (Int.B. 3013R)	+	354	
Bankers acceptances (Int.B. 3013R)	+	355	
Bonds and debentures payable (Int.B. 3013R)	+	356	
Mortgages payable (Int.B. 3013R)	+	357	
Lien notes payable (Int.B. 3013R)	+	358	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	+	359	10,083,935
Contingent, investment, inventory and similar reserves (Int.B. 3012R)	+	360	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012R)	+	361	17,947,133
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017R)	+	362	
Subtotal	=	370	93,749,520
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012R)	–	371	
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	–	372	
Total Paid-up Capital	=	380	93,749,520
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R)	–	381	
Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the *Corporations Tax Act*, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	–	382	
Net Paid-up Capital	=	390	93,749,520

Eligible Investments *(Refer to Guide and Int.B. 3015R)*

Attach computations and list of corporation names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+	402	
Mortgages due from other corporations	+	403	
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+	404	
Loans and advances to unrelated corporations	+	405	7,192
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+	406	643,990
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+	407	
Total Eligible Investments	=	410	651,182

continued on Page 10

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Total Assets (Int.B. 3015R) ***DOLLARS ONLY***

Total Assets per balance sheet	+	420	90,411,000
Mortgages or other liabilities deducted from assets	+	421	
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	
Subtract: Investment in partnership(s)/joint venture(s)	–	423	
Total Assets as adjusted	=	430	90,411,000
Amounts in 360 and 361 (if deducted from assets)	+	440	17,937,524
Subtract: Amounts in 371, 372 and 381	–	441	
Subtract: Appraisal surplus if booked	–	442	
Add or Subtract: Other adjustments (specify on an attached schedule)	+	443	
Total Assets	=	450	108,348,524

Investment Allowance (410 ÷ 450) x 390 **Not to exceed** 410 = 460 563,441

Taxable Capital 390 – 460 = 470 93,186,079

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 85,477,000

Total Assets (as adjusted) From 430 90,411,000

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: *This version (2007) of the CT23 may only be used for a taxation year that commenced after December 31, 2004.*

Financial Institutions use calculations on page 13.

Important: If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.

OR If the corporation is **not** a member of an associated group and/or partnership, complete Section B below, then review only the Capital Tax calculations in Section C on page 11, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.

OR If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in 550 on page 12 and complete the return from that point.

SECTION B

B1. Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year

		Days after Dec. 31, 2004 and before Jan. 1, 2006		Total Days					
7,500,000	x	36	365	÷ 73	365	=	+	501	7,500,000
		Days after Dec. 31, 2005 and before Jan. 1, 2007		Total Days					
10,000,000	x	37		÷ 73	365	=	+	502	
		Days after Dec. 31, 2006 and before Jan. 1, 2008		Total Days					
12,500,000	x	38		÷ 73	365	=	+	504	
		Days after Dec. 31, 2007		Total Days					
15,000,000	x	39		÷ 73	365	=	+	505	

Taxable Capital Deduction (TCD) 501 + 502 + 504 + 505 = 503 7,500,000

B2. This section applies to corporations to calculate the prorated capital tax rate.

Calculation of Capital Tax Rate

Number of Days in Taxation Year

		Days before Jan. 1, 2007		Total Days					
0.3 %	x	556	365	÷ 73	365	=	+	511	0.3000 %
		Days after Dec. 31, 2006 and before Jan. 1, 2009		Total Days					
0.285 %	x	557		÷ 73	365	=	+	512	%

Capital Tax Rate 511 + 512 = 516 0.3000 %

continued on Page 11

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Capital Tax Calculation *continued from Page 10*

SECTION C

This section applies if the corporation is **not** a member of an associated group and/or partnership.

C1. If 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

C2. If Taxable Capital in 470 is **equal or less than the TCD** in 503, enter NIL in 550 on page 12 and complete the return from that point.

C3. If Taxable Capital in 470 **exceeds the TCD** in 503, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

\+ From 470 _____.
− From 503 _____.
= 471 _____. x From 30 100.0000 % (Ontario Allocation) x From 516 0.3000 % (Capital Tax Rate) x 555 365 / 365 (366 if leap year) (Days in taxation year) = + 523 _____.

If floating taxation year, refer to Guide.

Transfer to 543 on page 12 and complete the return from that point

SECTION D

This section applies ONLY to a corporation that is a member of an associated group (excluding Financial Institutions and corporations exempt from Capital Tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your Capital Tax Calculation under either Section E or Section F.

D1. ☐ 509 (X if applicable)

All corporations that you are associated with do **not** have a permanent establishment in Canada.

If Taxable Capital 470 on page 10 is equal to or less than the TCD 503 on page 10, enter NIL in 550 on page 12 and complete the return from that point.

If Taxable Capital 470 on page 10 exceeds the TCD 503 on page 10, proceed to **Section E**, enter the TCD amount in 542 in Section E, and complete Section E and the return from that point.

D2. ☒ 524 (X if applicable)

One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

You and your associated group may continue to allocate the TCD by completing the Calculation below. Or, the associated group **may file an election** under subsection 69(2.1) of the *Corporations Tax Act*, whereby total assets are used to allocate the TCD among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the capital tax effect relating to the TCD to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

D2. Calculation is on next page

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continued on Page 12

Capital Tax Calculation *continued from Page 11*

DOLLARS ONLY

D2. Calculation Do **not** complete this calculation if ss.69(2.1) election is filed

Taxable Capital From 470 on page 10 - + From 470 .

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
		+ 531	.
		+ 532	.
		+ 533	.

Aggregate Taxable Capital 470 + 531 + 532 + 533 , etc. - = 540 .

If 540 above is equal to or less than the TCD 503 on page 10, the corporation's Capital Tax for the taxation year, is NIL.

Enter NIL in 523 in section E below, as applicable.

If 540 above is greater than the TCD 503 on page 10, the corporation must compute its share of the TCD below in order to calculate its Capital Tax for the taxation year under Section E below.

From 470 . ÷ From 540 . x From 503 . = 541 .

Transfer to 542 *in Section E below*

Ss.69(2.1) Election Filed

X 591 (X if applicable) **Election filed**. *Attach a copy of Schedule 591 with this CT23 Return.* Proceed to **Section F** below.

SECTION E

This section applies if the corporation **is** a member of an associated group and/or partnership whose total **aggregate** Taxable Capital 540 above, exceeds the TCD 503 on page 10.

Complete the following calculation and transfer the amount from 523 to 543, and complete the return from that point.

+	From 470	.										**Total Capital Tax for the taxation year**
–	542	.										
=	471	.	x	From 30	100.0000 %	x	From 516	0.3000 %	x	555 365 / * 365 (366 if leap year)	= + 523	.
					Ontario Allocation			Capital Tax Rate		Days in taxation year		

Transfer to 543 *and complete the return from that point*

SECTION F

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From 470 93,186,079 . x From 30 100.0000 % x From 516 0.3000 % - - - - - - - - = + 561 279,558 .
Ontario Allocation Capital Tax Rate

– Capital tax deduction from 995 relating to **your corporation's** Capital Tax deduction, on Schedule 591 - - – From 995 19,100 .

= 562 260,458 .

Total Capital Tax for the taxation year

Capital Tax - - - - - - - - 562 260,458 . x 555 365 / * 365 (366 if leap year) - - - - - = 563 260,458 .
Days in taxation year

Transfer to 543 *and complete the return from that point*

** If floating taxation year, refer to Guide.*

Capital Tax before application of specified credits - = 543 260,458 .

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* - - - - - - - - - - – 546 .

Capital Tax 543 – 546 *(amount cannot be negative)* - - - - - - - - - - - - - - - - - - - = 550 260,458 .

Transfer to Page 17

continued on Page 13

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Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

1.1 Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in 550 on page 12, and complete the return from that point.

1.2 Other than Credit Unions

(Retain details of calculations for amounts in boxes 565 and 570. Do not submit with this tax return.)

565 _____ . x 567 _____ % x From 30 100.0000 % x 555 365 / * 365 (366 if leap year) Days in taxation year = + 569 _____ .

Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1

Capital Tax Rate (1) *(Refer to Guide)*

Ontario Allocation

570 _____ . x 571 _____ % x From 30 100.0000 % x 555 365 / * 365 (366 if leap year) Days in taxation year = + 574 _____ .

Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount

Capital Tax Rate (2) *(Refer to Guide)*

Ontario Allocation

Capital Tax for Financial Institutions – other than Credit Unions (before Section 2) 569 + 574 = 575 _____ .

** If floating taxation year, refer to Guide.*

2. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments - – 585 _____ .

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) ☐ Yes

Capital Tax - Financial Institutions 575 – 585 - = 586 _____ .

Transfer to 543 *on Page 12*

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements - - - - - - - - - - - - 587 _____ . x 2 % = 588 _____ .

