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Friday, November 18, 2011

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

Attention: Kristen Walli, Board Secretary

Dear Ms. Walli:

Re: North Bay Hydro Distribution Ltd. – Application for 2012 Electricity Distribution Rates – EB-2011-0187 – Update of Evidence for 1562 Disposition

On November 17th, 2011 North Bay Hydro Distribution Ltd. (NBHDL) was advised that its 2012 IRM application was missing information in relation to a PILs 1562 Evidence Checklist. The missing information was with respect to financial statements submitted with tax returns for the years 2001 through 2005.

Pursuant to this request, NBHDL has revised its rate application accordingly to include the requested data. The additional evidence has been included in the IMBSI evidence package for the PILs 1562 disposition and can be found in new Appendices 35 through 39 within the IMBSI report (Appendix L of NBHDL's application).

Yours truly,

Original signed by

Melissa Wanner,
Regulatory Manager
North Bay Hydro Distribution Limited
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Friday, October 14, 2011

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

Attention: Kristen Walli, Board Secretary

Dear Ms. Walli:

Re: North Bay Hydro Distribution Ltd. – Application for 2012 Electricity Distribution Rates – EB-2011-0187

North Bay Hydro Distribution Ltd. (NBHDL) is pleased to submit to the Ontario Energy Board (the "Board") its 2012 electricity distribution rate application, in accordance with the Board letter dated August 2, 2011 that directs the company to file its electricity distribution rate application by October 14, 2011. In the case of NBHDL, this application is a 3rd Generation Incentive Rate ("IRM3") application, which includes the continuation of a directive from a previous Board Decision for a Revenue Cost Ratio Adjustment.

The filing requirements indicate that each application should include:

- A Manager's Summary documenting and explaining all rate adjustments applied for;
- The primary contact information for the IRM application;
- A completed Rate Generator model with supplemental filing modules or work forms, provided by the Board, both in electronic (i.e. Excel) and PDF form;
- A PDF copy of the current Tariff Sheet;
- Supporting documentation cited within the application; and
- Statement as to which publication the applicant's notice will be appearing.

The completed 2012 IRM3 models are attached along with supporting documentation, tariff sheets and bill impact information. The Manager's Summary for NBHDL's 2012 rate application is attached to this letter.

The primary contact for this application is Melissa Wanner, Regulatory Manager. Melissa can be contacted at (705)-474-8100 xt: 300 or at mwanner@northbayhydro.com.

Consistent with the Board's requirement for the publication of a notice of application, NBHDL confirms that its notice of application will appear in the following publication:

The North Bay Nugget
259 Worthington West
North Bay, ON P1B 3B4

NBHDL confirms that the North Bay Nugget is a paid publication with a readership and paid circulation of approximately 15,000.

NBHDL's 2012 electricity distribution rate application will be sent to you in the following form:

(a) Electronic filing through the Board's web portal, consisting of one (1) electronic copy of the application in searchable / unrestricted PDF format and one (1) electronic copy in Microsoft Excel format of the completed Rate Generator along with supplemental filing work forms;

(b) Two (2) paper copies of the application, the Manager's Summary and the IRM Models, along with a CD of the above (item (a)).

We would be pleased to provide any further information or details that you may require relative to this application.

Yours truly,

Original signed by

Todd Wilcox,
C.O.O.
North Bay Hydro Distribution Limited
(705) 474-8100 (305)
twilcox@northbayhydro.com

NORTH BAY HYDRO DISTRIBUTION LTD.

EB-2011-0187

MANAGER'S SUMMARY

OCTOBER 14, 2011

North Bay Hydro Distribution Ltd. (NBHDL) is a licensed electricity distributor (ED-2003-0024) that owns and operates electricity distribution systems that provide service to the City of North Bay. NBHDL charges its customers distribution rates and other charges as authorized by the Ontario Energy Board ("Board"). In this application, NBHDL is applying for rates and other charges effective May 1, 2012.

NBHDL has adhered to the Board's directions in completing the Board approved IRM3 rate models and incorporated the necessary adjustments. This Manager's Summary will address the following items:

1) Price Cap Adjustment
2) Smart Meter Funding Adder
3) Low Voltage Service Charges
4) LRAM / SSM Cost Claims
5) Retail Transmission Service Rates
6) Deferral and Variance Account Rider
    a. Account 1562 Disposition – Deferred Payment In Lieu of Taxes for 2001-2005
    b. Special Purpose Charge
    c. Group 1 Balances
7) Smart Grid Rate Adder
8) Revenue to Cost Ratio Adjustment
9) Tax Changes
10) Late Payment Class Action Recovery
11) Conclusion

Appendices are as follows:

- Appendix A – 2012 Proposed Tariff of Rates and Charges
- Appendix B – Bill Impacts
- Appendix C - Current Tariff of Rates and Charges
- Appendix D - NBHDL 2010 Draft Rate Order
- Appendix E - 2010 RRR E2.1.5
- Appendix F – EB-2009-0270 Board Staff Interrogatory Question # 29

- Appendix G – 2012 IRM Rate Generator Work Form Model
- Appendix H – 2012 RTSR Work Form Model
- Appendix I – 2012 Revenue Cost Ratio Adjustment Work Form Model
- Appendix J – 2012 Shared Tax Savings Work Form Model
- Appendix K - LRAM – 3rd Party Review – IndEco Strategic Consulting Inc.
- Appendix L - 1562 Disposition – Ian McKenzie Business Solutions Inc.

1) Price Cap Adjustment

Under the 3rd Generation IRM plan, NBHDL's electricity distribution rates for 2012 have been adjusted for three factors: a price escalator, a productivity factor and a stretch factor. For the purposes of preparing the 2012 application, the Board expects NBHDL to use a proxy for the price cap adjustment; the proxy is .18%. NBHDL understands that when the final price adjustment factor is determined the Board will adjust the price cap adjustment assumed in the 2012 final rates. In addition, should the Board re-establish the groupings of distributor-specific stretch factors, it is understood that the Board will update that data accordingly.

2) Smart Meter Funding Adder

NBHDL's Rate Adder of $1.47 per meter expires April 30, 2012. With smart meter implementation nearing completion, a prudence review of smart meter costs will be filed at a future date; accordingly NBHDL has not included a request for the continuation of the adder in this application.

3) Low Voltage Service Charges

For 2012 rates, NBHDL proposes to maintain the low voltage service charge rates as approved in its current tariff sheet.

4) LRAM / SSM Cost Claims

Per NBHDL's rate order, NBHDL will continue the current rate rider until its sunset date of April 30, 2013. This rate rider reflects savings from Third Tranche CDM programs prior to 2008 as approved in NBHDL's 2010 Cost of Service (COS) application – (EB-2009-0270).

As per *Chapter 3 of the Filing Requirements for Transmission and Distribution Applications* issued June 22, 2011, a distributor intending to file an LRAM application for OPA programs between 2005 and 2010 must do so in its 2012 rate application or forego the opportunity to recover LRAM for this legacy period of CDM activity. As such, NBHDL has included an additional LRAM claim for 2008, 2009 and 2010 OPA funded programs from January 1st of the program launch year through April 30, 2012. NBHDL engaged IndEco Strategic Consulting Inc. to review

its CDM program results and aid in the calculation of recovery amounts using the OEB *Guideline for Electricity Distributor Conservation and Demand Management*. IndEco has provided a third party review which is included in Appendix "K".

NBHDL has used OPA final results for 2008, 2009 and 2010 program savings to develop the LRAM claim. The total amount for recovery is $187,545, including $4,433 in carrying charges calculated using OEB prescribed interest rates. Amounts for the LRAM claim are summarized in Table 1 below:

TABLE 1: SUMMARY OF REQUESTED LRAM AMOUNTS

Customer Class Allocation			
Rate Class	**LRAM $**	**Carrying Charges**	**LRAM Claim**
Residential	90,850	2,423	$ 93,272
General Service <50 kW	59,110	1,291	$ 60,402
General Service 50 to 2,999 kW	33,153	719	$ 33,872
Total	**$ 183,113**	**$ 4,433**	**$ 187,545**

NOTES:

1. Totals differ from the sum of rows or columns due to rounding

NBHDL is requesting recovery of the LRAM claim over a two-year period by way of a volumetric rate rider. Table 2 below sets out the corresponding amounts by class as well as the respective rate riders based on NBHDL's most recent Board-approved billing determinants (EB-2009-0270 – 2010 Cost of Service (COS) application). NBHDL has included a copy of its Draft Rate Order (DRO) from its 2010 COS application as Appendix "D". Within the DRO, please see Appendix E for a copy of the approved load forecast.

TABLE 2: LRAM AMOUNTS AND RATE RIDERS BY CLASS

Rate Rider Calculations						
Rate Class	**LRAM Claim**	**Recovery Period (Years)**	**Annual Recovery Amount**	**2010 Approved Billing Determinant (kWh/kW)**	**Proposed Rate Rider**	
Residential	$ 93,272	2	$ 46,636	214,923,813	$ 0.0002	per kWh
General Service <50 kW	$ 60,402	2	$ 30,200	85,026,017	$ 0.0004	per kWh
General Service 50 to 2,999 kW	$ 33,872	2	$ 16,936	638,330	$ 0.0265	per kW
Total	**$ 187,545**	**2**	**$ 93,772**			

NOTES:

1. Totals differ from the sum of rows or columns due to rounding

5) Retail Transmission Service Rates

The Board's Guideline *G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* - was amended July 8, 2010 to reflect a new approach expected to minimize variances in USoA Accounts 1584 and 1586. The Guideline was subsequently updated June 22, 2011 to reflect January 1, 2011 Uniform Transmission Rates (UTR). Retail Transmission Service Rates (RTSR) are to be adjusted based on a comparison of historical transmission costs adjusted for new UTR levels and revenues generated from existing RTSRs. Board prepared model "2012 RTSR Adjustment Work Form" was completed to calculate NBHDL's rates by rate class.

The rates entered in "3. Rate Classes" of the "2012 RTSR Adjustment Work Form" are taken from the most recent Board-approved Tariff of Rates and Charges (EB-2010-0102). A copy of the Tariff can be found in Appendix "C". The billing determinants included in "4. RRR Data" are those found in NBHDL's most recently reported RRR filing; the 2010 annual filing, *E2.1.5 – Customers, Demand and Revenue* (see Appendix "E"). The loss factor applied to the metered kWh can also be found in NBHDL's current Tariff in Appendix "C". Historical Network and Connection amounts, included in "6. Historical Wholesale", are based on 2010 IESO invoices and 2010 Hydro One invoices for Trout Lake TS. In order to obtain the kW values shown, the billed amounts were divided by the UTR.

NBHDL understands that once January 1, 2012 UTR adjustments are determined, the Board will adjust NBHDL's application model to incorporate this change.

6) Deferral and Variance Account Rider

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review* Report (the "EDDVAR Report") provides that during the IRM term, distributor's Group 1 audited account balances will be reviewed and disposed if the preset disposition threshold of $.001 per kWh (debit or credit) is exceeded. The Board has instructed 2012 IRM applicants to include Group 1 Deferral/Variance accounts, the Special Purpose Charge (SPC) Assessment variance account and Deferred PILs in determining disposition amounts.

a) Account 1562 – Deferred PILs

NBHDL engaged Ian McKenzie Business Solutions Inc. (IMBSI) to provide an independent 1562 Deferred PILs Determination evidence package to support the disposition of the 1562 Deferred PILs account. The models utilized by IMBSI were prepared in accordance with the principals and direction provided in the Decision and Order of EB-2008-0381. NBHDL is requesting disposition of $1,776,381, including $523,419 in carrying charges calculated using Board prescribed rates. Table 3 on the following page summarizes the claim by rate class; the disposition value was allocated by class based on NBHDL's Board-approved 2010 distribution revenue requirement

(DRR) from its 2010 COS application (EB-2010-0270). The total DRR can be verified in Appendix "D" – within the DRO, Appendix C summarizes NBHDL's revenue requirement, including the base revenue requirement.

TABLE 3: SUMMARY OF REQUESTED 1562 AMOUNTS

Customer Class Allocation			
Rate Class	**2010 Approved DRR**	**Allocation %**	**Allocated 1562 Disposition Value (including interest to Apr.30, 2012)**
Residential	$ 6,302,766	55.80%	$ 991,303
General Service <50 kW	$ 2,114,489	18.72%	$ 332,568
General Service 50 to 2,999 kW	$ 2,430,269	21.52%	$ 382,234
General Service 3,000 to 4,999 kW	$ 114,986	1.02%	$ 18,085
Sentinel Lights	$ 35,621	0.32%	$ 5,602
Street Lights	$ 284,721	2.52%	$ 44,781
Unmetered Loads	$ 11,495	0.10%	$ 1,808
Total	**$ 11,294,343**	**100.00%**	**$ 1,776,381**

NOTES:

1. Totals differ from the sum of rows or columns due to rounding

NBHDL is requesting recovery of Account 1562 over a two-year period by way of a volumetric rate rider. Table 4 below sets out the corresponding amounts by class as well as the respective rate riders based on NBHDLs most recent Board-approved billing determinants (EB-2009-0270). These figures can be verified in Appendix "D". Within the DRO, please see Appendix E for a copy of the approved load forecast.

TABLE 4: 1562 AMOUNTS AND RATE RIDERS BY CLASS

Rate Rider Calculations						
Rate Class	**Allocated 1562 Value**	**Recovery Period (Years)**	**Annual Recovery Amount**	**2010 Approved Billing Determinant (kWh/kW)**	**Proposed Rate Rider**	
Residential	$ 991,303	2	$ 495,651	214,923,813	0.0023	per kWh
General Service <50 kW	$ 332,568	2	$ 166,284	85,026,017	0.0020	per kWh
General Service 50 to 2,999 kW	$ 382,234	2	$ 191,117	638,330	0.2994	per kW
General Service 3,000 to 4,999 kW	$ 18,085	2	$ 9,042	74,106	0.1220	per kW
Sentinel Lights	$ 5,602	2	$ 2,801	1,382	2.0274	per kW
Street Lights	$ 44,781	2	$ 22,391	7,658	2.9237	per kW
Unmetered Loads	$ 1,808	2	$ 904	337,294	0.0027	per kWh
Total	**$ 1,776,381**	**2**	**$ 888,191**			

NOTES:

1. Totals differ from the sum of rows or columns due to rounding

All supporting evidence for this disposition value can be found in the IMBSI report in Appendix "L". It should be noted that NBHDL's requested disposition differs from the balance reported in the 2010 RRR filing. These differences arise from the uncertainties that existed at the time relating to the calculation methodology (resolved by the Board's EB-2008-0381 decision of June 24, 2011 and subsequent revisions in July 2011).

b) Account 1521 – Special Purpose Charge Assessment

The Board authorized Account 1521, Special Purpose Charge Assessment Variance Account in accordance with Section 8 of Ontario Regulation 66/10 (Assessments for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program Costs) (the "SPC Regulation"). Any differences between the amount remitted to the Minister of Finance for the distributor's SPC assessment and the amounts recovered from customers on account of the assessment are recorded in "Sub-Account 2010 SPC Assessment Variance" of Account 1521. Distributors are expected to apply for disposition no later than April 15, 2012.

NBHDL recovered SPC from customers over a one year period beginning May 1, 2010 and is requesting disposition of Account 1521 in the amount of $6,177.57, including $1,039.01 in carrying charges calculated using Board prescribed rates, over a two year period by way of a volumetric rate rider – to be incorporated into the Group 1 Account rate rider derivation. NBHDL believes it is in the best interest of customers to avoid unnecessary collection of amounts in 2012 that were collected in 2011 and consistent with its rate year has included amounts recovered from January through April of 2012 in its claim. The amount collected in 2011 of $81,487.84 has been entered in column "BI" (principal) of "9. 2012 Cont. Sched. Def_Var" in the "2012 IRM Rate Generator" model. NBHDL believes this adjustment will appropriately reduce the amount to be collected from customers in future years. It should be noted that the incremental 2011 amounts adjusted in column "BI" equal the variance to the 2010 RRR amount reported in column "BX".

c) Group 1 Accounts

The input requirements of "9. 2012 Cont. Sched. Def_Var" in the "2012 IRM Rate Generator" model regarding Group 1 account balances determined that there was a total debit variance of $753,759. This amount represents the December 31, 2010 audited balances with interest projected to April 30, 2012 calculated using Board prescribed interest rates. The Threshold Test determined a debit rate of $0.00134 per kWh which exceeds the ceiling rate of $0.001 per kWh established by the Board and as such, NBHDL is requesting disposition over a two year period by way of a volumetric rate rider.

In its 2011 IRM decision, the Board expressed concerns on intra-class cross subsidization and the disposition of USoA Account 1588 Global Adjustment Sub-Account. Billing system limitations prevented NBHDL from being able to apply a separate rate rider to non-RPP customers only. NBHDL is pleased to advise the Board that it has addressed this issue and will be able to apply a separate Global Adjustment rate rider to non-RPP customers effective May 1, 2012. In order to determine a separate rate rider, NBHDL has determined the kWh billed in 2010 to all non-RPP customers using the same parameters as reported in the quarterly RRR filing. NBHDL has used the 2010 Board-approved billing determinants – as can be found in Appendix "D" - for the derivation of the rate rider for the other applicable Group 1 account balances.

The EDDVAR report indicates that the default disposition period used to clear Account balances through a rate rider should be one year, however, with the inclusion of the LRAM claim, Account 1562 and the large debit balance in Account 1588 Global Adjustment Sub-Account, NBHDL is proposing a two year disposition period to mitigate the rate impacts of these disposition requests and to maintain the simplicity of the tariff sheet. In addition, NBHDL will be putting forward a COS application for 2014 rates that will coincide with the sunset dates requested in this application and assist in smoothing the rate impact for customers and keeping various rates riders to a minimum. NBHDL's billing system constraints prevented it from disposing the material Global Adjustment balance in accordance with the Board's general policy in 2011 and the requested two year disposition period is reflective of the time frame that created the balance. NBHDL feels it prudent to dispose of this on a yearly basis going forward to minimize the growing balances each year and the associated impact on the customer.

NBHDL's 2008 Group 1 balances were approved for disposition in its 2010 COS application. As such, NBHDL has included the 2008 audited balances in column "AQ" of "9. 2012 Cont. Sched. Def_Var". In 2009, NBHDL was required to write-off $1,935,769 in relation to both Group 1 and Group 2 balances after a Board decision disallowing disposition in rates. The adjustments that are applicable to the IRM model are included in column "AV" (principal) and "BA" (interest). Also included in column "BA" is interest calculated on 2008 balances.

Table 5 on the following page summarizes the 2009 write-off and Table 6 illustrates the adjustments made in columns "AV" and "BA", including totals that tie to row 34 of the applicable columns within ""9. 2012 Cont. Sched. Def_Var".

TABLE 5: 2009 REGULATORY ASSET / LIABILITY WRITE-OFF				
		Principal	Carrying Charges	Total
Group 1 Accounts				
RSVA - Wholesale Market Service Charge	1580	136,140	(101,128)	35,012
RSVA - Retail Transmission Network Charge	1584	88,527	(32,037)	56,490
RSVA - Retail Transmission Connection Charge	1586	68,459	(12,780)	55,679
RSVA - Power (excluding Global Adjustment)	1588	2,323,330	(510,814)	1,812,516
Total Group 1 Accounts		2,616,456	(656,759)	1,959,697
Group 2 Accounts				
Regulatory Assets - One Time Charges	1582	(2,373) -	21,555.06	(23,928)
Total 2009 Write-Off		**2,614,083**	**(678,314)**	**1,935,769**

TABLE 6: 2009 ADJUSTMENTS - "9. 2012 Cont. Sched. Def_Var"				
Account Description	**Acct. #**	**Principal (Column "AV")**	**Carrying Charges (Column "BA")**	**Total**
2009 Write-Off - Group 1 Accounts:				
RSVA - Wholesale Market Service Charge	1580	(136,140)	101,128	(35,012)
RSVA - Retail Transmission Network Charge	1584	(88,527)	32,037	(56,490)
RSVA - Retail Transmission Connection Charge	1586	(68,459)	12,780	(55,679)
RSVA - Power (excluding Global Adjustment)	1588	(2,323,330)	510,814	(1,812,516)
Total 2009 Write-Off - Group 1 Accounts		(2,616,456)	656,759	(1,959,697)
Carrying Charges on 2008 Deferral Account Balances:				
LV Variance Account	1550	-	719	719
RSVA - Wholesale Market Service Charge	1580	-	(15,291)	(15,291)
RSVA - Retail Transmission Network Charge	1584	-	(3,388)	(3,388)
RSVA - Retail Transmission Connection Charge	1586	-	371	371
RSVA - Power (excluding Global Adjustment)	1588	-	33,146	33,146
RSVA - Power - Sub-Account - Global Adjustment	1588	-	5,090	5,090
Total 2009 Carrying Charges on 2008 Balances		-	20,647	20,647
Total Adjustments during 2009 - other:				
LV Variance Account	1550	-	719	719
RSVA - Wholesale Market Service Charge	1580	(136,140)	85,837	(50,302)
RSVA - Retail Transmission Network Charge	1584	(88,527)	28,649	(59,878)
RSVA - Retail Transmission Connection Charge	1586	(68,459)	13,151	(55,308)
RSVA - Power (excluding Global Adjustment)	1588	(2,323,330)	543,960	(1,779,371)
RSVA - Power - Sub-Account - Global Adjustment	1588	-	5,090	5,090
Total Group 1 Sub-Total (line 34) - 2009		**(2,616,456)**	**677,405**	**(1,939,051)**

As explained above, 2008 balances were approved for disposition in 2010. The Board-approved balances are included in column “BE” (principal) and “BM” (carrying charges). 2010 carrying charges calculated on 2008 balances are included in column “BN”. Table 7 below summarizes the Board-approved disposition in 2010 and the total can be confirmed on page 10 of the DRO in Appendix “D”.

TABLE 7: 2008 DEFERRAL ACCOUNT DISPOSITION PER 2010 COS APPLICATION

	Principal (Column "AV")	Carrying Charges (Column "BA")	Total
Group 1 Accounts			
1550 Low Voltage	(63,202)	(4,263)	(67,466)
1580 WMS	1,492,168	39,571	1,531,739
1580 RRA	(28,248)	(13,781)	(42,029)
1584 Network	375,694	15,746	391,440
1586 Connection	17,868	27,287	45,155
1588 Power	(871,435)	(644,449)	(1,515,884)
1588 Power-Global Adjmt	(447,468)	(15,256)	(462,724)
	475,376	(595,145)	(119,769)
Group 2 Accounts			
1582 One Time	(35,070)	(26,173)	(61,242)
1508 Other Reg Assets	(255,700)	(39,690)	(295,389)
1518 RCVA - Retail	126,265	8,504	134,768
1548 RSVA - STR	(66,147)	(6,311)	(72,458)
1525 Misc Deferred DR	(1,672)	(218)	(1,890)
1590 Reg Asset Recovery	-	(40,023)	(40,023)
	(232,325)	(103,910)	(336,234)
Total 2008 Deferral Account Disposition	**243,052**	**(699,055)**	**(456,004)**

Table 8 on the following page illustrates the adjustments made in columns “BE”, “BM” and “BN”, including totals that tie to row 34 of the applicable columns within ““9. 2012 Cont. Sched. Def_Var”.

TABLE 8: 2010 ADJUSTMENTS - "9. 2012 Cont. Sched. Def_Var"					
Account Description	**Acct. #**	**Principal (Column "BE")**	**Carrying Charges (Column "BM")**	**Adjustments during 2010 - other (Column "BN")**	**Total**
2010 Carrying Charges on 2008 Deferral Account Balances					
LV Variance Account	1550	-	-	116	116
RSVA - Wholesale Market Service Charge	1580	-	-	(2,684)	(2,684)
RSVA - Retail Transmission Network Charge	1584	-	-	(689)	(689)
RSVA - Retail Transmission Connection Charge	1586	-	-	(33)	(33)
RSVA - Power (excluding Global Adjustment)	1588	-	-	1,598	1,598
RSVA - Power - Sub-Account - Global Adjustment	1588	-	-	820	820
Total 2010 Carrying Charges on 2008 Balances		-	-	(872)	(872)
Disposition of 2008 Deferral Account Balances					
LV Variance Account	1550	63,202	4,263	-	67,466
RSVA - Wholesale Market Service Charge	1580	(1,492,168)	(39,571)	-	(1,531,739)
RSVA - Rural Rate Assistance	1580	28,248	13,781	-	42,029
RSVA - Retail Transmission Network Charge	1584	(375,694)	(15,746)	-	(391,440)
RSVA - Retail Transmission Connection Charge	1586	(17,868)	(27,287)	-	(45,155)
RSVA - Power (excluding Global Adjustment)	1588	871,435	644,449	-	1,515,884
RSVA - Power - Sub-Account - Global Adjustment	1588	447,468	15,256	-	462,724
Total 2009 Write-Off - Group 1 Accounts		(475,376)	595,145	-	119,769
Disposition and Recovery of Regulatory Balances (2008)	1595	243,052	(699,055)	-	(456,004)
Total Board-approved Dispositions & Adjustments during 2010:					
LV Variance Account	1550	63,202	4,263	116	67,581
RSVA - Wholesale Market Service Charge	1580	(1,463,920)	(25,789)	(2,684)	(1,492,394)
RSVA - Retail Transmission Network Charge	1584	(375,694)	(15,746)	(689)	(392,129)
RSVA - Retail Transmission Connection Charge	1586	(17,868)	(27,287)	(33)	(45,188)
RSVA - Power (excluding Global Adjustment)	1588	871,435	644,449	1,598	1,517,482
RSVA - Power - Sub-Account - Global Adjustment	1588	447,468	15,256	820	463,544
Disposition and Recovery of Regulatory Balances (2008)	1595	243,052	(699,055)	-	(456,004)
Total Group 1 Sub-Total (line 34) - 2010		**(232,325)**	**(103,910) -**	**872**	**(337,106)**

Consistent with the adjustments made to Account 1521, NBHDL has adjusted Account 1595 Disposition and Recovery of Regulatory Balances (2008) to reflect amounts collected from January through April 30, 2011 in column “BI” of “9. 2012 Cont. Sched. Def_Var” in the “2012 IRM Rate Generator” model in the amount of $150,239.44. NBHDL believes this adjustment will appropriately reduce the amount to be collected from customers in future years. It should be noted the variance to the 2010 RRR amount reported in column “BX” includes the following:

2011 incremental adjustment in Q4 2010, column “BI” -	$150,239.44
Incorrect assessment of carrying charges (corrected in 2011) -	($2,026.87)
H1 2010 RAR General -	($1,292.34)
Variance	$146,920.23

The current deferral and variance account disposition rider expired April 30, 2011.

7) Smart Grid Rate Adder

For 2012 rates, NBHDL proposes to maintain the $0.08 per metered customer per month as approved in its current rates. Per NBHDL's decision (EB-2009-0270 – page 4 of the PDF document / paragraphs 12 and 13), the Board approved this funding adder through the IRM period.

8) Revenue to Cost Ratio Adjustment

In order to implement the final phase of the directive from the Board's Decision for NBHDL's 2010 COS application in regards to revenue to cost ratios, NBHDL proposes the following Revenue to Cost ratios as determined by the "2012 IRM3 Revenue Cost Ratio Adjustment Work form":

Rate Class	2011 Approved Revenue Cost Ratio	2012 Proposed Revenue Cost Ratio	Change in Revenue Cost Ratio
Residential	98.59%	98.59%	0.00%
GS < 50 kW	112.57%	109.10%	-3.46%
GS > 50 kW	113.33%	109.86%	-3.46%
General Service > 3000 to 4999 kW	69.32%	80.00%	10.68%
USL	99.65%	99.65%	0.00%
Sentinel Lights	62.12%	70.00%	7.88%
Street Lighting	55.03%	70.00%	14.97%

In its 2010 COS application, NBHDL proposed to increase the revenue cost ratios for Street Lighting, Sentinel Lighting and the General Service > 3,000 to 4,999 kW class in order to reach the bottom of the Board's approved target range. As per the decision, NBHDL adjusted the revenue cost ratios 50% of the difference between their respective current levels and the bottom of the corresponding range, with the intent of increasing a further 25% of the difference in the 2011 IRM period and the final 25% in the 2012 IRM period. This staggered approach results in all classes being at least at the lower threshold of the Board approved range by 2012.

In the second phase of the revenue to cost adjustment in the 2011 IRM process, 100% of the additional revenue from the above classes was assigned to the GS > 50 kW class to lower its revenue to cost ratio to 113.33%; this resulted in the GS < 50 kW and the GS > 50 kW classes having similar revenue cost ratios of approximately 113%. In this final phase, NBHDL reduced both GS classes equally when assigning the additional revenue from the above classes. NBHDL advised the Board of this approach in its 2010 COS application (EB-2010-0270) in Board Staff interrogatory question # 29 (b). The Board can also find confirmation of the proposed ratios in Board Staff interrogatory question # 29 (a) which advises that NBHDL proposes 2012 ratios that would be at least at the lower boundary of the Board's

policy range (at that time) for Street Lighting, Sentinel Lighting and the General Service > 3,000 to 4,999 kW class. Please see Appendix "F" for a copy of Question # 29.

The rates entered in "3. Re-Based Bill Det & Rates" of the "2012 Revenue Cost Ratio Adjustment Work Form" are taken from the most recent Board-approved Tariff of Rates and Charges (EB-2010-0102). A copy of the Tariff can be found in Appendix "C". Customer / connection, kWh and kW data is taken from NBHDLs most recent Board approved billing determinants (EB-2009-0270). A copy of NBHDL's approved load forecast can be found NBHDL's DRO in Appendix "D". Within the DRO, please see Appendix E for a copy of the approved load forecast. Revenue offsets entered in "7. Revenue Offsets Allocation" can be verified on page 5 of NBHDL's DRO in Appendix "D". Additionally, please see Appendix J of the DRO to verify the Transformer Allowance calculated in "8. Transformer Allowance", column A. The transformer allowance rate of $0.60 can be verified in Appendix "C", thus confirming the kW data provided in Column "C".

9) Tax Changes

In its 2010 COS application, NBHDL had $686,307 approved for income and capital taxes. The Board has determined that currently known tax changes from the level reflected in the Board-approved bases rates will be reflected in the IRM adjustments.

Based on this rationale, it is NBHDL's assumption that the "2012 IRM3 Shared Tax Savings Work Form" model should calculate an identical grossed up tax amount as was approved in the 2010 COS decision for which to base estimated 2012 tax savings. Consistent with its 2011 IRM decision on tax savings, NBHDL has assumed a taxable income of $2,313,638 at the approved effective tax rate of 28.72% which results in a tax amount of $664,477. Based on this information the overall corporate income tax rate is expected to decrease to 24.79%, along with the elimination of the capital tax in Ontario, however, factoring in the gross up formula within the model results in a slightly higher tax forecast in 2012. 50% of the incremental change should be passed onto NBHDL customers as a Z-Factor tax charge of $15,638, however, NBHDL considers this to be immaterial and proposes that the amount be recorded in variance account 1595 consistent with the treatment ordered in the 2011 IRM process.

The billing determinants included in tab "3. Re-Based Bill Det & Rates" of the "2012 IRM Shared Tax Savings Workform" are based on NBHDLs most recent Board-approved billing determinants (EB-2009-0270). A copy of NBHDL's DRO is included in Appendix "D". Within the DRO, please see Appendix E for a copy of the approved load forecast with customer / connection figures and kWh / kW. The rates entered in this tab are taken from the most recent Board-approved Tariff of Rates and Charges (EB-2010-0102). A copy of the Tariff can be found in Appendix "C". The input requirements of tab "5. Z-

Factor Tax Changes" can also be verified in Appendix "D" – the 2010 DRO includes Appendix G which contains NBHDL's approved tax credits, regulatory taxable income, taxable capital amounts, effective tax rate and the final approved PILs amount, including capital tax.

10) Recovery of the Late Payment Class Action Settlement

The Board initiated a generic proceeding (EB-2010-0295) to determine whether Affected Electricity Distributors should be allowed to recover from ratepayers the costs and damages incurred in the LPP Class Action and the appropriate methodology to apportion costs across customer rate classes and to recover such allocated costs in rates.

On February 22, 2010, the Board released its Decision and Order in the proceeding and instructed all affected electricity distributors that then had an IRM or cost of service application before the Board to provide details of the derivation of the rate riders they sought to claim in order to recover the awarded amount. In a Supplemental Filing dated February 28, 2011, NBHDL provided the required information and requested specific rate riders to recover the one-time expense in the amount of $87,552.60 which was required to be paid on June 30, 2011.

As part of the Decision and Order (EB-2010-0102), April 7, 2011, the Board approved the requested rate riders for the recovery of the late payment penalty litigation costs; the rate riders were for one year's duration beginning May 1, 2011 and terminating April 30, 2012. With the full recovery of this one-time expense expected by April 2012, NBHDL has not included any late payment penalty litigation rate riders in this current application.

11) Conclusion

In summary, the total bill impact for a Residential customer with NBHDL, with a monthly electricity consumption of 800 kWh, will be .5% or $.57 per month after HST and before the OCEB credit. The total bill impact for a General Service Less Than 50 kW customer with a monthly electricity consumption of 2,000 kWh will be .5% or $1.36 per month after HST and before the OCEB credit.

The two year recovery period requested for LRAM, Account 1562 and Group 1 balances enables NBHDL to keep total bill impacts to less than 2% for the bulk of its customer classes, with the exception of the Street Light and Sentinel Light classes. With respect to these two classes, NBHDL is adhering to a Board order to address the revenue / cost ratio discrepancy in both classes and this is contributing heavily to the rate impact. NBHDL believes that a two year recovery period is reasonable and balances both the impact on the customer and the operating efficiency of the business.

APPENDIX “A”

2012 PROPOSED TARIFF OF RATES AND CHARGES

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0187

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	14.24
Smart Grid Rate Adder	$	0.08
Distribution Volumetric Rate	$/kWh	0.0127
Low Voltage Service Rate	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kWh	0.0003
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011) - Effective Until April 30, 2014	$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective Until April 30, 2013	$/kWh	0.0025
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers - Effective Until April 30, 2013	$/kWh	0.0009
Retail Transmission Rate – Network Service Rate	$/kWh	0.0063
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0052

MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0187

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification includes non residential accounts taking electricity at 750 volts or less where monthly average peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	21.10
Smart Grid Rate Adder	$	0.08
Distribution Volumetric Rate	$/kWh	0.0163
Low Voltage Service Rate	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kWh	0.0002
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011) - Effective Until April 30, 2014	$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective Until April 30, 2014	$/kWh	0.0021
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers - Effective Until April 30, 2014	$/kWh	0.0009
Retail Transmission Rate – Network Service Rate	$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0047

MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0187

GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION

This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 3,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	285.95
Smart Grid Rate Adder	$	0.08
Distribution Volumetric Rate	$/kW	2.0395
Low Voltage Service Rate	$/kW	0.0139
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kW	0.0677
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011) - Effective Until April 30, 2014	$/kWh	0.0265
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective Until April 30, 2014	$/kW	0.3552
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers - Effective Until April 30, 2014	$/kW	0.3188
Retail Transmission Rate – Network Service Rate	$/kW	2.3550
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.8631

MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0187

GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 3,000 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	5,684.75
Smart Grid Rate Adder	$	0.08
Distribution Volumetric Rate	$/kW	1.0846
Low Voltage Service Rate	$/kW	0.0154
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kW	0.0170
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective Until April 30, 2014	$/kW	0.2062
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers - Effective Until April 30, 2014	$/kW	0.4809
Retail Transmission Rate – Network Service Rate – Interval Metered	$/kW	2.4980
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	$/kW	2.0590

MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

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Implementation Date May 1, 2012

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EB-2011-0187

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 750 volts or less where monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	6.83
Distribution Volumetric Rate	$/kWh	0.0158
Low Voltage Service Rate	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kWh	0.0024
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective Until April 30, 2014	$/kWh	0.0028
Retail Transmission Rate – Network Service Rate	$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0047

MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited
TARIFF OF RATES AND CHARGES
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EB-2011-0187

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	4.30
Distribution Volumetric Rate	$/kW	15.0162
Low Voltage Service Rate	$/kW	0.0110
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective Until April 30, 2014	$/kW	2.0863
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers - Effective Until April 30, 2014	$/kW	0.3364
Retail Transmission Rate – Network Service Rate	$/kW	1.7849
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.4703

MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

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EB-2011-0187

STREET LIGHTING SERVICE CLASSIFICATION

This classification is for roadway lighting with the Municipality. The consumption for this customer is based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	4.75
Distribution Volumetric Rate	$/kW	25.4133
Low Voltage Service Rate	$/kW	0.0108
Rate Rider for Deferral/Variance Account Disposition (2012) - Effective Until April 30, 2014	$/kW	2.9808
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers - Effective Until April 30, 2014	$/kW	0.3265
Retail Transmission Rate – Network Service Rate	$/kW	1.7760
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.4402

MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0187

microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's micoFIT program and connected to the distribuor's distribution system. Further servicing details are available in the distributor's Condition of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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Unless specifically noted, this schedule does not contain any charges for the electricity commodity, beit under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be notedthat this schedule does not list any charges, assessments, or credits that are required by law to beinvoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Programs, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Componen

Service Charge	$	5.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

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Implementation Date May 1, 2012

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EB-2011-0187

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Customer Administration

Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	165.00
Service call - customer-owned equipment	$	30.00
Specific Charge for Access to the Power Poles $/pole/year	$	22.35

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

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Implementation Date May 1, 2012

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RETAIL SERVICE CHARGES (if applicable)

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	100.00
Monthly Fixed Charge, per retailer	$	20.00
Monthly Variable Charge, per customer, per retailer	$/cust.	1.37
Distributor-consolidated billing charge, per customer, per retailer	$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	$	0.25
Processing fee, per request, applied to the requesting party	$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	$	no charge
More than twice a year, per request (plus incremental delivery costs)	$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factor will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0480
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0375
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

APPENDIX “B”

BILL IMPACTS



Rate Class

Residential

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	14.21	14.24
Smart Meter Funding Adder	1.47	-
Service Charge Rate Rider(s)	0.28	0.08
Distribution Volumetric Rate	0.01270	0.01272
Distribution Volumetric Rate Rider(s)	0.00030	0.00297
Low Voltage Volumetric Rate	0.00004	0.00004
Retail Transmission Rate – Network Service Rate	0.00630	0.00630
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00520	0.00520
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0480	1.0480

Note: Board staff has made the following change - Fo GS > 50 class Cell g81 has been unlocked and serves an input cell for the proposed RTSR - network rate.

(Model was programmed to retrieve RTSR - network rates and not RTSR-network interval).

Consumption	800	kWh		kW
RPP Tier One	600	kWh	*Load Factor*	

Current Loss Factor	*1.0480*
Proposed Loss Factor	*1.0480*

Residential	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	33.60%
Energy Second Tier (kWh)	238.40	0.0790	18.83	238.40	0.0790	18.83	0.00	0.00%	15.51%
Sub-Total: Energy			**59.63**			**59.63**	**0.00**	**0.00%**	**49.10%**
Service Charge	1	14.21	14.21	1	14.24	14.24	0.03	0.18%	11.72%
Service Charge Rate Rider(s)	1	1.75	1.75	1	0.08	0.08	-1.67	(95.43)%	0.07%
Distribution Volumetric Rate	800	0.0127	10.16	800	0.0127	10.18	0.02	0.18%	8.38%
Low Voltage Volumetric Rate	800	0.0000	0.03	800	0.0000	0.03	0.00	0.00%	0.03%
Distribution Volumetric Rate Rider(s)	800	0.0003	0.24	800	0.0030	2.37	2.13	889.00%	1.95%
Total: Distribution			**26.39**			**26.90**	**0.51**	**1.92%**	**22.15%**
Retail Transmission Rate – Network Service Rate	838.40	0.0063	5.28	838.40	0.0063	5.28	0.00	0.00%	4.35%
Retail Transmission Rate – Line and Transformation Connection Service Rate	838.40	0.0052	4.36	838.40	0.0052	4.36	0.00	0.00%	3.59%
Total: Retail Transmission			**9.64**			**9.64**	**0.00**	**0.00%**	**7.94%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**36.03**			**36.54**	**0.51**	**1.41%**	**30.09%**
Wholesale Market Service Rate	838.40	0.0052	4.36	838.40	0.0052	4.36	0.00	0.00%	3.59%
Rural Rate Protection Charge	838.40	0.0013	1.09	838.40	0.0013	1.09	0.00	0.00%	0.90%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.21%
Sub-Total: Regulatory			**5.70**			**5.70**			**4.69%**
Debt Retirement Charge (DRC)	800.00	0.00700	**5.60**	800	0.0070	**5.60**	**0.00**	**0.00%**	**4.61%**
Total Bill before Taxes			**106.97**			**107.47**	**0.51**	**0.47%**	**88.50%**
HST		13%	**13.91**		13%	**13.97**	**0.07**	**0.47%**	**11.50%**
Total Bill			**120.87**			**121.45**	**0.57**	**0.47%**	**100.00%**
Ontario Clean Energy Benefit (OCEB)		**(10%)**	**-12.09**		**(10%)**	**-12.14**			
Total Bill (less OCEB)			**108.79**			**109.30**	**0.52**	**0.47%**	



Rate Class

General Service Less Than 50 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	21.78	21.10
Smart Meter Funding Adder	1.47	-
Service Charge Rate Rider(s)	0.62	0.08
Distribution Volumetric Rate	0.01690	0.01633
Distribution Volumetric Rate Rider(s)	0.00020	0.00272
Low Voltage Volumetric Rate	0.00004	0.00004
Retail Transmission Rate – Network Service Rate	0.00590	0.00590
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00470	0.00470
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0480	1.0480

Note: Board staff has made the following change - Fo GS > 50 class Cell g81 has been unlocked and serves an input cell for the proposed RTSR - network rate.

(Model was programmed to retrieve RTSR - network rates and not RTSR-network interval).

Consumption	2,000	kWh		kW
RPP Tier One	750	kWh	*Load Factor*	

Current Loss Factor	*1.0480*
Proposed Loss Factor	*1.0480*

General Service Less Than 50 kW	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	750.00	0.0680	51.00	750.00	0.0680	51.00	0.00	0.00%	16.92%
Energy Second Tier (kWh)	1,346.00	0.0790	106.33	1,346.00	0.0790	106.33	0.00	0.00%	35.27%
Sub-Total: Energy			**157.33**			**157.33**	**0.00**	**0.00%**	**52.19%**
Service Charge	1	21.78	21.78	1	21.10	21.10	-0.68	(3.13)%	7.00%
Service Charge Rate Rider(s)	1	2.09	2.09	1	0.08	0.08	-2.01	(96.17)%	0.03%
Distribution Volumetric Rate	2,000	0.0169	33.80	2,000	0.0163	32.66	-1.14	(3.38)%	10.83%
Low Voltage Volumetric Rate	2,000	0.0000	0.08	2,000	0.0000	0.08	0.00	0.00%	0.03%
Distribution Volumetric Rate Rider(s)	2,000	0.0002	0.40	2,000	0.0027	5.43	5.03	1258.26%	1.80%
Total: Distribution			**58.15**			**59.35**	**1.20**	**2.06%**	**19.69%**
Retail Transmission Rate – Network Service Rate	2,096.00	0.0059	12.37	2,096.00	0.0059	12.37	0.00	0.00%	4.10%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,096.00	0.0047	9.85	2,096.00	0.0047	9.85	0.00	0.00%	3.27%
Total: Retail Transmission			**22.22**			**22.22**	**0.00**	**0.00%**	**7.37%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**80.37**			**81.57**	**1.20**	**1.49%**	**27.06%**
Wholesale Market Service Rate	2,096.00	0.0052	10.90	2,096.00	0.0052	10.90	0.00	0.00%	3.62%
Rural Rate Protection Charge	2,096.00	0.0013	2.72	2,096.00	0.0013	2.72	0.00	0.00%	0.90%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.08%
Sub-Total: Regulatory			**13.87**			**13.87**			**4.60%**
Debt Retirement Charge (DRC)	2,000.00	0.00700	**14.00**	2,000	0.0070	**14.00**	**0.00**	**0.00%**	**4.64%**
Total Bill before Taxes			**265.58**			**266.78**	**1.20**	**0.45%**	**88.50%**
HST		13%	**34.52**		13%	**34.68**	**0.16**	**0.45%**	**11.50%**
Total Bill			**300.10**			**301.46**	**1.36**	**0.45%**	**100.00%**
Ontario Clean Energy Benefit (OCEB)		**(10%)**	**-30.01**		**(10%)**	**-30.15**			
Total Bill (less OCEB)			**270.09**			**271.31**	**1.22**	**0.45%**	



Rate Class

General Service 50 to 2,999 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	294.62	285.95
Smart Meter Funding Adder	1.47	-
Service Charge Rate Rider(s)	6.10	0.08
Distribution Volumetric Rate	2.10120	2.03946
Distribution Volumetric Rate Rider(s)	0.06770	0.44940
Low Voltage Volumetric Rate	0.01390	0.01390
Retail Transmission Rate – Network Service Rate	2.34510	2.35500
Retail Transmission Rate – Line and Transformation Connection Service Rate	1.85960	1.86310
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0375	1.0375

Note: Board staff has made the following change - Fo GS > 50 class Cell g81 has been unlocked and serves an input cell for the proposed RTSR - network rate.

(Model was programmed to retrieve RTSR - network rates and not RTSR-network interval).

Consumption	579,094	kWh	1,480	kW
		kWh	*Load Factor*	*53.6%*

Current Loss Factor	*1.0375*
Proposed Loss Factor	*1.0375*

General Service 50 to 2,999 kW	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600,810.44	0.0680	40,855.11	600,810	0.0680	40,855.11	0.00	0.00%	254.12%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			**40,855.11**			**40,855.11**	**0.00**	**0.00%**	**254.12%**
Service Charge	1	294.62	294.62	1	285.95	285.95	-8.67	(2.94)%	1.78%
Service Charge Rate Rider(s)	1	7.57	7.57	1	0.08	0.08	-7.49	(98.94)%	0.00%
Distribution Volumetric Rate	1,480	2.1012	3,109.78	1,480	2.0395	3,018.41	-91.37	(2.94)%	18.77%
Low Voltage Volumetric Rate	1,480	0.0139	20.57	1,480	0.0139	20.57	0.00	0.00%	0.13%
Distribution Volumetric Rate Rider(s)	1,480	0.0677	100.20	1,480	0.4494	665.11	564.91	563.81%	4.14%
Total: Distribution			**3,532.73**			**3,990.12**	**457.39**	**12.95%**	**24.82%**
Retail Transmission Rate – Network Service Rate	1,480.00	2.3451	3,470.75	1,480.00	2.3550	3,485.40	14.65	0.42%	21.68%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1,480.00	1.8596	2,752.21	1,480.00	1.8631	2,757.39	5.18	0.19%	17.15%
Total: Retail Transmission			**6,222.96**			**6,242.79**	**19.83**	**0.32%**	**38.83%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**9,755.69**			**10,232.91**	**477.22**	**4.89%**	**63.65%**
Wholesale Market Service Rate	600,810.44	0.0052	3,124.21	600,810.44	0.0052	3,124.21	0.00	0.00%	19.43%
Rural Rate Protection Charge	600,810.44	0.0013	781.05	600,810.44	0.0013	781.05	0.00	0.00%	4.86%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			**3,905.52**			**3,905.52**			**24.29%**
Debt Retirement Charge (DRC)	579,094.40	0.00700	**4,053.66**	579,094	0.0070	**4,053.66**	**0.00**	**0.00%**	**25.21%**
Total Bill before Taxes			**58,569.98**			**59,047.20**	**477.22**	**0.81%**	**367.28%**
HST		13%	**7,614.10**		13%	**7,676.14**	**62.04**	**0.81%**	**47.75%**
Total Bill			**66,184.08**			**66,723.33**	**539.26**	**0.81%**	**415.02%**
Ontario Clean Energy Benefit (OCEB)		(10%)	-6,618.41		(10%)	-6,672.33			
Total Bill (less OCEB)			**59,565.67**			**60,051.00**	**485.33**	**0.81%**	



Rate Class

General Service 3,000 to 4,999 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	5,055.59	5,684.75
Smart Meter Funding Adder	1.47	-
Service Charge Rate Rider(s)	24.13	0.08
Distribution Volumetric Rate	0.96460	1.08465
Distribution Volumetric Rate Rider(s)	0.01700	0.22320
Low Voltage Volumetric Rate	0.01540	0.01540
Retail Transmission Rate – Network Service Rate	2.48750	0.00000
Retail Transmission Rate – Line and Transformation Connection Service Rate	2.05520	2.05900
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0375	1.0375

Note: Board staff has made the following change - Fo GS > 50 class Cell g81 has been unlocked and serves an input cell for the proposed RTSR - network rate.

(Model was programmed to retrieve RTSR - network rates and not RTSR-network interval).

Consumption	2,103,568	kWh	4,000	kW
		kWh	*Load Factor*	*72.0%*

Current Loss Factor	*1.0375*
Proposed Loss Factor	*1.0375*

General Service 3,000 to 4,999 kW	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	2,182,451.80	0.0680	148,406.72	2,182,452	0.0680	148,406.72	0.00	0.00%	1027.07%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			**148,406.72**			**148,406.72**	**0.00**	**0.00%**	**1027.07%**
Service Charge	1	5,055.59	5,055.59	1	5,684.75	5,684.75	629.16	12.44%	39.34%
Service Charge Rate Rider(s)	1	25.60	25.60	1	0.08	0.08	-25.52	(99.69)%	0.00%
Distribution Volumetric Rate	4,000	0.9646	3,858.40	4,000	1.0846	4,338.60	480.20	12.45%	30.03%
Low Voltage Volumetric Rate	4,000	0.0154	61.60	4,000	0.0154	61.60	0.00	0.00%	0.43%
Distribution Volumetric Rate Rider(s)	4,000	0.0170	68.00	4,000	0.2232	892.79	824.79	1212.93%	6.18%
Total: Distribution			**9,069.19**			**10,977.82**	**1,908.63**	**21.05%**	**75.97%**
Retail Transmission Rate – Network Service Rate	4,000.00	2.4875	9,950.00	4,000.00	2.4980	9,992.00	42.00	0.42%	69.15%
Retail Transmission Rate – Line and Transformation Connection Service Rate	4,000.00	2.0552	8,220.80	4,000.00	2.0590	8,236.00	15.20	0.18%	57.00%
Total: Retail Transmission			**18,170.80**			**18,228.00**	**57.20**	**0.31%**	**126.15%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**27,239.99**			**29,205.82**	**1,965.83**	**7.22%**	**202.12%**
Wholesale Market Service Rate	2,182,451.80	0.0052	11,348.75	2,182,451.80	0.0052	11,348.75	0.00	0.00%	78.54%
Rural Rate Protection Charge	2,182,451.80	0.0013	2,837.19	2,182,451.80	0.0013	2,837.19	0.00	0.00%	19.64%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			**14,186.19**			**14,186.19**			**98.18%**
Debt Retirement Charge (DRC)	2,103,568.00	0.00700	**14,724.98**	2,103,568	0.0070	**14,724.98**	**0.00**	**0.00%**	**101.91%**
Total Bill before Taxes			**204,557.88**			**206,523.71**	**1,965.83**	**0.96%**	**1429.28%**
HST		13%	**26,592.52**		13%	**26,848.08**	**255.56**	**0.96%**	**185.81%**
Total Bill			**231,150.40**			**233,371.79**	**2,221.39**	**0.96%**	**1615.09%**
Ontario Clean Energy Benefit (OCEB)		(10%)	-23,115.04		(10%)	-23,337.18			
Total Bill (less OCEB)			**208,035.36**			**210,034.61**	**1,999.25**	**0.96%**	



Rate Class

Unmetered Scattered Load

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	6.82	6.83
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.09	-
Distribution Volumetric Rate	0.01580	0.01583
Distribution Volumetric Rate Rider(s)	0.00240	0.00524
Low Voltage Volumetric Rate	0.00004	0.00004
Retail Transmission Rate – Network Service Rate	0.00590	0.00590
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00470	0.00470
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0480	1.0480

Note: Board staff has made the following change - Fo GS > 50 class Cell g81 has been unlocked and serves an input cell for the proposed RTSR - network rate.

(Model was programmed to retrieve RTSR - network rates and not RTSR-network interval).

Consumption	2,000	kWh		kW
RPP Tier One	750	kWh	*Load Factor*	

Current Loss Factor	*1.0480*
Proposed Loss Factor	*1.0480*

Unmetered Scattered Load	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	750.00	0.0680	51.00	750.00	0.0680	51.00	0.00	0.00%	17.60%
Energy Second Tier (kWh)	1,346.00	0.0790	106.33	1,346.00	0.0790	106.33	0.00	0.00%	36.69%
Sub-Total: Energy			**157.33**			**157.33**	**0.00**	**0.00%**	**54.29%**
Service Charge	1	6.82	6.82	1	6.83	6.83	0.01	0.18%	2.36%
Service Charge Rate Rider(s)	1	0.09	0.09	1	0.00	0.00	-0.09	(100.00)%	0.00%
Distribution Volumetric Rate	2,000	0.0158	31.60	2,000	0.0158	31.66	0.06	0.18%	10.92%
Low Voltage Volumetric Rate	2,000	0.0000	0.08	2,000	0.0000	0.08	0.00	0.00%	0.03%
Distribution Volumetric Rate Rider(s)	2,000	0.0024	4.80	2,000	0.0052	10.48	5.68	118.37%	3.62%
Total: Distribution			**43.39**			**49.05**	**5.66**	**13.05%**	**16.92%**
Retail Transmission Rate – Network Service Rate	2,096.00	0.0059	12.37	2,096.00	0.0059	12.37	0.00	0.00%	4.27%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,096.00	0.0047	9.85	2,096.00	0.0047	9.85	0.00	0.00%	3.40%
Total: Retail Transmission			**22.22**			**22.22**	**0.00**	**0.00%**	**7.67%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**65.61**			**71.27**	**5.66**	**8.63%**	**24.59%**
Wholesale Market Service Rate	2,096.00	0.0052	10.90	2,096.00	0.0052	10.90	0.00	0.00%	3.76%
Rural Rate Protection Charge	2,096.00	0.0013	2.72	2,096.00	0.0013	2.72	0.00	0.00%	0.94%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.09%
Sub-Total: Regulatory			**13.87**			**13.87**			**4.79%**
Debt Retirement Charge (DRC)	2,000.00	0.00700	**14.00**	2,000	0.0070	**14.00**	**0.00**	**0.00%**	**4.83%**
Total Bill before Taxes			**250.82**			**256.48**	**5.66**	**2.26%**	**88.50%**
HST		13%	**32.61**		13%	**33.34**	**0.74**	**2.26%**	**11.50%**
Total Bill			**283.42**			**289.82**	**6.40**	**2.26%**	**100.00%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-28.34**		(10%)	**-28.98**			
Total Bill (less OCEB)			**255.08**			**260.84**	**5.76**	**2.26%**	



Rate Class

Sentinel Lighting

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	3.78	4.30
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.03	-
Distribution Volumetric Rate	13.19990	15.01618
Distribution Volumetric Rate Rider(s)	0.00000	2.08632
Low Voltage Volumetric Rate	0.01100	0.01100
Retail Transmission Rate – Network Service Rate	1.77740	1.78490
Retail Transmission Rate – Line and Transformation Connection Service Rate	1.46760	1.47030
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0480	1.0480

Note: Board staff has made the following change - Fo GS > 50 class Cell g81 has been unlocked and serves an input cell for the proposed RTSR - network rate.

(Model was programmed to retrieve RTSR - network rates and not RTSR-network interval).

Consumption	370	kWh	1	kW
		kWh	*Load Factor*	*50.6%*

Current Loss Factor	*1.0480*
Proposed Loss Factor	*1.0480*

Sentinel Lighting	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	387.42	0.0680	26.34	387	0.0680	26.34	0.00	0.00%	0.06%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			**26.34**			**26.34**	**0.00**	**0.00%**	**0.06%**
Service Charge	1	3.78	3.78	1	4.30	4.30	0.52	13.70%	0.01%
Service Charge Rate Rider(s)	1	0.03	0.03	0	0.01	0.00	-0.03	(100.00)%	0.00%
Distribution Volumetric Rate	1	13.1999	13.20	1	15.0162	15.02	1.82	13.76%	0.03%
Low Voltage Volumetric Rate	1	0.0110	0.01	1	0.0110	0.01	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	1	0.0000	0.00	1	2.0863	2.09	2.09	0.00%	0.00%
Total: Distribution			**17.02**			**21.41**	**4.39**	**25.79%**	**0.05%**
Retail Transmission Rate – Network Service Rate	1.00	1.7774	1.78	1.00	1.7849	1.78	0.01	0.42%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	1.00	1.4676	1.47	1.00	1.4703	1.47	0.00	0.18%	0.00%
Total: Retail Transmission			**3.25**			**3.26**	**0.01**	**0.31%**	**0.01%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**20.27**			**24.67**	**4.40**	**21.71%**	**0.05%**
Wholesale Market Service Rate	387.42	0.0052	2.01	387.42	0.0052	2.01	0.00	0.00%	0.00%
Rural Rate Protection Charge	387.42	0.0013	0.50	387.42	0.0013	0.50	0.00	0.00%	0.00%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			**2.77**			**2.77**			**0.01%**
Debt Retirement Charge (DRC)	369.67	0.00700	**2.59**	370	0.0070	**2.59**	**0.00**	**0.00%**	**0.01%**
Total Bill before Taxes			**51.97**			**56.37**	**4.40**	**8.47%**	**0.12%**
HST		13%	**6.76**		13%	**7.33**	**0.57**	**8.47%**	**0.02%**
Total Bill			**58.72**			**63.69**	**4.97**	**8.47%**	**0.14%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-5.87**		(10%)	**-6.37**			
Total Bill (less OCEB)			**52.85**			**57.32**	**4.48**	**8.47%**	



Rate Class

Street Lighting

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	3.68	4.75
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.01	-
Distribution Volumetric Rate	19.69530	25.41326
Distribution Volumetric Rate Rider(s)	0.00000	2.98082
Low Voltage Volumetric Rate	0.01080	0.01080
Retail Transmission Rate – Network Service Rate	1.76850	1.77600
Retail Transmission Rate – Line and Transformation Connection Service Rate	1.43750	1.44020
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0480	1.0480

Note: Board staff has made the following change - Fo GS > 50 class Cell g81 has been unlocked and serves an input cell for the proposed RTSR - network rate.

(Model was programmed to retrieve RTSR - network rates and not RTSR-network interval).

Consumption	262,927	kWh	734	kW
		kWh	*Load Factor*	*49.1%*

Current Loss Factor	*1.0480*
Proposed Loss Factor	*1.0480*

Street Lighting	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	275,547.36	0.0680	18,737.22	275,547	0.0680	18,737.22	0.00	0.00%	26.01%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			**18,737.22**			**18,737.22**	**0.00**	**0.00%**	**26.01%**
Service Charge	5680	3.68	20,902.40	5680	4.75	26,971.66	6,069.26	29.04%	37.45%
Service Charge Rate Rider(s)	5,680	0.01	56.80	0	0.01	0.00	-56.80	(100.00)%	0.00%
Distribution Volumetric Rate	734	19.6953	14,456.35	734	25.4133	18,653.33	4,196.98	29.03%	25.90%
Low Voltage Volumetric Rate	734	0.0108	7.93	734	0.0108	7.93	0.00	0.00%	0.01%
Distribution Volumetric Rate Rider(s)	734	0.0000	0.00	734	2.9808	2,187.92	2,187.92	0.00%	3.04%
Total: Distribution			**35,423.48**			**47,820.85**	**12,397.37**	**35.00%**	**66.39%**
Retail Transmission Rate – Network Service Rate	734.00	1.7685	1,298.08	734.00	1.7760	1,303.58	5.51	0.42%	1.81%
Retail Transmission Rate – Line and Transformation Connection Service Rate	734.00	1.4375	1,055.13	734.00	1.4402	1,057.11	1.98	0.19%	1.47%
Total: Retail Transmission			**2,353.20**			**2,360.69**	**7.49**	**0.32%**	**3.28%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**37,776.68**			**50,181.54**	**12,404.86**	**32.84%**	**69.67%**
Wholesale Market Service Rate	275,547.36	0.0052	1,432.85	275,547.36	0.0052	1,432.85	0.00	0.00%	1.99%
Rural Rate Protection Charge	275,547.36	0.0013	358.21	275,547.36	0.0013	358.21	0.00	0.00%	0.50%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			**1,791.31**			**1,791.31**			**2.49%**
Debt Retirement Charge (DRC)	262,926.87	0.00700	**1,840.49**	262,927	0.0070	**1,840.49**	**0.00**	**0.00%**	**2.56%**
Total Bill before Taxes			**60,145.70**			**72,550.56**	**12,404.86**	**20.62%**	**100.73%**
HST		13%	**7,818.94**		13%	**9,431.57**	**1,612.63**	**20.62%**	**13.09%**
Total Bill			**67,964.64**			**81,982.13**	**14,017.49**	**20.62%**	**113.82%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-6,796.46**		(10%)	**-8,198.21**			
Total Bill (less OCEB)			**61,168.18**			**73,783.91**	**12,615.74**	**20.62%**	

APPENDIX “C”

CURRENT TARIFF OF RATES AND CHARGES

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2010-0102

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	14.21
Smart Meter Funding Adder – effective until April 30, 2012	$	1.47
Smart Grid Rate Adder	$	0.08
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.20
Distribution Volumetric Rate	$/kWh	0.0127
Low Voltage Service Rate	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	$/kWh	0.0063
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0052

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0102

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification includes non residential accounts taking electricity at 750 volts or less where monthly average peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	21.78
Smart Meter Funding Adder – effective until April 30, 2012	$	1.47
Smart Grid Rate Adder	$	0.08
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.54
Distribution Volumetric Rate	$/kWh	0.0169
Low Voltage Service Rate	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	$/kWh	0.0002
Retail Transmission Rate – Network Service Rate	$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0047

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0102

GENERAL SERVICE 50 to 2,999 kW SERVICE CLASSIFICATION

This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 3,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	294.62
Smart Meter Funding Adder – effective until April 30, 2012	$	1.47
Smart Grid Rate Adder	$	0.08
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	6.02
Distribution Volumetric Rate	$/kW	2.1012
Low Voltage Service Rate	$/kW	0.0139
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	$/kW	0.0677
Retail Transmission Rate – Network Service Rate	$/kW	2.3451
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.8596

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2010-0102

GENERAL SERVICE 3,000 to 4,999 kW SERVICE CLASSIFICATION

This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 3,000 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	5,055.59
Smart Meter Funding Adder – effective until April 30, 2012	$	1.47
Smart Grid Rate Adder	$	0.08
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	24.05
Distribution Volumetric Rate	$/kW	0.9646
Low Voltage Service Rate	$/kW	0.0154
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	$/kW	0.0170
Retail Transmission Rate – Network Service Rate – Interval Metered	$/kW	2.4875
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	$/kW	2.0552

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0102

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 750 volts or less where monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	$	6.82
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.09
Distribution Volumetric Rate	$/kWh	0.0158
Low Voltage Service Rate	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery – effective until April 30, 2013	$/kWh	0.0024
Retail Transmission Rate – Network Service Rate	$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0047

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0102

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	$	3.78
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.03
Distribution Volumetric Rate	$/kW	13.1999
Low Voltage Service Rate	$/kW	0.0110
Retail Transmission Rate – Network Service Rate	$/kW	1.7774
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.4676

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0102

STREET LIGHTING SERVICE CLASSIFICATION

This classification is for roadway lighting with the Municipality. The consumption for this customer is based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	$	3.68
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.01
Distribution Volumetric Rate	$/kW	19.6953
Low Voltage Service Rate	$/kW	0.0108
Retail Transmission Rate – Network Service Rate	$/kW	1.7685
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.4375

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2010-0102

microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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It should be noted that this schedule does not list any charges or assessments that are required by law to be charged by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for Ministry of Energy Conservation and Renewable Energy Program, the Provincial Benefit and any applicable taxes.

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	5.25

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0102

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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Customer Administration		
Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	165.00
Service call - customer-owned equipment	$	30.00
Specific Charge for Access to the Power Poles $/pole/year	$	22.35

North Bay Hydro Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0102

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	100.00
Monthly Fixed Charge, per retailer	$	20.00
Monthly Variable Charge, per customer, per retailer	$/cust.	1.37
Distributor-consolidated billing charge, per customer, per retailer	$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	$	0.25
Processing fee, per request, applied to the requesting party	$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0480
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0375
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

APPENDIX “D”

NBHDL 2010 DRAFT RATE ORDER

74 Commerce Crescent
P.O. Box 3240
North Bay, Ontario
P1B 8Y5

Tel. (705) 474-8100
Fax: (705) 495-2756 Administration
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Fax: (705) 474-4634 Operations

April 14, 2010

Delivered by Courier

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

Attention: Kirsten Walli
Board Secretary

Re: North Bay Hydro Distribution Limited (EB-2009-270)
2010 Electricity Distribution Rate Application
Draft Rate Order

Dear Ms. Walli:

On April 12, 2010, North Bay Hydro Distribution Limited filed a Draft Rate Order in this matter. Since that document was filed, North Bay Hydro has determined that certain minor revisions to the Draft Rate Order are required. None of these revisions affect the rates or the bill impacts set out in the Settlement Agreement approved by the Board or in the original Draft Rate Order filed on April 12, 2010.

North Bay Hydro has made the following revisions:

- Enhanced the section on Cost Allocation (at pg 7) to more clearly reflect the changes agreed upon during the settlement process
- Added the definitions of the General Service 3,000 to 4,999kW class and the microFIT Generator service class to the Tariff of Rates and Charges
- Changed the titles in the two rightmost columns of the first table in Appendix I so that they now use the term “Decision” rather than “Rate Order”; and
- Added a table to Appendix I to illustrate the change in the Revenue to Cost Ratios as requested by VECC.

In accordance with the Board's Decision, two hard copies of the Draft Rate Order are enclosed. An electronic copy in PDF format will be submitted through the Ontario Energy Board's Regulatory Electronic Submission System. The Revenue Requirement Work Form was submitted with the original Draft Rate Order on April 12, 2010 and does not require any modifications due to these revisions.

A copy of the Draft Rate Order in PDF format will also be forwarded via email to the Intervenors as follows:

Energy Probe
a) David MacIntosh, Energy Probe
b) Randy Aiken, Aiken & Associates

Donald Rennick
a) Donald Rennick, Independent Participants

School Energy Coalition
a) John De Vellis, Shibley Righton LLP
b) Wayne McNally, Ontario Education Services Corporation

Vulnerable Energy Consumers Coalition
a) Michael Buonaguro, Public Interest Advocacy Centre
b) William Harper, Econalysis Consulting Services Inc.

Should any further information be required I can be reached at (705) 474-8100 (ext. 310).

Sincerely,

Original signed by

Cindy Tennant
Finance Manager
North Bay Hydro Distribution Limited
ctennant@northbayhydro.com
(705) 474-8100 (310)

NORTH BAY HYDRO DISTRIBUTION LIMITED

EB-2009-0270

DRAFT RATE ORDER

Filed with the Board: April 12, 2010

Updated April 14, 2010

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 North Bay Hydro Distribution Limited for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2010.

EB-2009-0270

DRAFT RATE ORDER

North Bay Hydro Distribution Limited

Filed with the Board April 12, 2010

Updated April 14, 2010

BACKGROUND

On October 26, 2009, North Bay Hydro Distribution Limited ("NBHDL") filed an application with the Ontario Energy Board (the "Board" under section 78 of the *Ontario Energy Board Act, 1998, S.O. 1988, c. 15*, (Schedule B), seeking approval for changes to the rates that NBHDL charges for electricity distribution, to be effective May 1, 2010. The Board assigned File Number EB-2009-0270 to the Application.

On March 17, 2010 the Board issued a Decision regarding a province-wide fixed monthly charge for all electricity distributors related to the MicroFit Generator rate class (EB-2009-0326). In that Decision, the Board indicated that the rate was approved at $5.25 per month, effective September 21, 2009.

On March 26, 2010, NBHDL, Energy Probe ("EP"), the School Energy Coalition ("SEC"), the Vulnerable Energy Consumers Coalition ("VECC") and Donald Rennick filed a proposed Settlement Agreement (the "Settlement Agreement") with the Board that constituted a comprehensive settlement.

On April 8, 2010 the Board issued its Decision in this Application. In that Decision, the Board approved the Settlement Agreement, and found that the Settlement Agreement is reasonable and in the public interest with respect to its cost consequences and rate impacts.

BOARD DIRECTION

In its Decision the Board directed that *"North Bay shall file with the Board, and shall also forward to the Intervenors, a Draft Rate Order attaching a proposed Tariff of Rates and Charges and all supporting documentation reflecting the Board's findings in this Decision within 14 days of the date of this Decision."*

For reference, the other Board Directions included in the Decision are listed below:

> *"The Board agrees in principle that a separate rate rider should apply to non-RPP customers to dispose of the global adjustment sub-account balance. The Board however accepts that North Bay does not currently have the billing capability to implement such a change. Given North Bay's current billing constraints, the Board will approve at this time the disposition of the allocated global adjustment sub-account balance from all customers in each affected rate class. The Board however directs North Bay to report to the Board no later than the next rebasing proceeding, its estimate of the costs that North Bay would incur in order to accommodate the establishment of a separate rate rider applicable to non-RPP customers for disposition of the global adjustment sub-account in the future."*
>
> "*The Board approves the agreement regarding North Bay's pilot program. The Board will consider the prudence of North Bay's expenditures in the pilot program at the time that North Bay applies to dispose of the deferral account balances."*
>
> *"On March 17, 2010, the Board approved a province-wide fixed service charge of $5.25 per month for all electricity distributors effective September 21, 2009. Accordingly, the Board believes that North Bay should identify the microFit Generator service classification on its Tariff of Rates and Charges and should include the monthly service charge of $5.25*
>
> *"The results of the Settlement Proposal together with the Board's findings outlined in this Decision are to be reflected in North Bay's Draft Rate Order. The Board expects North Bay to file detailed supporting material, including all relevant calculations showing the impact of the implementation of the Settlement Proposal and this Decision on its proposed Revenue Requirement, the allocation of the approved Revenue Requirement to the classes and the determination of the final rates, including bill impacts. Supporting documentation shall include, but not be limited to, filing a completed version of the Revenue Requirement Work Form excel spreadsheet which can be found on the Board's website. North Bay should also show detailed calculations of any revisions to the rate riders or rate adders reflecting the Settlement Proposal."*

NBHDL's compliance with the Decision and the Settlement Agreement is evidenced in the body and appendices of this Draft Rate Order.

IMPLEMENTATION OF RATES

The Decision indicates that "As provided in the Settlement Proposal, the new rates are effective May 1, 2010."

NBHDL has reflected the terms of the Settlement Proposal, all Board Directions issued in the Board's Decision and the province wide MicroFIT Generator rate established by the Board (EB-2009-0326) in the preparation of this Draft Rate Order.

Detailed supporting material, including relevant calculations showing the impacts of the Settlement Proposal and the Decision on NBHDL's proposed Revenue Requirement; the allocation of the approved Revenue Requirement to the classes; and the determination of the final rates, including bill impacts, are provided in the commentary and Appendices which follow. A completed version of the Revenue Requirement Work Form in Excel format accompanies this Draft Rate Order, as directed by the Board.

NBHDL's Draft Rate Order has been included as ***Appendix A*** and a comparison of bill impacts from existing rates to the rates in the Draft Rate Order has been included as ***Appendix B***.

SUMMARY OF CHANGES

This Draft Rate Order is organized according to the following issues:

- Revenue Deficiency
- Rate Base
- Operating Revenue
- Load Forecast
- Cost of Capital
- Cost Allocation
- Rate Design
- Deferral and Variance Accounts
- LRAM and SSM

The table below sets out the changes in key elements of the Application, from the Application as filed on October 26, 2010, through the Settlement Agreement filed on March 26, 2010 and the Board's Decision issued on April 8, 2010. Major components are briefly commented on in this Draft Rate Order and supported with tables in the Appendices.

Summary of Key Ratemaking Components - From Application to Decision				
From Filed to Settlement Conference Agreement to Draft Rate Order	**2010 Rate Application AS FILED**	**2010 Rate Application SETTLEMENT**	**2010 DECISION**	**CHANGES FROM FILED TO DECISION**
EXHIBIT 2 - RATE BASE				
Rate Base	46,219,722	44,105,306	44,105,306	(2,114,416)
Working Capital Allowance	7,572,165	7,579,952	7,579,952	7,787
Capital Expenditures - 2009 Forecast	8,251,981	6,199,778	6,199,778	(2,052,203)
Capital Expenditures - 2010 Budget	7,852,275	8,580,210	8,580,210	727,935
EXHIBIT 3 - REVENUE				
Base Revenue Requirement	11,817,638	11,294,345	11,294,345	(523,293)
Other Revenue	825,116	830,616	830,616	5,500
Total Revenue Requirement	12,642,754	12,124,961	12,124,961	(517,793)
Load Forecast - kWh billed	563,738,678	563,738,678	563,738,678	-
Load Forecast - kW billed	722,953	721,475	721,475	(1,478)
EXHIBIT 4 - OPERATING COSTS				
OM&A Expenses	5,779,054	5,680,408	5,680,408	(98,646)
Propery Taxes	64,292	64,292	64,292	-
Amortization Expense	2,901,108	2,694,912	2,694,912	(206,196)
PILs	596,055	686,307	686,307	90,252
Effective Tax Rate	31.00%	28.72%	28.72%	-2.28%
EXHIBIT 5 - COST OF CAPITAL				
Long-Term Debt - Effective Rate	6.94%	4.96%	4.96%	-1.98%
Short-Term Debt - Effective Rate	1.33%	2.07%	2.07%	0.74%
Equity - Effective Rate	8.01%	9.85%	9.85%	1.84%
Weighted Average Cost of Capital	7.14%	6.80%	6.80%	-0.34%
EXHIBIT 6 - REVENUE DEFICIENCY				
Utility Net Earnings - Proposed Rates	1,480,880	1,737,749	1,737,749	256,869
Utility Net Earnings - Assuming Existing Rates Maintained	211,921	809,344	809,344	597,423
Revenue Deficiency After Tax - Assuming Existing Rates Maintained	1,839,071	1,302,477	1,302,477	(536,594)
Revenue Deficiency Before Tax - Assuming Existing Rates Maintained	1,268,959	928,405	928,405	(340,554)

Revenue Deficiency

The revenue deficiency as set out in the Application was $1,839,071. The settlement process has resulted in a reduction of the revenue deficiency to $1,302,477. Details of this reduction are set out in ***Appendix C***.

Rate Base

The change in NBHDL's 2010 Test Year rate base, from $46,219,722 as proposed in the application to $44,105,306 from the settlement process and the Draft Rate Order, is detailed in ***Appendix D***. The major changes arising out of the settlement process consisted of the following:

- a decrease in the 2009 capital expenditures of $2,052,203 for projects that came in under forecast and projects that were moved into 2010;
- an increase of $729,935 in 2010 capital expenditures, with the majority of the increase related to 2009 projects being deferred to 2010; and
- an increase of $7,787 in NBHDL's working capital allowance. The working capital allowance was adjusted for reductions in Operations, Maintenance and Administration ("OM&A") expenditures, changes to the load forecast (to use the geometric mean method) and changes to the cost of power to reflect the Board's October 15, 2009 RPP and non-RPP rates.

Load Forecast

The Parties agreed for the purpose of the settlement of the Application that the load and customer forecast used by NBHDL were appropriate once modified from the arithmetic mean to the geometric mean approach. This change resulted in a decrease in revenue deficiency of $13,100. The parties agreed to the proposed Loss Factors included in the application. Details are included in ***Appendix E.***

Operating Costs

The Parties agreed during the settlement process to Operating costs of $9,125,919 for the 2010 Test Year, including OM&A of $5,680,408, depreciation of $2,694,912 and $686,307 for income and capital taxes.

OM&A decreased by $98,646 from that proposed in the Application, related mainly to the reductions of $35,000 for training; $20,000 for succession planning; $24,773 on account of the July 1, 2010 change to Harmonized Sales Tax ("HST"); $110,000 for the revised treatment of the proposed Real Time Operating Pilot Programs; and an increase of $137,809 in truck related expenses. The changes to OM&A are detailed in ***Appendix F.*** NBHDL notes, however, that as acknowledged in the Settlement Agreement, the actual decisions as to how to allocate resources, and in what areas to spend the agreed-upon capital and operating,

maintenance and administrative costs, are ones that must be made by the utility during the course of the year.

NBHDL will proceed to conduct the two Real Time Operating Pilot programs in accordance with the Board's direction for a total budget of $110,000, tracking the expenditures in a deferral account. NBHDL will also proceed with applying the approved adder of $0.08 per metered customer per month through the Test Year and IRM period. The recoveries will also be tracked in a deferral account as instructed.

Depreciation was reduced in the settlement process by $206,196, from the $2,901,108 in the Application to $2,694,912. This net reduction was due to an increase of $137,809 in truck related depreciation, the decrease in 2009 capital spending (and corresponding decrease in depreciation) and the increase in the 2010 capital spending (with a corresponding increase in depreciation based on the ½ year rule).

Payments-in-Lieu of Taxes increased during the settlement process – from $596,055 to $686,307 – to reflect the change in the Ontario corporate tax rates that come into effect July 1, 2010; the applicable small business deduction credit; revised CCA related to the capital spending changes; and apprenticeship tax credits. Revised PILs calculations are detailed in ***Appendix G.***

Cost of Capital and Capital Structure

NBHDL's Draft Rate Order reflects the Board-approved Return on Equity of 9.85% and deemed capital structure for rate making purposes of 56% long term debt, 4% short term debt, and 40% equity. The Parties agreed during the settlement process that the 2009 Infrastructure Ontario loan that was related to the smart meter expenditure should be removed from NBHDL's long term debt for rate making purposes. The Parties also agreed that for rate making purposes, interest on the promissory note payable to the City of North Bay will be calculated at 5% and interest on NBHDL's 2010 Infrastructure Ontario loan will be calculated at 4.63%. The above revisions reflect a blended long term debt rate for rate making purposes of 4.96%, a reduction of 1.98% from the 6.94% shown in the Application. Updated weighted long term debt calculations are provided in ***Appendix H***.

Cost Allocation – Updated April 14, 2010

The Draft Rate Order reflects the agreement made during the settlement process in respect of the revenue to cost ratios for NBHDL's customer classes***. NBHDL confirms that for all classes that are below the Board's approved target ranges, NBHDL will increase them by 50% of the difference between their current levels and the bottom of the corresponding range in 2010, and a further 25% of the difference in each of 2011 and 2012, so that all classes will be at least at the bottom of the Board approved range by 2012. NBHDL also confirms that the starting revenue to cost ratios have been slightly modified in accordance with the settlement agreement. Appendix I*** reflects the revenue to cost ratio changes from the Application.

Rate Design

In the Application, NBHDL proposed to maintain the fixed-variable splits for each of its customer classes. The parties agreed with this proposal, with two exceptions – the monthly service charges for the General Service <50 kW and General Service >50 kW classes will be maintained at their 2009 levels. The Parties also agreed that NBHDL will change the monthly service charges for its Unmetered Scattered Load class to a per connection basis. The Parties also agree to increase NBHDL's non-Service Transaction Request retailer service charge, from $0.50 per customer per month to $1.37 per customer per month. ***Appendix J*** reflects the rate design changes from the Application.

Deferral and Variance Accounts

NBHDL's application proposed to dispose of $456,003 in deferral and variance account balances over a single year. The Parties agreed with this approach during the settlement process.

As acknowledged by the Board in the Decision, NBHDL's billing system is not capable of establishing a separate rider for RPP and non-RPP customers within the same class for the disposition of the global adjustment sub-account balance. The Board directed NBHDL to provide cost estimates to accommodate separate riders no later than its next rebasing proceeding, and NBHDL confirms that it will do so. At this time, in accordance with the Board's directions, NBHDL will dispose of the allocated global adjustment sub-account balance from all customers in each affected rate class.

The deferral and variance account rate riders are shown in ***Appendix K.***

LRAM/SSM

NBHDL agreed to reduce the residential class LRAM amount from $228,240 to $177,237 (a reduction of $51,003) due to the use of OPA measures rather than the OEB assumptions and measures. The General Service 50-2999 kW and Intermediate classes changed from the original application due to changes related to the load forecast. The Draft Rate Order reflects the agreement made during the settlement process for the rate riders related to LRAM/SSM. ***Appendix L*** reflects the changes in the LRAM/SSM riders from the Application through the settlement process.

SCHEDULE OF APPENDICES

A	Tariff of Rates and Charges - Effective and Implementation Date May 1, 2010
B	Summary of Monthly Bill Impacts
C	Revenue Deficiency
D	Rate Base
E	Load Forecast
F	OM&A Costs
G	Payment in Lieu of Taxes
H	Cost of Capital
I	Cost Allocation
J	Rate Design
K	Deferral and Variance Accounts
L	LRAM and SSM

APPENDIX A

Updated April 14, 2010

Tariff of Rates and Charges - Effective and Implementation Date May 1, 2010

North Bay Hydro Distribution Ltd.
TARIFF OF RATES AND CHARGES
Effective May 1, 2010, except for the microFit Generator Class Effective date of September 1, 2009
This schedule supersedes and replaces all previously approved schedules of Rate, Charges and Loss Factors

EB-2009-0270

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.
- No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES - May 1, 2010 for all consumption or deemed consumption services used on or after that date.
SPECIFIC SERVICE CHARGES - May 1, 2010 for all charges incurred by customers on or after that date.
LOSS FACTOR ADJUSTMENT - May 1, 2010 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential:
This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single phase.

General Service Less Than 50kW:
This classification includes non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW.

General Service 50 to 2,999 kW:
This classification includes non-residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 3,000 kW.

General Service 3,000 to 4,999 kW: - Updated April 14, 2010
This classification includes non residential accounts where monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 3,000 kW but less than 5,000 kW.

Unmetered Scattered Load:
This classification includes accounts taking electricity at 750 volts or less where monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/ consumption of the proposed unmetered load.

Sentinel Lighting:
This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light.

Street Lighting:
This classification is for roadway lighting with the Municipality. The consumption for this customer is based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template.

microFIT Generator: Updated April 14, 2010
This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system.

North Bay Hydro Distribution Ltd.
TARIFF OF RATES AND CHARGES
Effective May 1, 2010, except for the microFit Generator Class Effective date of September 1, 2009
This schedule supersedes and replaces all previously approved schedules of Rate, Charges and Loss Factors

Residential		
Service Charge	$	14.16
Smart Meter Funding Adder	$	1.47
Smart Grid Rate Adder	$	0.0800
Distribution Volumetric Rate	$/kWh	0.0127
Low Voltage Cost Rate Rider	$/kWh	0.00004
Deferral and Variance Account Rate Rider	$/kWh	0.0004
LRAM / SSM Rate Rider	$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0048
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25
General Service Less Than 50 kW		
Service Charge	$	21.70
Smart Meter Funding Adder	$	1.47
Smart Grid Rate Adder	$	0.0800
Distribution Volumetric Rate	$/kWh	0.0168
Low Voltage Cost Rate Rider	$/kWh	0.00004
Deferral and Variance Account Rate Rider	$/kWh	0.0004
LRAM / SSM Rate Rider	$/kWh	0.0002
Retail Transmission Rate – Network Service Rate	$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0043
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25
General Service 50 to 2,999 kW		
Service Charge	$	311.40
Smart Meter Funding Adder	$	1.47
Smart Grid Rate Adder	$	0.0800
Distribution Volumetric Rate	$/kW	2.2209
Low Voltage Cost Rate Rider	$/kWh	0.0139
Deferral and Variance Account Rate Rider	$/kWh	0.4499
LRAM / SSM Rate Rider	$/kWh	0.0677
Retail Transmission Rate – Network Service Rate	$/kW	1.9607
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.7084
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25
General Service 3,000 to 4,999 kW		
Service Charge	$	4,420.45
Smart Meter Funding Adder	$	1.47
Smart Grid Rate Adder	$	0.0800
Distribution Volumetric Rate	$/kW	0.8434
Low Voltage Cost Rate Rider	$/kWh	0.0154
Deferral and Variance Account Rate Rider	$/kWh	0.7175
LRAM / SSM Rate Rider	$/kWh	0.0170
Retail Transmission Rate – Network Service Rate	$/kW	2.0798
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.8881
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Ltd.
TARIFF OF RATES AND CHARGES
Effective May 1, 2010, except for the microFit Generator Class Effective date of September 1, 2009
This schedule supersedes and replaces all previously approved schedules of Rate, Charges and Loss Factors

Unmetered Scattered Load		
Service Charge (per connection)	$	6.79
Distribution Volumetric Rate	$/kWh	0.0157
Low Voltage Cost Rate Rider	$/kWh	0.00004
Deferral and Variance Account Rate Rider	$/kWh	0.0003
LRAM / SSM Rate Rider	$/kWh	0.0024
Retail Transmission Rate – Network Service Rate	$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0043
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25
Sentinel Lighting		
Service Charge (per connection)	$	3.26
Distribution Volumetric Rate	$/kW	11.3671
Low Voltage Cost Rate Rider	$/kWh	0.0110
Deferral and Variance Account Rate Rider	$/kWh	(0.3801)
Retail Transmission Rate – Network Service Rate	$/kW	1.4861
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.3483
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25
Street Lighting		
Service Charge (per connection)	$	2.61
Distribution Volumetric Rate	$/kW	13.9687
Low Voltage Cost Rate Rider	$/kWh	0.0108
Deferral and Variance Account Rate Rider	$/kWh	(0.8676)
Retail Transmission Rate – Network Service Rate	$/kW	1.4786
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.3206
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25
microFIT Generator		
Service Charge (per connection)	$	5.25
Specific Service Charges		
Customer Administration		
Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge(plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees(if meter found correct)	$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	165.00
Service call - customer-owned equipment	$	30.00
Specific Charge for Access to the Power Poles $/pole/year	$	22.35
Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

North Bay Hydro Distribution Ltd.
TARIFF OF RATES AND CHARGES
Effective May 1, 2010, except for the microFit Generator Class Effective date of September 1, 2009
This schedule supersedes and replaces all previously approved schedules of Rate, Charges and Loss Factors

Retail Service Charges (if applicable)
Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer to establish the service agreement between the distributor and the retailer	$	100.00
Monthly Fixed Charge, per retailer	$	20.00
Monthly Variable Charge, per customer, per retailer	$/cust.	1.37
Distributor-consolidated billing charge, per customer, per retailer	$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	$	0.25
Processing fee, per request, applied to the requesting party	$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year no charge		
More than twice a year, per request (plus incremental delivery costs)	$	2.00

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0480
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0375
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

APPENDIX B

Summary of Monthly Bill Impacts

RESIDENTIAL

Consumption 100 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Monthly Service Charge			12.53			14.16	1.63	13.01%	52.95%
Distribution (kWh)	100	0.0112	1.12	100	0.01274	1.27	0.15	13.75%	4.76%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	5.50%
Smart Grid (per month)			0.00			0.08	0.08		0.30%
LRAM & SSM Rider (kWh)	100	0.0000	0.00	100	0.0003	0.03	0.03		0.11%
Regulatory Assets (kWh)	100	0.0000	0.00	100	0.0004	0.04	0.04		0.16%
Sub-Total - Distribution			**15.76**			**17.06**	**1.30**	**8.22%**	**63.78%**
RTSR - Network	104	0.0052	0.54	105	0.0053	0.55	0.01	2.44%	2.07%
RTSR - Connection	104	0.0047	0.49	105	0.0048	0.51	0.02	3.62%	1.89%
Sub-Total - Delivery			**16.79**			**18.12**	**1.33**	**7.90%**	**67.74%**
Wholesale Market Rate	104	0.0065	0.68	105	0.0065	0.68	0.01	0.90%	2.55%
DRC	100	0.0070	0.70	100	0.0070	0.70	0.00	0.00%	2.62%
Cost of Power Commodity (kWh)	104	0.0570	5.92	105	0.0570	5.97	0.05	0.90%	22.34%
Cost of Power Commodity (kWh)	0	0.0660	0.00	0	0.0660	0.00	0.00		0.00%
Sub-Total - Other Charges			**24.08**			**25.47**	**1.39**	**5.76%**	**95.24%**
GST		5.00%	1.20		5.00%	1.27	0.07	5.76%	4.76%
TOTAL BILL			**25.29**			**26.74**	**1.46**	**5.76%**	**100.00%**

RESIDENTIAL

Consumption 250 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Monthly Service Charge			12.53			14.16	1.63	13.01%	33.62%
Distribution (kWh)	250	0.0112	2.80	250	0.01274	3.19	0.39	13.75%	7.56%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	3.49%
Smart Grid (per month)			0.00			0.08	0.08		0.19%
LRAM & SSM Rider (kWh)	250	0.0000	0.00	250	0.0003	0.08	0.08		0.18%
Regulatory Assets (kWh)	250	0.0000	0.00	250	0.0004	0.11	0.11		0.25%
Sub-Total - Distribution			**17.44**			**19.08**	**1.64**	**9.38%**	**45.29%**
RTSR - Network	260	0.0052	1.35	262	0.0053	1.38	0.03	2.44%	3.28%
RTSR - Connection	260	0.0047	1.22	262	0.0048	1.26	0.04	3.62%	3.00%
Sub-Total - Delivery			**20.01**			**21.72**	**1.71**	**8.56%**	**51.58%**
Wholesale Market Rate	260	0.0065	1.69	262	0.0065	1.70	0.02	0.90%	4.04%
DRC	250	0.0070	1.75	250	0.0070	1.75	0.00	0.00%	4.16%
Cost of Power Commodity (kWh)	260	0.0570	14.80	262	0.0570	14.93	0.13	0.90%	35.46%
Cost of Power Commodity (kWh)	0	0.0660	0.00	0	0.0660	0.00	0.00		0.00%
Sub-Total - Other Charges			**38.25**			**40.11**	**1.86**	**4.86%**	**95.24%**
GST		5.00%	1.91		5.00%	2.01	0.09	4.86%	4.76%
TOTAL BILL			**40.16**			**42.12**	**1.95**	**4.86%**	**100.00%**