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in 588 and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in 588.)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* - - - - - - - - - - - - - - - - - – 589 _____ .

Premium Tax 588 – 589 - = 590 _____ .

Transfer to page 17

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Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1 ± 600 5,027,868 •
Transfer to Page 15

Add:

Federal capital cost allowance	+ 601	3,050,819 •
Federal cumulative eligible capital deduction	+ 602	•
Ontario taxable capital gain	+ 603	•
Federal non-allowable reserves. Balance beginning of year	+ 604	7,819,342 •
Federal allowable reserves. Balance end of year	+ 605	•
Ontario non-allowable reserves. Balance end of year	+ 606	8,387,075 •
Ontario allowable reserves. Balance beginning of year	+ 607	•
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	•
Federal resource allowance *(Refer to Guide)*	+ 609	•
Federal depletion allowance	+ 610	•
Federal foreign exploration and development expenses	+ 611	•
Crown charges, royalties, rentals, etc. deducted for Federal purposes *(Refer to Guide)*	+ 617	•

Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼

Number of Days in Taxation Year

612 _____ • x 5 / 12.5 x (Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ Total Days: 73 365) =+ 633 _____ •

612 _____ • x 5 / 14 x (Days after Dec. 31, 2003: 34 365 ÷ Total Days: 73 365) =+ 634 _____ •

Total add-back amount for Management fees, etc. 633 + 634 = _____ • ▶ + 613 _____ •

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 Schedule 161 + 615 264,314 •

Add any negative amount in 473 from Ont. CT23 Schedule 161 + 616 •

Federal allowable business investment loss + 620 •

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 •

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 = 19,521,550 • ▶ 640 19,521,550 •
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	+ 650	3,050,819 •
Ontario cumulative eligible capital deduction	+ 651	•
Federal taxable capital gain	+ 652	•
Ontario non-allowable reserves. Balance beginning of year	+ 653	7,819,342 •
Ontario allowable reserves. Balance end of year	+ 654	•
Federal non-allowable reserves. Balance end of year	+ 655	8,387,075 •
Federal allowable reserves. Balance beginning of year	+ 656	•
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	•
Ontario depletion allowance	+ 658	•
Ontario resource allowance *(Refer to Guide)*	+ 659	•
Ontario current cost adjustment *(Attach schedule)*	+ 661	•
CCA on assets used to generate electricity from natural gas, alternative or renewable resources.	+ 675	•

Subtotal of deductions for this page 650 to 659 + 661 + 675 681 19,257,236 •
Transfer to Page 15

continued on Page 15

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Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 14

Net Income (loss) for federal income tax purposes, per federal Schedule 1 - - - - - - - - - - - - - - - - From ± 600 5,027,868 •

Total of Additions on page 14 - From = 640 19,521,550 •

Sub Total of deductions on page 14 - From = 681 19,257,236 •

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(***Applies*** only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - 662 •

ONTTI Gross-up deduction calculation:

Gross-up of CCA

[From 662 • x 100 / From 30 100.0000 Ontario Allocation] – From 662 • = 663 •

Workplace Child Care Tax Incentive (WCCT)
(***Applies*** to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: [665 • x 30 % x 100 / From 30 100.0000 Ontario allocation] = 666 •

Workplace Accessibility Tax Incentive (WATI)
(***Applies*** to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: [667 • x 100 % x 100 / From 30 100.0000 Ontario allocation] = 668 •

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI)
(***Applies*** to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: [670 • x 30 % x 100 / From 30 100.0000 Ontario allocation] = 671 •

Educational Technology Tax Incentive (ETTI)
(***Applies*** to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: [672 • x 15 % x 100 / From 30 100.0000 Ontario allocation] = 673 •

Ontario allowable business investment loss - - - - - - - - - - - - - - - + 678 •

Ontario Scientific Research Expenses claimed in year in 477 **from Ont. CT23 Schedule 161** + 679 264,314 •

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - - - - - + 677 •

Total of other deductions allowed by Ontario *(Attach schedule)* - - - - - - - - + 664 •

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 = 19,521,550 • ▶ 680 19,521,550 •

Net income (loss) for Ontario Purposes 600 + 640 – 680 - - - - - - - - - - - - - - - - - = 690 5,027,868 •

Transfer to Page 4

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Continuity of Losses Carried Forward

DOLLARS ONLY

		Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year		700 (2)	710 (2)	720 (2)	730	740	750
Add:	Current year's losses (7)	701	711	721	731	741	751
	Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal		703	713	723	733	743	753
Subtract:	Utilized during the year to reduce taxable income	704 (2)	715 (2) (4)	724 (2)	734 (2) (4)	744 (4)	754 (4)
	Expired during the year	705		725	735	745	
	Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746	
Subtotal		707	717	727	737	747	757
Balance at End of Year		709 (8)	719	729	739	749	759

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day		Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800	9th preceding taxation year 1997-09-30	817 (9)	860 (9)		850	870
801	8th preceding taxation year 1998-09-30	818 (9)	861 (9)		851	871
802	7th preceding taxation year 1999-09-30	819 (9)	862 (9)		852	872
803	6th preceding taxation year 2000-09-30	820	830	840	853	873
804	5th preceding taxation year 2001-09-30	821	831	841	854	874
805	4th preceding taxation year 2001-12-31	822	832	842	855	875
806	3rd preceding taxation year 2002-12-31	823	833	843	856	876
807	2nd preceding taxation year 2003-12-31	824	834	844	857	877
808	1st preceding taxation year 2004-12-31	825	835	845	858	878
809	Current taxation year 2005-12-31	826	836	846	859	879
Total		829	839	849	869	889

Revision Only

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Predecessor Ontario Corporation's Tax Account No. (MOF)		Taxation Year Ending year month day	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss				910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income							
i) 3rd preceding		901	2002-12-31	911	921	931	941
ii) 2nd preceding		902	2003-12-31	912	922	932	942
iii) 1st preceding		903	2004-12-31	913	923	933	943
Total loss to be carried back				From 706	From 716	From 726	From 736
Balance of loss available for carry-forward				919	929	939	949

Summary

Income Tax	+ From 230 or	320	703,902 •
Corporate Minimum Tax	+ From	280	•
Capital Tax	+ From	550	260,458 •
Premium Tax	+ From	590	•
Total Tax Payable	=	950	964,360 •
Subtract: Payments	–	960	1,414,402 •
Capital Gains Refund (s.48)	–	965	•
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	–	985	•
Specified Tax Credits *(Refer to Guide)*	–	955	•
Other, specify	–		•
Balance	=	970	-450,042 •
If payment due	Enclosed *	990	•
If overpayment: Refund *(Refer to Guide)*	=	975	450,042 •
year month day			
Apply to		980	•
			(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the **Minister of Finance** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name *(please print)*

PHIL MARTIN

Title

VP FINANCE & REGULATORY COMPLI

Full Residence Address

Signature	Date

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

Draft Public Copy

Attached Schedule with Total

Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations

Title Non-deductible reserves

Description	Amount
Employee future benefits	7,797,170 00
Employee sick leave benefits	244,905 00
Deferred Income	345,000 00
Customer Advance Payments & Customer EPP	1,696,860 00
Total	10,083,935 00

Draft for Discussion Only

Attached Schedule with Total

Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012R)

Title UCC vs NBV

Description	Amount
UCC per Ont Sch. 8	58,933,172 00
NBV per F/S	-44,757,354 00
less: land	111,428 00
less: WIP	2,654,698 00
less: ARO	55,000 00
less: Capitalized Interest	950,189 00
Total	17,947,133 00

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Corporate Minimum Tax (CMT)

CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2005-12-31

Part 1: Calculation of CMT Base

Banks – Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Life Insurance corporations – Net income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d)

Net Income/Loss (unconsolidated, determined in accordance with GAAP)				± 2100	2,475,000
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	+ 2101				
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102				
Equity income from corporations	+ 2103				
Share of partnership(s)/joint venture(s) income	+ 2104				
Dividends received/receivable deductible under fed.s.112	+ 2105				
Dividends received/receivable deductible under fed.s.113	+ 2106				
Dividends received/receivable deductible under fed.s.83(2)	+ 2107				
Dividends received/receivable deductible under fed.s.138(6)	+ 2108				
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1)	x 3 + 2109				
Subtotal	=		▶	– 2110	
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	+ 2111	2,010,000			
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2112				
Equity losses from corporations	+ 2113				
Share of partnership(s)/joint venture(s) losses	+ 2114				
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2115				
Subtotal	=	2,010,000	▶	+ 2116	2,010,000
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85	+ 2117		or – 2118		
** Fed.s.85.1	+ 2119		or – 2120		
** Fed.s.97	+ 2121		or – 2122		
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2123		or – 2124		
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/ prior years	+ 2125		or – 2126		
** Amounts relating to s.57.10 election/ regulations for replacement re fed.s13(4), 14(6) and 44 for current/prior years	+ 2127		or – 2128		
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	– 2150				
Capital gains on eligible donations of publicly-listed securities and ecologically sensitive land made after May 1, 2006 (to the extent reflected in net income/loss)	– 2155				
Subtotal (Additions)	=		▶	+ 2129	
Subtotal (Subtractions)	=		▶	– 2130	
** Other adjustments				± 2131	
Subtotal ± 2100 – 2110 + 2116 + 2129 – 2130 ± 2131				= 2132	4,485,000
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss				± 2133	
Adjusted net income (loss) (if loss, transfer to 2202 in ***Part 2: Continuity of CMT Losses Carried Forward***.)				= 2134	4,485,000
Deduct: * CMT losses: pre-1994 Loss	+ From 2210				
* CMT losses: other eligible losses	+ 2211				
	=		▶	– 2135	