RESIDENTIAL

Consumption 500 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Monthly Service Charge			12.53			14.16	1.63	13.01%	20.90%
Distribution (kWh)	500	0.0112	5.60	500	0.01274	6.37	0.77	13.75%	9.40%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	2.17%
Smart Grid (per month)			0.00			0.08	0.08		0.12%
LRAM & SSM Rider (kWh)	500	0.0000	0.00	500	0.0003	0.15	0.15		0.22%
Regulatory Assets (kWh)	500	0.0000	0.00	500	0.0004	0.21	0.21		0.31%
Sub-Total - Distribution			**20.24**			**22.44**	**2.20**	**10.87%**	**33.13%**
RTSR - Network	519	0.0052	2.70	524	0.0053	2.77	0.07	2.44%	4.08%
RTSR - Connection	519	0.0047	2.44	524	0.0048	2.53	0.09	3.62%	3.73%
Sub-Total - Delivery			**25.38**			**27.74**	**2.35**	**9.27%**	**40.95%**
Wholesale Market Rate	519	0.0065	3.38	524	0.0065	3.41	0.03	0.90%	5.03%
DRC	500	0.0070	3.50	500	0.0070	3.50	0.00	0.00%	5.17%
Cost of Power Commodity (kWh)	519	0.0570	29.60	524	0.0570	29.87	0.27	0.90%	44.10%
Cost of Power Commodity (kWh)	0	0.0660	0.00	0	0.0660	0.00	0.00		0.00%
Sub-Total - Other Charges			**61.86**			**64.51**	**2.65**	**4.29%**	**95.24%**
GST		5.00%	3.09		5.00%	3.23	0.13	4.29%	4.76%
TOTAL BILL			**64.95**			**67.74**	**2.78**	**4.29%**	**100.00%**

RESIDENTIAL

Consumption 800 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Monthly Service Charge			12.53			14.16	1.63	13.01%	14.06%
Distribution (kWh)	800	0.0112	8.96	800	0.01274	10.19	1.23	13.75%	10.12%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	1.46%
Smart Grid (per month)			0.00			0.08	0.08		0.08%
LRAM & SSM Rider (kWh)	800	0.0000	0.00	800	0.0003	0.24	0.24		0.24%
Regulatory Assets (kWh)	800	0.0000	0.00	800	0.0004	0.34	0.34		0.33%
Sub-Total - Distribution			**23.60**			**26.48**	**2.88**	**12.19%**	**26.29%**
RTSR - Network	831	0.0052	4.32	838	0.0053	4.43	0.11	2.44%	4.39%
RTSR - Connection	831	0.0047	3.91	838	0.0048	4.05	0.14	3.62%	4.02%
Sub-Total - Delivery			**31.83**			**34.95**	**3.12**	**9.82%**	**34.70%**
Wholesale Market Rate	831	0.0065	5.40	838	0.0065	5.45	0.05	0.90%	5.41%
DRC	800	0.0070	5.60	800	0.0070	5.60	0.00	0.00%	5.56%
Cost of Power Commodity (kWh)	600	0.0570	34.20	600	0.0570	34.20	0.00	0.00%	33.95%
Cost of Power Commodity (kWh)	231	0.0660	15.24	238	0.0660	15.74	0.49	3.24%	15.62%
Sub-Total - Other Charges			**92.27**			**95.94**	**3.67**	**3.97%**	**95.24%**
GST		5.00%	4.61		5.00%	4.80	0.18	3.97%	4.76%
TOTAL BILL			**96.88**			**100.73**	**3.85**	**3.97%**	**100.00%**

RESIDENTIAL

Consumption 1,000 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Monthly Service Charge			12.53			14.16	1.63	13.01%	11.49%
Distribution (kWh)	1,000	0.0112	11.20	1,000	0.01274	12.74	1.54	13.75%	10.34%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	1.19%
Smart Grid (per month)			0.00			0.08	0.08		0.06%
LRAM & SSM Rider (kWh)	1,000	0.0000	0.00	1,000	0.0003	0.30	0.30		0.24%
Regulatory Assets (kWh)	1,000	0.0000	0.00	1,000	0.0004	0.42	0.42		0.34%
Sub-Total - Distribution			**25.84**			**29.17**	**3.33**	**12.89%**	**23.68%**
RTSR - Network	1,039	0.0052	5.40	1,048	0.0053	5.53	0.13	2.44%	4.49%
RTSR - Connection	1,039	0.0047	4.88	1,048	0.0048	5.06	0.18	3.62%	4.11%
Sub-Total - Delivery			**36.12**			**39.76**	**3.64**	**10.07%**	**32.27%**
Wholesale Market Rate	1,039	0.0065	6.75	1,048	0.0065	6.81	0.06	0.90%	5.53%
DRC	1,000	0.0070	7.00	1,000	0.0070	7.00	0.00	0.00%	5.68%
Cost of Power Commodity (kWh)	600	0.0570	34.20	600	0.0570	34.20	0.00	0.00%	27.76%
Cost of Power Commodity (kWh)	439	0.0660	28.95	448	0.0660	29.57	0.62	2.13%	24.00%
Sub-Total - Other Charges			**113.03**			**117.34**	**4.32**	**3.82%**	**95.24%**
GST		5.00%	5.65		5.00%	5.87	0.22	3.82%	4.76%
TOTAL BILL			**118.68**			**123.21**	**4.53**	**3.82%**	**100.00%**

RESIDENTIAL

Consumption 1,500 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Monthly Service Charge			12.53			14.16	1.63	13.01%	7.89%
Distribution (kWh)	1,500	0.0112	16.80	1,500	0.01274	19.11	2.31	13.75%	10.65%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.82%
Smart Grid (per month)			0.00			0.08	0.08		0.04%
LRAM & SSM Rider (kWh)	1,500	0.0000	0.00	1,500	0.0003	0.45	0.45		0.25%
Regulatory Assets (kWh)	1,500	0.0000	0.00	1,500	0.0004	0.63	0.63		0.35%
Sub-Total - Distribution			**31.44**			**35.90**	**4.46**	**14.19%**	**20.01%**
RTSR - Network	1,558	0.0052	8.10	1,572	0.0053	8.30	0.20	2.44%	4.63%
RTSR - Connection	1,558	0.0047	7.32	1,572	0.0048	7.59	0.26	3.62%	4.23%
Sub-Total - Delivery			**46.86**			**51.79**	**4.92**	**10.50%**	**28.87%**
Wholesale Market Rate	1,558	0.0065	10.13	1,572	0.0065	10.22	0.09	0.90%	5.70%
DRC	1,500	0.0070	10.50	1,500	0.0070	10.50	0.00	0.00%	5.85%
Cost of Power Commodity (kWh)	600	0.0570	34.20	600	0.0570	34.20	0.00	0.00%	19.06%
Cost of Power Commodity (kWh)	958	0.0660	63.23	972	0.0660	64.15	0.93	1.47%	35.76%
Sub-Total - Other Charges			**164.92**			**170.86**	**5.94**	**3.60%**	**95.24%**
GST		5.00%	8.25		5.00%	8.54	0.30	3.60%	4.76%
TOTAL BILL			**173.16**			**179.40**	**6.24**	**3.60%**	**100.00%**

RESIDENTIAL

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
Consumption 2,000 kWh	Monthly Service Charge			12.53			14.16	1.63	13.01%	6.01%
	Distribution (kWh)	2,000	0.0112	22.40	2,000	0.0127	25.48	3.08	13.75%	10.82%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.62%
	Smart Grid (per month)			0.00			0.08	0.08		0.03%
	LRAM & SSM Rider (kWh)	2,000	0.0000	0.00	2,000	0.0003	0.60	0.60		0.25%
	Regulatory Assets (kWh)	2,000	0.0000	0.00	2,000	0.0004	0.84	0.84		0.36%
	Sub-Total - Distribution			**37.04**			**42.63**	**5.59**	**15.09%**	**18.09%**
	RTSR - Network	2,077	0.0052	10.80	2,096	0.0053	11.07	0.26	2.44%	4.70%
	RTSR - Connection	2,077	0.0047	9.76	2,096	0.0048	10.12	0.35	3.62%	4.29%
	Sub-Total - Delivery			**57.61**			**63.81**	**6.21**	**10.77%**	**27.09%**
	Wholesale Market Rate	2,077	0.0065	13.50	2,096	0.0065	13.62	0.12	0.90%	5.78%
	DRC	2,000	0.0070	14.00	2,000	0.0070	14.00	0.00	0.00%	5.94%
	Cost of Power Commodity (kWh)	600	0.0570	34.20	600	0.0570	34.20	0.00	0.00%	14.52%
	Cost of Power Commodity (kWh)	1,477	0.0660	97.50	1,496	0.0660	98.74	1.24	1.27%	41.91%
	Sub-Total - Other Charges			**216.81**			**224.37**	**7.56**	**3.49%**	**95.24%**
	GST		5.00%	10.84		5.00%	11.22	0.38	3.49%	4.76%
	TOTAL BILL			**227.65**			**235.59**	**7.94**	**3.49%**	**100.00%**

GENERAL SERVICE < 50 kW

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Consumption 1,000 kWh	Monthly Service Charge			21.70			21.70	0.00	0.00%	16.33%
	Distribution (kWh)	1,000	0.0139	13.90	1,000	0.01684	16.84	2.94	21.15%	12.67%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	1.11%
	Smart Grid (per month)			0.00			0.08	0.08		0.06%
	LRAM & SSM Rider (kWh)	1,000	0.0000	0.00	1,000	0.0002	0.20	0.20		0.15%
	Regulatory Assets (kWh)	1,000	0.0000	0.00	1,000	0.0004	0.39	0.39		0.29%
	Sub-Total - Distribution			**37.71**			**40.68**	**2.97**	**7.88%**	**30.62%**
	RTSR - Network	1,039	0.0048	4.99	1,048	0.0049	5.11	0.12	2.44%	3.84%
	RTSR - Connection	1,039	0.0042	4.36	1,048	0.0043	4.52	0.16	3.62%	3.40%
	Sub-Total - Delivery			**47.06**			**50.31**	**3.25**	**6.90%**	**37.86%**
	Wholesale Market Rate	1,039	0.0065	6.75	1,048	0.0065	6.81	0.06	0.90%	5.13%
	DRC	1,000	0.0070	7.00	1,000	0.0070	7.00	0.00	0.00%	5.27%
	Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	32.18%
	Cost of Power Commodity (kWh)	289	0.0660	19.05	298	0.0660	19.67	0.62	3.24%	14.80%
	Sub-Total - Other Charges			**122.61**			**126.54**	**3.93**	**3.20%**	**95.24%**
	GST		5.00%	6.13		5.00%	6.33	0.20	3.20%	4.76%
	Total Bill			**128.74**			**132.87**	**4.12**	**3.20%**	**100.00%**

GENERAL SERVICE < 50 kW

Consumption 2,000 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge			21.70			21.70	0.00	0.00%	8.74%
Distribution (kWh)	2,000	0.0139	27.80	2,000	0.01684	33.68	5.88	21.15%	13.56%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.59%
Smart Grid (per month)			0.00			0.08	0.08		0.03%
LRAM & SSM Rider (kWh)	2,000	0.0000	0.00	2,000	0.0002	0.40	0.40		0.16%
Regulatory Assets (kWh)	2,000	0.0000	0.00	2,000	0.0004	0.78	0.78		0.31%
Sub-Total - Distribution			**51.61**			**58.11**	**6.50**	**12.59%**	**23.39%**
RTSR - Network	2,077	0.0048	9.97	2,096	0.0049	10.21	0.24	2.44%	4.11%
RTSR - Connection	2,077	0.0042	8.72	2,096	0.0043	9.04	0.32	3.62%	3.64%
Sub-Total - Delivery			**70.31**			**77.36**	**7.06**	**10.04%**	**31.14%**
Wholesale Market Rate	2,077	0.0065	13.50	2,096	0.0065	13.62	0.12	0.90%	5.48%
DRC	2,000	0.0070	14.00	2,000	0.0070	14.00	0.00	0.00%	5.64%
Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	17.21%
Cost of Power Commodity (kWh)	1,327	0.0660	87.60	1,346	0.0660	88.84	1.24	1.41%	35.76%
Sub-Total - Other Charges			**228.16**			**236.58**	**8.42**	**3.69%**	**95.24%**
GST		5.00%	11.41		5.00%	11.83	0.42	3.69%	4.76%
Total Bill			**239.57**			**248.41**	**8.84**	**3.69%**	**100.00%**

GENERAL SERVICE < 50 kW

Consumption 5,000 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge			21.70			21.70	0.00	0.00%	3.65%
Distribution (kWh)	5,000	0.0139	69.50	5,000	0.01684	84.20	14.70	21.15%	14.15%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.25%
Smart Grid (per month)			0.00			0.08	0.08		0.01%
LRAM & SSM Rider (kWh)	5,000	0.0000	0.00	5,000	0.0002	1.00	1.00		0.17%
Regulatory Assets (kWh)	5,000	0.0000	0.00	5,000	0.0004	1.95	1.95		0.33%
Sub-Total - Distribution			**93.31**			**110.40**	**17.09**	**18.32%**	**18.55%**
RTSR - Network	5,193	0.0048	24.93	5,240	0.0049	25.53	0.61	2.44%	4.29%
RTSR - Connection	5,193	0.0042	21.81	5,240	0.0043	22.60	0.79	3.62%	3.80%
Sub-Total - Delivery			**140.05**			**158.54**	**18.49**	**13.20%**	**26.64%**
Wholesale Market Rate	5,193	0.0065	33.76	5,240	0.0065	34.06	0.30	0.90%	5.72%
DRC	5,000	0.0070	35.00	5,000	0.0070	35.00	0.00	0.00%	5.88%
Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	7.18%
Cost of Power Commodity (kWh)	4,443	0.0660	293.26	4,490	0.0660	296.35	3.09	1.05%	49.80%
Sub-Total - Other Charges			**544.81**			**566.69**	**21.88**	**4.02%**	**95.24%**
GST		5.00%	27.24		5.00%	28.33	1.09	4.02%	4.76%
Total Bill			**572.05**			**595.03**	**22.97**	**4.02%**	**100.00%**

GENERAL SERVICE < 50 kW

Consumption 10,000 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge			21.70			21.70	0.00	0.00%	1.85%
Distribution (kWh)	10,000	0.0139	139.00	10,000	0.01684	168.40	29.40	21.15%	14.36%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.13%
Smart Grid (per month)			0.00			0.08	0.08		0.01%
LRAM & SSM Rider (kWh)	10,000	0.0000	0.00	10,000	0.0002	2.00	2.00		0.17%
Regulatory Assets (kWh)	10,000	0.0000	0.00	10,000	0.0004	3.90	3.90		0.33%
Sub-Total - Distribution			**162.81**			**197.55**	**34.74**	**21.34%**	**16.85%**
RTSR - Network	10,387	0.0048	49.86	10,480	0.0049	51.07	1.21	2.44%	4.35%
RTSR - Connection	10,387	0.0042	43.62	10,480	0.0043	45.20	1.58	3.62%	3.85%
Sub-Total - Delivery			**256.29**			**293.82**	**37.53**	**14.64%**	**25.05%**
Wholesale Market Rate	10,387	0.0065	67.51	10,480	0.0065	68.12	0.61	0.90%	5.81%
DRC	10,000	0.0070	70.00	10,000	0.0070	70.00	0.00	0.00%	5.97%
Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	3.65%
Cost of Power Commodity (kWh)	9,637	0.0660	636.01	9,730	0.0660	642.19	6.18	0.97%	54.76%
Sub-Total - Other Charges			**1,072.56**			**1,116.88**	**44.32**	**4.13%**	**95.24%**
GST		5.00%	53.63		5.00%	55.84	2.22	4.13%	4.76%
Total Bill			**1,126.19**			**1,172.73**	**46.54**	**4.13%**	**100.00%**

GENERAL SERVICE < 50 kW

Consumption 15,000 kWh	2009 BILL			2010 BILL			IMPACT		
	Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Monthly Service Charge			21.70			21.70	0.00	0.00%	1.24%
Distribution (kWh)	15,000	0.0139	208.50	15,000	0.01684	252.60	44.10	21.15%	14.43%
Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.08%
Smart Grid (per month)			0.00			0.08	0.08		0.00%
LRAM & SSM Rider (kWh)	15,000	0.0000	0.00	15,000	0.0002	3.00	3.00		0.17%
Regulatory Assets (kWh)	15,000	0.0000	0.00	15,000	0.0004	5.85	5.85		0.33%
Sub-Total - Distribution			**232.31**			**284.70**	**52.39**	**22.55%**	**16.26%**
RTSR - Network	15,580	0.0048	74.78	15,720	0.0049	76.60	1.82	2.44%	4.38%
RTSR - Connection	15,580	0.0042	65.44	15,720	0.0043	67.80	2.37	3.62%	3.87%
Sub-Total - Delivery			**372.53**			**429.11**	**56.58**	**15.19%**	**24.51%**
Wholesale Market Rate	15,580	0.0065	101.27	15,720	0.0065	102.18	0.91	0.90%	5.84%
DRC	15,000	0.0070	105.00	15,000	0.0070	105.00	0.00	0.00%	6.00%
Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	2.44%
Cost of Power Commodity (kWh)	14,830	0.0660	978.77	14,970	0.0660	988.04	9.27	0.95%	56.45%
Sub-Total - Other Charges			**1,600.31**			**1,667.08**	**66.76**	**4.17%**	**95.24%**
GST		5.00%	80.02		5.00%	83.35	3.34	4.17%	4.76%
Total Bill			**1,680.33**			**1,750.43**	**70.10**	**4.17%**	**100.00%**

GENERAL SERVICE > 50 kW

Consumption		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
25,000 kWh	Monthly Service Charge			311.40			311.40	0.00	0.00%	11.30%
60 kW	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
	Distribution (kW)	60	2.1783	130.70	60	2.2348	134.09	3.39	2.59%	4.86%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.05%
	Smart Grid (per month)			0.00			0.08	0.08		0.00%
	LRAM & SSM Rider (kW)	60	0.0000	0.00	60	0.0677	4.06	4.06		0.15%
	Regulatory Assets (kW)	60	0.0000	0.00	60	0.4499	26.99	26.99		0.98%
	Sub-Total - Distribution			**444.21**			**478.09**	**33.89**	**7.63%**	**17.34%**
	RTSR - Network	60	1.9313	115.88	60	1.9607	117.64	1.76	1.52%	4.27%
	RTSR - Connection	60	1.6636	99.82	60	1.7084	102.50	2.69	2.69%	3.72%
	Sub-Total - Delivery			**659.90**			**698.24**	**38.33**	**5.81%**	**25.33%**
	Wholesale Market Rate	25,966	0.0065	168.78	26,200	0.0065	170.30	1.52	0.90%	6.18%
	DRC	25,000	0.0070	175.00	25,000	0.0070	175.00	0.00	0.00%	6.35%
	Cost of Power Commodity (kWh)	25,966	0.0604	1,567.83	26,200	0.0604	1,581.96	14.14	0.90%	57.38%
	Sub-Total - Other Charges			**2,571.51**			**2,625.50**	**53.99**	**2.10%**	**95.24%**
	GST		5.00%	128.58		5.00%	131.28	2.70	2.10%	4.76%
	TOTAL BILL			**2,700.08**			**2,756.78**	**56.69**	**2.10%**	**100.00%**

GENERAL SERVICE > 50 kW

Consumption		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
40,000 kWh	Monthly Service Charge			311.40			311.40	0.00	0.00%	7.34%
100 kW	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
	Distribution (kW)	100	2.1783	217.83	100	2.2348	223.48	5.65	2.59%	5.27%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.03%
	Smart Grid (per month)			0.00			0.08	0.08		0.00%
	LRAM & SSM Rider (kW)	100	0.0000	0.00	100	0.0677	6.77	6.77		0.16%
	Regulatory Assets (kW)	100	0.0000	0.00	100	0.4499	44.99	44.99		1.06%
	Sub-Total - Distribution			**531.34**			**588.19**	**56.85**	**10.70%**	**13.87%**
	RTSR - Network	100	1.9313	193.13	100	1.9607	196.07	2.94	1.52%	4.62%
	RTSR - Connection	100	1.6636	166.36	100	1.7084	170.84	4.48	2.69%	4.03%
	Sub-Total - Delivery			**890.83**			**955.09**	**64.26**	**7.21%**	**22.52%**
	Wholesale Market Rate	41,546	0.0065	270.05	41,921	0.0065	272.48	2.43	0.90%	6.43%
	DRC	40,000	0.0070	280.00	40,000	0.0070	280.00	0.00	0.00%	6.60%
	Cost of Power Commodity (kWh)	41,546	0.0604	2,508.52	41,921	0.0604	2,531.14	22.62	0.90%	59.69%
	Sub-Total - Other Charges			**3,949.40**			**4,038.72**	**89.32**	**2.26%**	**95.24%**
	GST		5.00%	197.47		5.00%	201.94	4.47	2.26%	4.76%
	TOTAL BILL			**4,146.87**			**4,240.65**	**93.78**	**2.26%**	**100.00%**

GENERAL SERVICE > 50 kW

Consumption		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
215,000 kWh	Monthly Service Charge			311.40			311.40	0.00	0.00%	1.48%
500 kW	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
	Distribution (kW)	500	2.1783	1,089.15	500	2.2348	1,117.40	28.25	2.59%	5.29%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.01%
	Smart Grid (per month)			0.00			0.08	0.08		0.00%
	LRAM & SSM Rider (kW)	500	0.0000	0.00	500	0.0677	33.85	33.85		0.16%
	Regulatory Assets (kW)	500	0.0000	0.00	500	0.4499	224.96	224.96		1.07%
	Sub-Total - Distribution			**1,402.66**			**1,689.16**	**286.50**	**20.43%**	**8.00%**
	RTSR - Network	500	1.9313	965.65	500	1.9607	980.33	14.68	1.52%	4.65%
	RTSR - Connection	500	1.6636	831.80	500	1.7084	854.18	22.38	2.69%	4.05%
	Sub-Total - Delivery			**3,200.11**			**3,523.66**	**323.55**	**10.11%**	**16.70%**
	Wholesale Market Rate	223,310	0.0065	1,451.52	225,324	0.0065	1,464.61	13.09	0.90%	6.94%
	DRC	215,000	0.0070	1,505.00	215,000	0.0070	1,505.00	0.00	0.00%	7.13%
	Cost of Power Commodity (kWh)	223,310	0.0604	13,483.30	225,324	0.0604	13,604.87	121.57	0.90%	64.47%
	Sub-Total - Other Charges			**19,639.93**			**20,098.14**	**458.21**	**2.33%**	**95.24%**
	GST		5.00%	982.00		5.00%	1,004.91	22.91	2.33%	4.76%
	TOTAL BILL			**20,621.93**			**21,103.05**	**481.12**	**2.33%**	**100.00%**

GENERAL SERVICE > 50 kW

Consumption		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
430,000 kWh	Monthly Service Charge			311.40			311.40	0.00	0.00%	0.74%
1,000 kW	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
	Distribution (kW)	1,000	2.1783	2,178.30	1,000	2.2348	2,234.80	56.50	2.59%	5.34%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.00%
	Smart Grid (per month)			0.00			0.08	0.08		0.00%
	LRAM & SSM Rider (kW)	1,000	0.0000	0.00	1,000	0.0677	67.70	67.70		0.16%
	Regulatory Assets (kW)	1,000	0.0000	0.00	1,000	0.4499	449.91	449.91		1.07%
	Sub-Total - Distribution			**2,491.81**			**3,065.36**	**573.55**	**23.02%**	**7.32%**
	RTSR - Network	1,000	1.9313	1,931.30	1,000	1.9607	1,960.65	29.35	1.52%	4.68%
	RTSR - Connection	1,000	1.6636	1,663.60	1,000	1.7084	1,708.37	44.77	2.69%	4.08%
	Sub-Total - Delivery			**6,086.71**			**6,734.38**	**647.67**	**10.64%**	**16.08%**
	Wholesale Market Rate	446,621	0.0065	2,903.04	450,648	0.0065	2,929.21	26.17	0.90%	6.99%
	DRC	430,000	0.0070	3,010.00	430,000	0.0070	3,010.00	0.00	0.00%	7.19%
	Cost of Power Commodity (kWh)	446,621	0.0604	26,966.61	450,648	0.0604	27,209.75	243.14	0.90%	64.97%
	Sub-Total - Other Charges			**38,966.35**			**39,883.34**	**916.99**	**2.35%**	**95.24%**
	GST		5.00%	1,948.32		5.00%	1,994.17	45.85	2.35%	4.76%
	TOTAL BILL			**40,914.67**			**41,877.50**	**962.83**	**2.35%**	**100.00%**

General Service > 3000 to 4999 kW

Consumption		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
2,000,000 kWh	Monthly Service Charge			2,399.29			4,420.45	2,021.16	84.24%	2.41%
3,500 kW	Distribution (kWh)	0	0.0000	0.00	2,000,000	0.0000	0.00	0.00		0.00%
	Distribution (kW)	3,500	0.7321	2,562.35	3,500	0.8588	3,005.80	443.45	17.31%	1.64%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.00%
	Smart Grid (per month)			0.00			0.08	0.08		0.00%
	Transformer Credit	3,500	(0.6000)	(2,100.00)	3,500	(0.6000)	(2,100.00)	0.00	0.00%	(1.15%)
	LRAM & SSM Rider (kW)	3,500	0.0000	0.00	3,500	0.0170	59.50	59.50		0.03%
	Regulatory Assets (kW)	3,500	0.0000	0.00	3,500	0.7175	2,511.18	2,511.18		1.37%
	Sub-Total - Distribution			**2,863.75**			**7,898.48**	**5,034.73**	**175.81%**	**4.31%**
	RTSR - Network	3,500	2.0487	7,170.45	3,500	2.0798	7,279.42	108.97	1.52%	3.97%
	RTSR - Connection	3,500	1.8386	6,435.10	3,500	1.8881	6,608.27	173.17	2.69%	3.61%
	Sub-Total - Delivery			**16,469.30**			**21,786.17**	**5,316.87**	**32.28%**	**11.89%**
	Wholesale Market Rate	2,056,533	0.0065	13,367.46	2,075,075	0.0065	13,487.99	120.53	0.90%	7.36%
	DRC	2,000,000	0.0070	14,000.00	2,000,000	0.0070	14,000.00	0.00	0.00%	7.64%
	Cost of Power Commodity (kWh)	2,056,533	0.0604	124,171.81	2,075,075	0.0604	125,291.40	1,119.58	0.90%	68.36%
	Sub-Total - Other Charges			**168,008.58**			**174,565.56**	**6,556.98**	**3.90%**	**95.24%**
	GST		5.00%	8,400.43		5.00%	8,728.28	327.85	3.90%	4.76%
	TOTAL BILL			**176,409.01**			**183,293.84**	**6,884.83**	**3.90%**	**100.00%**

General Service > 3000 to 4999 kW

Consumption		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
1,400,000 kWh	Monthly Service Charge			2,399.29			4,420.45	2,021.16	84.24%	3.36%
2,800 kW	Distribution (kWh)	0	0.0000	0.00	1,400,000	0.0000	0.00	0.00		0.00%
	Distribution (kW)	2,800	0.7321	2,049.88	2,800	0.8588	2,404.64	354.76	17.31%	1.83%
	Smart Meter / Storm Rider (per month)			2.11			1.47	(0.64)	(30.33%)	0.00%
	Smart Grid (per month)			0.00			0.08	0.08		0.00%
	Transformer Credit	2,800	(0.6000)	(1,680.00)	2,800	(0.6000)	(1,680.00)	0.00	0.00%	(1.28%)
	LRAM & SSM Rider (kW)	2,800	0.0000	0.00	2,800	0.0170	47.60	47.60		0.04%
	Regulatory Assets (kW)	2,800	0.0000	0.00	2,800	0.7175	2,008.94	2,008.94		1.53%
	Sub-Total - Distribution			**2,771.28**			**7,203.18**	**4,431.90**	**159.92%**	**5.48%**
	RTSR - Network	2,800	2.0487	5,736.36	2,800	2.0798	5,823.54	87.18	1.52%	4.43%
	RTSR - Connection	2,800	1.8386	5,148.08	2,800	1.8881	5,286.62	138.54	2.69%	4.02%
	Sub-Total - Delivery			**13,655.72**			**18,313.34**	**4,657.62**	**34.11%**	**13.92%**
	Wholesale Market Rate	1,439,573	0.0065	9,357.22	1,452,553	0.0065	9,441.59	84.37	0.90%	7.18%
	DRC	1,400,000	0.0070	9,800.00	1,400,000	0.0070	9,800.00	0.00	0.00%	7.45%
	Cost of Power Commodity (kWh)	1,439,573	0.0604	86,920.27	1,452,553	0.0604	87,703.98	783.71	0.90%	66.68%
	Sub-Total - Other Charges			**119,733.21**			**125,258.91**	**5,525.70**	**4.62%**	**95.24%**
	GST		5.00%	5,986.66		5.00%	6,262.95	276.28	4.62%	4.76%
	TOTAL BILL			**125,719.88**			**131,521.86**	**5,801.98**	**4.62%**	**100.00%**

Street Lighting

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Billing Determinants	Monthly Service Charge	5,680	0.44	2,499.29	5,680	2.61	14,811.73	12,312.43	492.64%	28.94%
5,680 Connections	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
275,000 kWh	Distribution (kW)	800	2.3570	1,885.60	800	13.9795	11,183.60	9,298.00	493.11%	21.85%
	LRAM & SSM Rider (kW)	800	0.0000	0.00	800	0.0000	0.00	0.00		0.00%
800 kW	Regulatory Assets (kW)	800	0.0000	0.00	800	(0.8676)	(694.05)	(694.05)		(1.36%)
	Sub-Total - Distribution			**4,384.89**			**25,301.28**	**20,916.39**	**477.01%**	**49.44%**
	RTSR - Network	800	1.4565	1,165.20	800	1.4786	1,182.91	17.71	1.52%	2.31%
	RTSR - Connection	800	1.2860	1,028.80	800	1.3206	1,056.49	27.69	2.69%	2.06%
	Sub-Total - Delivery			**6,578.89**			**27,540.67**	**20,961.78**	**318.62%**	**53.81%**
	Wholesale Market Rate	285,630	0.0065	1,856.59	288,205	0.0065	1,873.33	16.74	0.90%	3.66%
	DRC	275,000	0.0070	1,925.00	275,000	0.0070	1,925.00	0.00	0.00%	3.76%
	Cost of Power Commodity (kWh)	285,630	0.0604	17,246.09	288,205	0.0604	17,401.58	155.50	0.90%	34.00%
	Sub-Total - Other Charges			**27,606.57**			**48,740.59**	**21,134.02**	**76.55%**	**95.24%**
	GST		5.00%	1,380.33		5.00%	2,437.03	1,056.70	76.55%	4.76%
	TOTAL BILL			**28,986.90**			**51,177.62**	**22,190.72**	**76.55%**	**100.00%**

Street Lighting

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Billing Determinants	Monthly Service Charge	5,680	0.44	2,499.29	5,680	2.61	14,811.73	12,312.43	492.64%	26.40%
5,680 Connections	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
336,000 kWh	Distribution (kW)	800	2.3570	1,885.60	800	13.9795	11,183.60	9,298.00	493.11%	19.93%
	LRAM & SSM Rider (kW)	800	0.0000	0.00	800	0.0000	0.00	0.00		0.00%
800 kW	Regulatory Assets (kW)	800	0.0000	0.00	800	(0.8676)	(694.05)	(694.05)		(1.24%)
	Sub-Total - Distribution			**4,384.89**			**25,301.28**	**20,916.39**	**477.01%**	**45.09%**
	RTSR - Network	800	1.4565	1,165.20	800	1.4786	1,182.91	17.71	1.52%	2.11%
	RTSR - Connection	800	1.2860	1,028.80	800	1.3206	1,056.49	27.69	2.69%	1.88%
	Sub-Total - Delivery			**6,578.89**			**27,540.67**	**20,961.78**	**318.62%**	**49.08%**
	Wholesale Market Rate	348,987	0.0065	2,268.42	352,134	0.0065	2,288.87	20.45	0.90%	4.08%
	DRC	336,000	0.0070	2,352.00	336,000	0.0070	2,352.00	0.00	0.00%	4.19%
	Cost of Power Commodity (kWh)	348,987	0.0604	21,071.58	352,134	0.0604	21,261.57	189.99	0.90%	37.89%
	Sub-Total - Other Charges			**32,270.89**			**53,443.11**	**21,172.22**	**65.61%**	**95.24%**
	GST		5.00%	1,613.54		5.00%	2,672.16	1,058.61	65.61%	4.76%
	TOTAL BILL			**33,884.44**			**56,115.27**	**22,230.83**	**65.61%**	**100.00%**

Street Lighting

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Billing Determinants	Monthly Service Charge	5,680	0.44	2,499.29	5,680	2.61	14,811.73	12,312.43	492.64%	31.92%
5,680 Connections	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
216,000 kWh	Distribution (kW)	800	2.3570	1,885.60	800	13.9795	11,183.60	9,298.00	493.11%	24.10%
	LRAM & SSM Rider (kW)	800	0.0000	0.00	800	0.0000	0.00	0.00		0.00%
800 kW	Regulatory Assets (kW)	800	0.0000	0.00	800	(0.8676)	(694.05)	(694.05)		(1.50%)
	Sub-Total - Distribution			**4,384.89**			**25,301.28**	**20,916.39**	**477.01%**	**54.53%**
	RTSR - Network	800	1.4565	1,165.20	800	1.4786	1,182.91	17.71	1.52%	2.55%
	RTSR - Connection	800	1.2860	1,028.80	800	1.3206	1,056.49	27.69	2.69%	2.28%
	Sub-Total - Delivery			**6,578.89**			**27,540.67**	**20,961.78**	**318.62%**	**59.35%**
	Wholesale Market Rate	224,349	0.0065	1,458.27	226,372	0.0065	1,471.42	13.15	0.90%	3.17%
	DRC	216,000	0.0070	1,512.00	216,000	0.0070	1,512.00	0.00	0.00%	3.26%
	Cost of Power Commodity (kWh)	224,349	0.0604	13,546.02	226,372	0.0604	13,668.15	122.14	0.90%	29.46%
	Sub-Total - Other Charges			**23,095.18**			**44,192.24**	**21,097.06**	**91.35%**	**95.24%**
	GST		5.00%	1,154.76		5.00%	2,209.61	1,054.85	91.35%	4.76%
	TOTAL BILL			**24,249.94**			**46,401.86**	**22,151.92**	**91.35%**	**100.00%**

Sentinel Lighting

		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
Billing Determinants	Monthly Service Charge	1	1.98	1.98	1	3.26	3.26	1.28	64.70%	10.03%
1 Connection	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
180 kWh	Distribution (kW)	1	6.9018	6.90	1	11.3781	11.38	4.48	64.86%	34.99%
	LRAM & SSM Rider (kWh)	1	0.0000	0.00	1	0.0000	0.00	0.00		0.00%
1 kW	Regulatory Assets (kW)	1	0.0000	0.00	1	(0.3801)	(0.38)	(0.38)		(1.17%)
	Sub-Total - Distribution			**8.88**			**14.26**	**5.38**	**60.54%**	**0.44**
	RTSR - Network	1	1.4639	1.46	1	1.4861	1.49	0.02	1.52%	4.57%
	RTSR - Connection	1	1.3130	1.31	1	1.3483	1.35	0.04	2.69%	4.15%
	Sub-Total - Delivery			**11.66**			**17.09**	**5.43**	**46.62%**	**52.57%**
	Wholesale Market Rate	187	0.0065	1.22	189	0.0065	1.23	0.01	0.90%	3.77%
	DRC	180	0.0070	1.26	180	0.0070	1.26	0.00	0.00%	3.87%
	Cost of Power Commodity (kWh)	187	0.0604	11.29	189	0.0604	11.39	0.10	0.90%	35.03%
	Sub-Total - Other Charges			**25.42**			**30.97**	**5.55**	**21.82%**	**95.24%**
	GST		5.00%	1.27		5.00%	1.55	0.28	21.82%	4.76%
	TOTAL BILL			**26.69**			**32.52**	**5.82**	**21.82%**	**100.00%**

Sentinel Lighting

Billing Determinants		2009 BILL			2010 BILL			IMPACT		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	Change $	Change %	% of Total Bill
10 Connection	Monthly Service Charge	10	1.98	19.80	10	3.26	32.61	12.81	64.70%	43.07%
460 kWh	Distribution (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
	Distribution (kW)	0	6.9018	0.76	0	11.3781	1.25	0.49	64.86%	1.65%
	LRAM & SSM Rider (kWh)	0	0.0000	0.00	0	0.0000	0.00	0.00		0.00%
0 kW	Regulatory Assets (kW)	0	0.0000	0.00	0	(0.3801)	(0.04)	(0.04)		(0.06%)
	Sub-Total - Distribution			**20.56**			**33.82**	**13.26**	**64.50%**	**44.66%**
	RTSR - Network	0	1.4639	0.16	1	1.4861	1.49	1.33	822.91%	1.96%
	RTSR - Connection	0	1.3130	0.14	1	1.3483	1.35	1.20	833.56%	1.78%
	Sub-Total - Delivery			**20.86**			**36.65**	**15.79**	**75.68%**	**48.41%**
	Wholesale Market Rate	478	0.0065	3.11	482	0.0065	3.13	0.03	0.90%	4.14%
	DRC	460	0.0070	3.22	460	0.0070	3.22	0.00	0.00%	4.25%
	Cost of Power Commodity (kWh)	478	0.0604	28.85	482	0.0604	29.11	0.26	0.90%	38.44%
	Sub-Total - Other Charges			**56.04**			**72.12**	**16.08**	**28.69%**	**95.24%**
	GST		5.00%	2.80		5.00%	3.61	0.80	28.69%	4.76%
	TOTAL BILL			**58.84**			**75.72**	**16.88**	**28.69%**	**100.00%**

Unmetered Scattered - Monthly Bill Impact - Customer with Most Connections

Consumption		2009 Bill-Customer			2010 Bill-Connection			Impact		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
20,000 Avg. kWH (Mth.)	Monthly Service Charge			21.75	56	6.79	380.42	358.67	1,649.08%	13.97%
56 # of connections	Distribution (kWh)	20,000	0.0139	278.00	20,000	0.01574	314.80	36.80	13.24%	11.56%
	LRAM & SSM Rider (kWh)	20,000	0.0000	0.00	20,000	0.0024	48.00	48.00		1.76%
	Regulatory Assets (kW)	20,000	0.0000	0.00	20,000	0.0003	5.20	5.20		0.19%
	Sub-Total - Distribution			**299.75**			**748.42**	**448.67**	**149.68%**	**27.48%**
	RTSR - Network	20,773	0.0048	99.71	20,960	0.0049	102.14	2.43	2.44%	3.75%
	RTSR - Connection	20,773	0.0042	87.25	20,960	0.0043	90.40	3.16	3.62%	3.32%
	Sub-Total - Delivery			**486.71**			**940.97**	**454.26**	**93.33%**	**34.55%**
	Wholesale Market Rate	20,773	0.0065	135.02	20,960	0.0065	136.24	1.22	0.90%	5.00%
	DRC	20,000	0.0070	140.00	20,000	0.0070	140.00	0.00	0.00%	5.14%
	Cost of Power Commodity (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.00%	1.57%
	Cost of Power Commodity (kWh)	20,023	0.0660	1,321.52	20,210	0.0660	1,333.88	12.36	0.94%	48.98%
	Sub-Total - Other Charges			**2,126.00**			**2,593.84**	**467.84**	**22.01%**	**95.24%**
	GST		5.00%	106.30		5.00%	129.69	23.39	22.01%	4.76%
	TOTAL BILL			**2,232.30**			**2,723.53**	**491.23**	**22.01%**	**100.00%**

Unmetered Scattered - Monthly Bill Impact - Customer with Least Connections

Consumption		2009 Bill-Customer			2010 Bill-Connection			Impact		
		Volume	RATE $	CHARGE $	Volume	RATE $	CHARGE $	$	%	% of Total Bill
400 kWh	Monthly Service Charge			21.75	1	6.79	6.79	(14.96)	(68.77%)	13.64%
1 # of connections	Distribution (kWh)	400	0.0139	5.56	400	0.01574	6.30	0.74	13.24%	12.64%
	LRAM & SSM Rider (kWh)	400	0.0024	0.96	400	0.0024	0.96	0.00	0.00%	1.93%
	Regulatory Assets (kW)	400	0.0003	0.10	400	0.0003	0.10	0.00	0.00%	0.21%
	Sub-Total - Distribution			**28.37**			**14.15**	**(14.22)**	**(50.12%)**	**28.42%**
	RTSR - Network	415	0.0049	2.02	419	0.0049	2.04	0.02	0.90%	4.10%
	RTSR - Connection	415	0.0043	1.79	419	0.0043	1.81	0.02	0.90%	3.63%
	Sub-Total - Delivery			**32.19**			**18.00**	**(14.19)**	**(44.07%)**	**36.16%**
	Wholesale Market Rate	415	0.0065	2.70	419	0.0065	2.72	0.02	0.90%	5.47%
	DRC	400	0.0070	2.80	400	0.0070	2.80	0.00	0.00%	5.62%
	Cost of Power Commodity (kWh)	415	0.0570	23.68	419	0.0570	23.89	0.21	0.90%	47.99%
	Sub-Total - Other Charges			**61.37**			**47.42**	**(13.95)**	**(22.73%)**	**95.24%**
	GST		5.00%	3.07		5.00%	2.37	(0.70)	(22.73%)	4.76%
	TOTAL BILL			**64.44**			**49.79**	**(14.65)**	**(22.73%)**	**100.00%**

APPENDIX C

Revenue Deficiency

North Bay Hydro Distribution Ltd. - Revenue Deficiency Determination

Description	Revenue Deficiency - As Filed (Oct 2009)		Revenue Deficiency - As Filed with CoC Changes	Revenue Deficiency - As per Settlement Agreement
	2010 Test Existing Rates	2010 Test - Required Revenue	2010 Test - Required Revenue	2010 Test - Required Revenue
Revenue				
Revenue Deficiency		**1,839,071.33**	**1,992,454.75**	**1,302,477.05**
Distribution Revenue	9,978,566.38	9,978,566.38	9,978,566.38	9,991,868.27
Other Operating Revenue (Net)	825,116.44	825,116.44	825,116.44	830,616.44
Smart Meter Deferral Account Adjustment	0.00	0.00	0.00	0.00
Total Revenue	**10,803,682.82**	**12,642,754.16**	**12,796,137.57**	**12,124,961.77**
Costs and Expenses				
Administrative & General, Billing & Collecting	3,911,371.13	3,911,371.13	3,911,371.13	3,718,264.13
Operation & Maintenance	1,867,682.85	1,867,682.85	1,867,682.85	1,962,143.42
Depreciation & Amortization	2,901,108.08	2,901,108.08	2,901,108.08	2,694,911.98
Property Taxes	64,292.00	64,292.00	64,292.00	64,292.00
Capital Taxes	23,414.79	23,414.79	23,414.79	21,828.98
Deemed Interest	1,821,364.91	1,821,364.91	1,481,737.95	1,261,294.56
Total Costs and Expenses	**10,589,233.75**	**10,589,233.75**	**10,249,606.79**	**9,722,735.06**
Total Costs and Expenses Net of OCT	**10,589,233.75**	**10,589,233.75**	**10,249,606.79**	**9,722,735.06**
Utility Income Before Income Taxes	**214,449.07**	**2,053,520.40**	**2,546,530.77**	**2,402,226.70**
Income Taxes:				
Corporate Income Taxes	2,528.38	572,640.49	725,473.71	664,477.64
Total Income Taxes	**2,528.38**	**572,640.49**	**725,473.71**	**664,477.64**
Utility Net Income	**211,920.69**	**1,480,879.91**	**1,821,057.06**	**1,737,749.06**
Capital Tax Expense Calculation:				
Total Rate Base	46,219,722.43	46,219,722.43	46,219,722.43	44,105,306.06
Exemption	15,000,000.00	15,000,000.00	15,000,000.00	15,000,000.00
Deemed Taxable Capital	**31,219,722.43**	**31,219,722.43**	**31,219,722.43**	**29,105,306.06**
Ontario Capital Tax	23,414.79	21,828.98	23,414.79	21,828.98
Income Tax Expense Calculation:				
Accounting Income	214,449.07	2,053,520.40	2,546,530.77	2,402,226.70
Tax Adjustments to Accounting Income	(186,938.16)	(186,938.16)	(186,938.16)	(88,589.15)
Taxable Income	**27,510.91**	**1,866,582.24**	**2,359,592.61**	**2,313,637.55**
Income Tax Expense Before Tax Credit	8,528.38	**578,640.49**	**731,473.71**	**698,477.64**
	31.00%	31.00%	31.00%	31.00%
Tax Credits	6,000.00	6,000.00	6,000.00	34,000.00
Income Tax Expense After Tax Credit	2,528.38	572,640.49	725,473.71	664,477.64
Federal Tax	18.00%	18.00%	18.00%	18.00%
Provincial Tax				
Tax rate when Taxable Income is above $1.5 million	13.00%	13.00%	13.00%	13.00%
When Taxable Income is below $1.5 million				
First $500,000				5.00%
Remaining				15.125%
Combined				
Tax rate when Taxable Income is above $1.5 million				31.00%
When Taxable Income is below $1.5 million				
First $500,000				23.00%
Remaining				33.125%
Effective Tax Rate				28.72%
Actual Return on Rate Base:				
Rate Base	46,219,722.43	46,219,722.43	46,219,722.43	44,105,306.06
Interest Expense	1,821,364.91	1,821,364.91	1,481,737.95	1,261,294.56
Net Income	211,920.69	1,480,879.91	1,821,057.06	1,737,749.06
Total Actual Return on Rate Base	**2,033,285.59**	**3,302,244.81**	**3,302,795.01**	**2,999,043.62**
Actual Return on Rate Base	4.40%	7.14%	7.15%	6.80%
Required Return on Rate Base:				
Rate Base	46,219,722.43	46,219,722.43	46,219,722.43	44,105,306.06
Return Rates:				
Return on Debt (Weighted)	6.57%	6.57%	5.34%	4.77%
Return on Equity	8.01%	8.01%	9.85%	9.85%
Deemed Interest Expense	1,821,364.91	1,821,364.91	1,481,737.95	1,261,294.56
Return On Equity	1,480,879.91	1,480,879.91	1,821,057.06	1,737,749.06
Total Return	**3,302,244.81**	**3,302,244.81**	**3,302,795.01**	**2,999,043.62**
Expected Return on Rate Base	7.14%	7.14%	7.15%	6.80%
Revenue Deficiency After Tax	**1,268,959.22**	**(0.00)**	**(0.00)**	**0.00**
Revenue Deficiency Before Tax	**1,839,071.33**	**(0.00)**	**(0.00)**	**0.00**