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this schedule.*

CMT Base	= 2136	4,485,000

Transfer to CMT Base on Page 8 of the CT23 or Page 6 of the CT8

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Corporate Minimum Tax (CMT)

CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2005-12-31

Part 2: Continuity of CMT Losses Carried Forward

Balance at Beginning of year NOTES (1), (2)				+ 2201	
Add:	Current year's losses	+ 2202			
	Losses from predecessor corporations on amalgamation NOTE (3)	+ 2203			
	Losses from predecessor corporations on wind-up NOTE (3)	+ 2204			
	Amalgamation (X) 2205 ☐ Yes Wind-up (X) 2206 ☐ Yes				
Subtotal		=		+ 2207	
Adjustments (attach schedule)				± 2208	
CMT losses available	2201 + 2207 ± 2208			= 2209	
Subtract:	Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210			
	Other eligible losses utilized during the year to reduce adjusted net income NOTE (4)	+ 2211			
	Losses expired during the year	+ 2212			
Subtotal		=		– 2213	
Balances at End of Year NOTE (5)	2209 – 2213			= 2214	

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Part 3: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 1997-09-30	2260	2280
2241	8th preceding taxation year 1998-09-30	2261	2281
2242	7th preceding taxation year 1999-09-30	2262	2282
2243	6th preceding taxation year 2000-09-30	2263	2283
2244	5th preceding taxation year 2001-09-30	2264	2284
2245	4th preceding taxation year 2001-12-31	2265	2285
2246	3rd preceding taxation year 2002-12-31	2266	2286
2247	2nd preceding taxation year 2003-12-31	2267	2287
2248	1st preceding taxation year 2004-12-31	2268	2288
2249	Current taxation year 2005-12-31	2269	2289
Totals		2270	2290

The sum of amounts 2270 + 2290 ***must equal amount in*** 2214 .

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Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2005-12-31

Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) . . . . . + 2301

Add: Current year's CMT Credit (280 on page 8 of the CT23 or 347 on page 6 of the CT8. If negative, enter NIL) + From 280 or 347

Gross Special Additional Tax **NOTE (2)** 312 on page 5 of CT8. (Life Insurance corporations only. Others enter NIL.) . . . . . + From 312

Subtract Income Tax (190 on page 6 of the CT23 or page 4 of the CT8) . . . . . – From 190

Subtotal (If negative, enter NIL) . . . = ▶ – 2305

Current year's CMT credit (If negative, enter NIL) 280 or 347 – 2305 . . . = ▶ + 2310

CMT Credit Carryovers from predecessor corporations **NOTE (3)** . . . . . + 2325

Amalgamation (X) 2315 ☐ Yes Wind-up (X) 2320 ☐ Yes

Subtotal 2301 + 2310 + 2325 . . . . . = 2330

Adjustments *(Attach schedule)* . . . . . ± 2332

CMT Credit Carryover available 2330 ± 2332 . . . . . = 2333

Transfer to Page 8 of the CT23 or Page 6 of the CT8

Subtract: CMT Credit utilized during the year to reduce income tax (310 on page 8 of the CT23 or 351 on page 6 of the CT8.) + From 310 or 351

CMT Credit expired during the year . . . . . + 2334

Subtotal . . . . . = ▶ – 2335

Balance at End of Year **NOTE (4)** 2333 – 2335 . . . . . = 2336

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(4) Amount in 2336 must equal sum of 2370 + 2390 .

Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1997-09-30	2360	2380
2341	8th preceding taxation year 1998-09-30	2361	2381
2342	7th preceding taxation year 1999-09-30	2362	2382
2343	6th preceding taxation year 2000-09-30	2363	2383
2344	5th preceding taxation year 2001-09-30	2364	2384
2345	4th preceding taxation year 2001-12-31	2365	2385
2346	3rd preceding taxation year 2002-12-31	2366	2386
2347	2nd preceding taxation year 2003-12-31	2367	2387
2348	1st preceding taxation year 2004-12-31	2368	2388
2349	Current taxation year 2005-12-31	2369	2389
Totals		2370	2390

The sum of amounts 2370 + 2390 ***must equal amount in*** 2336 .

Discussion Only

Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule

Corporation's Legal Name		Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc.	PILs	1800157	2005-12-31

CMT Losses Carried Forward Workchart

(i) Continuity of Pre-1994 CMT Losses

	Corporation's Pre-1994 Loss	Predecessors' Pre-1994 Loss Amalgamation	Wind-Up
Date of the last tax year end before the corp's 1st tax year commencing after 1993			
Pre-1994 Loss (per schedule)			
Less: Claimed in prior taxation years commencing after 1993			
Pre-1994 Loss available for the current year			
Less: Deducted in the current year (max. = adj. net income for the year)			
Expired after 10 years			
Pre-1994 Loss Carryforward			

(ii) Continuity of Other Eligible CMT Losses – Filing Corporation (for losses occurring in tax years commencing after 1993)

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1996-09-30					
9th Prior Year	1997-09-30					
8th Prior Year	1998-09-30					
7th Prior Year	1999-09-30					
6th Prior Year	2000-09-30					
5th Prior Year	2001-09-30					
4th Prior Year	2001-12-31					
3rd Prior Year	2002-12-31					
2nd Prior Year	2003-12-31					
1st Prior Year	2004-12-31					
	Total					

Predecessor Corporations Only – Amalgamation

Indicate the amounts of eligible CMT losses from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-09-30						
1997-09-30						
1998-09-30						
1999-09-30						
2000-09-30						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

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Corporation's Legal Name		Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc.	PILs	1800157	2005-12-31

CMT Losses Carried Forward Workchart (continued)

Predecessor Corporations Only – Wind-Up

Indicate the amounts of eligible CMT losses from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-09-30						
1997-09-30						
1998-09-30						
1999-09-30						
2000-09-30						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

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Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule

Corporation's Legal Name		Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc.	PILs	1800157	2005-12-31

CMT Credit Carryovers Workchart

Filing Corporation

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1996-09-30					
9th Prior Year	1997-09-30					
8th Prior Year	1998-09-30					
7th Prior Year	1999-09-30					
6th Prior Year	2000-09-30					
5th Prior Year	2001-09-30					
4th Prior Year	2001-12-31					
3rd Prior Year	2002-12-31					
2nd Prior Year	2003-12-31					
1st Prior Year	2004-12-31					
	Total					

Predecessor Corporations Only – Amalgamation

Indicate the amounts of CMT credit carryovers from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-09-30						
1997-09-30						
1998-09-30						
1999-09-30						
2000-09-30						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

Predecessor Corporations Only – Wind-Up

Indicate the amounts of CMT credit carryovers from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-09-30						
1997-09-30						
1998-09-30						
1999-09-30						
2000-09-30						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

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Ontario

Ministry of Finance
Corporations Tax
33 King Street West
PO Box 620
Oshawa ON L1H 8E9

Paid-Up Capital: Loans and Advances

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2005-12-31

Loans or Advances Credited or Advanced to Corporation (includes accounts payable to related parties outstanding at the taxation year end for 120 days or more, and accounts payable to non-related parties outstanding for 365 days or more at the taxation year end)		
Due to City of Oshawa	+	23,064,000
Customer Deposits	+	3,790,427
Other (Development Fund)	+	351,167
Deferred Revenue	+	7,192
LT Debt - TD Bank	+	7,000,000
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
Total *Transfer to* 353 *of the CT23*	=	34,212,786

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Ontario **Ministry of Finance**
Corporations Tax
33 King Street West
PO Box 620
Oshawa ON L1H 8E9

Ontario Capital Cost Allowance
Schedule 8

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2005-12-31

Is the corporation electing under regulation 1101(5q)? 1 ☐ Yes 2 ☒ No

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	55,513,286	223,566		0	55,736,852	111,783	55,625,069	4	0	0	2,225,003	53,511,849
8	532,036	173,256		0	705,292	86,628	618,664	20	0	0	123,733	581,559
10	1,411,423			0	1,411,423		1,411,423	30	0	0	423,427	987,996
42	83,268			0	83,268		83,268	12	0	0	9,992	73,276
12	8,050	58,650		0	66,700	29,325	37,375	100	0	0	37,375	29,325
13	16,081			0	16,081		16,081	N/A	0	0	9,200	6,881
13	6,061			0	6,061		6,061	N/A	0	0	2,424	3,637
45		366,962		35,437	331,525	165,763	165,762	45	0	0	74,593	256,932
47		3,626,789		0	3,626,789	1,813,395	1,813,394	8	0	0	145,072	3,481,717
Totals	57,570,205	4,449,223		35,437	61,983,991	2,206,894	59,777,097				3,050,819	58,933,172

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Enter in boxes 650 . . . . 650 . . . . 650 on the CT23.

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Ontario **Ministry of Finance**
Corporations Tax
33 King Street West
PO Box 620
Oshawa ON L1H 8E9

Ontario Continuity of Reserves
Schedule 13

Corporation's Legal Name		Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc.	PILs	1800157	2005-12-31

For use by a corporation to provide a continuity of all reserves claimed which are allowed for tax purposes.

Part 1 – Capital gains reserves

	Description of property	Ontario balance at the beginning of the year $	Transfer on amalgamation or wind-up of subsidiary $	Add	Deduct	Ontario balance at the end of the year $
1						
	Totals	**A**	**B**			**C**

The total capital gains reserve at the beginning of the taxation year **A** plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary **B**, should be entered on Schedule 6; and the total capital gains reserve at the end of the taxation year **C**, should also be entered on Schedule 6.

Part 2 – Other reserves

Description	Ontario balance at the beginning of the year $	Transfer on amalgamation or wind-up of subsidiary $	Add	Deduct	Ontario balance at the end of the year $
Reserve for doubtful debts					
Reserve for undelivered goods and services not rendered					
Reserve for prepaid rent					
Reserve for December 31, 1995 income					
Reserve for refundable containers					
Reserve for unpaid amounts					
Other tax reserves					
Totals	**D**	**E**			**F**

The amount from **D** plus the amount from **E** should be entered in 607 of the CT23.
The amount from **F** should be entered in 654 of the CT23.

Part 3 – Continuity of non-deductible reserves

Reserve	Ontario opening balance	Transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Employee future benefits	7,444,370		352,800			7,797,170
Employee sick leave benefits	274,972			30,067		244,905
Environmental provision	100,000			100,000		
Deferred Income			345,000			345,000
Reserves from Part 2						
Totals	7,819,342		697,800	130,067		8,387,075

Enter in box 653 *of the CT23* — *Enter in box* 606 *of the CT23*

Draft for Discussion Only

Ontario **Ministry of Finance**
Corporations Tax
33 King Street West
PO Box 620
Oshawa ON L1H 8E9

2005 Capital Tax Election of Associated Group Agreement for Allocation of Taxable Capital Deduction (TCD)

CT23 SCHEDULE 591

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Oshawa PUC Networks Inc. PILs	1800157	2005-12-31

The following associated group of corporations includes all the corporations in this associated group (excluding financial institutions and corporations exempt from capital tax) having a permanent establishment in Canada and are hereby making an election under subsection 69(2.1) of the *Corporation Tax Act* to allocate the tax effect of the group's taxable capital deduction (TCD) as calculated in section B on page 10 of the CT23 for all taxation years which end in the 2005 calendar year, based on each corporation's total assets and Ontario allocation factor from each corporation's last taxation year ending in the 2004 calendar year.

Applies to taxation years ending in the 2005 calendar year.

Corporation having a permanent establishment in Canada	Last taxation year ending in 2004 calendar year	Ontario Allocation **A**	Total Assets **T**	Net Deduction **A** x [**TE** x (**T**÷**X**)] **ND**	Allocation of Net Deduction **AND**
Corporation Tax Account Number (if applicable) 1800157	YEAR MONTH DAY 2004-12-31	100.0000	78,382,000	17,186	995 19,100
Corporation Name: Oshawa PUC Networks Inc. PILs					
Tax Effect (TE) of Taxable Capital Deduction **TCD** From CT23, Page 10, Section B 503 7,500,000 X 0.3 % = **TE** 22,500					
Corporation Tax Account Number (if applicable) 1800156	YEAR MONTH DAY 2004-12-31	100.0000	23,122,883	5,070	995 430
Corporation Name: OSHAWA POWER AND UTILITIES CORPORATION					
Tax Effect (TE) of Taxable Capital Deduction **TCD** From CT23, Page 10, Section B 503 7,500,000 X 0.3 % = **TE** 22,500					
Corporation Tax Account Number (if applicable) 8114793	YEAR MONTH DAY 2004-12-31	100.0000	1,049		995
Corporation Name: OSHAWA PUC ENERGY SERVICES INC.					
Tax Effect (TE) of Taxable Capital Deduction **TCD** From CT23, Page 10, Section B 503 7,500,000 X 0.3 % = **TE** 22,500					
Corporation Tax Account Number (if applicable) 8114781	YEAR MONTH DAY 2004-12-31	100.0000	1,115,031	244	995 2,970
Corporation Name: OSHAWA PUC SERVICES INC.					
Tax Effect (TE) of Taxable Capital Deduction **TCD** From CT23, Page 10, Section B 503 7,500,000 X 0.3 % = **TE** 22,500					
Corporation Tax Account Number (if applicable)	YEAR MONTH DAY				995
Corporation Name					
Tax Effect (TE) of Taxable Capital Deduction **TCD** From CT23, Page 10, Section B 503 X % = **TE**					

If insufficient space, attach list.

Total Assets of Associated Group having permanent establishments in Canada **X** 102,620,963 959

Total Net Deductions of Associated Group having permanent establishments in Canada . . . **TND** 22,500 994

Total Allocated Net Deductions of Associated Group having permanent establishments in Canada . . . . . **TAND** 22,500

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Corporate Taxpayer Summary

Corporate information

Corporation's name . . . . . Oshawa PUC Networks Inc. PILs

Taxation Year . . . . . 2005-01-01 to 2005-12-31

Jurisdiction . . . . . Ontario

BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC
☐	☐	☐	☐	X	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐

Corporation is associated . . . . . Y

Corporation is related . . . . . Y

Number of associated corporations . . . 3

Type of corporation . . . . . Canadian-Controlled Private Corporation

Total amount due (refund) federal and provincial* . . . . . -533,232

* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensative help.

Summary of federal information

Net income	5,027,868
Taxable income	5,027,868
Donations	
Calculation of income from an active business carried on in Canada	5,027,868
Dividends paid	
Balance of the low income rate pool at the end of the year	
Balance of the general rate income pool at the end of the year	
Part I tax (base amount)	1,910,590
Surtax	56,312

Credits against part I tax		Summary of tax		Refunds/credits	
Small business deduction	48,000	Part I	1,085,164	ITC refund	
M&P deduction		Part I.3		Dividends refund	
Foreign tax credit		Part IV		Instalments	1,168,354
Political contributions		Part III.1		Surtax credit	45,940
Investment tax credits		Other*		Other*	
Abatement/Other*	833,738	Provincial or territorial tax			
				Balance due/refund (–)	-83,190

* The amounts displayed on lines "Other" are all listed in the Help. Press F1 to consult the context-sensitive help.

Summary of federal carryforward/carryback information

Carryback amounts

Investment tax credits	
Non-capital loss	
Capital loss	
Farm loss	
Restricted farm loss	
Surtax credit	
Part I tax credit (Schedule 42)	
Federal foreign non-business income tax credit	

Carryforward balances

RDTOH	
Charitable donations	
Gifts to Canada, a province or a territory	
Gifts of certified cultural property	
Gifts of certified ecologically sensitive land	
Gifts of medicine	

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Summary of federal carryforward/carryback information (continued)

Investment tax credits	
Non-capital losses	
Capital/L.P.P. losses	
Farm losses	
Restricted farm losses	
Current year's balance of SR&ED expenditures (T661)	
Foreign business tax credit	
Unused surtax credit (Schedule 37)	
Capital dividend amount	
Part I tax credit (Schedule 42)	
Cumulative eligible capital	
Capital gains reserves	
Financial statement reserve	8,387,075
Other reserves	
Balance of patronage dividends	
Continuity of exemption of accumulated income	

Summary of provincial information – provincial income tax payable

	Ontario (CT-23)	Québec (CO-17)	Alberta (AT1)
% Allocation	100.00		
Attributed taxable income	5,027,868		
Surtax	34,000	N.A.	N.A.
Tax payable before deduction*	703,902		
Deductions and credits	34,000		
Net tax payable	703,902		
Attributed taxable capital	93,186,079		N.A.
Capital tax payable**	260,458		N.A.
Total tax payable***	964,360		
Instalments and refundable credits	1,414,402		
Balance due/Refund (-)	-450,042		

* For Québec, this includes special taxes.