Cost of Capital (CoC) changes include:

Return on Equity	9.85%
Short Term Debt	2.07%
Long Term Debt	5.87%

	As Filed (Oct 2009)	As Filed (Oct 2009) with CoC Changes	As per Settlement Agreement
Net Fixed Assets	38,647,557	38,647,557	36,525,354
Working Capital	7,572,165	7,572,165	7,579,952
Rate Base	46,219,722	46,219,722	44,105,306
Deemed Long-Term Debt Component %	56.00%	56.00%	56.00%
Deemed Short-Term Debt Component %	4.00%	4.00%	4.00%
Deemed Equity Component %	40.00%	40.00%	40.00%
Long-Term Debt Rate	6.94%	5.58%	4.96%
Short-Term Debt Rate	1.33%	2.07%	2.07%
Return Equity	8.01%	9.85%	9.85%
Weighted Average Cost of Capital	7.14%	7.15%	6.80%
Cost of Capital (Return on Rate Base)	**3,302,245**	**3,302,795**	**2,999,044**
OM&A	5,779,054	5,779,054	5,680,408
Municipal & Property Taxes	64,292	64,292	64,292
Depreciation and Amortization	2,901,108	2,901,108	2,694,912
PILs	596,055	748,889	686,307
Service Revenue Requirement	**12,642,754**	**12,796,138**	**12,124,962**
Revenue Offset	825,116	825,116	830,616
Base Revenue Requirement	**11,817,638**	**11,971,021**	**11,294,345**

Cost of Capital (CoC) changes include:

Return on Equity	9.85%
Short Term Debt	2.07%
Long Term Debt	5.87%

APPENDIX D

Rate Base

Description	2010 Test Year	
	Original per Application	Revised per Settlement
Fixed Assets Opening Balance 2010	36,171,974	33,391,410
Fixed Assets Closing Balance 2010	41,123,141	39,659,298
Average Fixed Asset Balance for 2010	38,647,557	36,525,354
Working Capital Allowance	7,572,165	7,579,952
Rate Base	46,219,722	44,105,306
Regulated Rate of Return	7.14%	6.80%
Regulated Return on Capital	3,302,245	2,999,044
Deemed Interest Expense	1,821,365	1,261,295
Deemed Return on Equity	1,480,880	1,737,749

Description	2010 Test Year	
	Original per Application	Revised per Settlement
WORKING CAPITAL ALLOWANCE FOR 2010		
Distribution Expenses:		
Distribution Expenses - Operation	596,855.08	691,315.65
Distribution Expenses - Maintenance	1,270,827.77	1,270,827.77
Billing and Collecting	1,144,086.88	1,144,086.88
Community Relations	222,000.00	112,000.00
Administrative and General Expenses	2,545,284.25	2,462,177.25
Taxes Other than Income Taxes	64,292.00	64,292.00
Less: Capital Taxes within 6105	-	-
Total Eligible Distribution Expenses	5,843,345.98	5,744,699.55
Power Supply Expenses	44,637,753.63	44,788,314.85
Total Working Capital Expenses	50,481,099.60	50,533,014.39
Working Capital Allowance rate of 15%	**7,572,164.94**	**7,579,952.16**

APPENDIX E

Load Forecast

LOAD FORECAST				
From Filed to Settlement Conference Agreement to Draft Rate Order	**2010 Rate Application AS FILED**	**2010 Rate Application SETTLEMENT**	**2010 DECISION**	**CHANGES FROM FILED TO DECISION**
Predicted kWH Purchases before CDM Adjustment	570,967,380.40	570,967,380.40	570,967,380.40	0.00
CDM Adjustment	7,228,702.00	7,228,702.00	7,228,702.00	0.00
Predicted kWH Purchases after CDM Adjustment	**563,738,678.40**	**563,738,678.40**	**563,738,678.40**	**0.00**
BILLING DETERMINANTS BY CLASS				
Residential				
Customers	21,075.76	21,074.60	21,074.60	-1.16
kWh	214,191,102.74	214,923,813.26	214,923,813.26	732,710.53
General Service < 50 kW				
Customers	2,645.61	2,645.09	2,645.09	-0.52
kWh	84,727,250.47	85,026,017.03	85,026,017.03	298,766.56
General Service > 50 to 999 kW				
Customers	286.85	286.70	286.70	-0.14
kWh	220,909,972.87	221,440,020.41	221,440,020.41	530,047.54
kW	636,801.63	638,329.56	638,329.56	1,527.93
General Service > 3000 to 4999 kW				
Customers	1.85	1.83	1.83	-0.03
kWh	40,318,944.44	38,784,125.42	38,784,125.42	-1,534,819.03
kW	77,038.36	74,105.74	74,105.74	-2,932.61
Streetlights				
Connections	5,681.64	5,680.21	5,680.21	-1.43
kWh	2,737,123.22	2,721,605.05	2,721,605.05	-15,518.16
kW	7,702.03	7,658.37	7,658.37	-43.67
Sentinel Lights				
Connections	511.37	508.92	508.92	-2.45
kWh	516,492.55	505,802.79	505,802.79	-10,689.76
kW	1,410.86	1,381.66	1,381.66	-29.20
Unmetered Loads				
Customer	21.00	21.00	21.00	0.00
kWh	337,792.11	337,294.44	337,294.44	-497.67
Total				
Customer/Connections	**30,224.09**	**30,218.36**	**30,218.36**	**-5.73**
kWh	**563,738,678.40**	**563,738,678.40**	**563,738,678.40**	**0.00**
kW from applicable classes	**722,952.89**	**721,475.34**	**721,475.34**	**-1,477.55**

APPENDIX F

OM&A Expenses

Distribution Expenses	
5085-Miscellaneous Distribution Expense:	
Per Original Application	232,539.03
Changes per Settlement	
Inflation	(18,575.00)
HST	(24,773.00)
Fleet Depreciation	137,809.00
Total Change	94,461.00
Revised per Settlement - Account 5085	**327,000.03**
5415-Energy Conservation:	
Per Original Application	195,000.00
Changes per Settlement	
Pilot Program - Smart Grid - Residential	(50,000.00)
Pilot Program - Smart Grid - Industrial	(60,000.00)
Total Change	(110,000.00)
Revised per Settlement - Account 5415	**85,000.00**
5610-Management Salaries and Expenses:	
Per Original Application	661,851.81
Changes per Settlement	
Wages - Non-Union	(5,500.00)
OMERS Reduction	(6,607.00)
Total Change	(12,107.00)
Revised per Settlement - Account 5610	**649,744.81**
5630-Outside Services Employed:	
Per Original Application	389,195.88
Changes per Settlement	
Legal Costs	(10,000.00)
Succession Planning	(20,000.00)
Total Change	(30,000.00)
Revised per Settlement - Account 5630	**359,195.88**
5645-Employee Pensions and Benefits:	
Per Original Application	426,726.66
Changes per Settlement	
Training Costs	(35,000.00)
Total Change	(35,000.00)
Revised per Settlement - Account 5645	**391,726.66**
5665-Miscellaneous General Expenses:	
Per Original Application	77,153.87
Changes per Settlement	
Board of Director Expenses	(6,000.00)
Total Change	(6,000.00)
Revised per Settlement - Account 5665	**71,153.87**
Total Changes	**(98,646.00)**

APPENDIX G

Payment in Lieu of Taxes

Application	2010 Test
Determination of Taxable Income	**Original per Submission**
Utility Income Before Taxes	2,053,520
Additions to Accounting Income:	
Depreciation and amortization	2,901,108
Loss on disposal of assets	
Charitable donations	6,000
Ontario Tax credits	6,000
Employee Benefit Plans - accrued, not paid	
Meals & entertainment / Mileage	28,275
Non-deductible club fees and dues	
Taxable Capital Gains	
Tax reserves beginning of year	1,201,494
Reserves from financial statements -balance at year end	5,284,743
Regulatory asset write-downs and recoveries	
Excess Interest Expense	
Debt financing expenses for book purposes	
Total Additions	**9,427,620**
Deductions from Accounting Income:	
Capital Cost Allowance	3,418,906
Gain on disposal of assets per financial statements	
Cumulative eligible capital deduction	
Tax reserves end of year	1,202,546
Reserves from financial statements balance at beginning of year	4,993,106
Amortization of Capitalized Fleet Depreciation	
Deductible expenses capitalized for accounting purposes	
Excess Interest	
Miscellaneous Tax Credits	0
Total Deductions	**9,614,558**
Deductions from Accounting Income:	
Charitable donations from Schedule 2	**0**
Regulatory Taxable Income	**1,866,582**

Revised as per Settlement Agreement	2010 Test
Determination of Taxable Income	**Revised per Settlement**
Utility Income Before Taxes	2,402,227
Additions to Accounting Income:	
Depreciation and amortization	2,832,721
Loss on disposal of assets	
Charitable donations	6,000
Ontario Tax credits	30,000
Employee Benefit Plans - accrued, not paid	
Meals & entertainment / Mileage	28,275
Non-deductible club fees and dues	
Taxable Capital Gains	
Tax reserves beginning of year	1,201,494
Reserves from financial statements -balance at year end	5,284,743
Regulatory asset write-downs and recoveries	
Excess Interest Expense	
Debt financing expenses for book purposes	
Total Additions	**9,383,233**
Deductions from Accounting Income:	
Capital Cost Allowance	3,265,170
Gain on disposal of assets per financial statements	5,000
Cumulative eligible capital deduction	
Tax reserves end of year	1,202,546
Reserves from financial statements balance at beginning of year	4,993,106
Amortization of Capitalized Fleet Depreciation	
Deductible expenses capitalized for accounting purposes	
Excess Interest	
Miscellaneous Tax Credits	0
Total Deductions	**9,465,822**
Deductions from Accounting Income:	
Charitable donations from Schedule 2	**-6,000**
Regulatory Taxable Income	**2,313,637**

PILS/Tax Provision Calculations	2010 Test
Taxable Income	1,866,582
Combined	
Federal Tax	18.0%
Provincial Tax	13.0%
Combined Tax rate	31.0%
Total Income Taxes	578,641
Tax Credits	
Co-Operative Tax Credits	-
Training Tax Credits	-
Apprenticeship Tax Credits	-
Miscellaneous Tax Credits	6,000
Total Tax Credits	6,000
Income Tax Provision	**572,641**
Ontario Capital Tax (Not Grossed Up)	23,415
PILS/Tax Provision For Year	**596,055**

PILS/Tax Provision Calculations	2010 Test
Taxable Income	2,313,637
Federal Tax	18.0%
Provincial Tax	
Tax rate when Taxable Income is above $1.5 million	13.0%
When Taxable Income is below $1.5 million	
First $500,000	5.0%
Remaining	15.125%
Combined	
Tax rate when Taxable Income is above $1.5 million	31.0%
When Taxable Income is below $1.5 million	
First $500,000	23.0%
Remaining	33.125%
Total Income Taxes	698,478
Tax Credits	
Co-Operative Tax Credits	-
Training Tax Credits	4,000
Apprenticeship Tax Credits	30,000
Miscellaneous Tax Credits	-
Total Tax Credits	34,000
Income Tax Provision	**664,478**
Effective Tax Rate	28.72%
Ontario Capital Tax (Not Grossed Up)	21,829
PILS/Tax Provision For Year	**686,306**

Application	2010 Test
Calculation of Ontario Capital Tax	**2010 Test**
Total Rate Base	46,219,722
Less Exemption	15,000,000
Taxable Capital /Deemed taxable capital	**31,219,722**
OCT Rate	0.075%
Ontario Capital Tax	**23,415**

Revised as per Settlement Agreement	2010 Test
Calculation of Ontario Capital Tax	**2010 Test**
Total Rate Base	44,104,715
Less Exemption	15,000,000
Taxable Capital /Deemed taxable capital	**29,104,715**
OCT Rate	0.075%
Ontario Capital Tax	**21,829**

APPENDIX H

Cost of Capital

2010 Test Year - Original per Application:

Description	Debt Holder	Affliated	Date of Issuance	Principal	Rate%	Year Applied to	Interest Cost
Shareholder loan	City of North Bay	Y	17-Mar-03	19,511,601.00	7.62%	2010	1,486,784.00
Debeture # 1 - Smart Meter	Infrastructure Ontario	N	30-Sep-09	3,058,823.60	4.28%	2010	130,917.65
Debenture # 2	Infrastructure Ontario	N	30-Aug-10	2,444,134.08	4.86%	2010	118,784.92
		Total Long Term Debt		**25,014,558.68**	**Total Interest Costs**		**1,736,486.56**
					Weighted Debt Cost Rate		**6.94%**

2010 Test Year - Revised per Settlement:

Description	Debt Holder	Affliated	Date of Issuance	Principal	Rate%	Year Applied to	Interest Cost
Shareholder loan	City of North Bay	Y	17-Mar-03	19,511,601.00	5.00%	2010	975,580.05
Debenture # 2	Infrastructure Ontario	N	30-Aug-10	2,444,134.08	4.63%	2010	113,163.41
		Total Long Term Debt		**21,955,735.08**	**Total Interest Costs**		**1,088,743.46**
					Weighted Debt Cost Rate		**4.96%**

APPENDIX I

Revenue to Cost Ratios

Updated April 14, 2010

Updated April 14, 2010

REVENUE TO COST RATIOS				
From Filed to Settlement Conference Agreement to Drecision	2010 Rate Application AS FILED	2010 Rate Application SETTLEMENT	2010 Rate Application DECISION	Changes From Filed to DECISION
Residential	98.70%	98.60%	98.60%	-0.10%
GS < 50 kW	112.80%	112.60%	112.60%	-0.20%
GS > 50 kW	119.80%	120.10%	120.10%	0.30%
General Service > 3000 to 4999 kW	58.10%	58.60%	58.60%	0.50%
Sentinel Lights	54.50%	54.20%	54.20%	-0.30%
Street Lighting	40.00%	40.10%	40.10%	0.10%
Unmetered Scattered Load	71.10%	99.60%	99.60%	28.50%

Updated April 14, 2010

REVENUE TO COST RATIOS									
From Filed to Settlement Conference Agreement to Draft Rate Order	OEB's Acceptable Range	2010 Rate Application AS FILED - Actual Ratios	2010 Rate Application AS FILED - Adjustments	2010 Rate Application AS FILED - Proposed Ratios	2010 Rate Application SETTLEMENT - Actual Ratios	2010 Rate Application SETTLEMENT - Adjustments	2010 Rate Application SETTLEMENT - Proposed Ratios	2010 Rate Application DECISION	Changes From Filed to DECISION
Residential	85% - 115%	98.7%	0.0%	98.7%	98.6%	0.0%	98.6%	98.6%	-0.10%
GS < 50 kW	80% - 120%	112.8%	0.0%	112.8%	112.6%	0.0%	112.6%	112.6%	-0.20%
GS > 50 kW	80% - 180%	133.4%	-13.6%	119.8%	133.7%	-13.6%	120.1%	120.1%	0.30%
General Service > 3000 to 4999 kW	80% - 180%	36.2%	21.9%	58.1%	37.3%	21.4%	58.6%	58.6%	0.50%
Sentinel Lights	70% - 120%	39.1%	15.4%	54.5%	38.5%	15.8%	54.2%	54.2%	-0.30%
Street Lighting	70% - 120%	10.1%	29.9%	40.0%	10.1%	29.9%	40.1%	40.1%	0.10%
Unmetered Scattered Load	80% - 120%	62.2%	8.9%	71.1%	99.6%	0.0%	99.6%	99.6%	28.50%

APPENDIX J

Rate Design

Distribution Rate Allocation Between Fixed & Variable Rates For 2010 Test Year - per Application

Distribution Rate Allocation Between Fixed & Variable Rates For 2010 Test Year

Customer Class	Total Net Rev. Requirement	Rev Requirement %	Proposed Fixed Rate	Resulting Variable Rate	Total Fixed Revenue	Total Variable Revenue	Transformer Allowance	Gross Distribution Revenue	LV & Wheeling Charges	Total
Residential	6,594,066	55.80%	14.84	$0.0133	$ 3,752,995	$ 2,841,070		6,594,066	8,425	6,602,491
GS < 50 kW	2,210,649	18.71%	25.70	$0.0165	$ 815,886	$ 1,394,763		2,210,649	2,978	2,213,628
GS >50	2,541,922	21.51%	329.78	$2.3014	$ 1,135,154	$ 1,406,768	$ 58,777	2,600,699	8,866	2,609,565
General Service > 3000 to 4999 kW	125,100	1.06%	4,721.33	$0.8599	$ 105,074	$ 20,026	$ 46,223	171,323	1,185	172,508
Sentinel Lights	37,277	0.32%	3.37	$11.7544	$ 20,693	$ 16,584		37,277	16	37,292
Street Lighting	294,687	2.49%	2.69	$14.4244	$ 183,589	$ 111,097		294,687	83	294,769
USL	13,938	0.12%	25.70	$0.0221	$ 6,476	$ 7,462		13,938	12	13,950
	0	0.00%			$ -	$ -		0	0	0
TOTAL	11,817,638	100.00%			$ 6,019,868	$ 5,797,770	$ 105,000	$ 11,922,638	$ 21,565	$11,944,203
				Forecast Fixed/Variable Ratios	50.49%	48.63%	0.88%	100.00%		

Fixed Charge Analysis

Customer Class	Current Volumetric Split	Current Fixed Charge Spilt	Total	Fixed Rate Based on Current Fixed/Variable Revenue Proportions	2009 Rates From OEB Approved Tariff	Minimum System with PLCC Adustment (Ceiling Fixed Charge From Cost Allocation Model)
Residential	43.09%	56.91%	100.00%	14.84	12.53	17.35
GS < 50 kW	63.09%	36.91%	100.00%	25.70	21.70	26.15
GS >50	55.34%	44.66%	100.00%	329.78	311.40	76.10
General Service > 3000 to 4999 kW	16.01%	83.99%	100.00%	4,721.33	2,399.29	215.81
Sentinel Lights	44.49%	55.51%	100.00%	3.37	1.98	11.81
Street Lighting	37.70%	62.30%	100.00%	2.69	0.44	11.61
USL	46.14%	53.86%	100.00%	29.79	21.75	12.22

Distribution Rate Allocation Between Fixed & Variable Rates For 2010 Test Year - per Settlement / Decision

Distribution Rate Allocation Between Fixed & Variable Rates For 2010 Test Year

Customer Class	Total Net Rev. Requirement	Rev Requirement %	Proposed Fixed Rate	Resulting Variable Rate	Total Fixed Revenue	Total Variable Revenue	Transformer Allowance	Gross Distribution Revenue	LV & Wheeling Charges	Total
Residential	6,302,766	55.80%	14.16	$0.0127	$ 3,581,839	$ 2,720,927		6,302,766	8,448	6,311,214
GS < 50 kW	2,114,489	18.72%	21.70	$0.0168	$ 688,782	$ 1,425,707		2,114,489	2,987	2,117,475
GS >50	2,430,269	21.52%	311.40	$2.2209	$ 1,071,355	$ 1,358,914	$ 58,777	2,489,046	8,881	2,497,927
General Service > 3000 to 4999 kW	114,986	1.02%	4,420.45	$0.8434	$ 96,950	$ 18,036	$ 44,463	159,449	1,140	160,588
Sentinel Lights	35,621	0.32%	3.26	$11.3671	$ 19,915	$ 15,706		35,621	15	35,636
Street Lighting	284,721	2.52%	2.61	$13.9687	$ 177,743	$ 106,977		284,721	82	284,803
USL	11,495	0.10%	6.79	$0.0157	$ 6,195	$ 5,300		11,495	12	11,507
TOTAL	11,294,345	100.00%			$ 5,642,779	$ 5,651,567	$ 103,240	$ 11,397,586	$ 21,565	$ 11,419,151
				Forecast Fixed/Variable Ratios	49.509%	49.586%	0.906%	100.000%		

Fixed Charge Analysis

Customer Class	Current Volumetric Split	Current Fixed Charge Spilt	Total	Fixed Rate Based on Current Fixed/Variable Revenue Proportions	2009 Rates From OEB Approved Tariff	Minimum System with PLCC Adustment (Ceiling Fixed Charge From Cost Allocation Model)
Residential	43.17%	56.83%	100.00%	14.16	12.53	16.76
GS < 50 kW	63.18%	36.82%	100.00%	24.53	21.70	25.39
GS >50	55.42%	44.58%	100.00%	314.93	311.40	73.34
General Service > 3000 to 4999 kW	15.69%	84.31%	100.00%	4,420.45	2,399.29	211.47
Sentinel Lights	44.09%	55.91%	100.00%	3.26	1.98	11.45
Street Lighting	37.57%	62.43%	100.00%	2.61	0.44	11.27
USL	46.10%	53.90%	100.00%	24.59	21.75	10.20

APPENDIX K

Deferral and Variance Accounts

Summary of Change in Regulatory Asset Rider

Rate Class	Original Proposed Rate Rider	Revised Rate Rider	Change	Billing Determinant
Residential	$ 0.0004	$ 0.0004	$ -	kWh
General Service <50 kW	$ 0.0004	$ 0.0004	-$ 0.0000	kWh
General Service 50 to 2999 kW	$ 0.4513	$ 0.4499	-$ 0.0014	kW
Intermediate	$ 0.6821	$ 0.7175	$ 0.0354	kW
Sentinel Lighting	-$ 0.3749	-$ 0.3801	-$ 0.0052	kW
Street Lighting	-$ 0.8624	-$ 0.8676	-$ 0.0052	kW
Unmetered Scattered Load	$ 0.0003	$ 0.0003	$ -	kWh

APPENDIX L

LRAM/SSM

Summary of Change in LRAM / SSM Rider

Rate Class	Original Proposed Rate Rider	Revised Rate Rider	Change	Billing Determinant
Residential	$ 0.0004	$ 0.0003	-$ 0.0001	kWh
General Service <50 kW	$ 0.0002	$ 0.0002	$ -	kWh
General Service 50 to 2999 kW	$ 0.0679	$ 0.0677	-$ 0.0002	kW
Intermediate	$ 0.0163	$ 0.0170	$ 0.0007	kW
Sentinel Lighting	$ -	$ -	$ -	kW
Street Lighting	$ -	$ -	$ -	kW
Unmetered Scattered Load	$ 0.0024	$ 0.0024	$ -	kWh

APPENDIX “E”

2010 RRR E2.1.5 – CUSTOMERS, DEMAND AND REVENUE

E2.1.5 Performance Based Regulation

Summary

Filing Due Year: 2011	Filing From Name: 2.1.5	RRR Filing Number: 799
Reporting Period and Company Name: April2011:North Bay Hydro Distribution Limited	Licence Type: Distributor	Status: Submitted
Report Version: 0	Extension Granted:	Extension Deadline:
Filing Due Date: 5/2/2011	Reporting From January 1, 2010	Reporting From December 31, 2010
Submitted On: 5/2/2011	Submitter Name: Melissa Wanner	Expiry Date 5/3/2011

Line Crew Wage Rates ($/hr)

New Average Line Crew Wage Rate ($/hr) 31.92	New Line Crew Wage Rate ($/hr) 32.28	New Line Crew Wage Rate effective date 4/1/2010

Labour

Full time equivalnet number of employees 47	Estimated average number of employees for the year whose earnings are charged to current operating expenses (Administrative, operating, and maintenance) 30.00	
Salaries and Wages charged to current operating expenses, in dollars 2,635,073.89	Estimated average number of employees charged to new construction 17.00	Employee Salaries Wages charged to new Construction, in 1,487,439.17

Capital (in dollars)

Gross Capital Additions

a) Employee labor including benefits 1,487,439.17	b) Equipment and materials 1,581,522.21	c) Capital works/Other 3,837,360.67
d) Overhead 84,699.09	e) Carrying charges	

Total Gross Capital Additions (sum of a, b, c, d, & e)
6,991,021.14

Other Capital Related Information

Retirements for year (net loss amount should be positive and net gain amount should be negative) 79,732.94	Contributed capital for the year (Incremental) 905,001.27

Supply and Delivery Information

A) Supply

i. Total kWhs of electricity that has flowed into the distributor's distribution system from the IESO-contolled grid or the distribution system of a host	ii. Total kWhs of electricity that has flowed into the distributor's distribution system from all embedded generation facilities	iii. Number of wholesale meters pertaining to the utility located on primary side of the supply transformers
592,105,954.00	8,367.00	0

B) Delivery

i. Total kWhs of electricity delivered to all customers in the distributor's licensed service area and to any embedded distributors	ii. Total kWh delivered to customers in the Large Use class	iii. Total kWhs delivered to embedded distributors
566,701,788.00	0.00	0.00

C) Distribution Losses

Distribution losses in kWhs, calculated as the difference between the supply as reported in A(i) and A(ii) above, less delivery as reported in B(i) above.
25,412,533.00

D) Amount Charged ($)

Amount charged by any host distributor for transmission or low voltage services in the year
153,611.31

Customers, Demand and Revenues

Rate Class	Number	Billed kW	Billed kWh	Revenues Account (4080)
Residential Customers	20,845		206,535,118	6,041,374.00
General Service < 50 kW Customers	2,636		85,042,099	2,053,756.00
General Service >= 50 kW Customers	271	588,203	230,037,737	2,268,842.00
Large User (>5,000 kW) Customers				
Street Lighting Connections	5,572	9,285	3,324,190	239,030.00
Sentinel Lighting Connections	509	1,541	569,408	34,382.00
Sub Transmission Customers				
Intermediate Service	2	78,060	41,028,104	78,773.00
Scattered Unmetered Load Connections	20		165,123	5,145.00
Embedded Distributor(s)				
Total (Auto-Calculated)	29,855	677,089	566,701,779	10,721,302.00

Miscellaneous Utility Characteristics

Total Service Area (Sq.Km)	Rural Service Area (Sq.Km)	Urban Service Area (Sq.Km)
330	279	51
Service Area Population	**Municipal Population**	**Number of Seasonal Occupancy Customers**
55,000	55,000	0
Utility Winter Max Monthly Peak Load (kW)	**Utility Summer Max Monthly Peak Load (kW)**	**Utility Average Peak Load (kW)**
109,866	93,148	91,490
Utility Average Load Factor		
74		
Circuit Kilometers of Line	**Overhead Circuit Kilometers of Line**	**Underground Circuit Kilometers of Line**
611	514	97

Circuit Kilometers of Line by Type

3 Phase	2 Phase	Single Phase
361	0	250
Total of all phases		
611		

Number of Transformers by Type

Transmission	Sub-transmission	Distribution
0	22	3,950

Number of Distribution and Transmission Stations by kV

Number of Distribution and Transmission Stations in Total	Number of Distribution and Transmission Stations Greater Than or Equal to 50kV	Number of Distribution and Transmission Stations Less Than 50 kV
17	0	17

Incentive Rate Mechanism

Regulatory Return Earned Report Mailed to the Board

Comments

NBHDL's 2010 rates were set through Cost of Service application - therefore, not applicable until 2011 RRR filing.

APPENDIX “F”

EB-2009-0270 – BOARD STAFF INTERROGATORY RESPONSE – QUESTION # 29

29. Revenue to Cost Ratios after

Ref: SEC Interrogatory Response # 25

NBHDL has responded that it intends to make further adjustments to the revenue to cost ratios in the period following 2010.

a. Please confirm that NBHDL intends to propose revenue to cost ratios in 2012 that would be at least at the lower boundary of the Board's policy range, for the four classes GS 3000-5000 kW, Street Lighting, Sentinel Lighting, and USL.

Response:

NBHDL confirms that NBHDL intends to propose revenue to cost ratios in 2012 that would be at least at the lower boundary of the Board's policy range, for the three classes GS 3000-5000 kW, Street Lighting and Sentinel Lighting.

The proposed changes to the USL class as referenced in Board Staff question # 27 move the revenue to cost ratios to 100.03% - there will be no additional changes to the cost structure of this class.

b. If the response to part (a) is affirmative, please provide a preliminary proposal for the revenue to cost ratios of the two classes GS<50 kW and GS>50 kW in 2012. (As a suggested approach, provide an adapted version of Table 7-2 '2010 Cost Allocation Study' such that the 2010 hypothetical revenue from the four classes would yield the lower boundary ratio, and then calculate hypothetical lower revenues from the two classes in the second-from-right column and show the resulting lower ratios in the right-most column.)

Response:

The preliminary proposal for the revenue to cost ratios of the two classes GS<50 kW and GS>50 kW in 2012 are 109.1% for each class.

APPENDIX “G”

2012 IRM RATE GENERATOR WORKFORM MODEL




V1.3

Ontario Energy Board

3RD Generation Incentive Regulation Model

Choose Your Utility:

Niagara-on-the-Lake Hydro Inc.
North Bay Hydro Distribution Limited

Application Type: IRM3
OEB Application #: EB-2011-0187
LDC Licence #: ED-2003-0024

Application Contact Information

Name:	Melissa Wanner
Title:	Regulatory Manager
Phone Number:	705-474-8100 xt: 300
Email Address:	mwanner@northbayhydro.com
We are applying for rates effective:	May 1, 2012
Please indicate the version of Microsoft Excel that you are currently using:	Excel 2003

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

Copyright

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your IRM application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



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4. Current Monthly Fixed Charges
5. Current Distribution Volumetric Rates
6. Current Volumetric Rate Riders
7. Current RTSR-Network Rates
8. Current RTSR-Connection Rates
9. 2012 Continuity Schedule for Deferral and Variance Accounts
10. Deferral/Variance Accounts - Billing Determinants
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12. Deferral/Variance Accounts - Calculation of Rate Riders
13. Proposed Monthly Fixed Charges
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20. 2012 Final Tariff of Rates and Charges
21. Bill Impacts



Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Select the appropriate rate classes as they appear on your most recent Board-Approved Tariff of Rates and Charges.
Note: The microFIT class does not exist in the drop-down menu below as it will automatically be inserted into your proposed Tariff Schedule.

Rate Class
Residential
General Service Less Than 50 kW
General Service 50 to 2,999 kW
General Service 3,000 to 4,999 kW
Unmetered Scattered Load
Sentinel Lighting
Street Lighting
Choose Rate Class
Choose Rate Class
Choose Rate Class



Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Please note that unlike the Distribution Volumetric Rates, which will be entered in the following two tabs, all current Monthly Fixed Charges, including the base charges, must be entered on this tab. Please enter the descriptions of the current Monthly Fix Charges exactly as they appear on your most recent Board-Approved Tariff of Rates and Charges using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct class exactly as it appears on the tariff. Once a description is selected or entered into the green cells, the input cells for the "Unit", "Amount", and "Effective Date" will appear. Please note that the base Monthly Fixed Charge is identified in the drop-down list as a "Service Charge" to coincide with the description on the tariff. Please do not enter more than one "Service Charge" for each class for which a base monthly fixed charge applies. **Note: Do not enter Standard Supply Service Rate. The rate will appear automatically on the final Tariff of Rates and Charges.

Rate Description	Unit	Amount	Effective Until Date
Residential			
Service Charge	$	14.21	
Smart Meter Funding Adder	$	1.47	April 30, 2012
Smart Grid Rate Adder	$	0.08	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.20	April 30, 2012
General Service Less Than 50 kW			
Service Charge	$	21.78	
Smart Meter Funding Adder	$	1.47	April 30, 2012
Smart Grid Rate Adder	$	0.08	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.54	April 30, 2012
General Service 50 to 2,999 kW			
Service Charge	$	294.62	
Smart Meter Funding Adder	$	1.47	April 30, 2012
Smart Grid Rate Adder	$	0.08	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	6.02	April 30, 2012
General Service 3,000 to 4,999 kW			
Service Charge	$	5055.59	
Smart Meter Funding Adder	$	1.47	April 30, 2012
Smart Grid Rate Adder	$	0.08	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	24.05	April 30, 2012
Unmetered Scattered Load			
Service Charge (per connection)	$	6.82	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.09	April 30, 2012
Sentinel Lighting			
Service Charge (per connection)	$	3.78	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.03	April 30, 2012
Street Lighting			
Service Charge (per connection)	$	3.68	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.01	April 30, 2012



Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

For each class, please enter the base Distribution Volumetric Rates ("DVR") from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus and input cells in columns labeled "Unit" and "Amount".

Rate Description	Unit	Amount
Residential	$/kWh	0.01270
General Service Less Than 50 kW	$/kWh	0.01690
General Service 50 to 2,999 kW	$/kW	2.10120
General Service 3,000 to 4,999 kW	$/kW	0.96460
Unmetered Scattered Load	$/kWh	0.01580
Sentinel Lighting	$/kW	13.19990
Street Lighting	$/kW	19.69530




Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Please enter the descriptions of all other current Variable Rates,including any applicable low voltage charges, rate riders, rate adders, etc. from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus located under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description of the associated rate in the green cellsexactly as it appears on the tariff. Once a description is selected or entered into the green cells, the input cells for the "Unit", "Amount", and "Effective Date" will appear. **Note: Do not enter the WMSR or RRRP Rate below. These rates will appear automatically on the final Tariff of Rates and Charges.

Rate Description	Unit	Amount	Effective Until Date
Residential			
Low Voltage Service Rate	$/kWh	0.00004	
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kWh	0.00030	April 30, 2013
General Service Less Than 50 kW			
Low Voltage Service Rate	$/kWh	0.00004	
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kWh	0.00020	April 30, 2013
General Service 50 to 2,999 kW			
Low Voltage Service Rate	$/kW	0.01390	
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kW	0.06770	April 30, 2013
General Service 3,000 to 4,999 kW			
Low Voltage Service Rate	$/kW	0.01540	
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kW	0.01700	April 30, 2013

Unmetered Scattered Load			
Low Voltage Service Rate	$/kWh	0.00004	
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kWh	0.00240	April 30, 2013
Sentinel Lighting			
Low Voltage Service Rate	$/kW	0.01100	
Street Lighting			
Low Voltage Service Rate	$/kW	0.01080	





Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Please enter your RTS-Network Rates from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes exactly as it appears on the tariff.

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Network Service Rate	$/kWh	0.00630
General Service Less Than 50 kW		
Retail Transmission Rate – Network Service Rate	$/kWh	0.00590
General Service 50 to 2,999 kW		
Retail Transmission Rate – Network Service Rate	$/kW	2.34510
General Service 3,000 to 4,999 kW		
Retail Transmission Rate – Network Service Rate – Interval Metered	$/kW	2.48750
Unmetered Scattered Load		
Retail Transmission Rate – Network Service Rate	$/kWh	0.00590
Sentinel Lighting		
Retail Transmission Rate – Network Service Rate	$/kW	1.77740
Street Lighting		
Retail Transmission Rate – Network Service Rate	$/kW	1.76850



Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Please enter your RTS-Connection Rates from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menus under the column labeled "Rate Description". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes exactly as it appears on the tariff.

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00520
General Service Less Than 50 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00470
General Service 50 to 2,999 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.85960
General Service 3,000 to 4,999 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	$/kW	2.05520
Unmetered Scattered Load		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00470
Sentinel Lighting		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.46760
Street Lighting		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.43750



Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and Account 1562. Enter information into green cells only. Lines 51-61 contain footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DVA schedule below will be the balance sheet date as per your G/L for which you received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2009 balances, the starting point for your entries below should be the adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 opening balance columns (for both principal and interest) without requiring entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005.

		2005										
Account Descriptions	**Account Number**	**Opening Principal Amounts as of Jan-1-05**	**Transactions Debit / (Credit) during 2005 excluding interest and adjustments [5]**	**Board-Approved Disposition during 2005**	**Adjustments during 2005 - other [3]**	**Closing Principal Balance as of Dec-31-05**	**Opening Interest Amounts as of Jan-1-05**	**Interest Jan-1 to Dec-31-05**	**Board-Approved Disposition during 2005**	**Adjustments during 2005 - other [3]**	**Closing Interest Amounts as of Dec-31-05**
Group 1 Accounts											
LV Variance Account	1550					$ -					$ -
RSVA - Wholesale Market Service Charge	1580					$ -					$ -
RSVA - Retail Transmission Network Charge	1584					$ -					$ -
RSVA - Retail Transmission Connection Charge	1586					$ -					$ -
RSVA - Power (excluding Global Adjustment)	1588					$ -					$ -
RSVA - Power - Sub-Account - Global Adjustment	1588					$ -					$ -
Recovery of Regulatory Asset Balances	1590					$ -					$ -
Disposition and Recovery of Regulatory Balances (2008)[7]	1595					$ -					$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595					$ -					$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**										
Group 1 Total + 1521 + 1562		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592					$ -					$ -
Disposition and Recovery of Regulatory Balances[7]	1595					$ -					$ -



3RD

Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521
footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 E
received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the Decemb
adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for
entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005

Account Descriptions	Account Number	2006									
		Opening Principal Amounts as of Jan-1-06	Transactions Debit / (Credit) during 2006 excluding interest and adjustments [5]	Board-Approved Disposition during 2006 [2, 2A]	Adjustments during 2006 - other [3]	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Jan-1 to Dec-31-06	Board-Approved Disposition during 2006 [2, 2A]	Adjustments during 2006 - other [3]	Closing Interest Amounts as of Dec-31-06
Group 1 Accounts											
LV Variance Account	1550	$ -				$ -	$ -				$ -
RSVA - Wholesale Market Service Charge	1580	$ -				$ -	$ -				$ -
RSVA - Retail Transmission Network Charge	1584	$ -				$ -	$ -				$ -
RSVA - Retail Transmission Connection Charge	1586	$ -				$ -	$ -				$ -
RSVA - Power (excluding Global Adjustment)	1588	$ -				$ -	$ -				$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	$ -				$ -	$ -				$ -
Recovery of Regulatory Asset Balances	1590	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -				$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**					$ 1,252,963	$ 280,634	$ 84,880		$ -	$ 365,513
Group 1 Total + 1521 + 1562		$ -	$ -	$ -	$ -	$ 1,252,963	$ 280,634	$ 84,880	$ -	$ -	$ 365,513
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -				$ -	$ -				$ -



Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521
footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 E
received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the Decemb
adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for
entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005

Account Descriptions	Account Number	2007									
		Opening Principal Amounts as of Jan-1-07	Transactions Debit / (Credit) during 2007 excluding interest and adjustments [5]	Board-Approved Disposition during 2007	Adjustments during 2007 - other [3]	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Board-Approved Disposition during 2007	Adjustments during 2007 - other [3]	Closing Interest Amounts as of Dec-31-07
Group 1 Accounts											
LV Variance Account	1550	$ -				$ -	$ -				$ -
RSVA - Wholesale Market Service Charge	1580	$ -				$ -	$ -				$ -
RSVA - Retail Transmission Network Charge	1584	$ -				$ -	$ -				$ -
RSVA - Retail Transmission Connection Charge	1586	$ -				$ -	$ -				$ -
RSVA - Power (excluding Global Adjustment)	1588	$ -				$ -	$ -				$ -
RSVA - Power - Sub-Account - Global Adjustment	1588	$ -				$ -	$ -				$ -
Recovery of Regulatory Asset Balances	1590	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -				$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**	$ 1,252,963				$ 1,252,963	$ 365,513	$ 59,234	$ -	$ -	$ 424,747
Group 1 Total + 1521 + 1562		$ 1,252,963	$ -	$ -	$ -	$ 1,252,963	$ 365,513	$ 59,234	$ -	$ -	$ 424,747
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -				$ -	$ -				$ -



Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521
footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 E
received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the Decemb
adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for
entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005

Account Descriptions	Account Number	2008									
		Opening Principal Amounts as of Jan-1-08	Transactions Debit / (Credit) during 2008 excluding interest and adjustments [5]	Board-Approved Disposition during 2008	Adjustments during 2008 - other [3]	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Jan-1 to Dec-31-08	Board-Approved Disposition during 2008	Adjustments during 2008 - other [3]	Closing Interest Amounts as of Dec-31-08
Group 1 Accounts											
LV Variance Account	1550	$ -			$ 63,202	$ 63,202	$ -			$ 3,429	$ 3,429
RSVA - Wholesale Market Service Charge	1580	$ -			-$ 1,327,780	-$ 1,327,780	$ -			-$ 108,943	-$ 108,943
RSVA - Retail Transmission Network Charge	1584	$ -			-$ 287,167	-$ 287,167	$ -			-$ 43,706	-$ 43,706
RSVA - Retail Transmission Connection Charge	1586	$ -			$ 50,591	$ 50,591	$ -			-$ 40,515	-$ 40,515
RSVA - Power (excluding Global Adjustment)	1588	$ -			$ 3,194,766	$ 3,194,766	$ -			$ 98,891	$ 98,891
RSVA - Power - Sub-Account - Global Adjustment	1588	$ -			$ 447,468	$ 447,468	$ -			$ 9,345	$ 9,345
Recovery of Regulatory Asset Balances	1590	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -				$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ -	$ -	$ -	$ 2,141,080	$ 2,141,080	$ -	$ -	$ -	-$ 81,498	-$ 81,498
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ -	$ -	$ -	$ 1,693,611	$ 1,693,611	$ -	$ -	$ -	-$ 90,844	-$ 90,844
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ -	$ -	$ -	$ 447,468	$ 447,468	$ -	$ -	$ -	$ 9,345	$ 9,345
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**	$ 1,252,963				$ 1,252,963	$ 424,747	$ 49,868	$ -	$ -	$ 474,615
Group 1 Total + 1521 + 1562		$ 1,252,963	$ -	$ -	$ 2,141,080	$ 3,394,043	$ 424,747	$ 49,868	$ -	-$ 81,498	$ 393,117
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -				$ -	$ -				$ -



Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521
footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 E
received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the Decemb
adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for
entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005

Account Descriptions	Account Number	2009									
		Opening Principal Amounts as of Jan-1-09	Transactions Debit / (Credit) during 2009 excluding interest and adjustments [5]	Board-Approved Disposition during 2009	Adjustments during 2009 - other [3]	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other [3]	Closing Interest Amounts as of Dec-31-09
Group 1 Accounts											
LV Variance Account	1550	$ 63,202	$ 23,342	$ -	$ -	$ 86,545	$ 3,429	$ 82	$ -	$ 719	$ 4,229
RSVA - Wholesale Market Service Charge	1580	-$ 1,327,780	-$ 132,852	$ -	-$ 136,140	-$ 1,596,772	-$ 108,943	-$ 346	$ -	$ 85,837	-$ 23,452
RSVA - Retail Transmission Network Charge	1584	-$ 287,167	$ 148,035	$ -	-$ 88,527	-$ 227,659	-$ 43,706	$ 807	$ -	$ 28,649	-$ 14,250
RSVA - Retail Transmission Connection Charge	1586	$ 50,591	$ 108,731	$ -	-$ 68,459	$ 90,863	-$ 40,515	$ 727	$ -	$ 13,151	-$ 26,637
RSVA - Power (excluding Global Adjustment)	1588	$ 3,194,766	-$ 180,264	$ -	-$ 2,323,330	$ 691,172	$ 98,891	-$ 194	$ -	$ 543,960	$ 642,657
RSVA - Power - Sub-Account - Global Adjustment	1588	$ 447,468	$ 536,079	$ -	$ -	$ 983,548	$ 9,345	$ 2,338	$ -	$ 5,090	$ 16,773
Recovery of Regulatory Asset Balances	1590	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -				$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ 2,141,080	$ 503,072	$ -	-$ 2,616,456	$ 27,695	-$ 81,498	$ 3,414	$ -	$ 677,405	$ 599,321
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ 1,693,611	-$ 33,008	$ -	-$ 2,616,456	-$ 955,852	-$ 90,844	$ 1,076	$ -	$ 672,315	$ 582,548
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ 447,468	$ 536,079	$ -	$ -	$ 983,548	$ 9,345	$ 2,338	$ -	$ 5,090	$ 16,773
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**	$ 1,252,963				$ 1,252,963	$ 474,615	$ 14,252	$ -	$ -	$ 488,868
Group 1 Total + 1521 + 1562		$ 3,394,043	$ 503,072	$ -	-$ 2,616,456	$ 1,280,658	$ 393,117	$ 17,666	$ -	$ 677,405	$ 1,088,189
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -				$ -	$ -				$ -



Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521
footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 E
received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the Decemb
adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for
entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005

Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-10	Transactions Debit / (Credit) during 2010 excluding interest and adjustments [5]	Board-Approved Disposition during 2010	Other [3] Adjustments during Q1 2010	Other [3] Adjustments during Q2 2010	Other [3] Adjustments during Q3 2010	Other [3] Adjustments during Q4 2010	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	Board-Approved Disposition during 2010	Adjustments during 2010 - other [3]	Closing Interest Amounts as of Dec-31-10
		2010												
Group 1 Accounts														
LV Variance Account	1550	$ 86,545	$ 6,728	$ 63,202	$ -	$ -	$ -	$ -	$ 30,070	$ 4,229	$ 253	$ 4,263	$ 116	$ 335
RSVA - Wholesale Market Service Charge	1580	-$ 1,596,772	-$ 616,987	-$ 1,463,920	$ -	$ -	$ -	$ -	-$ 749,839	-$ 23,452	-$ 3,449	-$ 25,789	-$ 2,684	-$ 3,795
RSVA - Retail Transmission Network Charge	1584	-$ 227,659	$ 442,944	-$ 375,694	$ -	$ -	$ -	$ -	$ 590,978	-$ 14,250	$ 3,097	-$ 15,746	-$ 689	$ 3,905
RSVA - Retail Transmission Connection Charge	1586	$ 90,863	$ 211,976	-$ 17,868	$ -	$ -	$ -	$ -	$ 320,707	-$ 26,637	$ 1,844	-$ 27,287	-$ 33	$ 2,462
RSVA - Power (excluding Global Adjustment)	1588	$ 691,172	$ 123,620	$ 871,435	$ -	$ -	$ -	$ -	-$ 56,643	$ 642,657	$ 1,550	$ 644,449	$ 1,598	$ 1,356
RSVA - Power - Sub-Account - Global Adjustment	1588	$ 983,548	$ 25,896	$ 447,468	$ -	$ -	$ -	$ -	$ 561,975	$ 16,773	$ 3,267	$ 15,256	$ 820	$ 5,605
Recovery of Regulatory Asset Balances	1590	$ -							$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -	-$ 272,786	$ 243,052				-$ 150,239	-$ 666,077	$ -		-$ 699,055		$ 699,055
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -							$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ 27,695	-$ 78,609	-$ 232,325	$ -	$ -	$ -	-$ 150,239	$ 31,171	$ 599,321	$ 6,563	-$ 103,910	-$ 872	$ 708,922
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-$ 955,852	-$ 104,505	-$ 679,793	$ -	$ -	$ -	-$ 150,239	-$ 530,804	$ 582,548	$ 3,296	-$ 119,165	-$ 1,692	$ 703,317
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ 983,548	$ 25,896	$ 447,468	$ -	$ -	$ -	$ -	$ 561,975	$ 16,773	$ 3,267	$ 15,256	$ 820	$ 5,605
Special Purpose Charge Assessment Variance Account	**1521**		$ 86,626	$ -	$ -	$ -	$ -	-$ 81,488	$ 5,139	$ -	$ 690			$ 690
Deferred Payments in Lieu of Taxes	**1562**	$ 1,252,963							$ 1,252,963	$ 488,868	$ 9,992	$ -	$ -	$ 498,860
Group 1 Total + 1521 + 1562		$ 1,280,658	$ 8,017	-$ 232,325	$ -	$ -	$ -	-$ 231,727	$ 1,289,273	$ 1,088,189	$ 17,245	-$ 103,910	-$ 872	$ 1,208,472
The following is not included in the total claim but are included on a memo basis:														
Board-Approved CDM Variance Account	1567								$ -	$ -				$ -
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592								$ -	$ -				$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592								$ -	$ -				$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -							$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -							$ -	$ -				$ -



Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521
footnotes and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 E
received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the Decemb
adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for
entries dating back to the beginning of the continuity schedule ie: Jan 1, 2005

Account Descriptions	Account Number	2011 Principal Disposition during 2011 - instructed by Board	2011 Interest Disposition during 2011 - instructed by Board	2011 Closing Principal Balances as of Dec 31-10 Adjusted for Dispositions during 2011	2011 Closing Interest Balances as of Dec 31-10 Adjusted during 2011 Disposition	Projected Interest on Dec-31-10 Balances: Projected Interest from Jan 1, 2011 to December 31, 2011 on Dec 31 -10 balance adjusted for disposition during 2011 [5]	Projected Interest on Dec-31-10 Balances: Projected Interest from January 1, 2012 to April 30, 2012 on Dec 31 -10 balance adjusted for disposition during 2011 [6,7]	Projected Interest on Dec-31-10 Balances: Total Claim	2.1.7 RRR: As of Dec 31-10 [4]	Variance RRR vs. 2010 Balance (*Principal + Interest*)
Group 1 Accounts										
LV Variance Account	1550			$ 30,070	$ 335	$ 442	$ 147	$ 30,994	$ 30,405	-$ 0
RSVA - Wholesale Market Service Charge	1580			-$ 749,839	-$ 3,795	-$ 11,023	-$ 3,674	-$ 768,331	-$ 753,634	-$ 0
RSVA - Retail Transmission Network Charge	1584			$ 590,978	$ 3,905	$ 8,687	$ 2,896	$ 606,466	$ 594,710	-$ 172
RSVA - Retail Transmission Connection Charge	1586			$ 320,707	$ 2,462	$ 4,714	$ 1,571	$ 329,455	$ 323,169	$ 0
RSVA - Power (excluding Global Adjustment)	1588			-$ 56,643	$ 1,356	-$ 833	-$ 278	-$ 56,398	$ 512,293	$ 567,580
RSVA - Power - Sub-Account - Global Adjustment	1588			$ 561,975	$ 5,605	$ 8,261	$ 2,754	$ 578,595	$ -	-$ 567,580
Recovery of Regulatory Asset Balances	1590			$ -	$ -			$ -	$ -	$ -
Disposition and Recovery of Regulatory Balances (2008)[3]	1595			-$ 666,077	$ 699,055			$ 32,978	$ 179,899	$ 146,920
Disposition and Recovery of Regulatory Balances (2009)[3]	1595			$ -	$ -			$ -	$ -	$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ -	$ -	$ 31,171	$ 708,922	$ 10,250	$ 3,417	$ 753,759	$ 886,842	$ 146,748
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ -	$ -	-$ 530,804	$ 703,317	$ 1,989	$ 663	$ 175,165	$ 886,842	$ 714,329
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ -	$ -	$ 561,975	$ 5,605	$ 8,261	$ 2,754	$ 578,595	$ -	-$ 567,580
Special Purpose Charge Assessment Variance Account	**1521**					$ 324	$ 25	$ 6,178	$ 87,317	$ 81,488
Deferred Payments in Lieu of Taxes	**1562**	$ -	$ -	$ 1,252,963	$ 498,860	$ 18,419	$ 6,140	$ 1,776,381	-$ 362,286	-$ 2,114,109
Group 1 Total + 1521 + 1562		$ -	$ -	$ 1,284,134	$ 1,207,782	$ 28,992	$ 9,581	$ 2,536,318	$ 611,872	-$ 1,885,873
The following is not included in the total claim but are included on a memo basis:										
Board-Approved CDM Variance Account	1567							$ -	$ -	$ -
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592							$ -		$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592							$ -	$ -	$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592							$ -	$ -	$ -
Disposition and Recovery of Regulatory Balances[3]	1595							$ -	$ -	$ -



In the green shaded cells, enter the most recent Board Approved volumetric forecast. If there is a material difference between the latest Board-approved volumetric forecast and the most recent 12-month actual volumetric data. use the most recent 12-month actual dat

Rate Class	Unit	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue [1]	1590 Recovery Share Proportion*	1595 Recovery Share Proportion (2008) [2]	1595 Recovery Share Proportion (2009) [2]
Residential	$/kWh	214,923,813		29,657,551	-	6,302,766			
General Service Less Than 50 kW	$/kWh	85,026,017		12,072,706	-	2,114,489			
General Service 50 to 2,999 kW	$/kW	221,440,020	638,330	227,377,540	655,445	2,430,269			
General Service 3,000 to 4,999 kW	$/kW	38,784,125	74,106	42,226,906	80,684	114,986			
Unmetered Scattered Load	$/kWh	337,294		-	-	11,495			
Sentinel Lighting	$/kW	505,803	1,382	38,659	106	35,621			
Street Lighting	$/kW	2,721,605	7,658	3,475,433	9,780	284,721			
Total		563,738,678	721,475	314,848,795	746,014	11,294,345	0%	0%	0%

Total Claim (including Accounts 1521 and 1562)	$	2,536,318
Total Claim for Threshold Test (All Group 1 Accounts)	$	753,759
Threshold Test [3] (Total Claim per kWh)		0.00134

[1] For Account 1562, the allocation to customer classes should be performed on the basis of the test year distribution revenue allocation to customer classes found in the Applicant's Cost of Service application that was most recently approved at the time of disposition of the 1562 account balance.
[2] Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented
[3] The Threshold Test does not include the amount in 1521 nor 1562.



Ontario Energy Board

Deferral / Variance Account Work Form

North Bay Hydro Distribution Limited - EB-2011-0187

No input required. This workshseet allocates the deferral/variance account balances (Group 1, 1521, 1588 GA and 1562) to the appropriate classes.

Allocation of Group 1 Accounts (Excluding Account 1588 - Global Adjustment)

Rate Class	Units	Billed kWh	% kWh	1550	1580	1584	1586	1588*	1590	1595 (2008)	1595 (2009)	1521	Total
Residential	$/kWh	214,923,813	38.12%	11,817	(292,924)	231,213	125,604	(21,502)	0	12,573	0	2,355	69,136
General Service Less Than 50 kW	$/kWh	85,026,017	15.08%	4,675	(115,884)	91,470	49,690	(8,506)	0	4,974	0	932	27,351
General Service 50 to 2,999 kW	$/kW	221,440,020	39.28%	12,175	(301,805)	238,224	129,412	(22,153)	0	12,954	0	2,427	71,232
General Service 3,000 to 4,999 kW	$/kW	38,784,125	6.88%	2,132	(52,860)	41,724	22,666	(3,880)	0	2,269	0	425	12,476
Unmetered Scattered Load	$/kWh	337,294	0.06%	19	(460)	363	197	(34)	0	20	0	4	109
Sentinel Lighting	$/kW	505,803	0.09%	28	(689)	544	296	(51)	0	30	0	6	163
Street Lighting	$/kW	2,721,605	0.48%	150	(3,709)	2,928	1,591	(272)	0	159	0	30	875
Total		563,738,678	100.00%	30,994	(768,331)	606,466	329,455	(56,398)	0	32,978	0	6,178	181,342

** RSVA - Power (Excluding Global Adjustment)*

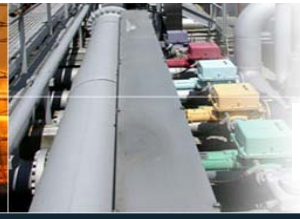
1588 RSVA - Power (Global Adjustment Sub-Account)

Rate Class	non-RPP kWh	% kWh	1588
Residential	29,657,551	9.42%	54,501
General Service Less Than 50 kW	12,072,706	3.83%	22,186
General Service 50 to 2,999 kW	227,377,540	72.22%	417,850
General Service 3,000 to 4,999 kW	42,226,906	13.41%	77,600
Unmetered Scattered Load	-	0.00%	-
Sentinel Lighting	38,659	0.01%	71
Street Lighting	3,475,433	1.10%	6,387
Total	314,848,795	100.00%	578,595

Allocation of Account 1562

	% of Distribution Revenue	Allocation of Balance in Account 1562
Residential	55.8%	991,303
General Service Less Than 50 kW	18.7%	332,568
General Service 50 to 2,999 kW	21.5%	382,234
General Service 3,000 to 4,999 kW	1.0%	18,085
Unmetered Scattered Load	0.1%	1,808
Sentinel Lighting	0.3%	5,602
Street Lighting	2.5%	44,781
Total	100.0%	1,776,381





Ontario Energy Board

Deferral / Variance Account Work Form

North Bay Hydro Distribution Limited - EB-2011-0187

No input required. This workshseet calculates rate riders related to the Deferral/Variance Account Disposition (if applicable) and associated rate riders for the global adjustment sub-account.

Please indicate the Rate Rider Recovery Period (in years) **2**

Rate Class	Unit	Billed kWh	Billed kW	Accounts Allocated by kWh/kW (RPP) or Distribution Revenue	Deferral/Variance Account Rate Rider		Account 1588 Global Adjustment	Billed kWh or Estimated kW for Non-RPP	Global Adjustment Rate Rider	
Residential	$/kWh	214,923,813	-	$ 1,060,439	$0.00247	$/kWh	$ 54,501	29,657,551	$0.00092	$/kWh
General Service Less Than 50 kW	$/kWh	85,026,017	-	$ 359,919	$0.00212	$/kWh	$ 22,186	12,072,706	$0.00092	$/kWh
General Service 50 to 2,999 kW	$/kW	221,440,020	638,330	$ 453,466	$0.35520	$/kW	$ 417,850	655,445	$0.31875	$/kW
General Service 3,000 to 4,999 kW	$/kW	38,784,125	74,106	$ 30,561	$0.20620	$/kW	$ 77,600	80,684	$0.48089	$/kW
Unmetered Scattered Load	$/kWh	337,294	-	$ 1,916	$0.00284	$/kWh	$ -	-	$0.00000	
Sentinel Lighting	$/kW	505,803	1,382	$ 5,765	$2.08632	$/kW	$ 71	106	$0.33637	$/kW
Street Lighting	$/kW	2,721,605	7,658	$ 45,656	$2.98082	$/kW	$ 6,387	9,780	$0.32654	$/kW
Total		563,738,678	721,475	$ 1,957,723			$ 578,595			



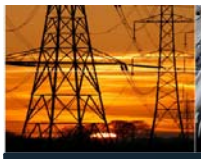
Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Below is a listing of the current Monthly Fixed Charges. All rates with expired effective dates have been removed. In columns "B", "K", and "M" (green cells), please enter all additional Monthly Fixed Charges you are proposing (eg: Smart Meter Funding Adder, etc). Please ensure that the word "Rider" or "Adder" is included in the description (as applicable).

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
Service Charge	$	14.21			
Smart Grid Rate Adder	$	0.08			
	$				
	$				
	$				
General Service Less Than 50 kW					
Service Charge	$	21.78			
Smart Grid Rate Adder	$	0.08			
	$				
	$				
	$				
General Service 50 to 2,999 kW					
Service Charge	$	294.62			
Smart Grid Rate Adder	$	0.08			
	$				
	$				
	$				
General Service 3,000 to 4,999 kW					
Service Charge	$	5055.59			
Smart Grid Rate Adder	$	0.08			
	$				
	$				
	$				
Unmetered Scattered Load					
Service Charge (per connection)	$	6.82			
	$				
	$				
	$				
Sentinel Lighting					
Service Charge (per connection)	$	3.78			
	$				
	$				
	$				
Street Lighting					
Service Charge (per connection)	$	3.68			
	$				
	$				
	$				



Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Below is a listing of the current Distribution Volumetric Rates other than the base rates. All rates with expired effective dates have been removed. I columns "B", "K", and "M" (green cells), please enter all additional volumetric rates you are proposing (eg: LRAM/SSM, Tax Adjustments, etc.). Please ensure that the word "Rider" or "Adder" is included in the description (as applicable).

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
Low Voltage Service Rate	$/kWh	0.00004			
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kWh	0.00030	April 30, 2013		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011)	$/kWh			0.00020	April 30, 2014
General Service Less Than 50 kW					
Low Voltage Service Rate	$/kWh	0.00004			
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kWh	0.00020	April 30, 2013		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011)	$/kWh			0.00040	April 30, 2014
General Service 50 to 2,999 kW					
Low Voltage Service Rate	$/kW	0.01390			
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kW	0.06770	April 30, 2013		
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011)	$/kWh			0.02650	April 30, 2014
General Service 3,000 to 4,999 kW					
Low Voltage Service Rate	$/kW	0.01540			
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kW	0.01700	April 30, 2013		
Unmetered Scattered Load					
Low Voltage Service Rate	$/kWh	0.00004			
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery	$/kWh	0.00240	April 30, 2013		
Sentinel Lighting					
Low Voltage Service Rate	$/kW	0.01100			
Street Lighting					
Low Voltage Service Rate	$/kW	0.01080			





Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Current RTSR-Network Rates are listed below. In column "K", please enter your proposed RTSR-Network Rates as per Sheet 13 of the Board's RTSR Workform.

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Network Service Rate	$/kWh	0.00630	0.000%	0.00630
General Service Less Than 50 kW				
Retail Transmission Rate – Network Service Rate	$/kWh	0.00590	0.000%	0.00590
General Service 50 to 2,999 kW				
Retail Transmission Rate – Network Service Rate	$/kW	2.34510	0.422%	2.35500
General Service 3,000 to 4,999 kW				
Retail Transmission Rate – Network Service Rate – Interval Metered	$/kW	2.48750	0.422%	2.49800
Unmetered Scattered Load				
Retail Transmission Rate – Network Service Rate	$/kWh	0.00590	0.000%	0.00590
Sentinel Lighting				
Retail Transmission Rate – Network Service Rate	$/kW	1.77740	0.422%	1.78490
Street Lighting				
Retail Transmission Rate – Network Service Rate	$/kW	1.76850	0.424%	1.77600





Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Current RTSR-Connection Rates are listed below. In column "K", please enter your proposed RTSR-Connection Rates as per Sheet 13 of the Board's RTSR Workform.

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00520	0.000%	0.00520
General Service Less Than 50 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00470	0.000%	0.00470
General Service 50 to 2,999 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.85960	0.188%	1.86310
General Service 3,000 to 4,999 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	$/kW	2.05520	0.185%	2.05900
Unmetered Scattered Load				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00470	0.000%	0.00470
Sentinel Lighting				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.46760	0.184%	1.47030
Street Lighting				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.43750	0.188%	1.44020



Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

If applicable, please enter any adjustments related to the revenue to cost ratio model into columns H and K.
The Price Escalator has been set at the 2011 values and will be updated by Board staff. The Stretch Factor Value will also be updated by Board sta

Price Escalator	1.30%	Productivity Factor	0.72%	Price Cap Index	0.18%
Choose Stretch Factor Group	II	Associated Stretch Factor Value	0.4%		

Rate Description	Unit	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	Unit	DVR Adjustment from R/C Model	Price Cap Index	Proposed MFC	Proposed Volumetric Charge
Residential	$	14.21	0.00	0.01270	$/kWh	0.00000	0.180%	14.24	0.01272
General Service Less Than 50 kW	$	21.78	(0.72)	0.01690	$/kWh	(0.00060)	0.180%	21.10	0.01633
General Service 50 to 2,999 kW	$	294.62	(9.18)	2.10120	$/kW	(0.06540)	0.180%	285.95	2.03946
General Service 3,000 to 4,999 kW	$	5,055.59	618.95	0.96460	$/kW	0.11810	0.180%	5,684.75	1.08465
Unmetered Scattered Load	$	6.82	0.00	0.01580	$/kWh	0.00000	0.180%	6.83	0.01583
Sentinel Lighting	$	3.78	0.51	13.19990	$/kW	1.78930	0.180%	4.30	15.01618
Street Lighting	$	3.68	1.06	19.69530	$/kW	5.67230	0.180%	4.75	25.41326



Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

Please enter the descriptions of the current Loss Factors from your most recent Board-Approved Tariff of Rates and Charges by using the drop-down menu in the column labeled "Loss Factors". If the description is not found in the drop-down menu, please enter the description in the green cells under the correct classes.

Loss Factors	Current
Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0480
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0375
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A




Ontario Energy Board

3RD Generation Incentive Regulation Model

North Bay Hydro Distribution Limited - EB-2011-0187

The standard Allowance rates have been included as default entries. If you have different rates, please make the appropriate corrections in the green cells below. As well, please enter the current Specific Service Charges below. The standard Retail Service Charges have been entered below. If you have different rates, please make the appropriate corrections in columns B, D or E as applicable (cells are unlocked).

	UNIT	CURRENT
ALLOWANCES		
Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Customer Administration

Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	165.00

Other

Service call - customer-owned equipment	$	30.00
Specific Charge for Access to the Power Poles $/pole/yea	$	22.35

RETAIL SERVICE CHARGES (if applicable)

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	100.00
Monthly Fixed Charge, per retailer	$	20.00
Monthly Variable Charge, per customer, per retailer	$/cust.	1.37
Distributor-consolidated billing charge, per customer, per retailer	$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	$	0.25
Processing fee, per request, applied to the requesting party	$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	$	no charge
More than twice a year, per request (plus incremental delivery costs)	$	2.00

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0187

RESIDENTIAL SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	14.24
Smart Grid Rate Adder	$	0.08
Distribution Volumetric Rate	$/kWh	0.0127
Low Voltage Service Rate - Effective Until	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kWh	0.0003
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011) - Effective Until April 30, 2014	$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0025
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	$/kWh	0.0009
Retail Transmission Rate – Network Service Rate	$/kWh	0.0063
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0052
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0187

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	21.10
Smart Grid Rate Adder	$	0.08
Distribution Volumetric Rate	$/kWh	0.0163
Low Voltage Service Rate - Effective Until	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kWh	0.0002
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011) - Effective Until April 30, 2014	$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0021
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	$/kWh	0.0009
Retail Transmission Rate – Network Service Rate	$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0047
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0187

GENERAL SERVICE 50 TO 2,999 KW SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	285.95
Smart Grid Rate Adder	$	0.08
Distribution Volumetric Rate	$/kW	2.0395
Low Voltage Service Rate - Effective Until	$/kW	0.0139
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kW	0.0677
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2011) - Effective Until April 30, 2014	$/kWh	0.0265
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	0.3552
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	$/kW	0.3188
Retail Transmission Rate – Network Service Rate	$/kW	2.355
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.8631
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0187

GENERAL SERVICE 3,000 TO 4,999 KW SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	5684.75
Smart Grid Rate Adder	$	0.08
Distribution Volumetric Rate	$/kW	1.0846
Low Voltage Service Rate - Effective Until	$/kW	0.0154
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kW	0.017
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	0.2062
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	$/kW	0.4809
Retail Transmission Rate – Network Service Rate – Interval Metered	$/kW	2.498
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	$/kW	2.059
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0187

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	6.83
Distribution Volumetric Rate	$/kWh	0.0158
Low Voltage Service Rate - Effective Until	$/kWh	0.00004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery / Shared Savings Mechanism (SSM) Recovery - Effective Until April 30, 2013	$/kWh	0.0024
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0028
Retail Transmission Rate – Network Service Rate	$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0047
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0187

SENTINEL LIGHTING SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	4.30
Distribution Volumetric Rate	$/kW	15.0162
Low Voltage Service Rate - Effective Until	$/kW	0.011
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	2.0863
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	$/kW	0.3364
Retail Transmission Rate – Network Service Rate	$/kW	1.7849
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.4703
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0187

STREET LIGHTING SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	4.75
Distribution Volumetric Rate	$/kW	25.4133
Low Voltage Service Rate - Effective Until	$/kW	0.0108
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	2.9808
Rate Rider for Global Adjustment Sub-Account (2012) – Applicable only for Non-RPP Customers	$/kW	0.3265
Retail Transmission Rate – Network Service Rate	$/kW	1.776
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.4402
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0187

microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's micoFIT program and connected to the distribuor's distribution system. Further servicing details are available in the distributor's Condition of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule unless required by the Distributor's Licence or a Code or Order ofthe Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, beit under the Regulated Price Plan, a contract with a retailer or the wholesal market price, as applicable.

It should be notedthat this schedule does not list any charges, assessments, or credits that are required by law to beinvoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Programs, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	5.25

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012
Implementation Date May 1, 2012

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EB-2011-0187

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule

No charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

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Customer Administration

Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	165.00
Service call - customer-owned equipment	$	30.00
Specific Charge for Access to the Power Poles $/pole/year	$	22.35

North Bay Hydro Distribution Limited

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	$	100.00
Monthly Fixed Charge, per retailer	$	20.00
Monthly Variable Charge, per customer, per retailer	$/cust.	1.37
Distributor-consolidated billing charge, per customer, per retailer	$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	$	0.25
Processing fee, per request, applied to the requesting party	$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	$	no charge
More than twice a year, per request (plus incremental delivery costs)	$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factor will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0480
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0375
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A



Rate Class

Residential

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	14.21	14.24
Smart Meter Funding Adder	1.47	-
Service Charge Rate Rider(s)	0.28	0.08
Distribution Volumetric Rate	0.01270	0.01272
Distribution Volumetric Rate Rider(s)	0.00030	0.00297
Low Voltage Volumetric Rate	0.00004	0.00004
Retail Transmission Rate – Network Service Rate	0.00630	0.00630
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00520	0.00520
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0480	1.0480

Note: Board staff has made the following change - Fo GS > 50 class Cell g81 has been unlocked and serves an input cell for the proposed RTSR - network rate.

(Model was programmed to retrieve RTSR - network rates and not RTSR-network interval).

Consumption	800	kWh		kW
RPP Tier One	600	kWh	*Load Factor*	

Current Loss Factor	*1.0480*
Proposed Loss Factor	*1.0480*

Residential	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	33.60%
Energy Second Tier (kWh)	238.40	0.0790	18.83	238.40	0.0790	18.83	0.00	0.00%	15.51%
Sub-Total: Energy			**59.63**			**59.63**	**0.00**	**0.00%**	**49.10%**
Service Charge	1	14.21	14.21	1	14.24	14.24	0.03	0.18%	11.72%
Service Charge Rate Rider(s)	1	1.75	1.75	1	0.08	0.08	-1.67	(95.43)%	0.07%
Distribution Volumetric Rate	800	0.0127	10.16	800	0.0127	10.18	0.02	0.18%	8.38%
Low Voltage Volumetric Rate	800	0.0000	0.03	800	0.0000	0.03	0.00	0.00%	0.03%
Distribution Volumetric Rate Rider(s)	800	0.0003	0.24	800	0.0030	2.37	2.13	889.00%	1.95%
Total: Distribution			**26.39**			**26.90**	**0.51**	**1.92%**	**22.15%**
Retail Transmission Rate – Network Service Rate	838.40	0.0063	5.28	838.40	0.0063	5.28	0.00	0.00%	4.35%
Retail Transmission Rate – Line and Transformation Connection Service Rate	838.40	0.0052	4.36	838.40	0.0052	4.36	0.00	0.00%	3.59%
Total: Retail Transmission			**9.64**			**9.64**	**0.00**	**0.00%**	**7.94%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**36.03**			**36.54**	**0.51**	**1.41%**	**30.09%**
Wholesale Market Service Rate	838.40	0.0052	4.36	838.40	0.0052	4.36	0.00	0.00%	3.59%
Rural Rate Protection Charge	838.40	0.0013	1.09	838.40	0.0013	1.09	0.00	0.00%	0.90%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.21%
Sub-Total: Regulatory			**5.70**			**5.70**			**4.69%**
Debt Retirement Charge (DRC)	800.00	0.00700	**5.60**	800	0.0070	**5.60**	**0.00**	**0.00%**	**4.61%**
Total Bill before Taxes			**106.97**			**107.47**	**0.51**	**0.47%**	**88.50%**
HST		13%	**13.91**		13%	**13.97**	**0.07**	**0.47%**	**11.50%**
Total Bill			**120.87**			**121.45**	**0.57**	**0.47%**	**100.00%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-12.09**		(10%)	**-12.14**			
Total Bill (less OCEB)			**108.79**			**109.30**	**0.52**	**0.47%**	

APPENDIX “H”

2012 RTSR WORKFORM MODEL





V2.1

Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Choose Your Utility: Northern Ontario Wires Inc.

Application Type:	IRM3	Last COS OEB Application #:	EB-2009-0270
OEB Application #:	EB-2011-0187	Last COS Re-Basing Year:	2010
LDC Licence #:	ED-2003-0024		

Application Contact Information

Name:	Melissa Wanner
Title:	Regulatory Manager
Phone Number:	705-474-8100 xt:300
Email Address:	mwanner@northbayhydro.com

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Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

1. Info

2. Table of Contents

3. Rate Classes

4. RRR Data

5. UTRs and Sub-Transmission

6. Historical Wholesale

7. Current Wholesale

8. Forecast Wholesale

9. Adj Network to Current WS

10. Adj Conn. to Current WS

11. Adj Network to Forecast WS

12. Adj Conn. to Forecast WS



Ontario Energy Board

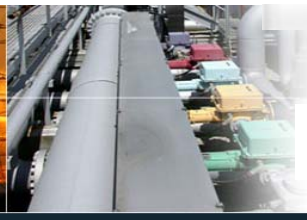
RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

1. Select the appropriate rate classes that appear on your most recent Board-Approved Tariff of Rates and Charges.
2. Enter the RTS Network and Connection Rate as it appears on the Tariff of Rates and Charges

Rate Class	Unit	RTSR - Network	RTSR - Connection
Residential	kWh	$ 0.0063	$ 0.0052
General Service Less Than 50 kW	kWh	$ 0.0059	$ 0.0047
General Service 50 to 2,999 kW	kW	$ 2.3451	$ 1.8596
General Service 3,000 to 4,999 kW	kW	$ 2.4875	$ 2.0552
Unmetered Scattered Load	kWh	$ 0.0059	$ 0.0047
Sentinel Lighting	kW	$ 1.7774	$ 1.4676
Street Lighting	kW	$ 1.7685	$ 1.4375
Choose Rate Class			
Choose Rate Class			





Ontario Energy Board

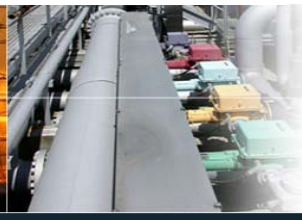
RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

In the green shaded cells, enter the most recent reported RRR billing determinants. Please ensure that billing determinants are non-loss adjusted.

Rate Class	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Load Factor	Loss Adjusted Billed kWh	Billed kW
Residential	kWh	206,535,118	-	1.0480		216,448,804	-
General Service Less Than 50 kW	kWh	85,042,099	-	1.0480		89,124,120	-
General Service 50 to 2,999 kW	kW	230,037,737	588,203		53.60%	230,037,737	588,203
General Service 3,000 to 4,999 kW	kW	41,028,104	78,060		72.04%	41,028,104	78,060
Unmetered Scattered Load	kWh	165,123	-	1.0480		173,049	-
Sentinel Lighting	kW	569,408	1,541		50.64%	569,408	1,541
Street Lighting	kW	3,324,190	9,285		49.07%	3,324,190	9,285





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

Uniform Transmission Rates	Unit	Effective January 1, 2010	Effective January 1, 2011	Effective January 1, 2012
Rate Description		**Rate**	**Rate**	**Rate**
Network Service Rate	kW	$ 2.97	$ 3.22	$ 3.22
Line Connection Service Rate	kW	$ 0.73	$ 0.79	$ 0.79
Transformation Connection Service Rate	kW	$ 1.71	$ 1.77	$ 1.77

Hydro One Sub-Transmission Rates	Unit	Effective January 1, 2010	Effective January 1, 2011	Effective January 1, 2012
Rate Description		**Rate**	**Rate**	**Rate**
Network Service Rate	kW	$ 2.65	$ 2.65	$ 2.65
Line Connection Service Rate	kW	$ 0.64	$ 0.64	$ 0.64
Transformation Connection Service Rate	kW	$ 1.50	$ 1.50	$ 1.50
Both Line and Transformation Connection Service Rate	kW	$ 2.14	$ 2.14	$ 2.14

Hydro One Sub-Transmission Rate Rider 6A	Unit	Effective January 1, 2010	Effective January 1, 2011	Effective January 1, 2012
Rate Description		**Rate**	**Rate**	**Rate**
RSVA Transmission network – 4714 – which affects 1584	kW	$ 0.0470	$ 0.0470	$ 0.0470
RSVA Transmission connection – 4716 – which affects 1586	kW	-$ 0.0250	-$ 0.0250	-$ 0.0250
RSVA LV – 4750 – which affects 1550	kW	$ 0.0580	$ 0.0580	$ 0.0580
RARA 1 – 2252 – which affects 1590	kW	-$ 0.0750	-$ 0.0750	-$ 0.0750
Hydro One Sub-Transmission Rate Rider 6A	kW	$ 0.0050	$ 0.0050	$ 0.0050





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

In the green shaded cells, enter billing detail for wholesale transmission for the same reporting period as the billing determinants on Sheet "4. RRR Data". For Hydro One Sub-transmission Rates, if you are charged a *combined* Line and Transformer connection rate, please ensure that both the line connection and transformer connection columns are completed.

IESO

	Network			Line Connection			Transformation Connection			Total Line
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	101,772	$2.97	$ 302,263	101,772	$0.73	$ 74,294	101,772	$1.71	$ 174,030	$ 248,324
February	96,124	$2.97	$ 285,488	96,633	$0.73	$ 70,542	96,633	$1.71	$ 165,242	$ 235,785
March	85,156	$2.97	$ 252,913	85,999	$0.73	$ 62,779	85,999	$1.71	$ 147,058	$ 209,838
April	76,484	$2.97	$ 227,157	79,048	$0.73	$ 57,705	79,048	$1.71	$ 135,172	$ 192,877
May	81,253	$2.97	$ 241,321	86,520	$0.73	$ 63,160	86,520	$1.71	$ 147,949	$ 211,109
June	74,147	$2.97	$ 220,217	76,452	$0.73	$ 55,810	76,452	$1.71	$ 130,733	$ 186,543
July	86,611	$2.97	$ 257,235	87,301	$0.73	$ 63,730	87,301	$1.71	$ 149,285	$ 213,014
August	89,077	$2.97	$ 264,559	89,159	$0.73	$ 65,086	89,159	$1.71	$ 152,462	$ 217,548
September	89,859	$2.97	$ 266,881	91,251	$0.73	$ 66,613	91,251	$1.71	$ 156,039	$ 222,652
October	76,675	$2.97	$ 227,725	76,959	$0.73	$ 56,180	76,959	$1.71	$ 131,600	$ 187,780
November	95,536	$2.97	$ 283,742	96,158	$0.73	$ 70,195	96,158	$1.71	$ 164,430	$ 234,626
December	109,125	$2.97	$ 324,101	109,276	$0.73	$ 79,771	109,276	$1.71	$ 186,862	$ 266,633
Total	1,061,819	$ 2.97	$ 3,153,602	1,076,528	$ 0.73	$ 785,865	1,076,528	$ 1.71	$ 1,840,863	$ 2,626,728

HYDRO ONE

	Network			Line Connection			Transformation Connection			Total Line
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	3,762	$2.24	$ 8,427	3,865	$0.60	$ 2,319	3,865	$1.39	$ 5,372	$ 7,691
February	3,780	$2.24	$ 8,467	3,780	$0.60	$ 2,268	3,780	$1.39	$ 5,254	$ 7,522
March	3,132	$2.24	$ 7,016	3,132	$0.60	$ 1,879	3,132	$1.39	$ 4,354	$ 6,233
April	2,488	$2.32	$ 5,777	2,616	$0.61	$ 1,591	2,616	$1.41	$ 3,694	$ 5,284
May	2,434	$2.65	$ 6,450	2,591	$0.64	$ 1,658	2,591	$1.50	$ 3,887	$ 5,545
June	2,376	$2.65	$ 6,296	2,513	$0.64	$ 1,608	2,513	$1.50	$ 3,770	$ 5,378
July	2,557	$2.65	$ 6,776	2,747	$0.64	$ 1,758	2,747	$1.50	$ 4,121	$ 5,879
August	2,388	$2.65	$ 6,328	2,511	$0.64	$ 1,607	2,511	$1.50	$ 3,767	$ 5,374
September	2,198	$2.65	$ 5,825	2,198	$0.64	$ 1,407	2,198	$1.50	$ 3,297	$ 4,704
October	1,976	$2.65	$ 5,236	2,066	$0.64	$ 1,322	2,066	$1.50	$ 3,099	$ 4,421
November	1,207	$2.65	$ 3,199	1,207	$0.64	$ 772	1,207	$1.50	$ 1,811	$ 2,583
December	939	$2.65	$ 2,488	1,236	$0.64	$ 791	1,236	$1.50	$ 1,854	$ 2,645
Total	29,237	$ 2.47	$ 72,286	30,462	$ 0.62	$ 18,981	30,462	$ 1.45	$ 44,278	$ 63,259

TOTAL

	Network			Line Connection			Transformation Connection			Total Line
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	105,534	$2.94	$ 310,690	105,637	$0.73	$ 76,613	105,637	$1.70	$ 179,402	$ 256,015
February	99,904	$2.94	$ 293,955	100,413	$0.73	$ 72,810	100,413	$1.70	$ 170,497	$ 243,307
March	88,288	$2.94	$ 259,929	89,131	$0.73	$ 64,658	89,131	$1.70	$ 151,412	$ 216,070
April	78,972	$2.95	$ 232,935	81,664	$0.73	$ 59,296	81,664	$1.70	$ 138,866	$ 198,161
May	83,687	$2.96	$ 247,772	89,111	$0.73	$ 64,818	89,111	$1.70	$ 151,836	$ 216,654
June	76,523	$2.96	$ 226,513	78,965	$0.73	$ 57,418	78,965	$1.70	$ 134,502	$ 191,921
July	89,168	$2.96	$ 264,011	90,048	$0.73	$ 65,488	90,048	$1.70	$ 153,405	$ 218,893
August	91,465	$2.96	$ 270,887	91,670	$0.73	$ 66,693	91,670	$1.70	$ 156,228	$ 222,922
September	92,057	$2.96	$ 272,706	93,449	$0.73	$ 68,020	93,449	$1.71	$ 159,336	$ 227,356
October	78,651	$2.96	$ 232,961	79,025	$0.73	$ 57,502	79,025	$1.70	$ 134,699	$ 192,201
November	96,743	$2.97	$ 286,940	97,365	$0.73	$ 70,968	97,365	$1.71	$ 166,241	$ 237,209
December	110,064	$2.97	$ 326,590	110,512	$0.73	$ 80,563	110,512	$1.71	$ 188,716	$ 269,278
Total	1,091,056	$ 2.96	$ 3,225,888	1,106,990	$ 0.73	$ 804,846	1,106,990	$ 1.70	$ 1,885,141	$ 2,689,987





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

The purpose of this sheet is to calculate the expected billing when current 2011 Uniform Transmission Rates are applied against historical 2010 transmission units.

IESO

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	101,772	$ 3.2200	$ 327,706	101,772	$ 0.7900	$ 80,400	101,772	$ 1.7700	$ 180,136	$ 260,536
February	96,124	$ 3.2200	$ 309,519	96,633	$ 0.7900	$ 76,340	96,633	$ 1.7700	$ 171,040	$ 247,380
March	85,156	$ 3.2200	$ 274,202	85,999	$ 0.7900	$ 67,939	85,999	$ 1.7700	$ 152,218	$ 220,157
April	76,484	$ 3.2200	$ 246,278	79,048	$ 0.7900	$ 62,448	79,048	$ 1.7700	$ 139,915	$ 202,363
May	81,253	$ 3.2200	$ 261,635	86,520	$ 0.7900	$ 68,351	86,520	$ 1.7700	$ 153,140	$ 221,491
June	74,147	$ 3.2200	$ 238,753	76,452	$ 0.7900	$ 60,397	76,452	$ 1.7700	$ 135,320	$ 195,717
July	86,611	$ 3.2200	$ 278,887	87,301	$ 0.7900	$ 68,968	87,301	$ 1.7700	$ 154,523	$ 223,491
August	89,077	$ 3.2200	$ 286,828	89,159	$ 0.7900	$ 70,436	89,159	$ 1.7700	$ 157,811	$ 228,247
September	89,859	$ 3.2200	$ 289,346	91,251	$ 0.7900	$ 72,088	91,251	$ 1.7700	$ 161,514	$ 233,603
October	76,675	$ 3.2200	$ 246,894	76,959	$ 0.7900	$ 60,798	76,959	$ 1.7700	$ 136,217	$ 197,015
November	95,536	$ 3.2200	$ 307,626	96,158	$ 0.7900	$ 75,965	96,158	$ 1.7700	$ 170,200	$ 246,164
December	109,125	$ 3.2200	$ 351,383	109,276	$ 0.7900	$ 86,328	109,276	$ 1.7700	$ 193,419	$ 279,747
Total	1,061,819	$ 3.22	$ 3,419,057	1,076,528	$ 0.79	$ 850,457	1,076,528	$ 1.77	$ 1,905,455	$ 2,755,912

HYDRO ONE

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	3,762	$ 2.6970	$ 10,146	3,865	$ 0.6150	$ 2,377	3,865	$ 1.5000	$ 5,798	$ 8,174
February	3,780	$ 2.6970	$ 10,195	3,780	$ 0.6150	$ 2,325	3,780	$ 1.5000	$ 5,670	$ 7,995
March	3,132	$ 2.6970	$ 8,447	3,132	$ 0.6150	$ 1,926	3,132	$ 1.5000	$ 4,698	$ 6,624
April	2,488	$ 2.6970	$ 6,710	2,616	$ 0.6150	$ 1,609	2,616	$ 1.5000	$ 3,924	$ 5,533
May	2,434	$ 2.6970	$ 6,564	2,591	$ 0.6150	$ 1,593	2,591	$ 1.5000	$ 3,887	$ 5,480
June	2,376	$ 2.6970	$ 6,408	2,513	$ 0.6150	$ 1,545	2,513	$ 1.5000	$ 3,770	$ 5,315
July	2,557	$ 2.6970	$ 6,896	2,747	$ 0.6150	$ 1,689	2,747	$ 1.5000	$ 4,121	$ 5,810
August	2,388	$ 2.6970	$ 6,440	2,511	$ 0.6150	$ 1,544	2,511	$ 1.5000	$ 3,767	$ 5,311
September	2,198	$ 2.6970	$ 5,928	2,198	$ 0.6150	$ 1,352	2,198	$ 1.5000	$ 3,297	$ 4,649
October	1,976	$ 2.6970	$ 5,329	2,066	$ 0.6150	$ 1,271	2,066	$ 1.5000	$ 3,099	$ 4,370
November	1,207	$ 2.6970	$ 3,255	1,207	$ 0.6150	$ 742	1,207	$ 1.5000	$ 1,811	$ 2,553
December	939	$ 2.6970	$ 2,532	1,236	$ 0.6150	$ 760	1,236	$ 1.5000	$ 1,854	$ 2,614
Total	29,237	$ 2.70	$ 78,852	30,462	$ 0.62	$ 18,734	30,462	$ 1.50	$ 45,693	$ 64,427

TOTAL

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	105,534	$ 3.20	$ 337,852	105,637	$ 0.78	$ 82,777	105,637	$ 1.76	$ 185,934	$ 268,711
February	99,904	$ 3.20	$ 319,714	100,413	$ 0.78	$ 78,665	100,413	$ 1.76	$ 176,710	$ 255,375
March	88,288	$ 3.20	$ 282,649	89,131	$ 0.78	$ 69,865	89,131	$ 1.76	$ 156,916	$ 226,782
April	78,972	$ 3.20	$ 252,989	81,664	$ 0.78	$ 64,057	81,664	$ 1.76	$ 143,839	$ 207,896
May	83,687	$ 3.20	$ 268,199	89,111	$ 0.78	$ 69,944	89,111	$ 1.76	$ 157,027	$ 226,971
June	76,523	$ 3.20	$ 245,161	78,965	$ 0.78	$ 61,943	78,965	$ 1.76	$ 139,090	$ 201,032
July	89,168	$ 3.21	$ 285,784	90,048	$ 0.78	$ 70,657	90,048	$ 1.76	$ 158,643	$ 229,300
August	91,465	$ 3.21	$ 293,268	91,670	$ 0.79	$ 71,980	91,670	$ 1.76	$ 161,578	$ 233,558
September	92,057	$ 3.21	$ 295,274	93,449	$ 0.79	$ 73,440	93,449	$ 1.76	$ 164,811	$ 238,251
October	78,651	$ 3.21	$ 252,223	79,025	$ 0.79	$ 62,068	79,025	$ 1.76	$ 139,316	$ 201,385
November	96,743	$ 3.21	$ 310,881	97,365	$ 0.79	$ 76,707	97,365	$ 1.77	$ 172,010	$ 248,717
December	110,064	$ 3.22	$ 353,915	110,512	$ 0.79	$ 87,088	110,512	$ 1.77	$ 195,273	$ 282,361
Total	1,091,056	$ 3.21	$ 3,497,909	1,106,990	$ 0.79	$ 869,191	1,106,990	$ 1.76	$ 1,951,148	$ 2,820,339





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

The purpose of this sheet is to calculate the expected billing when forecasted 2012 Uniform Transmission Rates are applied against historical 2010 transmission units.