** For Québec, this includes compensation tax and registration fee.

*** For Ontario, this includes corporate minimum tax and premium tax.

	British Columbia	Saskatchewan	Manitoba
% Allocation			
Attributed taxable income			
Tax payable before deduction			
Deductions and credits			
Tax payable or refundable credit			
Attributed taxable capital			
Capital tax payable			
Instalments and refundable credits			
Balance due/Refund (-)			

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Summary of provincial information – provincial income tax payable (continued)

	Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick
% Allocation				
Attributed taxable income				
Tax payable before deduction				
Deductions and credits				
Tax payable or refundable credit				
Attributed taxable capital				
Capital tax payable				
Instalments and refundable credits				
Balance due/Refund (-)*				

* Only applies in the case of bank, a loan corporation or a trust corporation.

	Yukon	Northwest Territories	Nunavut
% Allocation			
Attributed taxable income			
Tax payable before deduction			
Deductions and credits			
Tax payable or refundable credit			

Draft for Discussion Only

Summary of provincial carryforward amounts

	Ontario	Québec	Alberta
Non-capital losses			
Net capital/L.P.P. losses			
Farm losses			
Restricted farm losses			
Donations			
Capital gains reserves			
Financial statement reserves	8,387,075	8,387,075	8,387,075
Other reserves			
Eligible capital			

Other carryforward amounts

Scientific research and experimental development – Schedule 425	
Manufacturing and processing – Schedule 426	
Research and development – Schedule 380	
Manufacturing investment – Schedule 381	
Co-operative education – Schedule 384	
Odour control – Schedule 385	
Manufacturing and processing investment – Schedule 402	
Research and development – Schedule 403	
Direct equity tax – Schedule 303	
Investment – Schedule 321	
Energy efficiency tax credit – Schedule 342	
Manufacturing and processing investment – Schedule 344	
Research and development – Schedule 360	
Investment – Schedule 480	
R&D expenditures not deducted at the end of the year – RD-222	
Foreign non-business income tax credits – CO-17S.39	
Development work expenses – FM220.3	
Excess development work expenses – FM220.3	
Unclaimed SR&ED expenditure pool deduction balance – A16	
Continuity of other eligible CMT losses – Filling Corporation – OCMT101	
Predecessor corporations only – Amalgamation – OCMT101	
Predecessor corporations only – Wind-up – OCMT101	
CMT credit carryovers workchart – Filling Corporation – OCMT101	
CMT credit carryovers workchart – Predecessor corporations only – Amalgamation	
CMT credit carryovers workchart – Wind-up – OCMT101	
Ontario current taxation year closing balance in pool of deductible SR&ED expenditures – O161	
Continuity Schedule for Federal ITC relating to SR&ED Expenditures for the Preceding Taxation Year – O161	
Continuity Schedule for the Amount of Federal ITC from SR&ED Expenditures relating to QORD for the Preceding Taxation Year – O161	

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Five Year Comparative Summary

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Federal information					
Taxation year end	2005-12-31	2004-12-31	2003-12-31	2002-12-31	2001-12-31
Net income	5,027,868	5,530,540	5,601,489	3,578,771	-4,013,774
Taxable income	5,027,868	5,530,540	5,166,486		
Active business income	5,027,868	5,530,540	5,601,489	3,578,771	
Dividends paid					
LRIP					
GRIP					
Donations					
Balance due/refund (-)	-83,190				229
Federal taxes					
Part I	1,910,590	1,161,413	1,188,292		
Surtax	56,312	61,942	57,865		
Part I.3			59,096	111,299	26,112
Part IV					
Part I & Surtax	1,085,164				
Part III.1					
Other*					
Credits against part I tax					
Small business deduction	48,000				
M&P deduction					
Foreign tax credit					
Political contribution					
Investment tax credit					
Abatement/other*	833,738	553,054	516,649		
Refunds/credits					
ITC refund					
Dividend refund					
Instalments	1,168,354	1,223,355	1,305,253	111,299	25,883
Surtax credit	45,940				
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

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Ontario

Taxation year end	2005-12-31	2004-12-31	2003-12-31	2002-12-31	2001-12-31
Taxable income	5,027,868	5,530,540	5,166,486		
Surtax	34,000				
Income tax payable before deduction	703,902	774,276	645,811		
Income tax deductions /credits	34,000	1,000			
Net income tax payable	703,902	773,276	645,811		
Taxable capital	93,186,079	65,172,083	79,844,358	77,335,204	73,517,639
Capital tax payable	260,458	182,879	224,591	217,007	51,811
Total tax payable*	964,360	956,155	870,402	217,007	51,811
Instalments and refundable credits	1,414,402				
Balance due/refund	-450,042	571,289	429,787	28,306	174

* This includes corporate minimum tax and premium tax.

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Appendix 27

Notice of Assessments (2001 – 2005)

Tax Summaries 2001 - 2005

2001

2001 Tax Return E&Y.pdf

this is final version with one exception : loss carried forward is $3,664,158 instead of $4,013,774 per the return. See Ministry of Finance 'Statement of Adjustments'. The difference is $349,616.

2002

2002 Tax Return E&Y.pdf

Final other than above changes to loss b/f amount

2003

2003 Tax Return E&Y.pdf	per attached return	2,175,655
	change due to loss b/f reduction in 2001, equal to $349,616 @ 35.5%	124,114
		0
Revised total payble		2,299,769

2004

2004 Tax Return E&Y.pdf	Federal Part 1	1,223,355
	Ont Inc Tax	773,275
	Ont Capital Tax	236,235
	As filed	2,232,865
	Unexplained difference	1,000
	Per Notice of Assessment Sept 2005	2,233,865

2005

	Federal Part 1	1,085,164
	Ont Inc Tax	703,902
	Ont Capital Tax	260,458
	As filed	2,049,524
	Agreed Capital Tax Adjs with Min of Finance Auditor	19,633
	Unexplained difference	1,456
	Per Notice of Re-Assessment May 2011	2,070,613

Detach and return this REMITTANCE FORM with your payment.

Ontario

Ministry of Revenue
Hydro PIL
33 King Street West
PO Box 620
Oshawa ON L1H 8E9

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Account No.
1800157

35
PX5005

OSHAWA PUC NETWORKS INC.
C/O DAVID SAVAGE
100 SIMCOE ST S

OSHAWA ON
L1H 7M7

10 HPL

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2005 1231

Payment Amount: $

Total Payment Enclosed: $

Ontario

Ministry of Revenue
Hydro PIL
33 King Street West
PO Box 620
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2005/01/01 **to** 2005/12/31

	Account No.	Reassessment Date (year, month, day)	Page
OSHAWA PUC NETWORKS INC.	**1800157**	2011/05/13	1 of 1

REASSESSMENT NO. 345 REPLACING REASSESSMENT DATED: 2008/02/07

Tax: Federal and Provincial PIL	2,070,613.00
Assessment Interest	16,718.36CR
Total Reassessment Liability	2,053,894.64

SUMMARY OF 2005/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	2,632,860.13CR	
Refunds	263,716.74	
Small Balance Adjustment	0.01CR	
Sub-Total		2,369,143.40CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		315,248.76CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Statement of Adjustments sent under separate cover.

PX5005 004

Tax (Re)Assessment Enquiries: • 1 866 ONT-TAXS (1 866 668-8297) ext. 21113 • FAX 416 218-3276 | • TTY 1 800 263-7776 • ontario.ca/revenue | **Account Billing Enquiries & Change of Address Information:** • 1 866 ONT-TAXS (1 866 668-8297) • FAX 905 433-5197

Ministry of Revenue

Tax Compliance Branch,
Central Region
Toronto Tax Office
5 Park Home Avenue, 2nd Floor
Toronto ON M2N 6W8
Tel: (416) 730-5588

Ministère du Revenu

Direction de l'observation fiscale
Bureau fiscal - Toronto
5 avenue Park Home, 2ième étages
Toronto ON M2N 6W8
Tel: (416) 730 ;5588

Ontario

March 18,2011

SUMMARY OF PROPOSED AUDIT ADJUSTMENTS

David Savage
Manager Financial Planning & Reporting
Oshawa PUC Networks Inc.
100 Simcoe Street South
Oshawa,Ontario L1H 7M7

Re: Oshawa PUC Networks Inc.
Account Number: 1800157

In connection with the Ontario & Federal income and capital tax audit of Oshawa PUC Networks Inc. for the December 31,2005 taxation year,we have set out below our proposed audit adjustments (Ontario & Federal).

Income tax adjustments:

1. Amended tax return as filed:

We will process the amended 2005 income tax adjustments as filed.
In summary, the adjustments are as follows:

-Reduction to net income	$(628,000)
-Reduction to provision for income taxes	$(320,000)
-Increase in capital tax deduction	$(5,075)

Capital tax adjustments:

1. Amended tax return as filed:

We will process the 2005 amended capital tax adjustments as filed.
In summary,the adjustments are as follows:

-Increase in retained earnings	$ 3,989
-Customer advance payments	$1,696,860

2. Amounts per y/e Balance Sheet:

The following amounts per the 2005 y/e balance sheet should be included in paid up capital-see attached:

-Customer advance deposits	$2,865,000
-Current portion of LTD	$ 939,000

3. Amounts included in A/P & accrued liabilities:

The following amounts included in the y/e A/P & accrued liabilities should be included in paid up capital-see attached:

-Customer credit balances	$ 935,946
-Deferred developer deposits	$1,804,458

If you have any questions with respect to the above adjustments please contact me. I will delay issuing reassessements for a period of 30 days.

Yours truly,

Alan T. Ogle
Electricity tax unit

Detach and return this REMITTANCE FORM with your payment.

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800157

35
PX5003

OSHAWA PUC NETWORKS INC.
C/O MICHALE CHASE
100 SIMCOE ST S

OSHAWA ON
L1H 7M7

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2 0 0 4 1 2 3 1

Payment Amount: $

Total Payment Enclosed: $

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2004/01/01 **to** 2004/12/31

	Account No.	Assessment Date (year, month, day)	Page
OSHAWA PUC NETWORKS INC.	**1800157**	2005/09/13	1 of 1

ASSESSMENT NO. 83

filed $2,232,865

Tax: Federal and Provincial PIL	2,233,865.00
Assessment Interest	28,819.73
Total Assessment Liability	2,262,684.73

SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	2,232,865.00CR	
Sub-Total		2,232,865.00CR
TAXATION YEAR BALANCE DUE **		29,819.73

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Adjustment to the computation of Total Tax payable.

Ontario Innovation Tax Credit adjusted.

Adjustment to the computation of Net Income Tax

Mathematical error in the computation of Net CMT payable.

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC) The current interest rate is 0.0191780%.

I spoke to Andrew Weiss - Ont. Fin. PIL 905-433-6095.

W Dates

Adjustment Mat Error Sept 12 ← will be re-adjusted (re-assessed)

Tax (Re)Assessment Enquiries:
- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:
- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

002 PX5003

Ontario

PO Box 622 33 King St. West Oshawa ON L1H 8H6
CP 622 33 rue King ouest Oshawa ON L1H 8H6

Statement of Adjustments re Taxes Assessed
Relevé des redressements de cotisations

Ministry of Finance / Ministère des Finances
Corporations Tax Branch / Direction de l'imposition des compagnies

Account No. / N° de compte	Taxation Year End / Fin de l'année d'imposition
1 8 0 0 1 5 7	31 December 2003

Name of Corporation / Raison sociale de la compagnie
Oshawa PUC Networks Inc.

INCOME TAX

Taxable Income previously assessed		$ 5,601,489 ✓	
Deduct: Non capital losses carried forward previously allowed	$ Nil		
revised	85,387	(85,387)	
Revised Taxable Income for federal and Ontario purposes		$ 5,516,102	
Income Tax thereon for Ontario @ 12.50%			$ 689,513

FEDERAL PART 1 TAX

Tax thereon @ 38.00%	$ 2,096,119	
Add: Corporate surtax	61,780	
Deduct: Federal tax abatement	(551,610)	
General tax reduction for CCPC's	(275,805)	1,188292
		1,330,484

ONTARIO CAPITAL TAX

As previously assessed	224,591

FEDERAL PART 1.3 TAX

As previously assessed	$ 54,224	
Add: Corporate surtax	957	
		55,181

TOTAL PAYMENT IN LIEU OF TAXES

$ 2,299,769

Fabian Balanathan
MRK279

***"DESIGNATED ASSESSMENT"**
The items marked with an asterisk above are designated parts of this assessment. This description is authorized by section 92 of the Corporations Tax Act, for assessments which correspond to those issued by Revenue Canada under the Income Tax Act (Canada). It is not necessary to serve a Notice of Objection to those portions of the assessment. The Corporation and the Minister will be bound by the final disposition of a federal Notice of Objection or Appeal.

If you wish not to be bound by the disposition of the corresponding federal objection or appeal, you must serve a Notice of Objection on the prescribed form in accordance with section 84. See under "Notice of Objection" on the accompanying "Notice of Re-Assessment"

***"COTISATION DÉSIGNÉE"**
Les postes ci-dessus marqués d'un astérisque sont les parties désignées de cette cotisation. Cette description est autorisée en vertu de l'article 92 de la Loi sur l'imposition des corporations, pour les cotisations qui correspondent à celles établies par Revenu Canada en vertu de la Loi de l'impôt sur le revenu (Canada). Il n'est pas nécessaire de signifier un Avis d'opposition pour ces parties des cotisations. La compagnie et le ministre seront liés par la décision finale relative à l'avis fédéral d'opposition ou d'appel.

Si vous désirez ne pas être lié par la décision relative à l'opposition ou à l'appel fédéral correspondant, vous pouvez signifier un avis d'opposition sur la formule prévue à cette fin conformément à l'article 84. Voir "Avis d'opposition" sur l'Avis de nouvelle cotisation ci-joint.

Ontario

PO Box 622 33 King St. West Oshawa ON L1H 8H6
CP 622 33 rue King ouest Oshawa ON L1H 8H6

Statement of Adjustments re Taxes Assessed
Relevé des redressements de cotisations

Ministry of Finance / Ministère des Finances
Corporations Tax Branch / Direction de l'imposition des compagnies

Account No. / N° de compte	Taxation Year End / Fin de l'année d'imposition
1 8 0 0 1 5 7	31 December 2002

Name of Corporation / Raison sociale de la compagnie
Oshawa PUC Networks Inc.

INCOME TAX

Taxable Income as previously assessed		$ 1,674,142
Deduct: Non-capital losses carried forward previously allowed	$ 1,904,629	
revised	3,578,771	(1,674,142) ⇒ 1,904,629
Revised Taxable Income for Federal and Ontario purposes		$ Nil
Federal and Ontario Income Tax thereon		$ Nil

ONTARIO CAPITAL TAX

As previously assessed	217,007 ✓

FEDERAL PART 1.3 TAX

As previously assessed	111,299 ✓

TOTAL PAYMENT IN LIEU OF TAXES

$ 328,306

Fabian Balanathan
MRK279

***"DESIGNATED ASSESSMENT"**
The items marked with an asterisk above are designated parts of this assessment. This description is authorized by section 92 of the Corporations Tax Act, for assessments which correspond to those issued by Revenue Canada under the Income Tax Act (Canada). It is not necessary to serve a Notice of Objection to those portions of the assessment. The Corporation and the Minister will be bound by the final disposition of a federal Notice of Objection or Appeal.

If you wish not to be bound by the disposition of the corresponding federal objection or appeal, you must serve a Notice of Objection on the prescribed form in accordance with section 84. See under "Notice of Objection" on the accompanying "Notice of Re-Assessment"

***"COTISATION DÉSIGNÉE"**
Les postes ci-dessus marqués d'un astérisque sont les parties désignées de cette cotisation. Cette description est autorisée en vertu de l'article 92 de la Loi sur l'imposition des corporations, pour les cotisations qui correspondent à celles établies par Revenu Canada en vertu de la Loi de l'impôt sur le revenu (Canada). Il n'est pas nécessaire de signifier un Avis d'opposition pour ces parties des cotisations. La compagnie et le ministre seront liés par la décision finale relative à l'avis fédéral d'opposition ou d'appel.

Si vous désirez ne pas être lié par la décision relative à l'opposition ou à l'appel fédéral correspondant, vous pouvez signifier un avis d'opposition sur la formule prévue à cette fin conformément à l'article 84. Voir "Avis d'opposition" sur l'Avis de nouvelle cotisation ci-joint.

Ontario

PO Box 622 33 King St. West Oshawa ON L1H 8H6
CP 622 33 rue King ouest Oshawa ON L1H 8H6

Statement of Adjustments re Taxes Assessed
Relevé des redressements de cotisations

Ministry of Finance / Ministère des Finances
Corporations Tax Branch / Direction de l'imposition des compagnies

Account No. / N° de compte	Taxation Year End / Fin de l'année d'imposition
1 8 0 0 1 5 7	31 December 2001

Name of Corporation / Raison sociale de la compagnie
Oshawa PUC Networks Inc.