IESO

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	101,772	$ 3.2200	$ 327,706	101,772	$ 0.7900	$ 80,400	101,772	$ 1.7700	$ 180,136	$ 260,536
February	96,124	$ 3.2200	$ 309,519	96,633	$ 0.7900	$ 76,340	96,633	$ 1.7700	$ 171,040	$ 247,380
March	85,156	$ 3.2200	$ 274,202	85,999	$ 0.7900	$ 67,939	85,999	$ 1.7700	$ 152,218	$ 220,157
April	76,484	$ 3.2200	$ 246,278	79,048	$ 0.7900	$ 62,448	79,048	$ 1.7700	$ 139,915	$ 202,363
May	81,253	$ 3.2200	$ 261,635	86,520	$ 0.7900	$ 68,351	86,520	$ 1.7700	$ 153,140	$ 221,491
June	74,147	$ 3.2200	$ 238,753	76,452	$ 0.7900	$ 60,397	76,452	$ 1.7700	$ 135,320	$ 195,717
July	86,611	$ 3.2200	$ 278,887	87,301	$ 0.7900	$ 68,968	87,301	$ 1.7700	$ 154,523	$ 223,491
August	89,077	$ 3.2200	$ 286,828	89,159	$ 0.7900	$ 70,436	89,159	$ 1.7700	$ 157,811	$ 228,247
September	89,859	$ 3.2200	$ 289,346	91,251	$ 0.7900	$ 72,088	91,251	$ 1.7700	$ 161,514	$ 233,603
October	76,675	$ 3.2200	$ 246,894	76,959	$ 0.7900	$ 60,798	76,959	$ 1.7700	$ 136,217	$ 197,015
November	95,536	$ 3.2200	$ 307,626	96,158	$ 0.7900	$ 75,965	96,158	$ 1.7700	$ 170,200	$ 246,164
December	109,125	$ 3.2200	$ 351,383	109,276	$ 0.7900	$ 86,328	109,276	$ 1.7700	$ 193,419	$ 279,747
Total	1,061,819	$ 3.22	$ 3,419,057	1,076,528	$ 0.79	$ 850,457	1,076,528	$ 1.77	$ 1,905,455	$ 2,755,912

HYDRO ONE

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	3,762	$ 2.6970	$ 10,146	3,865	$ 0.6150	$ 2,377	3,865	$ 1.5000	$ 5,798	$ 8,174
February	3,780	$ 2.6970	$ 10,195	3,780	$ 0.6150	$ 2,325	3,780	$ 1.5000	$ 5,670	$ 7,995
March	3,132	$ 2.6970	$ 8,447	3,132	$ 0.6150	$ 1,926	3,132	$ 1.5000	$ 4,698	$ 6,624
April	2,488	$ 2.6970	$ 6,710	2,616	$ 0.6150	$ 1,609	2,616	$ 1.5000	$ 3,924	$ 5,533
May	2,434	$ 2.6970	$ 6,564	2,591	$ 0.6150	$ 1,593	2,591	$ 1.5000	$ 3,887	$ 5,480
June	2,376	$ 2.6970	$ 6,408	2,513	$ 0.6150	$ 1,545	2,513	$ 1.5000	$ 3,770	$ 5,315
July	2,557	$ 2.6970	$ 6,896	2,747	$ 0.6150	$ 1,689	2,747	$ 1.5000	$ 4,121	$ 5,810
August	2,388	$ 2.6970	$ 6,440	2,511	$ 0.6150	$ 1,544	2,511	$ 1.5000	$ 3,767	$ 5,311
September	2,198	$ 2.6970	$ 5,928	2,198	$ 0.6150	$ 1,352	2,198	$ 1.5000	$ 3,297	$ 4,649
October	1,976	$ 2.6970	$ 5,329	2,066	$ 0.6150	$ 1,271	2,066	$ 1.5000	$ 3,099	$ 4,370
November	1,207	$ 2.6970	$ 3,255	1,207	$ 0.6150	$ 742	1,207	$ 1.5000	$ 1,811	$ 2,553
December	939	$ 2.6970	$ 2,532	1,236	$ 0.6150	$ 760	1,236	$ 1.5000	$ 1,854	$ 2,614
Total	29,237	$ 2.70	$ 78,852	30,462	$ 0.62	$ 18,734	30,462	$ 1.50	$ 45,693	$ 64,427

TOTAL

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	105,534	$ 3.20	$ 337,852	105,637	$ 0.78	$ 82,777	105,637	$ 1.76	$ 185,934	$ 268,711
February	99,904	$ 3.20	$ 319,714	100,413	$ 0.78	$ 78,665	100,413	$ 1.76	$ 176,710	$ 255,375
March	88,288	$ 3.20	$ 282,649	89,131	$ 0.78	$ 69,865	89,131	$ 1.76	$ 156,916	$ 226,782
April	78,972	$ 3.20	$ 252,989	81,664	$ 0.78	$ 64,057	81,664	$ 1.76	$ 143,839	$ 207,896
May	83,687	$ 3.20	$ 268,199	89,111	$ 0.78	$ 69,944	89,111	$ 1.76	$ 157,027	$ 226,971
June	76,523	$ 3.20	$ 245,161	78,965	$ 0.78	$ 61,943	78,965	$ 1.76	$ 139,090	$ 201,032
July	89,168	$ 3.21	$ 285,784	90,048	$ 0.78	$ 70,657	90,048	$ 1.76	$ 158,643	$ 229,300
August	91,465	$ 3.21	$ 293,268	91,670	$ 0.79	$ 71,980	91,670	$ 1.76	$ 161,578	$ 233,558
September	92,057	$ 3.21	$ 295,274	93,449	$ 0.79	$ 73,440	93,449	$ 1.76	$ 164,811	$ 238,251
October	78,651	$ 3.21	$ 252,223	79,025	$ 0.79	$ 62,068	79,025	$ 1.76	$ 139,316	$ 201,385
November	96,743	$ 3.21	$ 310,881	97,365	$ 0.79	$ 76,707	97,365	$ 1.77	$ 172,010	$ 248,717
December	110,064	$ 3.22	$ 353,915	110,512	$ 0.79	$ 87,088	110,512	$ 1.77	$ 195,273	$ 282,361
Total	1,091,056	$ 3.21	$ 3,497,909	1,106,990	$ 0.79	$ 869,191	1,106,990	$ 1.76	$ 1,951,148	$ 2,820,339





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

The purpose of this sheet is to re-align the current RTS Network Rates to recover current wholesale network costs.

Rate Class	Unit	Current RTSR - Network	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR Network
Residential	kWh	$ 0.0063	216,448,804	-	$ 1,363,627	39.1%	$ 1,369,382	$ 0.0063
General Service Less Than 50 kW	kWh	$ 0.0059	89,124,120	-	$ 525,832	15.1%	$ 528,051	$ 0.0059
General Service 50 to 2,999 kW	kW	$ 2.3451	230,037,737	588,203	$ 1,379,395	39.6%	$ 1,385,216	$ 2.3550
General Service 3,000 to 4,999 kW	kW	$ 2.4875	41,028,104	78,060	$ 194,174	5.6%	$ 194,994	$ 2.4980
Unmetered Scattered Load	kWh	$ 0.0059	173,049	-	$ 1,021	0.0%	$ 1,025	$ 0.0059
Sentinel Lighting	kW	$ 1.7774	569,408	1,541	$ 2,739	0.1%	$ 2,751	$ 1.7849
Street Lighting	kW	$ 1.7685	3,324,190	9,285	$ 16,421	0.5%	$ 16,490	$ 1.7760
					$ 3,483,209			





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

The purpose of this sheet is to re-align the current RTS Connection Rates to recover current wholesale connection costs.

Rate Class	Unit	Current RTSR - Connection	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR Connection
Residential	kWh	$ 0.0052	216,448,804	-	$ 1,125,534	40.0%	$ 1,127,632	$ 0.0052
General Service Less Than 50 kW	kWh	$ 0.0047	89,124,120	-	$ 418,883	14.9%	$ 419,664	$ 0.0047
General Service 50 to 2,999 kW	kW	$ 1.8596	230,037,737	588,203	$ 1,093,822	38.9%	$ 1,095,862	$ 1.8631
General Service 3,000 to 4,999 kW	kW	$ 2.0552	41,028,104	78,060	$ 160,429	5.7%	$ 160,728	$ 2.0590
Unmetered Scattered Load	kWh	$ 0.0047	173,049	-	$ 813	0.0%	$ 815	$ 0.0047
Sentinel Lighting	kW	$ 1.4676	569,408	1,541	$ 2,262	0.1%	$ 2,266	$ 1.4703
Street Lighting	kW	$ 1.4375	3,324,190	9,285	$ 13,347	0.5%	$ 13,372	$ 1.4402
					$ 2,815,090			





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

The purpose of this sheet is to update the re-align RTS Network Rates to recover forecast wholesale network costs.

Rate Class	Unit	Adjusted RTSR - Network	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR Network
Residential	kWh	$ 0.0063	216,448,804	-	$ 1,369,382	39.1%	$ 1,369,382	$ 0.0063
General Service Less Than 50 kW	kWh	$ 0.0059	89,124,120	-	$ 528,051	15.1%	$ 528,051	$ 0.0059
General Service 50 to 2,999 kW	kW	$ 2.3550	230,037,737	588,203	$ 1,385,216	39.6%	$ 1,385,216	$ 2.3550
General Service 3,000 to 4,999 kW	kW	$ 2.4980	41,028,104	78,060	$ 194,994	5.6%	$ 194,994	$ 2.4980
Unmetered Scattered Load	kWh	$ 0.0059	173,049	-	$ 1,025	0.0%	$ 1,025	$ 0.0059
Sentinel Lighting	kW	$ 1.7849	569,408	1,541	$ 2,751	0.1%	$ 2,751	$ 1.7849
Street Lighting	kW	$ 1.7760	3,324,190	9,285	$ 16,490	0.5%	$ 16,490	$ 1.7760
					$ 3,497,909			





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

The purpose of this sheet is to update the re-aligned RTS Connection Rates to recover forecast wholesale connection costs.

Rate Class	Unit	Adjusted RTSR - Connection	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR Connection
Residential	kWh	$ 0.0052	216,448,804	-	$ 1,127,632	40.0%	$ 1,127,632	$ 0.0052
General Service Less Than 50 kW	kWh	$ 0.0047	89,124,120	-	$ 419,664	14.9%	$ 419,664	$ 0.0047
General Service 50 to 2,999 kW	kW	$ 1.8631	230,037,737	588,203	$ 1,095,862	38.9%	$ 1,095,862	$ 1.8631
General Service 3,000 to 4,999 kW	kW	$ 2.0590	41,028,104	78,060	$ 160,728	5.7%	$ 160,728	$ 2.0590
Unmetered Scattered Load	kWh	$ 0.0047	173,049	-	$ 815	0.0%	$ 815	$ 0.0047
Sentinel Lighting	kW	$ 1.4703	569,408	1,541	$ 2,266	0.1%	$ 2,266	$ 1.4703
Street Lighting	kW	$ 1.4402	3,324,190	9,285	$ 13,372	0.5%	$ 13,372	$ 1.4402
					$ 2,820,339			





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

North Bay Hydro Distribution Limited - EB-2011-0187 - IRM3

For Cost of Service Applicants, please enter the following Proposed RTS rates into your rates model.

For IRM applicants, please enter these rates into the 2012 Rate Generator.

Rate Class	Unit	Proposed RTSR Network	Proposed RTSR Connection
Residential	kWh	$ 0.0063	$ 0.0052
General Service Less Than 50 kW	kWh	$ 0.0059	$ 0.0047
General Service 50 to 2,999 kW	kW	$ 2.3550	$ 1.8631
General Service 3,000 to 4,999 kW	kW	$ 2.4980	$ 2.0590
Unmetered Scattered Load	kWh	$ 0.0059	$ 0.0047
Sentinel Lighting	kW	$ 1.7849	$ 1.4703
Street Lighting	kW	$ 1.7760	$ 1.4402

APPENDIX “I”

2012 REVENUE COST RATIO ADJUSTMENT WORKFORM MODEL





Ontario Energy Board

Revenue/Cost Ratio Model

Choose Your Utility:

Northern Ontario Wires Inc.

Application ED-2003-0024
OEB Application IRM3
LDC Licence #: EB-2011-

Application Contact Information

Name:	Melissa Wanner
Title:	Regulatory Manager
Phone Number:	705-474-8100 xt: 300
Email Address:	mwanner@northbayhydro.com
We are applying for rates effective:	May 1, 2012
Last COS Re-based Year	2010

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION

Copyright

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your IRM application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



1. Info
2. Table of Contents
3. Re-Based Bill Det & Rates
4. Removal of Rate Adders
5. Re-Based Rev From Rates
6. Decision Cost Revenue Adj
7. Revenue Offsets Allocation
8. Transformer Allowance
9. R C Ratio Revenue
10. Proposed R C Ratio Adj
11. Proposed Revenue
12. Proposed F V Rev Alloc
13. Proposed F V Rates
14. Adjust To Proposed Rates



Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

The purpose of this sheet is to set up the rate classes, enter the re-based billing determinants from your last cost of service application and enter the current service charge and volumetric distribution rates as found on your May 1, 2011 (or subsequent) Tariff of rates and charges.

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Current Tariff Service Charge D	Current Tariff Distribution Volumetric Rate kWh E	Current Tariff Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	21,075	214,923,813		14.21	0.0127	
GSLT50	General Service Less Than 50 kW	Customer	kWh	2,645	85,026,017		21.78	0.0169	
GSGT50	General Service 50 to 2,999 kW	Customer	kW	287	221,440,020	638,330	294.62		2.1012
GSGT50	General Service 3,000 to 4,999 kW	Customer	kW	2	38,784,125	74,106	5,055.59		0.9646
USL	Unmetered Scattered Load	Connection	kWh	76	337,294		6.82	0.0158	
Sen	Sentinel Lighting	Connection	kW	509	505,803	1,382	3.78		13.1999
SL	Street Lighting	Connection	kW	5,680	2,721,605	7,658	3.68		19.6953
NA	Rate Class 8	NA	NA						
NA	Rate Class 9	NA	NA						



Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

The purpose of this sheet is to remove any rate adders included in current rates. Most applicants will not need to make an entry on this sheet.

Rate Class	Current Tariff Service Charge A	Current Tariff Distribution Volumetric Rate kWh B	Current Tariff Distribution Volumetric Rate kW C	Service Charge Rate Adders D	Distribution Volumetric kWh Rate Adders E	Distribution Volumetric kW Rate Adders F	Base Service Charge H = A - D	Base Distribution Volumetric Rate kWh I = B - E	Base Distribution Volumetric Rate kW J = C - F
Residential	14.21	0.0127	0.0000	0.00	0.0000	0.0000	14.21	0.0127	0.0000
General Service Less Than 50 kW	21.78	0.0169	0.0000	0.00	0.0000	0.0000	21.78	0.0169	0.0000
General Service 50 to 2,999 kW	294.62	0.0000	2.1012	0.00	0.0000	0.0000	294.62	0.0000	2.1012
General Service 3,000 to 4,999 kW	5,055.59	0.0000	0.9646	0.00	0.0000	0.0000	5,055.59	0.0000	0.9646
Unmetered Scattered Load	6.82	0.0158	0.0000	0.00	0.0000	0.0000	6.82	0.0158	0.0000
Sentinel Lighting	3.78	0.0000	13.1999	0.00	0.0000	0.0000	3.78	0.0000	13.1999
Street Lighting	3.68	0.0000	19.6953	0.00	0.0000	0.0000	3.68	0.0000	19.6953



Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

The purpose of this sheet is to calculate current revenue from rate classes.

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Current Base Service Charge D	Current Base Distribution Volumetric Rate kWh E	Current Base Distribution Volumetric Rate kW F	Service Charge Revenue G = A * D *12	Distribution Volumetric Rate Revenue kWh H = B * E	Distribution Volumetric Rate Revenue kW I = C * F	Revenue Requirement from Rates J = G + H + I	Service Charge % Revenue K = G / J	Distribution Volumetric Rate % Revenue kWh L = H / J	Distribution Volumetric Rate % Revenue kW M = I / J	Total % Revenue N = J / R
Residential	21,075	214,923,813	0	14.21	0.0127	0.0000	3,593,641	2,729,532	0	6,323,173	56.8%	43.2%	0.0%	55.3%
General Service Less Than 50 kW	2,645	85,026,017	0	21.78	0.0169	0.0000	691,321	1,436,940	0	2,128,261	32.5%	67.5%	0.0%	18.6%
General Service 50 to 2,999 kW	287	221,440,020	638,330	294.62	0.0000	2.1012	1,013,624	0	1,341,258	2,354,882	43.0%	0.0%	57.0%	20.6%
General Service 3,000 to 4,999 kW	2	38,784,125	74,106	5,055.59	0.0000	0.9646	110,880	0	71,482	182,362	60.8%	0.0%	39.2%	1.6%
Unmetered Scattered Load	76	337,294	0	6.82	0.0158	0.0000	6,220	5,329	0	11,549	53.9%	46.1%	0.0%	0.1%
Sentinel Lighting	509	505,803	1,382	3.78	0.0000	13.1999	23,085	0	18,238	41,322	55.9%	0.0%	44.1%	0.4%
Street Lighting	5,680	2,721,605	7,658	3.68	0.0000	19.6953	250,838	0	150,834	401,672	62.4%	0.0%	37.6%	3.5%
							5,689,608	4,171,801	1,581,812	11,443,222				100.0%
							O	P	Q	R				



The purpose of this sheet is to enter the Revenue Cost Ratios as determined from column G on Sheet "C1.5 Proposed R C Ratio Adj" of the applicant's 2011 IRM3 Supplemental Filing Module or 2011 COS Decision and Order.

Under the column labeled "Direction", the applicant can choose "No Change" (i.e: no change in that rate class ratio), "Change" (i.e: Board ordered change from COS decision) or "Rebalance" (i.e: to apply any offset adjustments required).

Rate Class	Direction	Current Year	Transition Year 1	Transition Year 2	Transition Year 3	Transition Year 4	Transition Year 5
		2011	2012	2013	2014	2015	2016
Residential	No Change	98.59%	98.59%	98.59%	98.59%	98.59%	98.59%
General Service Less Than 50 kW	Rebalance	112.57%	tbd	tbd	tbd	tbd	tbd
General Service 50 to 2,999 kW	Rebalance	113.33%	tbd	tbd	tbd	tbd	tbd
General Service 3,000 to 4,999 kW	Change	69.32%	80.00%	80.00%	80.00%	80.00%	80.00%
Unmetered Scattered Load	No Change	99.65%	99.65%	99.65%	99.65%	99.65%	99.65%
Sentinel Lighting	Change	62.12%	70.00%	70.00%	70.00%	70.00%	70.00%
Street Lighting	Change	55.03%	70.00%	70.00%	70.00%	70.00%	70.00%





Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

The purpose of this sheet is to allocate the Revenue Offsets (miscellaneous revenue, cell F47) found in the last COS to the various rate classes in proportion to the allocation from the Cost Allocation informational filing.

Rate Class	Informational Filing Revenue Offsets	Percentage Split	Allocated Revenue Offsets
	A	C= A / B	E = D * C
Residential	538,301	64.81%	538,300
General Service Less Than 50 kW	154,789	18.64%	154,789
General Service 50 to 2,999 kW	103,404	12.45%	103,404
General Service 3,000 to 4,999 kW	6,961	0.84%	6,961
Unmetered Scattered Load	928	0.11%	928
Sentinel Lighting	2,834	0.34%	2,834
Street Lighting	23,400	2.82%	23,400
	830,616	100.00%	830,616
	B		D




Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

The purpose of this sheet is to remove the transformer allowance from volumetric rates. In Cell E47, enter your Transformer Allowance as per your 2011 IRM3 Supplemental Filing Module or your last CoS Decision. Under the column labeled "Transformer Allowance in Rates" select "Yes" if included in that rate class or "No" if not included. Once selected, apply the update button to reveal input cells in which you can enter the number of kW's and the transfromer rate for each rate class.

Rate Class	Transformer Allowance In Rate	Transformer Allowance	Transformer Allowance kW's	Transformer Allowance Rate	Volumetric Distribution Rate	Billed kW's	Adjusted Volumetric Distribution Rate
		A	C	E	F	G	I =(F * (G - C) + (F - E) * C) / G
Residential	No						
General Service Less Than 50 kW	No						
General Service 50 to 2,999 kW	Yes	58,777	97,962	0.6000	2.1012	638,330	2.0091
General Service 3,000 to 4,999 kW	Yes	44,463	74,106	0.6000	0.9646	74,106	0.3646
Unmetered Scattered Load	No						
Sentinel Lighting	No						
Street Lighting	No						
		103,240	172,067			712,435	
		B	D			H	
		0					



Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

The purpose of this sheet is to calculate revenue by rate class that inlcudes Revenue Offsets and excludes Transformer Allowance prior to Revenue Cost Ratio Adjustment re-allocation.

Rate Class	Billed Customers or Connections	Billed kWh	Billed kW		Base Service Charge	Base Distribution Volumetric Rate kWh	Base Distribution Volumetric Rate kW	Service Charge	Distribution Volumetric Rate kWh	Distribution Volumetric Rate kW	Revenue Requirement from Rates	Allocated Revenue Offset	Adjusted Revenue
	A	B	C		D	E	F	G = A * D *12	H = B * E	I = C * F	J = G + H + I	K	L = J + K
Residential	21,075	214,923,813	0	0	14.21	0.0127	0.0000	3,593,641	2,729,532	0	6,323,173	538,300	6,861,474
General Service Less Than 50 kW	2,645	85,026,017	0	0	21.78	0.0169	0.0000	691,321	1,436,940	0	2,128,261	154,789	2,283,049
General Service 50 to 2,999 kW	287	221,440,020	638,330	0	294.62	0.0000	2.0091	1,013,624	0	1,282,481	2,296,105	103,404	2,399,509
General Service 3,000 to 4,999 kW	2	38,784,125	74,106	0	5,055.59	0.0000	0.3646	110,880	0	27,019	137,899	6,961	144,860
Unmetered Scattered Load	76	337,294	0	0	6.82	0.0158	0.0000	6,220	5,329	0	11,549	928	12,477
Sentinel Lighting	509	505,803	1,382	0	3.78	0.0000	13.1999	23,085	0	18,238	41,322	2,834	44,156
Street Lighting	5,680	2,721,605	7,658	0	3.68	0.0000	19.6953	250,838	0	150,834	401,672	23,400	425,072
								5,689,608	4,171,801	1,478,572	11,339,981	830,616	12,170,597
								O	P	Q	R		




Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

Proposed Revenue Cost Ratio Adjustment

Rate Class	Adjusted Revenue A	Current Revenue Cost Ratio B	Re-Allocated Cost C = A / B	Proposed Revenue Cost Ratio D	Final Adjusted Revenue E = C * D	Dollar Change F = E - C	Percentage Change G = (E / C) - 1
Residential	$ 6,861,474	0.99	$ 6,959,604	0.99	$ 6,861,474	$ 0	0.0%
General Service Less Than 50 kW	$ 2,283,049	1.13	$ 2,028,176	1.09	$ 2,212,788	-$ 70,261	-3.1%
General Service 50 to 2,999 kW	$ 2,399,509	1.13	$ 2,117,295	1.10	$ 2,326,161	-$ 73,349	-3.1%
General Service 3,000 to 4,999 kW	$ 144,860	0.69	$ 208,983	0.80	$ 167,186	$ 22,326	15.4%
Unmetered Scattered Load	$ 12,477	1.00	$ 12,521	1.00	$ 12,477	-$ 0	0.0%
Sentinel Lighting	$ 44,156	0.62	$ 71,082	0.70	$ 49,758	$ 5,601	12.7%
Street Lighting	$ 425,072	0.55	$ 772,506	0.70	$ 540,754	$ 115,682	27.2%
	$ 12,170,597		$ 12,170,167		$ 12,170,597	$ 0	0.0%

Out of Balance - **0**

Final ? Yes




Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

Proposed Revenue from Revenue Cost Ratio Adjustment

Rate Class	Adjusted Revenue By Revenue Cost Ratio A	Allocated Re-Based Revenue Offsets B	Revenue Requirement from Rates Before Transformer Allowance C = A - B	Re-based Transformer Allowance D	Revenue Requirement from Rates E = C + D
Residential	$ 6,861,474	$ 538,300	$ 6,323,173	$ -	$ 6,323,173
General Service Less Than 50 kW	$ 2,212,788	$ 154,789	$ 2,057,999	$ -	$ 2,057,999
General Service 50 to 2,999 kW	$ 2,326,161	$ 103,404	$ 2,222,756	$ 58,777	$ 2,281,533
General Service 3,000 to 4,999 kW	$ 167,186	$ 6,961	$ 160,225	$ 44,463	$ 204,689
Unmetered Scattered Load	$ 12,477	$ 928	$ 11,549	$ -	$ 11,549
Sentinel Lighting	$ 49,758	$ 2,834	$ 46,924	$ -	$ 46,924
Street Lighting	$ 540,754	$ 23,400	$ 517,355	$ -	$ 517,355
	$ 12,170,597	$ 830,616	$ 11,339,981	$ 103,240	$ 11,443,222



Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

Proposed fixed and variable revenue allocation

Rate Class	Revenue Requirement from Rates A	Service Charge % Revenue B	Distribution Volumetric Rate % Revenue kWh C	Distribution Volumetric Rate % Revenue kW D	Service Charge Revenue E = A * B	Distribution Volumetric Rate Revenue kWh F = A * C	Distribution Volumetric Rate Revenue kW G = A * D	Revenue Requirement from Rates by Rate Class H = E + F + G
Residential	$ 6,323,173	56.8%	43.2%	0.0%	$ 3,593,641	$ 2,729,532	$ -	$ 6,323,173
General Service Less Than 50 kW	$ 2,057,999	32.5%	67.5%	0.0%	$ 668,498	$ 1,389,501	$ -	$ 2,057,999
General Service 50 to 2,999 kW	$ 2,281,533	43.0%	0.0%	57.0%	$ 982,052	$ -	$ 1,299,481	$ 2,281,533
General Service 3,000 to 4,999 kW	$ 204,689	60.8%	0.0%	39.2%	$ 124,455	$ -	$ 80,234	$ 204,689
Unmetered Scattered Load	$ 11,549	53.9%	46.1%	0.0%	$ 6,220	$ 5,329	$ -	$ 11,549
Sentinel Lighting	$ 46,924	55.9%	0.0%	44.1%	$ 26,214	$ -	$ 20,710	$ 46,924
Street Lighting	$ 517,355	62.4%	0.0%	37.6%	$ 323,080	$ -	$ 194,274	$ 517,355
	$ 11,443,222				$ 5,724,159	$ 4,124,363	$ 1,594,699	$ 11,443,222



Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

Proposed fixed and variable rates

Rate Class	Service Charge Revenue	Distribution Volumetric Rate Revenue kWh	Distribution Volumetric Rate Revenue kW	Re-based Billed Customers or Connections	Re-based Billed kWh	Re-based Billed kW	Proposed Base Service Charge	Proposed Base Distribution Volumetric Rate kWh	Proposed Base Distribution Volumetric Rate kW
	A	B	C	D	E	F	G = A / D / 12	H = B / E	I = C / F
Residential	$ 3,593,641	$ 2,729,532	$ -	21,075	214,923,813	0	14.21	0.0127	-
General Service Less Than 50 kW	$ 668,498	$ 1,389,501	$ -	2,645	85,026,017	0	21.06	0.0163	-
General Service 50 to 2,999 kW	$ 982,052	$ -	$ 1,299,481	287	221,440,020	638,330	285.44	-	2.0358
General Service 3,000 to 4,999 kW	$ 124,455	$ -	$ 80,234	2	38,784,125	74,106	5,674.54	-	1.0827
Unmetered Scattered Load	$ 6,220	$ 5,329	$ -	76	337,294	0	6.82	0.0158	-
Sentinel Lighting	$ 26,214	$ -	$ 20,710	509	505,803	1,382	4.29	-	14.9892
Street Lighting	$ 323,080	$ -	$ 194,274	5,680	2,721,605	7,658	4.74	-	25.3676



Ontario Energy Board

Revenue/Cost Ratio Model

North Bay Hydro Distribution Limited

Proposed adjustments to Base Service Charge and Distribution Volumetric Rate. Enter the adjustments found in column M and N below into Sheet 17 of the 2012 IRM Rate Generator Model.

Rate Class	Proposed Base Service Charge	Proposed Base Distribution Volumetric Rate kWh	Proposed Base Distribution Volumetric Rate kW	Current Base Service Charge	Current Base Distribution Volumetric Rate kWh	Current Base Distribution Volumetric Rate kW	Adjustment Required Base Service Charge	Adjustment Required Base Distribution Volumetric Rate kWh	Adjustment Required Base Distribution Volumetric Rate kW
	A	B	C	D	E	F	G = A - D	H = B - E	I = C - F
Residential	$ 14.21	$ 0.0127	$ -	$ 14.21	$ 0.0127	$ -	$ -	$ -	$ -
General Service Less Than 50 kW	$ 21.06	$ 0.0163	$ -	$ 21.78	$ 0.0169	$ -	-$ 0.72	-$ 0.0006	$ -
General Service 50 to 2,999 kW	$ 285.44	$ -	$ 2.0358	$ 294.62	$ -	$ 2.1012	-$ 9.18	$ -	-$ 0.0654
General Service 3,000 to 4,999 kW	$ 5,674.54	$ -	$ 1.0827	$ 5,055.59	$ -	$ 0.9646	$ 618.95	$ -	$ 0.1181
Unmetered Scattered Load	$ 6.82	$ 0.0158	$ -	$ 6.82	$ 0.0158	$ -	$ -	$ -	$ -
Sentinel Lighting	$ 4.29	$ -	$ 14.9892	$ 3.78	$ -	$ 13.1999	$ 0.51	$ -	$ 1.7893
Street Lighting	$ 4.74	$ -	$ 25.3676	$ 3.68	$ -	$ 19.6953	$ 1.06	$ -	$ 5.6723

APPENDIX “J”

2012 SHARED TAX SAVINGS WORKFORM MODEL



V1.2

Ontario Energy Board

2012 IRM 3 Tax Savings Workform

Choose Your Utility:

Northern Ontario Wires Inc.

Application EB-2011-0187
OEB Application IRM3
LDC Licence #: ED-2003-0024

Application Contact Information

Name:	Melissa Wanner
Title:	Regulatory Manager
Phone Number:	705-474-8100 xt: 300
Email Address:	mwanner@northbayhydro.com
We are applying for rates effective:	May 1, 2012
Last COS Re-based Year	2010

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION

Copyright

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your IRM application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



1. Info

2. Table of Contents

3. Re-Based Billing Determinants and Rates

4. Re-Based Revenue from Rates

5. Z-Factor Tax Changes

6. Calculation of Tax Change Variable Rate Rider



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

North Bay Hydro Distribution Limited

Enter your 2011 Base Monthly Fixed Charge and Distribution Volumetric Charge into columns labeled "Rate ReBal Base Service Charge" and "Rate ReBal Base Distribution Volumetric Rate kWh/kW" respectively.

Last COS Re-based Year was in 2010

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	21,075	214,923,813		14.21	0.0127	
GSLT50	General Service Less Than 50 kW	Customer	kWh	2,645	85,026,017		21.78	0.0169	
GSGT50	General Service 50 to 2,999 kW	Customer	kW	287	221,440,020	638,330	294.62		2.1012
GSGT50	General Service 3,000 to 4,999 kW	Customer	kW	2	38,784,125	74,106	5,055.59		0.9646
USL	Unmetered Scattered Load	Connection	kWh	76	337,294		6.82	0.0158	
Sen	Sentinel Lighting	Connection	kW	509	505,803	1,382	3.78		13.1999
SL	Street Lighting	Connection	kW	5,680	2,721,605	7,658	3.68		19.6953
NA	Rate Class 8	NA	NA						
NA	Rate Class 9	NA	NA						



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

North Bay Hydro Distribution Limited

Calculating Re-Based Revenue from Rates. No input required.

Last COS Re-based Year was in 201

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F	Service Charge Revenue G = A * D *12	Distribution Volumetric Rate Revenue kWh H = B * E	Distribution Volumetric Rate Revenue kW I = C * F	Revenue Requirement from Rates J = G + H + I	Service Charge % Revenue K = G / J	Distribution Volumetric Rate % Revenue kWh L = H / J	Distribution Volumetric Rate % Revenue kW M = I / J	Total % Revenue N = J / R
Residential	21,075	214,923,813	0	14.21	0.0127	0.0000	3,593,641	2,729,532	0	6,323,173	56.8%	43.2%	0.0%	55.3%
General Service Less Than 50 kW	2,645	85,026,017	0	21.78	0.0169	0.0000	691,321	1,436,940	0	2,128,261	32.5%	67.5%	0.0%	18.6%
General Service 50 to 2,999 kW	287	221,440,020	638,330	294.62	0.0000	2.1012	1,013,624	0	1,341,258	2,354,882	43.0%	0.0%	57.0%	20.6%
General Service 3,000 to 4,999 kW	2	38,784,125	74,106	5,055.59	0.0000	0.9646	110,880	0	71,482	182,362	60.8%	0.0%	39.2%	1.6%
Unmetered Scattered Load	76	337,294	0	6.82	0.0158	0.0000	6,220	5,329	0	11,549	53.9%	46.1%	0.0%	0.1%
Sentinel Lighting	509	505,803	1,382	3.78	0.0000	13.1999	23,085	0	18,238	41,322	55.9%	0.0%	44.1%	0.4%
Street Lighting	5,680	2,721,605	7,658	3.68	0.0000	19.6953	250,838	0	150,834	401,672	62.4%	0.0%	37.6%	3.5%
							5,689,608	4,171,801	1,581,812	11,443,222				100.0%
							O	P	Q	R				



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

North Bay Hydro Distribution Limited

This worksheet calculates the tax sharing amount.

Step 1: Press the Update Button (this will clear all input cells and reveal your latest cost of service re-basing year).
Step 2: In the green input cells below, please enter the information related to the last Cost of Service Filing.

Summary - Sharing of Tax Change Forecast Amounts

For the 2010 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)	$ 34,000

1. Tax Related Amounts Forecast from Capital Tax Rate Changes	**2010**	**2012**
Taxable Capital	$ 44,105,306	$ 44,105,306
Deduction from taxable capital up to $15,000,000	$ 15,000,000	$ 15,000,000
Net Taxable Capital	$ 29,105,306	$ 29,105,306
Rate	0.150%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	**$ 21,650**	**$ -**

2. Tax Related Amounts Forecast from Income Tax Rate Changes	**2010**	**2012**
Regulatory Taxable Income	$ 2,313,638	$ 2,313,638
Corporate Tax Rate	28.72%	24.79%
Tax Impact	$ 664,477	$ 539,557
Grossed-up Tax Amount	**$ 664,477**	**$ 717,403**

Tax Related Amounts Forecast from Capital Tax Rate Changes	$ 21,650	$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	$ 664,477	$ 717,403
Total Tax Related Amounts	**$ 686,126**	**$ 717,403**
Incremental Tax Savings		**$ 31,276**
Sharing of Tax Savings (50%)		**$ 15,638**



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

North Bay Hydro Distribution Limited

This worksheet calculates a tax change volumetric rate rider. No input required. The outputs in column Q and S are to be entered into Sheet 17 of the 2012 IRM Rate Generator Model.

Rate Class	Total Revenue $ by Rate Class A	Total Revenue % by Rate Class B = A / $H	Total Z-Factor Tax Change$ by Rate Class C = $I * B	Billed kWh D	Billed kW E	Distribution Volumetric Rate kWh Rate Rider F = C / D	Distribution Volumetric Rate kW Rate Rider G = C / E
Residential	$6,323,173.1821	55.26%	$8,641	214,923,813	0	$0.0000	
General Service Less Than 50 kW	$2,128,261	18.60%	$2,908	85,026,017	0	$0.0000	
General Service 50 to 2,999 kW	$2,354,882	20.58%	$3,218	221,440,020	638,330		$0.0050
General Service 3,000 to 4,999 kW	$182,362	1.59%	$249	38,784,125	74,106		$0.0034
Unmetered Scattered Load	$11,549	0.10%	$16	337,294	0	$0.0000	
Sentinel Lighting	$41,322	0.36%	$56	505,803	1,382		$0.0409
Street Lighting	$401,672	3.51%	$549	2,721,605	7,658		$0.0717
	$11,443,222	100.00%	$15,638				
	H		-				
			I				

APPENDIX “K”

LRAM – 3RD PARTY REVIEW

INDECO STRATEGIC CONSULTING SOLUTIONS INC.

Strategic Solutions for a Changing World™

North Bay Hydro LRAM



Third party review:

North Bay Hydro LRAM claims



This document was prepared for North Bay Hydro by IndEco Strategic Consulting Inc.

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IndEco report B1700

11 October 2011

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Executive summary

A third party review of the Conservation and Demand Management (CDM) programs run by North Bay Hydro (NBH) was required as part of its application to the Ontario Energy Board (OEB) for collection of Lost Revenue Adjustment Mechanism (LRAM) claims.

IndEco Strategic Consulting Inc. (IndEco) acted as third party reviewer by examining the participant rates, equipment specifications, and calculations that enter into the energy savings associated with NBH's CDM portfolio. The review was completed as detailed in the OEB *Guidelines for Electricity Distributor Conservation and Demand Management*.

The third party review included NBH's CDM activities in 2008, 2009 and 2010 supported through Ontario Power Authority (OPA) funding for the period between January 1 of the program launch year and April 30 2012.

Lost revenues are calculated using estimated energy savings or monthly peak demand savings using the best available and most current input assumptions. Energy savings are those from the results of OPA's program evaluations. In the span from January 1 2008 to April 30 2012, these savings totalled approximately 7 GWh in the residential rate class and 3 GWh in the GS < 50 kW rate class. Savings in the GS 50 to 2,999 kW rate class totalled approximately 14 MW-months.

IndEco concludes that NBH's electricity rates should be adjusted to reflect an LRAM claim of $187,545.

Introduction

What is the lost revenue adjustment mechanism (LRAM)

Lost Revenue Adjustment Mechanism claims can benefit a local distribution company (LDC) by removing the disincentive for energy conservation.

LRAM is designed to ensure that the LDC does not have a disincentive to promote energy efficiency and energy conservation by compensating the LDC for revenues lost as a result of its conservation initiatives. The calculation of energy savings requires information on what the electricity use would have been in the absence of the LDC initiatives, and what it was with the LDC initiative. Some of the inputs to the calculation include: hours the equipment is used, wattage rating of the old and new equipment, and lifetime of the equipment if it is less than the period over which the LRAM is being claimed. Also required are the number of participants, or pieces of equipment installed, and an estimate of the free-rider rate, which is the fraction of the savings that would have occurred anyway, in the absence of the program. These savings are estimated for each rate class, and revenue losses are determined by multiplying those losses by the cost of distribution per unit for each rate class. Carrying charges are calculated using deferral and variance account interest rates prescribed by the OEB.[1]

Sources of information

Although these input data requirements are sometimes measured, they sometimes are values from published sources, or assumptions provided by the Ontario Energy Board, or other reputable agencies. For some types of programs, such as large scale distribution of compact fluorescent bulbs, it would be impractical to measure the hours each bulb is used, for example, and therefore these published sources provide an average value that is typical for this equipment type.

In some cases, estimated values for a particular component of the calculation are available from multiple sources. In these cases, information is taken from the sources highest in the information hierarchy. The information hierarchy (from greatest to least confidence) for LRAM calculations is:

1 Information or results from an OPA conducted or sponsored evaluation of the specific program (e.g. OPA 2010 and OPA 2011c)

2 Information or results from a third-party evaluation of the specific program

[1] For prescribed interest rates, see http://www.oeb.gov.on.ca/OEB/Industry/Rules+and+Requirements/Rules+Codes+Guidelines+and+Forms/Prescribed+Interest+Rates

3 Information or results from a site-specific assessment of the application of the technology, including on-site measurement or survey of the specific customer

4 Manufacturer specifications for energy use/demand of the specific technology installed

5 Information from the OPA's most current measures and assumptions lists (OPA 2011a, OPA 2011b)

6 Information from earlier OPA measures and assumptions lists

7 Information from the OEB's TRC guide list of measures and assumptions (OEB 2008b).

In principal, we might have consulted values from the literature and adopted these if they could be shown to be more current, specific or otherwise suitable than the values from sources 4 through 7. However, this was not necessary in this case.

Between January 1 2008 and April 30 2012, NBH's involvement in 2008-2010 OPA programs led to savings of approximately 7 GWh in the residential rate class, 3 GWh in the GS < 50 kW rate class and 14 MW-months in the GS 50 to 2,999 kW rate class.

Scope

This review examines the measures, energy savings, and equipment specifications for programs run under contract to the Ontario Power Authority (OPA) in 2008, 2009 and 2010. Lost revenues associated with these programs are estimated from January 1 of the program launch year through April 30 2012.

Requested LRAM amounts

LRAM inputs

IndEco finds that appropriate measure specifications were used to calculate program energy savings and lost revenues. For the calculation of LRAM claims, the '2006-2009 Final OPA CDM results North Bay Hydro Distribution Limited' and the '2010 Final CDM Results Summary North Bay Hydro Distribution Limited' were used as a source of inputs for OPA funded CDM programs. These evaluated results have been adopted in accordance with Board recommendations that "The Board would consider an evaluation by the OPA or a third party designated by the OPA to be sufficient."[2] OPA advises that these estimates are prepared in a manner consistent with OPA current practice, and are the same values used to report progress against provincial conservation targets.

A summary list of the assumption sources used for the calculation of the LRAM claim is provided in Table 1.

The measure inputs used to calculate LRAM claims can be found in Table 7 in Appendix A.

Table 2 and Table 3 show the net and gross energy savings or demand reductions of each program by rate class. OPA program energy savings in Table 2 and Table 3 were acquired directly from spreadsheets provided by the OPA.

Energy savings were converted to LRAM values by using NBH distribution rates. Distribution rates are in Table 4.

The requested LRAM is presented in Table 5.

[2] OEB 2008a. Guidelines for Electricity Distributor Conservation and Demand Management. p.28

Table 1 – Source of information used for the calculation of the LRAM claim

Funding source	Rate class	Program	Source of LRAM inputs
OPA	Residential	2008 Great Refrigerator Roundup	OPA 2010
OPA	Residential	2008 Cool Savings Rebate	OPA 2010
OPA	Residential	2008 Every Kilowatt Counts Power Savings Event	OPA 2010
OPA	Residential	2008 Summer Sweepstakes	OPA 2010
OPA	GS 50 to 2999 kW	2008 Electricity Retrofit Incentive	OPA 2010
OPA	GS < 50 kW	2008 High Performance New Construction	OPA 2010
OPA	GS < 50 kW	2008 Power Savings Blitz	OPA 2010
OPA	GS < 50 kW	2008 Renewable Energy Standard Offer	OPA 2010
OPA	Residential	2009 Great Refrigerator Roundup	OPA 2010
OPA	Residential	2009 Cool Savings Rebate	OPA 2010
OPA	Residential	2009 Every Kilowatt Counts Power Savings Event	OPA 2010
OPA	GS 50 to 2999 kW	2009 Electricity Retrofit Incentive	OPA 2010
OPA	GS < 50 kW	2009 High Performance New Construction	OPA 2010
OPA	GS < 50 kW	2009 Power Savings Blitz	OPA 2010
OPA	Residential	2010 Great Refrigerator Roundup	OPA 2011c
OPA	Residential	2010 Cool Savings Rebate	OPA 2011c
OPA	Residential	2010 Every Kilowatt Counts Power Savings Event	OPA 2011c
OPA	GS 50 to 2999 kW	2010 Electricity Retrofit Incentive	OPA 2011c
OPA	GS < 50 kW	2010 High Performance New Construction	OPA 2011c
OPA	GS < 50 kW	2010 Power Savings Blitz	OPA 2011c

Table 2 – Cumulative net program energy savings and demand savings by rate class through April 30 2012

Funding source	Program	Year	Residential (kWh)	GS < 50 kW (kWh)	GS 50 to 2,999 kW (kW-mo)
OPA	Cool Savings Rebate	2008	533,245		
		2009	517,986		
		2010	169,747		
	Electricity Retrofit Incentive	2008			814
		2009			10,435
		2010			3,690
	Every Kilowatt Counts Power Savings Event	2008	2,666,471		
		2009	874,847		
		2010	226,427		
	Great Refrigerator Roundup	2008	857,579		
		2009	613,651		
		2010	450,937		
	High Performance New Construction	2008		5,367	
		2009		127,754	
		2010		316,692	
	Multifamily Energy Efficiency Rebates	2010		35,682	
	Power Savings Blitz	2008		314,887	
		2009		2,614,776	
		2010		219,983	
	Renewable Energy Standard Offer	2008		49,225	
	Summer Sweepstakes	2008	568,623		
Total			**7,479,512**	**3,684,366**	**14,939**

1. Rates for general service rate class of customers rated at greater than 50 kW are on a monthly demand basis (kW), not an energy one (kWh). Lost revenue results when the customer's monthly peak demand is lower than it otherwise would be as a result of the CDM initiatives. These are measured in kW-month, which is the reduction within one month of the peak kilowatt demand. (So a 2 kW-month reduction could be realized by reducing the peak demand in the month by 1 kW for two months, or by 2 kW for one month.) Excluded are peak demand reductions associated with demand response programs, which are not anticipated to impact on revenues.

Table 3 – Cumulative gross program energy savings and peak demand savings by rate class through April 30 2012

Funding source	Program	Year	Residential (kWh)	GS < 50 kW (kWh)	GS 50 to 2,999 kW (kW-mo)
OPA	Cool Savings Rebate	2008	928,287		
		2009	1,212,586		
		2010	409,358		
	Electricity Retrofit Incentive	2008			1,403
		2009			12,572
		2010			7,049
	Every Kilowatt Counts Power Savings Event	2008	6,606,382		
		2009	2,291,329		
		2010	489,603		
	Great Refrigerator Roundup	2008	1,575,466		
		2009	1,145,487		
		2010	843,269		
	High Performance New Construction	2008		7,668	
		2009		182,506	
		2010		452,417	
	Multifamily Energy Efficiency Rebates	2010		48,440	
	Power Savings Blitz	2008		338,588	
		2009		2,752,396	
		2010		220,494	
	Renewable Energy Standard Offer	2008		49,225	
	Summer Sweepstakes	2008	732,894		
Total			**16,234,663**	**4,051,733**	**21,024**

Table 4 – Distribution rates per rate class

Rate Class	Units	2008	2009	2010	2011
Residential	$/kWh	0.0112	0.0112	0.0127	0.0127
GS < 50 kW	$/kWh	0.0139	0.0139	0.0168	0.0169
GS 50 to 2,999 kW	$/kW	2.1783	2.1783	2.2209	2.1012

Table 5 – Summary of requested LRAM amounts in 2012$[1]

Funding	Program	Year	Residential	GS < 50 kW	GS 50 to 2999 kW	LRAM
OPA	Cool Savings Rebate	2008	$6,598	$0	$0	$6,598
		2009	$6,483	$0	$0	$6,483
		2010	$2,194	$0	$0	$2,194
	Electricity Retrofit Incentive	2008	$0	$0	$1,852	$1,852
		2009	$0	$0	$23,636	$23,636
		2010	$0	$0	$8,384	$8,384
	Every Kilowatt Counts Power Savings Event	2008	$32,978	$0	$0	$32,978
		2009	$10,939	$0	$0	$10,939
		2010	$2,926	$0	$0	$2,926
	Great Refrigerator Roundup	2008	$10,611	$0	$0	$10,611
		2009	$7,681	$0	$0	$7,681
		2010	$5,828	$0	$0	$5,828
	High Performance New Construction	2008	$0	$86	$0	$86
		2009	$0	$2,084	$0	$2,084
		2010	$0	$5,432	$0	$5,432
	Multifamily Energy Efficiency Rebates	2010	$0	$612	$0	$612
	Power Savings Blitz	2008	$0	$4,972	$0	$4,972
		2009	$0	$42,657	$0	$42,657
		2010	$0	$3,773	$0	$3,773
	Renewable Energy Standard Offer	2008	$0	$785	$0	$785
	Summer Sweepstakes	2008	$7,035	$0	$0	$7,035
Total			**$93,272**	**$60,402**	**$33,872**	**$187,545**

1. LRAM amounts by program and program year, and program totals are for energy (or demand) reductions for the years between the year of program launch and April 30 2012.

Findings

IndEco has reviewed the input values associated with 2008, 2009, and 2010 OPA-funded programs.

IndEco has concluded that sufficient detail and documentation exists to recommend increasing North Bay Hydro 's distribution rates in order to collect $187,545 in LRAM, allocated by rate class as shown in Table 6.

Table 6 – LRAM amounts by rate class in 2012$

Rate class	LRAM
Residential	$93,272
General Service < 50 kW	$60,402
General Service 50 to 2,999 kW	$33,872
Total	**$187,545**

References

Ontario Energy Board. (OEB) 2007. Report of the Board on the Regulatory Framework for Conservation and Demand Management by Ontario Electricity Distributors in 2007 and Beyond. (March 2)

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Appendix A. Inputs used for TRC and energy savings calculations

Table 7 – LRAM inputs and contribution to the total LRAM for all measures.

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2008 Great Refrigerator Roundup	Bottom Freezer Fridge	3	9	45%	775	$78	OPA 2010
2008 Great Refrigerator Roundup	Chest Freezer	67	8	48%	740	$1,384	OPA 2010
2008 Great Refrigerator Roundup	Side by Side Fridge-Freezer	32	9	45%	775	$730	OPA 2010
2008 Great Refrigerator Roundup	Single Door Fridge	62	9	45%	775	$1,418	OPA 2010
2008 Great Refrigerator Roundup	Small Freezer (under 10 cubic feet)	1	8	48%	740	$16	OPA 2010
2008 Great Refrigerator Roundup	Small Fridge (under 10 cubic feet)	2	9	45%	775	$43	OPA 2010
2008 Great Refrigerator Roundup	Top Freezer Fridge	291	9	45%	775	$6,643	OPA 2010
2008 Great Refrigerator Roundup	Upright Freezer	13	8	48%	740	$271	OPA 2010
2008 Great Refrigerator Roundup	Window Air Conditioner	7	5	64%	197	$27	OPA 2010
2008 Cool Savings Rebate	2007 Energy Star® Central Air Conditioner, Tier 2	24	18	43%	155	$113	OPA 2010
2008 Cool Savings Rebate	2007 Medium Efficiency Furnace with ECM	49	15	41%	837	$1,306	OPA 2010
2008 Cool Savings	2007 Programmable Thermostat	38	15	73%	54	$30	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
Rebate							
2008 Cool Savings Rebate	2008 Energy Star® Central Air Conditioner, Tier 2	117	18	43%	125	$449	OPA 2010
2008 Cool Savings Rebate	2008 Efficient Furnace with ECM	176	18	41%	819	$4,581	OPA 2010
2008 Cool Savings Rebate	2008 Programmable Thermostat	150	18	73%	54	$119	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Energy Star® Qualified Compact Fluorescent Light Bulbs	4,752	8	48%	53	$7,051	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Energy Star® Qualified Dimmable CFLs	518	6	62%	98	$1,022	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Energy Star® Qualified Decorative CFLs	8,028	4	61%	30	$4,643	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Energy Star® Qualified Compact Fluorescent Floods (Indoor & Outdoor)	2,229	7	63%	88	$3,923	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Energy Star® Qualified Light Fixtures	3,459	16	67%	133	$8,262	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	T8 Fluorescent Fixtures	629	16	67%	37	$412	OPA 2010
2008 Every Kilowatt Counts Power Savings	Lighting Control Devices	677	10	55%	102	$1,682	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
Event							
2008 Every Kilowatt Counts Power Savings Event	Power Bars with Timers	37	10	59%	53	$43	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Heavy Duty Timers	78	10	67%	301	$421	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Programmable Thermostats - Baseboard	218	15	53%	64	$346	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Air Conditioner/Furnace Filters	205	1	65%	38	$32	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Pipe Wrap	4,433	6	53%	38	$4,229	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Keep Cool Pilot – Dehumidifier	1	12	65%	500	$13	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Keep Cool Pilot – Room Air Conditioner	2	9	58%	141	$5	OPA 2010
2008 Every Kilowatt Counts Power Savings Event	Rewards for Recycling – Dehumidifier	42	12	56%	500	$490	OPA 2010
2008 Every Kilowatt Counts Power Savings	Rewards for Recycling – Room Air Conditioner	45	9	56%	141	$149	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
Event							
2008 Every Kilowatt Counts Power Savings Event	Rewards for Recycling – Halogen Lamp	36	16	52%	275	$254	OPA 2010
2008 Summer Sweepstakes	Summer Sweepstakes	74	5	22%	421	$1,289	OPA 2010
2008 Summer Sweepstakes	Summer Sweepstakes	110	5	22%	421	$1,933	OPA 2010
2008 Summer Sweepstakes	Summer Sweepstakes	7	5	22%	421	$129	OPA 2010
2008 Summer Sweepstakes	Summer Sweepstakes	28	5	22%	421	$485	OPA 2010
2008 Summer Sweepstakes	Summer Sweepstakes	3,585	5	22%	21	$3,200	OPA 2010
2008 Electricity Retrofit Incentive	All measures	1	15	42%	148,634	$1,852	OPA 2010
2008 High Performance New Construction	Custom Project	1	14	30%	1,769	$86	OPA 2010
2008 Power Savings Blitz	T8 Fixture With Electronic Ballast	432	15	7%	151	$4,198	OPA 2010
2008 Power Savings Blitz	Energy Star® rated LED Exit Sign	10	16	7%	237	$152	OPA 2010
2008 Power Savings Blitz	Energy Star® rated CLF	106	2	7%	191	$548	OPA 2010
2008 Power Savings Blitz	Electric Water Heater Tank Wrap	2	7	7%	436	$56	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2008 Power Savings Blitz	Electric Water Heater Pipe Insulation	1	15	7%	277	$18	OPA 2010
2008 Renewable Energy Standard Offer	Solar PV	1	20	0%	11,360	$785	OPA 2010
2009 Great Refrigerator Roundup	Bottom Freezer Fridge - Not Replaced - Running Part Time (38% of the time)	0	5	46%	674	$1	OPA 2010
2009 Great Refrigerator Roundup	Bottom Freezer Fridge - Standard Efficiency Unit Replacement - Running Part Time (38% of the time)	0	5	46%	454	$0	OPA 2010
2009 Great Refrigerator Roundup	Bottom Freezer Fridge - Energy Star Unit Replacement - Running Part Time (38% of the time)	0	5	46%	498	$1	OPA 2010
2009 Great Refrigerator Roundup	Bottom Freezer Fridge - Not Replaced - Running All Time (100% of time)	0	5	46%	1,769	$10	OPA 2010
2009 Great Refrigerator Roundup	Bottom Freezer Fridge - Standard Efficiency Unit Replacement - Running All Time (100% of time)	0	5	46%	1,193	$3	OPA 2010
2009 Great Refrigerator Roundup	Bottom Freezer Fridge - Energy Star Unit Replacement - Running All Time (100% of time)	1	5	46%	1,308	$15	OPA 2010
2009 Great Refrigerator Roundup	Chest Freezer - Not Replaced - Running Part Time (26% of the time)	2	4	48%	282	$10	OPA 2010
2009 Great Refrigerator Roundup	Chest Freezer - Standard Efficiency Unit Replacement - Running Part Time (26% of the time)	0	4	48%	247	$2	OPA 2010
2009 Great Refrigerator Roundup	Chest Freezer - Energy Star Unit Replacement - Running Part Time (26% of the time)	2	4	48%	261	$11	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Great Refrigerator Roundup	Chest Freezer - Not Replaced - Running All Time (100% of time)	16	4	48%	1,096	$383	OPA 2010
2009 Great Refrigerator Roundup	Chest Freezer - Standard Efficiency Unit Replacement - Running All Time (100% of time)	4	4	48%	959	$93	OPA 2010
2009 Great Refrigerator Roundup	Chest Freezer - Energy Star Unit Replacement - Running All Time (100% of time)	20	4	48%	1,012	$446	OPA 2010
2009 Great Refrigerator Roundup	Side by Side Fridge-Freezer - Not Replaced - Running Part Time (38% of the time)	1	5	46%	507	$8	OPA 2010
2009 Great Refrigerator Roundup	Side by Side Fridge-Freezer - Standard Efficiency Unit Replacement - Running Part Time (38% of the time)	0	5	46%	260	$1	OPA 2010
2009 Great Refrigerator Roundup	Side by Side Fridge-Freezer - Energy Star Unit Replacement - Running Part Time (38% of the time)	1	5	46%	309	$9	OPA 2010
2009 Great Refrigerator Roundup	Side by Side Fridge-Freezer - Not Replaced - Running All Time (100% of time)	5	5	46%	1,331	$147	OPA 2010
2009 Great Refrigerator Roundup	Side by Side Fridge-Freezer - Standard Efficiency Unit Replacement - Running All Time (100% of time)	2	5	46%	682	$28	OPA 2010
2009 Great Refrigerator Roundup	Side by Side Fridge-Freezer - Energy Star Unit Replacement - Running All Time (100% of time)	10	5	46%	812	$175	OPA 2010
2009 Great Refrigerator Roundup	Single Door Fridge - Not Replaced - Running Part Time (38% of the time)	1	5	46%	418	$11	OPA 2010
2009 Great Refrigerator Roundup	Single Door Fridge - Standard Efficiency Unit Replacement - Running Part Time (38% of the time)	0	5	46%	237	$2	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Great Refrigerator Roundup	Single Door Fridge - Energy Star Unit Replacement - Running Part Time (38% of the time)	2	5	46%	273	$14	OPA 2010
2009 Great Refrigerator Roundup	Single Door Fridge - Not Replaced - Running All Time (100% of time)	8	5	46%	1,097	$205	OPA 2010
2009 Great Refrigerator Roundup	Single Door Fridge - Standard Efficiency Unit Replacement - Running All Time (100% of time)	3	5	46%	623	$43	OPA 2010
2009 Great Refrigerator Roundup	Single Door Fridge - Energy Star Unit Replacement - Running All Time (100% of time)	16	5	46%	718	$260	OPA 2010
2009 Great Refrigerator Roundup	Top Freezer Fridge - Not Replaced - Running Part Time (38% of the time)	11	5	46%	470	$114	OPA 2010
2009 Great Refrigerator Roundup	Top Freezer Fridge - Standard Efficiency Unit Replacement - Running Part Time (38% of the time)	4	5	46%	252	$23	OPA 2010
2009 Great Refrigerator Roundup	Top Freezer Fridge - Energy Star Unit Replacement - Running Part Time (38% of the time)	21	5	46%	295	$139	OPA 2010
2009 Great Refrigerator Roundup	Top Freezer Fridge - Not Replaced - Running All Time (100% of time)	78	5	46%	1,234	$2,165	OPA 2010
2009 Great Refrigerator Roundup	Top Freezer Fridge - Standard Efficiency Unit Replacement - Running All Time (100% of time)	29	5	46%	661	$430	OPA 2010
2009 Great Refrigerator Roundup	Top Freezer Fridge - Energy Star Unit Replacement - Running All Time (100% of time)	151	5	46%	776	$2,648	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Great Refrigerator Roundup	Upright Freezer - Not Replaced - Running Part Time (26% of the time)	0	4	48%	365	$3	OPA 2010
2009 Great Refrigerator Roundup	Upright Freezer - Standard Efficiency Unit Replacement - Running Part Time (26% of the time)	0	4	48%	180	$0	OPA 2010
2009 Great Refrigerator Roundup	Upright Freezer - Energy Star Unit Replacement - Running Part Time (26% of the time)	0	4	48%	189	$2	OPA 2010
2009 Great Refrigerator Roundup	Upright Freezer - Not Replaced - Running All Time (100% of time)	4	4	48%	1,416	$115	OPA 2010
2009 Great Refrigerator Roundup	Upright Freezer - Standard Efficiency Unit Replacement - Running All Time (100% of time)	1	4	48%	697	$16	OPA 2010
2009 Great Refrigerator Roundup	Upright Freezer - Energy Star Unit Replacement - Running All Time (100% of time)	5	4	48%	736	$76	OPA 2010
2009 Great Refrigerator Roundup	Dehumidifier - Not Replaced - Running All Time (100% of time)	2	4	64%	960	$27	OPA 2010
2009 Great Refrigerator Roundup	Dehumidifier - Standard Efficiency Unit Replacement - Running All Time (100% of time)	1	4	64%	540	$8	OPA 2010
2009 Great Refrigerator Roundup	Dehumidifier - Energy Star Unit Replacement - Running All Time (100% of time)	3	4	64%	463	$22	OPA 2010
2009 Great Refrigerator Roundup	Window Air Conditioner - Not Replaced - Running All Time (100% of time)	3	3	64%	371	$12	OPA 2010
2009 Great Refrigerator Roundup	Window Air Conditioner - Standard Efficiency Unit Replacement - Running All Time (100% of time)	0	3	64%	118	$1	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Great Refrigerator Roundup	Window Air Conditioner - Energy Star Unit Replacement - Running All Time (100% of time)	1	3	64%	141	$2	OPA 2010
2009 Cool Savings Rebate	Energy Star® 14.5 SEER (Tier 1) Central Air Conditioner (CAC)	53	18	42%	113	$143	OPA 2010
2009 Cool Savings Rebate	Energy Star® 14.5 SEER (Tier 1) Central Air Conditioner (CAC) with change in behaviour	8	18	42%	317	$63	OPA 2010
2009 Cool Savings Rebate	Energy Star® 15.0 SEER (Tier 2) Central Air Conditioner (CAC)	139	18	42%	177	$591	OPA 2010
2009 Cool Savings Rebate	Energy Star® 15.0 SEER (Tier 2) Central Air Conditioner (CAC) with change in behaviour	22	18	42%	366	$191	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, AHRI Matched CAC & Furnace, Continuous Fan, No change	12	19	60%	2,773	$541	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, AHRI Matched CAC & Furnace, Non-continuous Fan, No change	48	19	60%	324	$260	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, AHRI Matched CAC & Furnace, Continuous Fan, Change from non-continuous	4	19	60%	91	$6	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, Unmatched CAC & Furnace, Continuous Fan, No change	21	19	60%	2,823	$972	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, Unmatched CAC & Furnace, Non-continuous Fan, No change	85	19	60%	373	$528	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, Unmatched CAC & Furnace, Continuous Fan, Change from non-continuous	7	19	60%	140	$16	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, Heating only, Continuous Fan, No change	3	19	60%	1,535	$87	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, Heating only, Non-continuous Fan, No change	14	19	60%	324	$75	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed before 1980, Heating only, Continuous Fan, Change from non-continuous	1	19	60%	192	$4	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980, AHRI Matched CAC & Furnace, Continuous Fan, No change	14	19	60%	2,867	$657	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980, AHRI Matched CAC & Furnace, Non-continuous Fan, No change	57	19	60%	207	$195	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980,	5	19	60%	(49)	($4)	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
	AHRI Matched CAC & Furnace, Continuous Fan, Change from non-continuous						
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980, Unmatched CAC & Furnace, Continuous Fan, No change	24	19	60%	2,927	$1,183	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980, Unmatched CAC & Furnace, Non-continuous Fan, No change	100	19	60%	267	$444	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980, Unmatched CAC & Furnace, Continuous Fan, Change from non-continuous	8	19	60%	11	$1	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980, Heating only, Continuous Fan, No change	4	19	60%	1,570	$104	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980, Heating only, Non-continuous Fan, No change	16	19	60%	207	$56	OPA 2010
2009 Cool Savings Rebate	Furnace with Electronically Commutated Motor (ECM), Home constructed after 1980, Heating only, Continuous Fan, Change from non-continuous	1	19	60%	76	$2	OPA 2010
2009 Cool Savings Rebate	Programmable Thermostat - Central Air Conditioning (CAC) & Gas heating	110	15	61%	30	$54	OPA 2010
2009 Cool Savings Rebate	Programmable Thermostat - Energy Star® Central Air Conditioning (CAC) & Gas Heating	148	15	61%	26	$62	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Cool Savings Rebate	Programmable Thermostat - Gas Heating only	31	15	61%	9	$5	OPA 2010
2009 Cool Savings Rebate	Participant Spillover - Lighting	15	5	0%	40	$25	OPA 2010
2009 Cool Savings Rebate	Participant Spillover - Cooling or Heating	6	3	0%	100	$21	OPA 2010
2009 Cool Savings Rebate	Participant Spillover - Water heating	7	10	0%	141	$44	OPA 2010
2009 Cool Savings Rebate	Participant Spillover - Appliances	10	4	0%	76	$33	OPA 2010
2009 Cool Savings Rebate	Participant Spillover - Insulation of other weatherization	15	10	0%	75	$48	OPA 2010
2009 Cool Savings Rebate	Participant Spillover - Windows	12	10	0%	100	$50	OPA 2010
2009 Cool Savings Rebate	Participant Spillover - Roof products	6	15	0%	50	$12	OPA 2010
2009 Cool Savings Rebate	Participant Spillover - Other products	6	5	0%	50	$14	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Compact Fluorescent - Spring Campaign - Participant Rebated	581	8	31%	23	$386	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Decorative CFLs - Spring Campaign - Participant Rebated	1,379	6	23%	26	$1,145	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Fixtures - Spring Campaign - Participant Rebated	112	16	47%	116	$288	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Ceiling Fans - Spring Campaign - Participant Rebated	48	10	24%	71	$110	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Heavy Duty Pool and Spa Timers - Spring Campaign - Participant Rebated	18	10	24%	454	$262	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Clotheslines - Spring Campaign - Participant Rebated	47	10	45%	77	$83	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Pipe Wrap - Spring Campaign - Participant Rebated	38	6	22%	8	$10	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Water Blanket - Spring Campaign - Participant Rebated	5	10	20%	52	$9	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Window Air Conditioner - Spring Campaign - Participant Promoted	48	12	33%	96	$129	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Dehumidifiers - Spring Campaign - Participant Promoted	45	12	32%	284	$366	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Programmable Thermostat - Spring Campaign - Participant Promoted	111	15	55%	138	$290	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Solar Power Products - Spring Campaign - Participant Promoted	290	5	40%	5	$35	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	Control Products - Spring Campaign - Participant Promoted	144	10	47%	72	$232	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Reduce power to electronics (Behavioural) - Spring Campaign - Participant Spillover	61	1	85%	21	$2	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Installed CFLs - Spring Campaign - Participant Spillover	53	8	87%	101	$29	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Washed in Cold Laundry (Behavioural) - Spring Campaign - Participant Spillover	53	1	86%	30	$3	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Turned off/Reduced lights (Behavioural) - Spring Campaign - Participant Spillover	49	1	88%	263	$18	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Dried clothes outside or on rack (Behavioural) - Spring Campaign - Participant Spillover	43	1	89%	74	$4	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Installed a new energy efficient appliance - Refrigerator - Spring Campaign - Participant Spillover	39	14	86%	65	$15	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Unplugged devices usually left plugged in (Behavioural) - Spring Campaign - Participant Spillover	37	1	80%	70	$6	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Installed a new energy efficient appliance - Clothes washing machine - Spring Campaign - Participant Spillover	23	14	88%	122	$14	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	Added ceiling/attic/wall/basement insulation - Spring Campaign - Participant Spillover	23	20	88%	394	$44	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Installed Programmable Thermostat - Spring Campaign - Participant Spillover	23	15	87%	308	$36	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Compact Fluorescent - Spring Campaign - Non-Participant Rebated	443	8	65%	22	$144	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Decorative CFLs - Spring Campaign - Non-Participant Rebated	220	6	60%	26	$96	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Fixtures - Spring Campaign - Non-Participant Rebated	207	16	59%	68	$237	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Ceiling Fans - Spring Campaign - Non-Participant Rebated	61	10	86%	71	$24	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Heavy Duty Pool and Spa Timers - Spring Campaign - Non-Participant Rebated	38	10	86%	454	$98	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Clotheslines - Spring Campaign - Non-Participant Rebated	140	10	86%	77	$61	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Pipe Wrap - Spring Campaign - Non-Participant Rebated	325	6	86%	8	$15	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	Water Blanket - Spring Campaign - Non-Participant Rebated	48	10	86%	52	$14	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Window Air Conditioner - Spring Campaign - Non-Participant Promoted	80	12	57%	96	$139	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Dehumidifiers - Spring Campaign - Non-Participant Promoted	96	12	56%	284	$498	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Programmable Thermostat - Spring Campaign - Non-Participant Promoted	150	15	71%	138	$252	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Solar Power Products - Spring Campaign - Non-Participant Promoted	971	5	61%	5	$76	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Control Products - Spring Campaign - Non-Participant Promoted	334	10	66%	72	$347	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Compact Fluorescent - Autumn Campaign - Participant Rebated	2,631	8	31%	25	$1,942	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Specialty CFLs - Autumn Campaign - Participant Rebated	1,064	6	29%	21	$660	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Fixtures - Autumn Campaign - Participant Rebated	127	16	30%	119	$442	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	Weatherstripping - adhesive foam or V-strip - Autumn Campaign - Participant Rebated	118	15	43%	15	$43	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Weatherstripping - door frame kits - Autumn Campaign - Participant Rebated	77	15	47%	17	$29	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Programmable Thermostat - Autumn Campaign - Participant Rebated	51	15	33%	32	$46	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Pipe Wrap - Autumn Campaign - Participant Rebated	44	6	55%	7	$5	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Water Blanket - Autumn Campaign - Participant Rebated	10	10	37%	56	$14	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Lighting/Appliance Controls - Autumn Campaign - Participant Rebated	89	17	28%	21	$57	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Holiday LED Lights - Autumn Campaign - Participant Promoted	313	5	41%	14	$105	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Dimmer Switches - Autumn Campaign - Participant Promoted	132	10	50%	24	$65	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Solar Powered Products - Autumn Campaign - Participant Promoted	256	4	48%	6	$31	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	Washed laundry with cold water - Autumn Campaign - Participant Spillover	93	1	83%	30	$6	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Turned off / reduced use of power to electronics - Autumn Campaign - Participant Spillover	86	1	81%	21	$4	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Turned off / reduced use of lights - Autumn Campaign - Participant Spillover	80	1	83%	263	$40	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Dried clothes outside or inside on a rack - Autumn Campaign - Participant Spillover	56	1	87%	74	$6	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Turned down the thermostat setting on my furnace - Autumn Campaign - Participant Spillover	56	1	81%	270	$33	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Unplugged devices usually plugged into outlet - Autumn Campaign - Participant Spillover	53	1	82%	70	$8	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Installed a new energy efficient appliance – Refrigerator - Autumn Campaign - Participant Spillover	53	14	75%	65	$35	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Added ceiling/attic/wall/basement insulation - Autumn Campaign - Participant Spillover	43	20	78%	394	$155	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Replaced my old furnace with a high efficiency furnace - Autumn Campaign - Participant Spillover	38	15	80%	352	$109	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	Installed a new energy efficient appliance - Clothes washing machine - Autumn Campaign - Participant Spillover	35	15	81%	142	$40	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Compact Fluorescent - Autumn Campaign - Non-Participant Rebated	2,396	8	86%	24	$325	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Specialty CFLs - Autumn Campaign - Non-Participant Rebated	761	6	85%	30	$143	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	ENERGY STAR Fixtures - Autumn Campaign - Non-Participant Rebated	212	16	76%	36	$78	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Weatherstripping - adhesive foam or V-strip - Autumn Campaign - Non-Participant Rebated	826	15	93%	15	$37	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Weatherstripping - door frame kits - Autumn Campaign - Non-Participant Rebated	630	15	94%	17	$29	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Programmable Thermostat - Autumn Campaign - Non-Participant Rebated	125	15	83%	83	$76	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Pipe Wrap - Autumn Campaign - Non-Participant Rebated	585	6	89%	6	$16	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Water Blanket - Autumn Campaign - Non-Participant Rebated	73	10	78%	40	$27	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	Lighting/Appliance Controls - Autumn Campaign - Non-Participant Rebated	625	17	90%	42	$111	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Energy Star Qualified Holiday LED Lights - Autumn Campaign - Non-Participant Promoted	1,023	5	65%	14	$204	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Dimmer Switches - Autumn Campaign - Non-Participant Promoted	322	10	73%	24	$86	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Solar Powered Products - Autumn Campaign - Non-Participant Promoted	517	4	58%	5	$42	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Working Room Air Conditioner Retirement - Rewards for Recycling Campaign - Incented	25	6	62%	32	$13	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Working Room Dehumidifier Retirement - Rewards for Recycling Campaign - Incented	23	8	53%	300	$133	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Working Halogen Torchiere Retirement - Rewards for Recycling Campaign - Incented	8	10	49%	58	$9	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Recycled Second Refrigerator - Rewards for Recycling Campaign - Spillover	5	14	64%	1,238	$97	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Recycled Additional Room Air Conditioner - Rewards for Recycling Campaign - Spillover	4	6	64%	30	$2	OPA 2010

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2009 Every Kilowatt Counts Power Savings Event	Recycled Central Air Conditioner - Rewards for Recycling Campaign - Spillover	4	18	64%	72	$4	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Recycled Additional Room Dehumidifier - Rewards for Recycling Campaign - Spillover	5	8	64%	309	$21	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Installed Energy Star® Windows - Rewards for Recycling Campaign - Spillover	7	20	82%	1,530	$84	OPA 2010
2009 Every Kilowatt Counts Power Savings Event	Installed Energy Star® CFL Bulbs - Rewards for Recycling Campaign - Spillover	24	8	82%	45	$8	OPA 2010
2009 Electricity Retrofit Incentive	All measures	1	10	17%	2,402,901	$23,636	OPA 2010
2009 High Performance New Construction	Custom Project	1	20	30%	54,752	$2,084	OPA 2010
2009 Power Savings Blitz	All measures	1	9	5%	825,719	$42,657	OPA 2010
2010 Cool Savings Rebate	All measures	291	3	59%	603	$2,194	OPA 2011c
2010 Every Kilowatt Counts Power Savings Event	All measures	3,116	3	54%	67	$2,926	OPA 2011c
2010 Great Refrigerator Roundup	All measures	327	3	47%	1,105	$5,828	OPA 2011c
2010 Electricity Retrofit Incentive	All projects	11	3	48%	143,753	$8,384	OPA 2011c

Program	Energy Efficient Measure	Units	Measure life	Free Riders	Annual energy savings (kWh/a)	LRAM (2012$)	Assumption Source
2010 High Performance New Construction	Custom	1	3	30%	145,999	$5,432	OPA 2011c
2010 Multifamily Energy Efficiency Rebates	All measures	0	3	26%	75,155	$612	OPA 2011c
2010 Power Savings Blitz	All measures	35	3	0%	2,683	$3,773	OPA 2011c
Total LRAM						**$187,545**	

Table 8 –LRAM contributions and carrying charges.

Program	Year	LRAM pre-carrying charges	Carrying charges	Total
Cool Savings Rebate	2008	$6,403	$195	$6,598
	2009	$6,345	$138	$6,483
	2010	$2,156	$38	$2,194
Electricity Retrofit Incentive	2008	$1,796	$57	$1,852
	2009	$23,120	$516	$23,636
	2010	$8,237	$146	$8,384
Every Kilowatt Counts Power Savings Event	2008	$31,994	$983	$32,978
	2009	$10,705	$234	$10,939
	2010	$2,876	$51	$2,926
Great Refrigerator Roundup	2008	$10,298	$313	$10,611
	2009	$7,517	$163	$7,681
	2010	$5,727	$101	$5,828
High Performance New Construction	2008	$83	$2	$86
	2009	$2,040	$44	$2,084
	2010	$5,339	$94	$5,432
Multifamily Energy Efficiency Rebates	2010	$601	$11	$612
Power Savings Blitz	2008	$4,818	$153	$4,972
	2009	$41,758	$899	$42,657
	2010	$3,708	$65	$3,773
Renewable Energy Standard Offer	2008	$763	$23	$785
Summer Sweepstakes	2008	$6,828	$208	$7,035
Total		**$183,113**	**$4,433**	**$187,545**

1. Carrying charges are calculated quarterly, at the measure (not program) level to capture different carrying charge interest rates by quarter, program ramp up, and measure life.



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APPENDIX “L”

ACCOUNT 1562 DISPOSITION

EVIDENCE PACKAGE

IAN MCKENZIE BUSINESS SOLUTIONS INC. (IMBSI)

IMBSI
OEB Report
and Evidence Package

1562 Deferred PILS
Determination & Disposition

for

North Bay Hydro
Distribution Ltd.

Box 39114
London Ontario, N5Y 5L1
Phone: 519-691-6501
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i_s_mckenzie@sympatico.ca

October 12, 2011

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Overview

North Bay Hydro Distribution Ltd. (NBH) 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 Incentive Regulation Mechanism (IRM) 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

NBH is applying to recover a debit balance (owing from customers) of $1,776,381 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)	Estimated Interest (Jan 1 to Apr 30, 2012)	Disposition Total
$1,252,963	$498,860	$18,419	$6,140	$1,776,381

Allocation to Customer Classes

NBH filed a 2010 Cost of Service (CoS) rate application and is using the associated approved Distribution Revenue Requirement by customer class to allocate the 1562 Deferred PILS credit balance. A summary is provided below.

Rate Class	2010 Approved DRR	Allocation %	Allocated 1562 Disposition Value (including interest to Apr. 30, 2012)
Residential	$ 6,302,766	55.80%	$ 991,303
General Service < 50 kW	$ 2,114,489	18.72%	$ 332,568
General Service 50 to 2,999 kW	$ 2,430,269	21.52%	$ 382,234
General Service 3,000 to 4,999 kW	$ 114,986	1.02%	$ 18,085
Sentinel Lights	$ 35,621	0.32%	$ 5,602
Street Lights	$ 284,721	2.52%	$ 44,781
Unmetered Loads	$ 11,495	0.10%	$ 1,808
Total	**$ 11,294,345**	**100.00%**	**$ 1,776,381**

Rate Riders

NBH is using the approved load profiles; from the 2010 CoS rate application to determine the 1562 recovery rate riders. NBH is applying to recover these costs over a two-year period. Please see rate rider calculations below.

Rate Class	Allocated 1562 Value	Recovery Period (years)	Annual Recovery Amount	2010 Approved Billing Determinant (kWh / kW)	Proposed Rate Rider
Residential	$ 991,303	2	$ 495,651	214,923,813	$ 0.0023
General Service < 50 kW	$ 332,568	2	$ 166,284	85,026,017	$ 0.0020
General Service 50 to 2,999 kW	$ 382,234	2	$ 191,117	638,330	$ 0.2994
General Service 3,000 to 4,999 kW	$ 18,085	2	$ 9,042	74,106	$ 0.1220
Sentinel Lights	$ 5,602	2	$ 2,801	1,382	$ 2.0274
Street Lights	$ 44,781	2	$ 22,391	7,658	$ 2.9237
Unmetered Loads	$ 1,808	2	$ 904	337,294	$ 0.0027
Total	$ 1,776,381	2	$ 888,191		

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.

Year	References: Rate Model	References: PILS Model	Decision	PILS Entitlement Amount	Effective Start Date	Effective End Date	Monthly Amount	Comments
Q4 2001	Appendix 2	Appendix 3	Appendix 5	$ 374,409.39	Oct. 1, 2001	Dec. 31, 2001	$ 124,803.13	Q4 2001 Entitlement / 3 months
2002	Appendix 2	Appendix 4	Appendix 5	$ 478,122.24	Jan. 1, 2002	Dec. 31, 2002	$ 39,843.52	2002 Entitlement / 12 months
2003	Appendix 2	Appendices 3&4	Appendix 5	$ 852,531.63	Jan. 1, 2003	Dec. 31, 2003	$ 71,044.30	(Q4 2001 + 2002 Entitlements) / 12 months
2004	Appendix 2	Appendix 4	Appendix 5	$ 478,122.24	Jan. 1, 2004	Feb. 28, 2004	$ 39,843.52	2002 Entitlement / 12 months
2004	Appendix 6	Appendix 7	Appendix 8	$ 478,122.24	Mar. 1, 2004	Feb. 28, 2005	$ 39,843.52	2004 Entitlement / 12 months
2005	Appendix 9	Appendix 10	Appendix 11	$ 1,337,153.05	Mar. 1, 2005	Apr. 30, 2006	$ 111,429.42	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 * approved PILS rate slivers, as per the methodology used by the applicants in the combined proceeding.

March 1, 2002 to February 29, 2004 (Appendix 32)

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.

NBH does not have accurate values for connections for Street Light and Sentinel Lights on a monthly basis for 2002 through 2004. IMBSI has utilized year-end values for these years as the monthly values for 2002 through 2004. This conservative approach will overstate the connections over the period, providing an overstated PILS recovery value for the period and an understated (to the benefit of the customers) 1562 debit balance.

March 1, 2004 to February 28, 2005 (Appendix 33)

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.

March 1, 2005 to April 31, 2006 (Appendix 34)

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, 20, 23, 26 & 29
- Provincial CT 23 Tax Returns, see Appendices 18, 21, 24, 27 & 30
- Notices of Assessment, see Appendices 19, 22, 25, 28 & 31

NBH utilized tax loss carry forwards generated by a 2001 and 2002 tax loss on their actual tax return for 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 on Page 17 of the June 24, 2011 combined proceeding decision (EB - 2008-0381).

IMBSI 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%.

NBH had a $3,904,351 deduction used in the determination of taxable income for 2005 related to regulatory assets deducted for tax purposes and capitalized for financial statement purposes. NBH has treated this deduction as a non-true-up item included in tab “TaxRec 3”, of the 2005 SIMPILS model (Appendix 16). This is in accordance with the direction provided in the decisions relating to the recent combined proceeding (EB-2008-0381).

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

Tax Assessments

Ministry of Finance Assessment notices for the respective years 2001 to 2005 are contained in Appendices 19, 22, 25, 28 & 31.

NBH confirms that tax years 2001, 2001, 2003 and 2005 are statute barred. A loss which occurred in 2005 was carried back to 2004 resulting in a revised stature barred date for the 2004 period of June 27, 2012.

Tax Returns

The tax returns utilized for 2001 to 2005 are the original returns filed with the Ministry of Finance.

The assessment notices for each year reconcile to the taxes payable as per the tax returns.

There are 2 assessment notices related to the 2004 tax year. An original assessment notice issued on 2005/06/27 of $873,195 (assessment Notice 69) reconciles to the original tax return filed. NBH incurred a loss of $439,516 in 2005 which it carried back to 2004 resulting in a reduction of taxes owing. A revised assessment notice of $714,442 for 2004 (Notice 101) replaced the original notice. The reduction reflected the tax impact to the loss carry back. (($873,195 – ($439,516 X 36.12%)) = $714,442.

The result of this reassessment has no impact on the SIMPILS true-up process.

Summary of True-Ups

Q4 2001

There is a true-up debit of $15,164 due to the grossed up tax effect of incremental taxable income arising from Financial Statement and Tax Reserve differences (changes in employee benefit liability).

2002

There is a true-up debit of $713,534 due to the grossed up tax effect of incremental taxable income arising from Financial Statement and Tax Reserve differences and Write-Down of capital property.

2003

There is a net true-up debit of $379,354.

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 ($20,699) credit.
  - The SIMPILS model (Appendix 14) for 2003 has an initial estimate value reflecting $1,258,127 which was 100% of the entitlement to PILS. NBH applied, and received approval to include 38% ($478,122) of this entitlement in rates (see Sheet 8 of 2002 RAM – Appendix 2 and 2002 Decision – Appendix 5)
  - As a result, NBH has modified the income tax rate true-up amount to reflect the 38% adjustment factor of entitled PILS
- A true-up debit of $400,053 due to the grossed up tax effect of incremental taxable income arising from Financial Statement and Tax Reserve differences (change in employee benefit liability) and loss on disposal of assets

2004

There is a true-up debit of $364,217.

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 ($25,675) credit.
  - The SIMPILS model (Appendix 15) for 2004 has an initial estimate value reflecting $1,258,127 which was 100% of the entitlement to PILS. NBH applied, and received approval to include 38% ($478,122) of this entitlement in rates (see Sheet 7 of 2004 RAM – Appendix 6 and 2004 Decision – Appendix 8)
  - As a result, NBH has modified the income tax rate true-up amount to reflect the 38% adjustment factor of entitled PILS

- An increase in the amount of exempt capital for LCT tax determination purposes which eliminates all LCT included in approved rates resulting in a ($27,252) credit. Similar to the treatment of income tax rate differences, NBH has applied a 38% factor to SIMPILS model results to mirror the LCT actually included in rates.
- A true-up debit of $417,144 due to the grossed up tax effect of incremental taxable income arising from Financial Statement and Tax Reserve differences (change in employee benefit liability) and loss on disposal of assets

2005

There is a true-up credit of ($437,684) due to the grossed up tax effect of taxable income reductions arising from Financial Statement and Tax Reserve differences (change in employee benefit liability).

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 April 30, 2012.