INCOME TAX

Loss as previously assessed	($ 1,904,629)	
Add: Reversal previously assessed items		
• Pre-October allowance for doubtful accounts	(400,000)	
• Adjustment to miscellaneous revenue for inclusion in income for tax purposes	(314,006)	
• Adjustment to municipal taxes expense	(60,011)	
• Adjustment to employee future benefits/ sick leave benefits	(214,128)	
• Unbilled revenue	(1,121,000)	
	($ 4,013,774)	
Additional Revisions		
Add: Post September, 2001 expenses omitted	(210,521)	
Deduct: Pre-October allowance for doubtful accounts	200,000	
Adjustment to miscellaneous revenue for inclusion in income for tax purposes	27,309	
Adjustment to municipal taxes expense	15,003	
Adjustment to employee future benefits/ sick leave benefits	42,825	
Unbilled revenue	275,000	
Revised Loss for Federal and Ontario purposes	($ 3,664,158)	
Income tax thereon for both Ontario & Federal		$ Nil

FEDERAL PART 1.3 TAX

As previously assessed	25,808

ONTARIO CAPITAL TAX

As previously assessed	51,405

TOTAL PAYMENT IN LIEU OF TAXES

$ 77,213

Fabian Balanathan
MRK279

***"DESIGNATED ASSESSMENT"**
The items marked with an asterisk above are designated parts of this assessment. This description is authorized by section 92 of the Corporations Tax Act, for assessments which correspond to those issued by Revenue Canada under the Income Tax Act (Canada). It is not necessary to serve a Notice of Objection to those portions of the assessment. The Corporation and the Minister will be bound by the final disposition of a federal Notice of Objection or Appeal.

If you wish not to be bound by the disposition of the corresponding federal objection or appeal, you must serve a Notice of Objection on the prescribed form in accordance with section 84. See under "Notice of Objection" on the accompanying "Notice of Re-Assessment"

***"COTISATION DÉSIGNÉE"**
Les postes ci-dessus marqués d'un astérisque sont les parties désignées de cette cotisation. Cette description est autorisée en vertu de l'article 92 de la Loi sur l'imposition des corporations, pour les cotisations qui correspondent à celles établies par Revenu Canada en vertu de la Loi de l'impôt sur le revenu (Canada). Il n'est pas nécessaire de signifier un Avis d'opposition pour ces parties des cotisations. La compagnie et le ministre seront liés par la décision finale relative à l'avis fédéral d'opposition ou d'appel.

Si vous désirez ne pas être lié par la décision relative à l'opposition ou à l'appel fédéral correspondant, vous pouvez signifier un avis d'opposition sur la formule prévue à cette fin conformément à l'article 84. Voir "Avis d'opposition" sur l'Avis de nouvelle cotisation ci-joint.

REVISED SUMMARY OF PROPOSED ADJUSTMENTS
For Taxation Years 10/01 to 12/02

Corporation: OSHAWA PUC NETWORKS INC.
Account Number:1800157

Phone Number: (416)730-5507
Auditor: FABIAN BALANATHAN

Payments In Lieu Of Taxes

	Year & Description	Amount	Estimated Tax Effect
1.	**12/03**		
	Adjust non-capital loss applied	349,616	$ 124,114
2.	**12/01**		
	Unbilled revenue	275,000	
	Expenses adjusted	27,309	
	Bad debt expense adjusted	200,000	
	Municipal Tax adjusted	15,003	
	Employee Future Benefits/Vested Sick Leave Benefits	42,825	
	Post September 2001 expenses omitted	(210,521)	
		349,616	Nil
	TOTAL TAX EFFECT		$ 124,114

SUMMARY OF ESTIMATED TAX EFFECT

Year	Estimated Tax Inc/Dec $
12/03	124,114
12/02	Nil
12/01	Nil
	$ 124,114

ACKNOWLEDGEMENT:

I acknowledge receipt of 'Summary of Proposed Adjustments' and related supporting schedules. These have been discussed with me. A deferral is not requested for ____ days.

Signature | CFO Title | Dec 1/2006 Date

Appendix 28

March 1, 2002 to February 29, 2004 PILS Recoveries

2002 Rate Year

Effective Date Mar. 1, 2002
Conclusion Date Feb. 29, 2004

Rate Class	Approved Rates Fixed	Approved Rates Variable	Q4 2001 PILS Portion Fixed	Q4 2001 PILS Portion Variable	2002 PILS Portion Fixed	2002 PILS Portion Variable	
Residential	$ 7.68	$ 0.0086	$ 0.28	$ 0.0003	$ 0.99	$ 0.0011	
General Service < 50 kW	$ 7.78	$ 0.0137	$ 0.06	$ 0.0001	$ 0.20	$ 0.0003	(inlcudes unmetered loads)
General Service > 50 kW - Non-TOU	$ 47.79	$ 3.5396	$ 2.62	$ 0.2012	$ 9.38	$ 0.7211	
Geneal Service > 50 kW - TOU	$ 2,066.99	$ 3.9226	$ 84.15	$ 0.1674	$ 301.65	$ 0.6000	
Large Use	$ 11,794.78	$ 2.5423	$ 522.83	$ 0.1193	$ 1,874.22	$ 0.4277	
Sentinel Lights	$ 1.87	$ 6.1452	$ 0.06	$ 0.3761	$ 0.22	$ 1.3483	
Street Lights	$ 0.53	$ 6.4882	$ 0.03	$ 0.3045	$ 0.09	$ 1.0915	

Customer Counts

	2002										2003												2004		
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	42,396	42,459	42,522	42,585	42,648	42,711	42,774	42,837	42,900	42,960	43,020	43,080	43,140	43,200	43,260	43,320	43,379	43,439	43,499	43,559	43,619	43,679	43,701	43,651	43,792
General Service < 50 kW	3,790	3,780	3,770	3,760	3,750	3,740	3,730	3,720	3,710	3,701	3,723	3,746	3,768	3,791	3,813	3,836	3,858	3,880	3,903	3,925	3,948	3,970	3,951	3,985	3,981
General Service > 50 kW - Non-TOU	571	571.00	571.00	571.00	572.00	572.00	572.00	572.00	572.00	573	571	568	566	564	561	559	557	554	552	550	547	545	546	513	511
Geneal Service > 50 kW - TOU	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
Large Use	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	3	3	3	3	3	3	3	3	3
Sentinel Lights	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	29	29	29
Street Lights	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,151	10,373	10,373	10,373

Billing Determinants

	2002										2003												2004		
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	25,849,449	23,943,771	22,038,093	54,024,839	30,373,536	19,670,120	39,006,346	45,250,764	23,042,521	46,742,090	22,979,826	57,698,733	49,172,740	34,864,052	50,786,127	31,938,019	39,944,700	33,902,903	39,108,525	42,030,192	28,624,609	40,186,869	37,554,420	41,985,280	55,941,137
General Service < 50 kW	7,535,123	6,979,617	6,424,111	17,439,800	9,756,182	1,690,493	13,622,491	10,263,243	10,231,534	11,612,701	6,942,487	18,158,611	13,296,445	11,109,817	13,073,004	10,903,641	11,844,607	10,097,268	12,108,880	11,002,713	10,801,429	10,482,057	12,389,595	11,159,553	14,474,067
General Service > 50 kW - Non-TOU	41,358	38,309	35,260	60,831	56,545	4,384	54,078	58,647	63,328	62,150	69,316	69,647	68,859	64,406	71,691	59,186	55,554	63,473	59,512	76,666	75,216	72,677	79,023	85,331	83,781
Geneal Service > 50 kW - TOU	22,552	21,177	-	39,603	-	20,769	13,513	9,460	42,054	16,872	15,621	18,089	16,244	2,286	25,550	28,479	21,835	18,271	25,290	9,620	8,607	7,820	7,628	8,679	8,750
Large Use	34,829	32,705	-	61,163	-	30,608	29,784	-	59,288	29,226	29,210	29,389	28,854	-	58,761	29,019	29,346	28,739	29,259	29,091	28,761	28,615	27,829	26,238	23,742
Sentinel Lights	18	18	18	18	-	36	18	18	36	18	18	18	18	-	37	19	19	19	19	19	19	19	19	19	19
Street Lights	1,855	1,855	1,855	1,855	-	3,710	1,855	1,855	3,749	1,894	1,894	1,901	1,902	-	3,804	1,929	1,929	1,929	1,929	1,929	1,929	1,929	1,929	1,929	1,929

Calculated PILS Revenue

	2002										2003												2004		
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	45,090	87,569	84,957	130,215	96,889	81,852	109,242	118,141	86,854	120,403	86,918	136,030	124,064	103,930	126,494	99,949	111,334	102,876	110,304	114,507	95,649	112,055	108,365	114,560	67,225
General Service < 50 kW	2,076	3,915	3,680	8,300	5,073	1,685	6,690	5,278	5,262	5,839	3,885	8,598	6,564	5,652	6,481	5,577	5,978	5,250	6,100	5,642	5,563	5,435	6,231	5,723	3,557
General Service > 50 kW - Non-TOU	22,498	42,184	39,372	62,956	59,014	10,906	56,739	60,953	65,271	64,196	70,777	71,055	70,300	66,165	72,856	61,294	57,917	65,192	61,511	77,304	75,939	73,569	79,434	84,856	41,702
Geneal Service > 50 kW - TOU	9,617	18,180	1,929	32,320	1,929	17,867	12,299	9,189	34,200	14,876	13,917	15,810	14,394	3,684	21,536	23,783	18,685	15,950	21,336	9,311	8,534	7,930	7,783	8,589	4,322
Large Use	11,923	22,684	4,794	38,250	4,794	21,536	21,086	4,794	37,225	20,781	20,772	20,870	20,577	4,794	36,936	20,667	23,243	22,911	23,196	23,104	22,923	22,843	22,414	21,543	10,089
Sentinel Lights	20	40	40	40	9	71	40	40	72	41	41	41	41	9	72	41	41	41	41	41	41	41	41	41	20
Street Lights	1,885	3,771	3,771	3,771	1,181	6,360	3,771	3,771	6,416	3,826	3,826	3,836	3,836	1,181	6,491	3,874	3,874	3,874	3,874	3,874	3,874	3,874	3,900	3,900	1,950
Total	93,109	178,342	138,542	275,851	168,890	140,277	209,867	202,166	235,299	229,962	200,135	256,239	239,776	185,415	270,867	215,186	221,072	216,095	226,363	233,783	212,523	225,748	228,167	239,212	128,864

Appendix 29

March 1, 2004 to February 28, 2005 PILS Recoveries

2004 Rate Year

Effective Date Mar. 1, 2004
Conclusion Date Feb. 28, 2005

	March 1, 2004				July 1, 2004				
	Approved Rates		PILS Portion		Approved Rates		PILS Portion		
Rate Class	**Fixed**	**Variable**	**Fixed**	**Variable**	**Fixed**	**Variable**	**Fixed**	**Variable**	
Residential	$ 7.68	$ 0.0090	$ -	$ 0.0025	$ 7.6800	$ 0.0096	$ -	$ 0.0025	
General Service < 50 kW	$ 7.78	$ 0.0172	$ -	$ 0.0030	$ 7.7800	$ 0.0179	$ -	$ 0.0030	(inlcudes unmetered loads)
General Service > 50 kW - Non-TOU	$ 47.79	$ 3.2726	$ -	$ 0.4516	$ 47.7900	$ 3.4372	$ -	$ 0.4516	
Geneal Service > 50 kW - TOU	$ 2,066.99	$ 4.6900	$ -	$ 1.2906	$ 2,066.9900	$ 4.9568	$ -	$ 1.2906	
Large Use	$ 11,794.78	$ 2.5423	$ -	$ 0.4976	$ 11,794.7800	$ 2.6541	$ -	$ 0.4976	
Sentinel Lights	$ 1.87	$ 5.8324	$ -	$ 1.4065	$ 1.8700	$ 5.9588	$ -	$ 1.4065	
Street Lights	$ 0.53	$ 5.5566	$ -	$ 1.1780	$ 0.5300	$ 5.7677	$ -	$ 1.1780	

Billing Determinants

	2004										2005		
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	55,941,137	43,979,734	34,020,645	36,684,039	38,845,733	46,901,464	33,994,099	32,619,670	37,578,865	34,208,828	44,668,867	44,845,667	46,098,988
General Service < 50 kW	14,474,067	10,779,015	12,200,717	9,552,121	12,682,460	15,254,194	10,882,228	10,836,122	11,144,325	10,365,427	12,101,539	12,785,626	11,521,058
General Service > 50 kW - Non-TOU	83,781	138,824	14,234	128,361	67,793	15,866	124,300	70,721	67,390	81,826	145,807	23,933	79,591
Geneal Service > 50 kW - TOU		8,614	9,642	9,981	10,698	15,164	15,776	10,929	17,592	11,760	11,284	11,808	10,595
Large Use		22,251	21,885	21,764	21,620	15,591	15,814	15,536	15,382	15,478	15,146	15,194	13,687
Sentinel Lights	19	19	19	19	- -	38	94	19	19	19	19	19	19
Street Lights	1,929	1,946	1,946	1,946	- -	3,892	9,731	1,946	1,959	1,971	1,973	1,973	1,973

Calculated PILS Revenue

	2004										2005		
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	70,089	110,205	85,249	91,923	97,340	117,526	85,183	81,739	94,166	85,721	111,932	112,375	57,758
General Service < 50 kW	21,750	32,395	36,668	28,708	38,116	45,845	32,706	32,567	33,493	31,152	36,370	38,426	17,313
General Service > 50 kW - Non-TOU	18,919	62,696	6,429	57,970	30,617	7,165	56,136	31,939	30,435	36,954	65,849	10,808	17,972
Geneal Service > 50 kW - TOU	-	11,118	12,445	12,882	13,808	19,571	20,361	14,105	22,705	15,178	14,564	15,240	6,837
Large Use	-	11,073	10,890	10,830	10,759	7,758	7,869	7,731	7,654	7,702	7,537	7,561	3,405
Sentinel Lights	13	27	27	27	- -	53	133	27	27	27	27	27	13
Street Lights	1,136	2,293	2,293	2,293	- -	4,585	11,463	2,293	2,308	2,322	2,325	2,325	1,162
Total	111,907	229,806	154,001	204,633	190,639	193,228	213,850	170,400	190,787	179,056	238,603	186,762	104,461

Appendix 30

March 1, 2005 to April 30, 2006 PILS Recoveries

2005 Rate Year

Effective Date	Mar. 1, 2005
Conclusion Date	Apr. 30, 2006

	Approved Rates		PILS Portion		
Rate Class	**Fixed**	**Variable**	**Fixed**	**Variable**	
Residential	$ 7.54	$ 0.0119	$ -	$ 0.0026	
General Service < 50 kW	$ 8.84	$ 0.0189	$ -	$ 0.0024	(inlcudes unmetered loads)
General Service > 50 kW - Non-TOU	$ 42.08	$ 3.9763	$ -	$ 0.5875	
Geneal Service > 50 kW - TOU	$ 1,976.79	$ 4.7863	$ -	$ 0.6806	
Large Use	$ 10,767.07	$ 3.3184	$ -	$ 0.6382	
Sentinel Lights	$ 1.95	$ 4.4208	$ -	$ -	
Street Lights	$ 0.43	$ 7.0099	$ -	$ 1.3865	

Billing Determinants

	2005										2006				
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Residential	46,098,988	43,439,251	39,647,583	33,899,267	33,586,076	53,042,348	36,544,285	38,295,938	33,107,637	38,766,635	46,144,502	44,745,054	43,110,864	39,740,331	36,190,353
General Service < 50 kW	11,521,058	12,681,822	11,648,292	10,976,310	9,734,431	13,811,424	10,621,632	11,684,632	10,256,317	11,024,399	12,471,130	12,378,052	12,610,185	11,451,939	10,909,292
General Service > 50 kW - Non-TOU	79,591	76,365	70,851	72,496	91,740	73,059	56,189	57,134	88,636	78,098	79,217	82,273	81,265	74,209	77,240
Geneal Service > 50 kW - TOU	10,595	11,008	10,285	11,127	12,849	13,065	12,576	12,960	12,468	12,162	12,120	14,414	12,287	12,802	14,361
Large Use	13,687	13,324	13,043	13,231	12,464	10,950	11,952	11,949	11,980	11,786	11,836	11,422	12,017	11,725	9,888
Sentinel Lights	19	19	19	19	19	19	19	20	20	20	19	20	20	20	20
Street Lights	1,973	1,979	1,979	1,986	1,986	1,987	2,010	2,012	2,012	2,013	1,997	2,017	2,018	2,019	2,041

Calculated PILS Revenue

	2005										2006				
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Residential	58,795	110,805	101,133	86,470	85,671	135,300	93,217	97,685	84,451	98,886	117,705	114,135	109,967	101,369	46,157
General Service < 50 kW	13,966	30,746	28,240	26,611	23,600	33,485	25,751	28,329	24,866	26,728	30,235	30,010	30,573	27,764	13,224
General Service > 50 kW - Non-TOU	23,381	44,866	41,627	42,593	53,899	42,924	33,012	33,567	52,075	45,884	46,542	48,337	47,745	43,599	22,690
Geneal Service > 50 kW - TOU	3,606	7,492	7,000	7,574	8,746	8,893	8,560	8,821	8,486	8,278	8,250	9,811	8,363	8,714	4,887
Large Use	4,367	8,503	8,324	8,444	7,954	6,988	7,627	7,626	7,645	7,521	7,553	7,289	7,669	7,483	3,155
Sentinel Lights	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Street Lights	1,368	2,743	2,743	2,754	2,754	2,754	2,787	2,790	2,790	2,791	2,769	2,796	2,797	2,800	1,415
Total	105,482	205,156	189,068	174,445	182,624	230,344	170,955	178,818	180,313	190,088	213,054	212,378	207,114	191,729	91,529