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

Appendix 1

Monthly Continuity Schedule

North Bay Hydro Distribution Ltd.
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	$ 124,803.13	$ -		$ 124,803.13	$ 124,803.13	7.25%	$ -	$ -	$ 124,803.13
November	$ 124,803.13	$ -		$ 124,803.13	$ 249,606.26	7.25%	$ 754.02	$ 754.02	$ 250,360.28
December	$ 124,803.13	$ -		$ 124,803.13	$ 374,409.39	7.25%	$ 1,508.04	$ 2,262.06	$ 376,671.44
Total	$ 374,409.39	$ -	$ -	$ 374,409.39			$ 2,262.06		

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	$ 39,843.52	$ -		$ 39,843.52	$ 414,252.91	7.25%	$ 2,262.06	$ 4,524.11	$ 418,777.02
February	$ 39,843.52	$ -		$ 39,843.52	$ 454,096.43	7.25%	$ 2,502.78	$ 7,026.89	$ 461,123.32
March	$ 39,843.52	$ -		$ 39,843.52	$ 493,939.95	7.25%	$ 2,743.50	$ 9,770.39	$ 503,710.34
April	$ 39,843.52	$ -		$ 39,843.52	$ 533,783.47	7.25%	$ 2,984.22	$ 12,754.61	$ 546,538.08
May	$ 39,843.52	$ 34,903.89		$ 4,939.63	$ 538,723.10	7.25%	$ 3,224.94	$ 15,979.55	$ 554,702.65
June	$ 39,843.52	$ 67,706.40		-$ 27,862.88	$ 510,860.22	7.25%	$ 3,254.79	$ 19,234.34	$ 530,094.56
July	$ 39,843.52	$ 67,689.61	$ 15,163.68	-$ 12,682.41	$ 498,177.81	7.25%	$ 3,086.45	$ 22,320.79	$ 520,498.60
August	$ 39,843.52	$ 68,815.49		-$ 28,971.97	$ 469,205.84	7.25%	$ 3,009.82	$ 25,330.61	$ 494,536.45
September	$ 39,843.52	$ 69,676.86		-$ 29,833.34	$ 439,372.50	7.25%	$ 2,834.79	$ 28,165.39	$ 467,537.90
October	$ 39,843.52	$ 71,384.04		-$ 31,540.52	$ 407,831.98	7.25%	$ 2,654.54	$ 30,819.94	$ 438,651.92
November	$ 39,843.52	$ 73,809.26		-$ 33,965.74	$ 373,866.23	7.25%	$ 2,463.98	$ 33,283.92	$ 407,150.16
December	$ 39,843.52	$ 75,612.78		-$ 35,769.26	$ 338,096.97	7.25%	$ 2,258.78	$ 35,542.70	$ 373,639.67
Total	$ 478,122.24	$ 529,598.33	$ 15,163.68	-$ 36,312.41			$ 33,280.64		

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	$ 71,044.30	$ 81,679.98		-$ 10,635.67	$ 327,461.30	7.25%	$ 2,042.67	$ 37,585.37	$ 365,046.67
February	$ 71,044.30	$ 78,173.57		-$ 7,129.26	$ 320,332.04	7.25%	$ 1,978.41	$ 39,563.78	$ 359,895.81
March	$ 71,044.30	$ 77,085.64		-$ 6,041.34	$ 314,290.70	7.25%	$ 1,935.34	$ 41,499.12	$ 355,789.81
April	$ 71,044.30	$ 70,824.69		$ 219.61	$ 314,510.31	7.25%	$ 1,898.84	$ 43,397.96	$ 357,908.27
May	$ 71,044.30	$ 68,329.14		$ 2,715.16	$ 317,225.47	7.25%	$ 1,900.17	$ 45,298.12	$ 362,523.59
June	$ 71,044.30	$ 67,200.59		$ 3,843.71	$ 321,069.18	7.25%	$ 1,916.57	$ 47,214.69	$ 368,283.88
July	$ 71,044.30	$ 68,625.19	$ 713,534.47	$ 715,953.58	$ 1,037,022.76	7.25%	$ 1,939.79	$ 49,154.49	$ 1,086,177.25
August	$ 71,044.30	$ 67,812.44		$ 3,231.86	$ 1,040,254.62	7.25%	$ 6,265.35	$ 55,419.83	$ 1,095,674.46
September	$ 71,044.30	$ 67,328.80		$ 3,715.50	$ 1,043,970.12	7.25%	$ 6,284.87	$ 61,704.70	$ 1,105,674.83
October	$ 71,044.30	$ 69,891.83		$ 1,152.47	$ 1,045,122.59	7.25%	$ 6,307.32	$ 68,012.02	$ 1,113,134.62
November	$ 71,044.30	$ 72,376.59		-$ 1,332.29	$ 1,043,790.31	7.25%	$ 6,314.28	$ 74,326.31	$ 1,118,116.61
December	$ 71,044.30	$ 77,422.39		-$ 6,378.08	$ 1,037,412.22	7.25%	$ 6,306.23	$ 80,632.54	$ 1,118,044.76
Total	$ 852,531.63	$ 866,750.85	$ 713,534.47	$ 699,315.25			$ 45,089.84		

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	$ 71,044.30	$ 83,165.06		-$ 12,120.76	$ 1,025,291.46	7.25%	$ 6,267.70	$ 86,900.24	$ 1,112,191.70
February	$ 71,044.30	$ 77,502.33		-$ 6,458.02	$ 1,018,833.44	7.25%	$ 6,194.47	$ 93,094.71	$ 1,111,928.15
March	$ 39,843.52	$ 59,569.19		-$ 19,725.67	$ 999,107.77	7.25%	$ 6,155.45	$ 99,250.16	$ 1,098,357.93
April	$ 39,843.52	$ 37,610.89		$ 2,232.63	$ 1,001,340.40	7.25%	$ 6,036.28	$ 105,286.44	$ 1,106,626.83
May	$ 39,843.52	$ 35,238.47		$ 4,605.05	$ 1,005,945.44	7.25%	$ 6,049.76	$ 111,336.20	$ 1,117,281.65
June	$ 39,843.52	$ 32,465.62		$ 7,377.90	$ 1,013,323.34	7.25%	$ 6,077.59	$ 117,413.79	$ 1,130,737.13
July	$ 39,843.52	$ 34,089.78	$ 379,353.55	$ 385,107.30	$ 1,398,430.64	7.25%	$ 6,122.16	$ 123,535.95	$ 1,521,966.59
August	$ 39,843.52	$ 33,836.57		$ 6,006.95	$ 1,404,437.59	7.25%	$ 8,448.85	$ 131,984.80	$ 1,536,422.39
September	$ 39,843.52	$ 32,897.74		$ 6,945.78	$ 1,411,383.37	7.25%	$ 8,485.14	$ 140,469.95	$ 1,551,853.31
October	$ 39,843.52	$ 36,412.34		$ 3,431.18	$ 1,414,814.55	7.25%	$ 8,527.11	$ 148,997.05	$ 1,563,811.60
November	$ 39,843.52	$ 40,325.86		-$ 482.34	$ 1,414,332.21	7.25%	$ 8,547.84	$ 157,544.89	$ 1,571,877.10
December	$ 39,843.52	$ 50,804.28		-$ 10,960.76	$ 1,403,371.45	7.25%	$ 8,544.92	$ 166,089.81	$ 1,569,461.26
Total	$ 540,523.80	$ 553,918.13	$ 379,353.55	$ 365,959.22			$ 85,457.28		

North Bay Hydro Distribution Ltd.
1562 Deferred PILS Continuity Schedule

Year: 2005

	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	$ 39,843.52	$ 54,373.30		-$ 14,529.78	$ 1,388,841.66	7.25%	$ 8,478.70	$ 174,568.52	$ 1,563,410.18
February	$ 39,843.52	$ 46,222.97		-$ 6,379.45	$ 1,382,462.21	7.25%	$ 8,390.92	$ 182,959.44	$ 1,565,421.64
March	$ 111,429.42	$ 88,070.46		$ 23,358.96	$ 1,405,821.17	7.25%	$ 8,352.38	$ 191,311.81	$ 1,597,132.98
April	$ 111,429.42	$ 105,576.31		$ 5,853.12	$ 1,411,674.28	7.25%	$ 8,493.50	$ 199,805.31	$ 1,611,479.60
May	$ 111,429.42	$ 99,940.06		$ 11,489.37	$ 1,423,163.65	7.25%	$ 8,528.87	$ 208,334.18	$ 1,631,497.83
June	$ 111,429.42	$ 101,032.58		$ 10,396.84	$ 1,433,560.49	7.25%	$ 8,598.28	$ 216,932.46	$ 1,650,492.95
July	$ 111,429.42	$ 107,739.67	$ 364,217.26	$ 367,907.01	$ 1,801,467.50	7.25%	$ 8,661.09	$ 225,593.56	$ 2,027,061.06
August	$ 111,429.42	$ 100,330.53		$ 11,098.90	$ 1,812,566.40	7.25%	$ 10,883.87	$ 236,477.42	$ 2,049,043.82
September	$ 111,429.42	$ 95,084.21		$ 16,345.21	$ 1,828,911.61	7.25%	$ 10,950.92	$ 247,428.34	$ 2,076,339.95
October	$ 111,429.42	$ 103,424.61		$ 8,004.81	$ 1,836,916.42	7.25%	$ 11,049.67	$ 258,478.02	$ 2,095,394.44
November	$ 111,429.42	$ 118,133.14		-$ 6,703.72	$ 1,830,212.70	7.25%	$ 11,098.04	$ 269,576.05	$ 2,099,788.76
December	$ 111,429.42	$ 142,041.96		-$ 30,612.54	$ 1,799,600.16	7.25%	$ 11,057.54	$ 280,633.59	$ 2,080,233.75
Total	$ 1,193,981.25	$ 1,161,969.80	$ 364,217.26	$ 396,228.71			##########		

Year: 2006

	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	$ 111,429.42	$ 141,284.52		-$ 29,855.10	$ 1,769,745.06	7.25%	$ 10,872.58	$ 291,506.17	$ 2,061,251.24
February	$ 111,429.42	$ 130,433.90		-$ 19,004.48	$ 1,750,740.58	7.25%	$ 10,692.21	$ 302,198.38	$ 2,052,938.97
March	$ 111,429.42	$ 129,133.53		-$ 17,704.11	$ 1,733,036.47	7.25%	$ 10,577.39	$ 312,775.77	$ 2,045,812.24
April	$ 111,429.42	$ 103,909.80		$ 7,519.62	$ 1,740,556.09	7.25%	$ 10,470.43	$ 323,246.20	$ 2,063,802.29
May		$ 49,909.33		-$ 49,909.33	$ 1,690,646.76	4.14%	$ 6,004.92	$ 329,251.12	$ 2,019,897.88
June				$ -	$ 1,690,646.76	4.14%	$ 5,832.73	$ 335,083.85	$ 2,025,730.61
July			-$ 437,683.82	-$ 437,683.82	$ 1,252,962.94	4.59%	$ 6,466.72	$ 341,550.58	$ 1,594,513.51
August				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 346,343.16	$ 1,599,306.10
September				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 351,135.74	$ 1,604,098.68
October				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 355,928.33	$ 1,608,891.26
November				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 360,720.91	$ 1,613,683.85
December				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 365,513.49	$ 1,618,476.43
Total	$ 445,717.68	$ 554,671.08	-$ 437,683.82	-$ 546,637.22			$ 84,879.90		

Note: North Bay Hydro 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	Variance (neg. = payable) Cumulative	Interest Improvement (neg = payable) Approved Interest Rate	Interest Improvement (neg = payable) Monthly	Interest Improvement (neg = payable) Cumulative	Total Variance
January				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 370,306.08	$ 1,623,269.01
February				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 375,098.66	$ 1,628,061.60
March				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 379,891.24	$ 1,632,854.18
April				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 384,683.83	$ 1,637,646.76
May				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 389,476.41	$ 1,642,439.35
June				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 394,268.99	$ 1,647,231.93
July				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 399,061.58	$ 1,652,024.51
August				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 403,854.16	$ 1,656,817.10
September				$ -	$ 1,252,962.94	4.59%	$ 4,792.58	$ 408,646.74	$ 1,661,609.68
October				$ -	$ 1,252,962.94	5.14%	$ 5,366.86	$ 414,013.60	$ 1,666,976.54
November				$ -	$ 1,252,962.94	5.14%	$ 5,366.86	$ 419,380.46	$ 1,672,343.40
December				$ -	$ 1,252,962.94	5.14%	$ 5,366.86	$ 424,747.32	$ 1,677,710.25
Total	$ -	$ -	$ -	$ -			$ 59,233.82		

Year: 2008

	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				$ -	$ 1,252,962.94	5.14%	$ 5,366.86	$ 430,114.17	$ 1,683,077.11
February				$ -	$ 1,252,962.94	5.14%	$ 5,366.86	$ 435,481.03	$ 1,688,443.97
March				$ -	$ 1,252,962.94	5.14%	$ 5,366.86	$ 440,847.89	$ 1,693,810.83
April				$ -	$ 1,252,962.94	4.08%	$ 4,260.07	$ 445,107.96	$ 1,698,070.90
May				$ -	$ 1,252,962.94	4.08%	$ 4,260.07	$ 449,368.04	$ 1,702,330.97
June				$ -	$ 1,252,962.94	4.08%	$ 4,260.07	$ 453,628.11	$ 1,706,591.05
July				$ -	$ 1,252,962.94	3.35%	$ 3,497.85	$ 457,125.97	$ 1,710,088.90
August				$ -	$ 1,252,962.94	3.35%	$ 3,497.85	$ 460,623.82	$ 1,713,586.76
September				$ -	$ 1,252,962.94	3.35%	$ 3,497.85	$ 464,121.68	$ 1,717,084.61
October				$ -	$ 1,252,962.94	3.35%	$ 3,497.85	$ 467,619.53	$ 1,720,582.47
November				$ -	$ 1,252,962.94	3.35%	$ 3,497.85	$ 471,117.39	$ 1,724,080.32
December				$ -	$ 1,252,962.94	3.35%	$ 3,497.85	$ 474,615.24	$ 1,727,578.18
Total	$ -	$ -	$ -	$ -			$ 49,867.92		

North Bay Hydro Distribution Ltd.
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				$ -	$ 1,252,962.94	2.45%	$ 2,558.13	$ 477,173.37	$ 1,730,136.31
February				$ -	$ 1,252,962.94	2.45%	$ 2,558.13	$ 479,731.51	$ 1,732,694.44
March				$ -	$ 1,252,962.94	2.45%	$ 2,558.13	$ 482,289.64	$ 1,735,252.58
April				$ -	$ 1,252,962.94	1.00%	$ 1,044.14	$ 483,333.77	$ 1,736,296.71
May				$ -	$ 1,252,962.94	1.00%	$ 1,044.14	$ 484,377.91	$ 1,737,340.85
June				$ -	$ 1,252,962.94	1.00%	$ 1,044.14	$ 485,422.05	$ 1,738,384.98
July				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 485,996.32	$ 1,738,959.26
August				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 486,570.60	$ 1,739,533.53
September				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 487,144.87	$ 1,740,107.81
October				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 487,719.14	$ 1,740,682.08
November				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 488,293.42	$ 1,741,256.36
December				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 488,867.69	$ 1,741,830.63
Total	$ -	$ -	$ -	$ -			$ 14,252.45		

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				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 489,441.97	$ 1,742,404.91
February				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 490,016.24	$ 1,742,979.18
March				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 490,590.52	$ 1,743,553.46
April				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 491,164.79	$ 1,744,127.73
May				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 491,739.07	$ 1,744,702.00
June				$ -	$ 1,252,962.94	0.55%	$ 574.27	$ 492,313.34	$ 1,745,276.28
July				$ -	$ 1,252,962.94	0.89%	$ 929.28	$ 493,242.62	$ 1,746,205.56
August				$ -	$ 1,252,962.94	0.89%	$ 929.28	$ 494,171.90	$ 1,747,134.84
September				$ -	$ 1,252,962.94	0.89%	$ 929.28	$ 495,101.18	$ 1,748,064.12
October				$ -	$ 1,252,962.94	1.20%	$ 1,252.96	$ 496,354.15	$ 1,749,317.08
November				$ -	$ 1,252,962.94	1.20%	$ 1,252.96	$ 497,607.11	$ 1,750,570.05
December				$ -	$ 1,252,962.94	1.20%	$ 1,252.96	$ 498,860.07	$ 1,751,823.01
Total	$ -	$ -	$ -	$ -			$ 9,992.38		

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				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 500,394.95	$ 1,753,357.89
February				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 501,929.83	$ 1,754,892.77
March				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 503,464.71	$ 1,756,427.65
April				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 504,999.59	$ 1,757,962.53
May				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 506,534.47	$ 1,759,497.41
June				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 508,069.35	$ 1,761,032.29
July				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 509,604.23	$ 1,762,567.17
August				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 511,139.11	$ 1,764,102.05
September				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 512,673.99	$ 1,765,636.93
October				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 514,208.87	$ 1,767,171.81
November				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 515,743.75	$ 1,768,706.69
December				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 517,278.63	$ 1,770,241.57
Total	$ -	$ -	$ -	$ -			$ 18,418.56		

Year: 2012

	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				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 518,813.51	$ 1,771,776.45
February				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 520,348.39	$ 1,773,311.33
March				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 521,883.27	$ 1,774,846.20
April				$ -	$ 1,252,962.94	1.47%	$ 1,534.88	$ 523,418.15	$ 1,776,381.08
Total	$ -	$ -	$ -	$ -			$ 6,139.52		

Appendix 2

2002 Approved RAM Model

SHEET 1 - 2001 OEB Approved Rate Schedule

V3

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$11.03
COST OF POWER KWH RATE	$0.0740

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$11.03

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1216	$0.0416	$0.0958	$0.0309

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0098
MONTHLY SERVICE CHARGE (Per Customer)	$18.8800
COST OF POWER KWH RATE	$0.0729

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0098
MONTHLY SERVICE CHARGE (Per Customer)	$18.8800

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1116	$0.0416	$0.0933	$0.0309

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.4690
MONTHLY SERVICE CHARGE (Per Customer)	$275.44
COST OF POWER KW RATE	$2.8315
COST OF POWER KWH RATE	$0.0650

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.4999
MONTHLY SERVICE CHARGE (Per Customer)	$2,112.29

COST OF POWER TIME OF USE RATES	WINTER PEAK $/KW	SUMMER PEAK $/KW	WINTER PEAK $/KWH	WINTER OFF-PEAK $/KWH	SUMMER PEAK $/KWH	SUMMER OFF-PEAK $/KWH
	$11.02	$7.13	$0.0704	$0.0420	$0.0594	$0.0312

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 $/KW	SUMMER PEAK $/KW	WINTER PEAK $/KWH	WINTER OFF-PEAK $/KWH	SUMMER PEAK $/KWH	SUMMER OFF-PEAK $/KWH
	$0.00	$0.00	$0.0000	$0.0000	$0.0000	$0.0000

LARGE USE

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

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.0524
MONTHLY SERVICE CHARGE (Per Connection)	$1.60
COST OF POWER KW RATE	$21.1024

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.0524
MONTHLY SERVICE CHARGE (Per Connection)	$1.60

COST OF POWER TIME OF USE RATES	WINTER PEAK $/KW	SUMMER PEAK $/KW
	$27.6474	$9.2563

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.4494
MONTHLY SERVICE CHARGE (Per Connection)	$0.39
COST OF POWER KW RATE	$25.0813

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.4498
MONTHLY SERVICE CHARGE (Per Connection)	$0.39

COST OF POWER TIME OF USE RATES	WINTER PEAK $/KW	SUMMER PEAK $/KW
	$33.0028	$11.8598

MISCELLANEOUS CHARGES

ADD 2001 OEB APPROVED MISCELLANEOUS CHARGES BELOW.
Please enter these charges exactly as they are entered in your current approved rate schedule.
Please add your specific charges as necessary.

New Account Setup	$	20.00
Change of Occupancy	$	-
Account History		
Administration Fee	$	-
Current Year Data	$	-
Each Additional Year Data	$	-
Arrear's Certificate	$	11.00
Late Payment		1.50%
Returned Cheque	$	25.00
Collection of Account Charge	$	20.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	$	20.00
At Meter - After Hours	$	60.00
Customer Requested Special Meter Reading	$	15.00
Dispute Involvement Charge	$	30.00
Temporary Pole Service	$	-
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	$	-

Transformer Ownership Credit (per kW of billing demand service at less than 115 kV)	$	0.60

Primary Metering Allowance for percentage of metered amounts billed	
kW	1.00%
kWh	1.00%

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

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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	$0.006923
MONTHLY SERVICE CHARGE (Per Customer)	$10.9087
COST OF POWER KWH RATE	$0.0740

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.006923
MONTHLY SERVICE CHARGE (Per Customer)	$10.9087

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1216	$0.0416	$0.0958	$0.0309

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.009692
MONTHLY SERVICE CHARGE (Per Customer)	$18.6723
COST OF POWER KWH RATE	$0.07285

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.009692
MONTHLY SERVICE CHARGE (Per Customer)	$18.6723

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1116	$0.0416	$0.0933	$0.0309

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.452841
MONTHLY SERVICE CHARGE (Per Customer)	$272.4102
COST OF POWER KW RATE	$2.8315
COST OF POWER KWH RATE	$0.0650

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.494401
MONTHLY SERVICE CHARGE (Per Customer)	$2,089.0548

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
	$11.02	$7.13	$0.0704	$0.0420	$0.0594	$0.0312

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	$0.000000
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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.007824
MONTHLY SERVICE CHARGE (Per Connection)	$1.5824
COST OF POWER KW RATE	$21.1024

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.0078
MONTHLY SERVICE CHARGE (Per Connection)	$1.58

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$27.6474	$9.2563

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.4335
MONTHLY SERVICE CHARGE (Per Connection)	$0.3857
COST OF POWER KW RATE	$25.0813

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.4339
MONTHLY SERVICE CHARGE (Per Connection)	$0.39

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$33.0028	$11.8598

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

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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: [ ] Cell G36 will be adjusted by this amount.

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates. $ 852,143.00

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry) $ 424,796.00

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment) $ 1,274,388.00

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	-	202,669,124	20,070	$3,602,157.00	56.02%	$ 237,973.45
GENERAL SERVICE <50 KW CLASS	-	93,890,858	2,717	$1,358,736.00	21.13%	$ 89,763.74
GENERAL SERVICE >50 KW NON TIME OF USE	508,508	-	226	$1,319,154.00	20.52%	$ 87,148.79
GENERAL SERVICE >50 KW TIME OF USE	101,417	-	2	$89,526.00	1.39%	$ 5,914.46
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,817	-	1,112	$28,900.00	0.45%	$ 1,909.25
STREET LIGHTING CLASS	8,508	-	5,000	$31,580.00	0.49%	$ 2,086.31
TOTALS				$6,430,053.00	1.00	$ 424,796.00
			Allocated Total for 2002 including adjustments at Cell B13 ==>			$ 424,796.00

Residential 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	
	0.349	0.651	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	$ 83,052.73	$154,920.71	$ 237,973.45
(B) RETAIL KWH	202,669,124		
(C) NUMBER OF CUSTOMERS		20,070	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(E (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)	$0.000410		
(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)		$0.6433	

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
	0.600	0.400	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	$ 53,858.25	$ 35,905.50	$ 89,763.74
(B) RETAIL KWH	93,890,858		
(C) NUMBER OF CUSTOMERS		2,717	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(E (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)	$0.000574		
(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)		$1.1013	

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 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 G28 above)	$ 43,574.40	$ 43,574.40	$ 87,148.79
(B) RETAIL KW	508,508		
(C) NUMBER OF CUSTOMERS		226	
(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)	$0.085691		
(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)		$16.0673	

General Service >50kW ClassTOU

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 G29 above)	$ 2,957.23	$ 2,957.23	$ 5,914.46
(B) RETAIL KW	101,417		
(C) NUMBER OF CUSTOMERS		2	
(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)	$0.029159		
(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)		$123.2179	

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	
	0.000	1.000	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G31 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!	

Sentinel Lighting 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	
	0.349	0.651	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	$ 666.33	$ 1,242.92	$ 1,909.25
(B) RETAIL KW	2,817		
(C) NUMBER OF CUSTOMERS (Connections)		1,112	
(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)	$0.236539		
(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)		$0.0931	

Streetlighting 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	
	0.349	0.651	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above)	$ 728.12	$ 1,358.19	$ 2,086.31
(B) RETAIL KW	8,508		
(C) NUMBER OF CUSTOMERS		5,000	
(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)	$0.085581		
(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)		$0.0226	

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

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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	$0.0073
MONTHLY SERVICE CHARGE (Per Customer)	$11.55
COST OF POWER KWH RATE	$0.0740

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0073			
MONTHLY SERVICE CHARGE (Per Customer)	$11.55			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1216	$0.0416	$0.0958	$0.0309

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0103
MONTHLY SERVICE CHARGE (Per Customer)	$19.77
COST OF POWER KWH RATE	$0.0729

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0103			
MONTHLY SERVICE CHARGE (Per Customer)	$19.77			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1116	$0.0416	$0.0933	$0.0309

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.5385
MONTHLY SERVICE CHARGE (Per Customer)	$288.48
COST OF POWER KW RATE	$2.8315
COST OF POWER KWH RATE	$0.0650

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.523560
MONTHLY SERVICE CHARGE (Per Customer)	$2,212.27

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
	$11.0197	$7.1258	$0.0704	$0.0420	$0.0594	$0.0312

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	#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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.2444
MONTHLY SERVICE CHARGE (Per Connection)	$1.68
COST OF POWER KW RATE	$21.1024

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.2444
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$27.6474	$9.2563

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.5190
MONTHLY SERVICE CHARGE (Per Connection)	$0.41
COST OF POWER KW RATE	$25.0813

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.5194
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$33.0028	$11.8598

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

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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	$	11.03	n/a	n/a	$ 11.55		
	DISTRIBUTION KWH	100	0.0070	$	0.70	100	0.00733	$ 0.73		
	COST OF POWER KWH	100	0.0740	$	7.40	100	0.0740	$ 7.40		
	CURRENT 2001 BILL			$	19.13	Adjusted 2002 BILL		$ 19.68	$ 0.56	2.9%
250 kWh										
	MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	n/a	n/a	$ 11.55		
	DISTRIBUTION KWH	250	0.0070	$	1.75	250	0.00733	$ 1.83		
	COST OF POWER KWH	250	0.0740	$	18.49	250	0.0740	$ 18.49		
	CURRENT 2001 BILL			$	31.27	Adjusted 2002 BILL		$ 31.87	$ 0.61	1.9%
500 kWh										
	MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	n/a	n/a	$ 11.55		
	DISTRIBUTION KWH	500	0.0070	$	3.50	500	0.00733	$ 3.67		
	COST OF POWER KWH	500	0.0740	$	36.98	500	0.0740	$ 36.98		
	CURRENT 2001 BILL			$	51.51	Adjusted 2002 BILL		$ 52.19	$ 0.69	1.3%
750 kWh										
	MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	n/a	n/a	$ 11.55		
	DISTRIBUTION KWH	750	0.0070	$	5.25	750	0.00733	$ 5.50		
	COST OF POWER KWH	750	0.0740	$	55.46	750	0.0740	$ 55.46		
	CURRENT 2001 BILL			$	71.74	Adjusted 2002 BILL		$ 72.51	$ 0.77	1.1%
1000 kWh										
	MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	n/a	n/a	$ 11.55		
	DISTRIBUTION KWH	1000	0.0070	$	7.00	1000	0.00733	$ 7.33		
	COST OF POWER KWH	1000	0.0740	$	73.95	1000	0.0740	$ 73.95		
	CURRENT 2001 BILL			$	91.98	Adjusted 2002 BILL		$ 92.83	$ 0.85	0.9%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.55		
	DISTRIBUTION KWH	1500	0.0070	$ 10.50	DISTRIBUTION KWH	1500	0.00733	$ 11.00		
	COST OF POWER KWH	1500	0.0740	$ 110.93	COST OF POWER KWH	1500	0.0740	$ 110.93		
	CURRENT 2001 BILL			$ 132.46	Adjusted 2002 BILL			$ 133.48	$ 1.02	0.8%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.55		
	DISTRIBUTION KWH	2000	0.0070	$ 14.00	DISTRIBUTION KWH	2000	0.00733	$ 14.67		
	COST OF POWER KWH	2000	0.0740	$ 147.90	COST OF POWER KWH	2000	0.0740	$ 147.90		
	CURRENT 2001 BILL			$ 172.93	Adjusted 2002 BILL			$ 174.12	$ 1.19	0.7%

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	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 19.77		
	DISTRIBUTION KWH	1000	0.0098	$ 9.80	DISTRIBUTION KWH	1000	0.01027	$ 10.27		
	COST OF POWER KWH	1000	0.0729	$ 72.85	COST OF POWER KWH	1000	0.0729	$ 72.85		
	CURRENT 2001 BILL			$ 101.53	Adjusted 2002 BILL			$ 102.89	$ 1.36	1.3%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 19.77		
	DISTRIBUTION KWH	2000	0.0098	$ 19.60	DISTRIBUTION KWH	2000	0.01027	$ 20.53		
	COST OF POWER KWH	2000	0.0729	$ 145.70	COST OF POWER KWH	2000	0.0729	$ 145.70		
	CURRENT 2001 BILL			$ 184.18	Adjusted 2002 BILL			$ 186.01	$ 1.83	1.0%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 19.77		
	DISTRIBUTION KWH	5000	0.0098	$ 49.00	DISTRIBUTION KWH	5000	0.01027	$ 51.33		
	COST OF POWER KWH	5000	0.0729	$ 364.25	COST OF POWER KWH	5000	0.0729	$ 364.25		
	CURRENT 2001 BILL			$ 432.13	Adjusted 2002 BILL			$ 435.35	$ 3.22	0.7%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 19.77		
	DISTRIBUTION KWH	10000	0.0098	$ 98.00	DISTRIBUTION KWH	10000	0.01027	$ 102.66		
	COST OF POWER KWH	10000	0.0729	$ 728.50	COST OF POWER KWH	10000	0.0729	$ 728.50		
	CURRENT 2001 BILL			$ 845.38	Adjusted 2002 BILL			$ 850.93	$ 5.55	0.7%

MONTHLY CONSUMPTION 20,000 KWh		KWH (enter)	RATE $/KWH	CHARGE $			KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 19.77			
	DISTRIBUTION KWH	20000	0.0098	$ 196.00	DISTRIBUTION KWH	20000	0.01027	$ 205.32			
	COST OF POWER KWH	20000	0.0729	$ 1,457.00	COST OF POWER KWH	20000	0.0729	$ 1,457.00			
	CURRENT 2001 BILL			$ 1,671.88	Adjusted 2002 BILL			$ 1,682.09	$ 10.21	0.6%	

GENERAL SERVICE > 50 KW NON TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %	
MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48			
DISTRIBUTION KW	0	1.4690	$ -	DISTRIBUTION KW	0	1.53853	$ -			
COST OF POWER KW	0	2.8315	$ -	COST OF POWER KW	0	2.8315	$ -			
COST OF POWER **KWH**	0	0.0650	$ -	COST OF POWER **KWH**	0	0.0650	$ -			
CURRENT 2001 BILL			$ 275.44	Adjusted 2002 BILL			$ 288.48	$ 13.04	4.7%	

MONTHLY CONSUMPTION 100kW, 30,000kWh		KW (enter)	RATE $/KW	CHARGE $			KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48			
	DISTRIBUTION KW	100	1.4690	$ 146.90	DISTRIBUTION KW	100	1.53853	$ 153.85			
	COST OF POWER KW	100	2.8315	$ 283.15	COST OF POWER KW	100	2.8315	$ 283.15			
	COST OF POWER **KWH**	30,000	0.0650	$ 1,948.50	COST OF POWER **KWH**	30,000	0.0650	$ 1,948.50			
	CURRENT 2001 BILL			$ 2,653.99	Adjusted 2002 BILL			$ 2,673.98	$ 19.99	0.8%	

MONTHLY CONSUMPTION 100kW, 40,000kWh		KW (enter)	RATE $/KW	CHARGE $			KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48			
	DISTRIBUTION KW	100	1.4690	$ 146.90	DISTRIBUTION KW	100	1.53853	$ 153.85			
	COST OF POWER KW	100	2.8315	$ 283.15	COST OF POWER KW	100	2.8315	$ 283.15			
	COST OF POWER **KWH**	40,000	0.0650	$ 2,598.00	COST OF POWER **KWH**	40,000	0.0650	$ 2,598.00			
	CURRENT 2001 BILL			$ 3,303.49	Adjusted 2002 BILL			$ 3,323.48	$ 19.99	0.6%	

MONTHLY CONSUMPTION 500kW, 100,000kWh		KW (enter)	RATE $/KW	CHARGE $			KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48			
	DISTRIBUTION KW	500	1.4690	$ 734.50	DISTRIBUTION KW	500	1.53853	$ 769.27			
	COST OF POWER KW	500	2.8315	$ 1,415.75	COST OF POWER KW	500	2.8315	$ 1,415.75			
	COST OF POWER **KWH**	######	0.0650	$ 6,495.00	COST OF POWER **KWH**	100,000	0.0650	$ 6,495.00			
	CURRENT 2001 BILL			$ 8,920.69	Adjusted 2002 BILL			$ 8,968.49	$ 47.80	0.5%	

MONTHLY CONSUMPTION 500kW, 250,000kWh		KW (enter)	RATE $/KW	CHARGE $			KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48			
	DISTRIBUTION KW	500	1.4690	$ 734.50	DISTRIBUTION KW	500	1.53853	$ 769.27			
	COST OF POWER KW	500	2.8315	$ 1,415.75	COST OF POWER KW	500	2.8315	$ 1,415.75			
	COST OF POWER **KWH**	######	0.0650	$ 16,237.50	COST OF POWER **KWH**	250,000	0.0650	$ 16,237.50			
	CURRENT 2001 BILL			$ 18,663.19	Adjusted 2002 BILL			$ 18,710.99	$ 47.80	0.3%	

MONTHLY CONSUMPTION 1000kW, 400,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48		
	DISTRIBUTION KW	1000	1.4690	$ 1,469.00	DISTRIBUTION KW	1000	1.53853	$ 1,538.53		
	COST OF POWER KW	1000	2.8315	$ 2,831.50	COST OF POWER KW	1000	2.8315	$ 2,831.50		
	COST OF POWER **KWH**	######	0.0650	$ 25,980.00	COST OF POWER **KWH**	400,000	0.0650	$ 25,980.00		
	CURRENT 2001 BILL			$ 30,555.94	Adjusted 2002 BILL			$ 30,638.51	$ 82.57	0.3%

MONTHLY CONSUMPTION 1000kW, 500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48		
	DISTRIBUTION KW	1000	1.4690	$ 1,469.00	DISTRIBUTION KW	1000	1.53853	$ 1,538.53		
	COST OF POWER KW	1000	2.8315	$ 2,831.50	COST OF POWER KW	1000	2.8315	$ 2,831.50		
	COST OF POWER **KWH**	######	0.0650	$ 32,475.00	COST OF POWER **KWH**	500,000	0.0650	$ 32,475.00		
	CURRENT 2001 BILL			$ 37,050.94	Adjusted 2002 BILL			$ 37,133.51	$ 82.57	0.2%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48		
	DISTRIBUTION KW	3000	1.4690	$ 4,407.00	DISTRIBUTION KW	3000	1.53853	$ 4,615.60		
	COST OF POWER KW	3000	2.8315	$ 8,494.50	COST OF POWER KW	3000	2.8315	$ 8,494.50		
	COST OF POWER **KWH**	#######	0.0650	$ 64,950.00	COST OF POWER **KWH**	#######	0.0650	$ 64,950.00		
	CURRENT 2001 BILL			$ 78,126.94	Adjusted 2002 BILL			$ 78,348.57	$ 221.63	0.3%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48		
	DISTRIBUTION KW	3000	1.4690	$ 4,407.00	DISTRIBUTION KW	3000	1.53853	$ 4,615.60		
	COST OF POWER KW	3000	2.8315	$ 8,494.50	COST OF POWER KW	3000	2.8315	$ 8,494.50		
	COST OF POWER **KWH**	#######	0.0650	$ 97,425.00	COST OF POWER **KWH**	#######	0.0650	$ 97,425.00		
	CURRENT 2001 BILL			$ 110,601.94	Adjusted 2002 BILL			$ 110,823.57	$ 221.63	0.2%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48		
	DISTRIBUTION KW	4000	1.4690	$ 5,876.00	DISTRIBUTION KW	4000	1.53853	$ 6,154.13		
	COST OF POWER KW	4000	2.8315	$ 11,326.00	COST OF POWER KW	4000	2.8315	$ 11,326.00		
	COST OF POWER **KWH**	#######	0.0650	$ 77,940.00	COST OF POWER **KWH**	#######	0.0650	$ 77,940.00		
	CURRENT 2001 BILL			$ 95,417.44	Adjusted 2002 BILL			$ 95,708.60	$ 291.16	0.3%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 288.48		
	DISTRIBUTION KW	4000	1.4690	$ 5,876.00	DISTRIBUTION KW	4000	1.53853	$ 6,154.13		
	COST OF POWER KW	4000	2.8315	$ 11,326.00	COST OF POWER KW	4000	2.8315	$ 11,326.00		
	COST OF POWER **KWH**	#######	0.0650	$ 116,910.00	COST OF POWER **KWH**	#######	0.0650	$ 116,910.00		
	CURRENT 2001 BILL			$ 134,387.44	Adjusted 2002 BILL			$ 134,678.60	$ 291.16	0.2%

GENERAL SERVICE >50 KW TIME OF USE

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
WINTER	**KW**	**RATE $/kW**		**CHARGE $**	**WINTER**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION					DISTRIBUTION					
kW	100	0.4999	$	49.99	kW	100	0.5236	$ 52.36		
kW COST OF POWER					kW COST OF POWER					
Demand Charge	100	11.0197	$	1,101.97	Demand Charge	100	11.0197	$ 1,101.97		
		RATE					**RATE**			
COST OF POWER	**kWh**	**$/kWh**			COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	20,000	0.0704	$	1,407.00	WINTER PEAK	20,000	0.0704	$ 1,407.00		
WINTER OFF PEAK	20,000	0.0420	$	839.00	WINTER OFF PEAK	20,000	0.0420	$ 839.00		
MONTHLY SERVICE CHARGE			$	2,112.29	MONTHLY SERVICE CHARGE			$ 2,212.27		
TOTAL			$	5,510.25	**TOTAL**			$ 5,612.60	$ 102.35	1.9%
SUMMER					**SUMMER**					
DISTRIBUTION					DISTRIBUTION					
kW	100	0.4999	$	49.99	kW	100	0.5236	$ 52.36		
kW COST OF POWER					kW COST OF POWER					
Demand Charge	100	7.1258	$	712.58	Demand Charge	100	7.1258	$ 712.58		
		RATE					**RATE**			
COST OF POWER	**kWh**	**$/kWh**			COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	20,000	0.0594	$	1,187.00	SUMMER PEAK	20,000	0.0594	$ 1,187.00		
SUMMER OFF PEAK	20,000	0.0312	$	623.00	SUMMER OFF PEAK	20,000	0.0312	$ 623.00		
MONTHLY SERVICE CHARGE			$	2,112.29	MONTHLY SERVICE CHARGE			$ 2,212.27		
TOTAL			$	4,684.86	**TOTAL**			$ 4,787.21	$ 102.35	2.2%

GENERAL SERVICE - INTERMEDIATE USE

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

	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
WINTER	**KW**	**RATE $/kW**		**CHARGE $**	**WINTER**	**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**					
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

ENTER DESIRED CONSUMPTION LEVELS
6000kW, 3,000,000kWh

CURRENT 2001 BILL

WINTER

	KW	RATE $/kW		CHARGE $
DISTRIBUTION				
kW	6000	0.0000	$	-
kW COST OF POWER				
Demand Charge	6000	0.0000	$	-
		RATE		
COST OF POWER	**kWh**	**$/kWh**		
WINTER PEAK	#######	0.0000	$	-
WINTER OFF PEAK	#######	0.0000	$	-
MONTHLY SERVICE CHARGE			$	-
TOTAL			$	-

SUMMER

	KW	RATE $/kW		CHARGE $
DISTRIBUTION				
kW	6000	0.0000	$	-
kW COST OF POWER				
Demand Charge	6000	0.0000	$	-
		RATE		
COST OF POWER	**kWh**	**$/kWh**		
SUMMER PEAK	#######	0.0000	$	-
SUMMER OFF PEAK	#######	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	6000	#DIV/0!		#DIV/0!		
kW COST OF POWER						
Demand Charge	6000	0.0000	$	-		
		RATE				
COST OF POWER	**kWh**	**$/kWh**				
WINTER PEAK	#######	0.0000	$	-		
WINTER OFF PEAK	1,500,000	0.0000	$	-		
MONTHLY SERVICE CHARGE				#DIV/0!		
TOTAL				#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE $/kW		CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION						
kW	6000	#DIV/0!		#DIV/0!		
kW COST OF POWER						
Demand Charge	6000	0.0000	$	-		
		RATE				
COST OF POWER	**kWh**	**$/kWh**				
SUMMER PEAK	#######	0.0000	$	-		
SUMMER OFF PEAK	1,500,000	0.0000	$	-		
MONTHLY SERVICE CHARGE				#DIV/0!		
TOTAL				#DIV/0!	#DIV/0!	#DIV/0!

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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 Deferral Account. $ 374,409.39

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	-	206,609,045	20,098	$3,634,936.63	56.02%	$ 209,746.54
GENERAL SERVICE <50 KW CLASS	-	94,745,265	2,724	$1,371,100.50	21.13%	$ 79,116.53
GENERAL SERVICE >50 KW NON TIME OF USE	513,135	-	224	$1,331,158.30	20.52%	$ 76,811.75
GENERAL SERVICE >50 KW TIME OF USE	102,340	-	2	$90,340.69	1.39%	$ 5,212.92
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,817	-	1,115	$29,162.99	0.45%	$ 1,682.79
STREET LIGHTING CLASS	8,779	-	5,011	$31,867.38	0.49%	$ 1,838.84
TOTALS				$6,488,566.48	1.00	374,409.39
						$ 374,409.39

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 TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.349	0.651	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	$ 73,201.54	$ 136,545.00	$ 209,746.54
(B) RETAIL KWH	206,609,045		
(C) NUMBER OF CUSTOMERS		20,098	
(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)	$0.000354		
(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)		$0.5662	

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
	0.600	0.400	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G27 above)	$ 47,469.92	$ 31,646.61	$ 79,116.53
(B) RETAIL KWH	94,745,265		
(C) NUMBER OF CUSTOMERS		2,724	
(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)	$0.000501		
(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)		$0.9681	

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
	0.500	0.500	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G28 above)	$ 38,405.88	$ 38,405.88	$ 76,811.75
(B) RETAIL KW	513,135		
(C) NUMBER OF CUSTOMERS		224	
(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)	$0.074845		
(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)		$14.2879	

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	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.500	0.500	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 above)	$ 2,606.46	$ 2,606.46	$ 5,212.92
(B) RETAIL KW	102,340		
(C) NUMBER OF CUSTOMERS		2	
(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)	$0.025469		
(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)		$108.6026	

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 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	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	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.000	1.000	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G31 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!	

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 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.349	0.651	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	$ 587.29	$ 1,095.50	$ 1,682.79
(B) RETAIL KW	2,817		
(C) NUMBER OF CUSTOMERS		1,115	
(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)	$0.208482		
(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)		$0.0819	

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	
	0.349	0.651	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above)	$ 641.76	$ 1,197.09	$ 1,838.84
(B) RETAIL KW	8,779		
(C) NUMBER OF CUSTOMERS (Connections)		5,011	
(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)	$0.073101		
(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)		$0.0199	

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

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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	$0.00769
MONTHLY SERVICE CHARGE (Per Customer)	$12.11808
COST OF POWER KWH RATE	$0.07395

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00769			
MONTHLY SERVICE CHARGE (Per Customer)	$12.11808			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1216	$0.0416	$0.0958	$0.0309

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01077
MONTHLY SERVICE CHARGE (Per Customer)	$20.74172
COST OF POWER KWH RATE	$0.072850

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01077			
MONTHLY SERVICE CHARGE (Per Customer)	$20.74172			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1116	$0.0416	$0.0933	$0.0309

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.61338
MONTHLY SERVICE CHARGE (Per Customer)	$302.76532
COST OF POWER KW RATE	$2.831500
COST OF POWER KWH RATE	$0.064950

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.54903
MONTHLY SERVICE CHARGE (Per Customer)	$2,320.87529

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
	$11.0197	$7.1258	$0.0704	$0.0420	$0.0594	$0.0312

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	#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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.45284
MONTHLY SERVICE CHARGE (Per Connection)	$1.75742
COST OF POWER KW RATE	$21.1024

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.45284
MONTHLY SERVICE CHARGE (Per Connection)	$1.75742

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$27.6474	$9.2563

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.59214
MONTHLY SERVICE CHARGE (Per Connection)	$0.42825
COST OF POWER KW RATE	$25.0813

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.59253
MONTHLY SERVICE CHARGE (Per Connection)	$0.42825

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$33.0028	$11.8598

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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.

			Reduction
Enter the Estimated Value for the 2002 PILs Proxy	$ 478,122.24	38.00%	$780,094.18

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	-	206,609,045	20,098	$3,634,936.63	56.02%	$ 267,847.15
GENERAL SERVICE <50 KW CLASS	-	94,745,265	2,724	$1,371,100.50	21.13%	$ 101,032.12
GENERAL SERVICE >50 KW NON TIME OF USE	513,135	-	224	$1,331,158.30	20.52%	$ 98,088.91
GENERAL SERVICE >50 KW TIME OF USE	102,340	-	2	$90,340.69	1.39%	$ 6,656.92
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,817	-	1,115	$29,162.99	0.45%	$ 2,148.93
STREET LIGHTING CLASS	8,779	-	5,011	$31,867.38	0.49%	$ 2,348.21
TOTALS				$6,488,566.48	1.00	478,122.24
						$ 478,122.24

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 TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.349	0.651	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	$ 93,478.66	$ 174,368.49	$ 267,847.15
(B) RETAIL KWH	206,609,045		
(C) NUMBER OF CUSTOMERS		20,098	
(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)	$0.000452		
(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)		$0.7230	

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
	0.600	0.400	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	$ 60,619.27	$ 40,412.85	$ 101,032.12
(B) RETAIL KWH	94,745,265		
(C) NUMBER OF CUSTOMERS		2,724	
(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)	$0.000640		
(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)		$1.2363	

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
	0.500	0.500	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	$ 49,044.45	$ 49,044.45	$ 98,088.91
(B) RETAIL KW	513,135		
(C) NUMBER OF CUSTOMERS		224	
(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)	$0.095578		
(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)		$18.2457	

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
	0.500	0.500	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 above)	$ 3,328.46	$ 3,328.46	$ 6,656.92
(B) RETAIL KW	102,340		
(C) NUMBER OF CUSTOMERS		2	
(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)	$0.032524		
(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)		$138.6859	

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 2002 PILs Estimate REVENUE
	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 Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 PILs (Total in Cell G31 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!	

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	
	0.349	0.651	100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	$ 749.98	$ 1,398.95	$ 2,148.93
(B) RETAIL KW	2,817		
(C) NUMBER OF CUSTOMERS		1,115	
(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)	$0.266232		
(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)		$0.1046	

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	
	0.349	0.651	100%
(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	$ 819.52	$ 1,528.68	$ 2,348.21
(B) RETAIL KW	8,779		
(C) NUMBER OF CUSTOMERS (Connections)		5,011	
(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)	$0.093351		
(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)		$0.0254	

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

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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

$420,901.0000

DISTRIBUTION KWH RATE	$0.00814
MONTHLY SERVICE CHARGE (Per Customer)	$12.84108
COST OF POWER KWH RATE	$0.07395

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00814
MONTHLY SERVICE CHARGE (Per Customer)	$12.84108

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1216	$0.0416	$0.0958	$0.0309

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01141
MONTHLY SERVICE CHARGE (Per Customer)	$21.97804
COST OF POWER KWH RATE	$0.072850

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01141
MONTHLY SERVICE CHARGE (Per Customer)	$21.97804

COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1116	$0.0416	$0.0933	$0.0309

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.70896
MONTHLY SERVICE CHARGE (Per Customer)	$321.01102
COST OF POWER KW RATE	$2.831500
COST OF POWER KWH RATE	$0.064950

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.58155
MONTHLY SERVICE CHARGE (Per Customer)	$2,459.56119

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
	$11.0197	$7.1258	$0.0704	$0.0420	$0.0594	$0.0312

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	#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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.71908
MONTHLY SERVICE CHARGE (Per Connection)	$1.86198
COST OF POWER KW RATE	$21.1024

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.71908
MONTHLY SERVICE CHARGE (Per Connection)	$1.86198

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$27.6474	$9.2563

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.68549
MONTHLY SERVICE CHARGE (Per Connection)	$0.45368
COST OF POWER KW RATE	$25.0813

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.68588
MONTHLY SERVICE CHARGE (Per Connection)	$0.45368

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$33.0028	$11.8598

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

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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

ENTER DESIRED CONSUMPTION LEVEL	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
100 kWh	**KWH (enter)**	**RATE $/KWH**	**CHARGE $**		**KWH**	**RATE $/KWH**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**	
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION KWH	100	0.0070	$	0.70	DISTRIBUTION KWH	100	0.00814	$ 0.81		
COST OF POWER KWH	100	0.0740	$	7.40	COST OF POWER KWH	100	0.0740	$ 7.40		
CURRENT 2001 BILL			$	19.13	Adjusted 2002 BILL			$ 21.05	$ 1.93	10.1%
250 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION KWH	250	0.0070	$	1.75	DISTRIBUTION KWH	250	0.00814	$ 2.03		
COST OF POWER KWH	250	0.0740	$	18.49	COST OF POWER KWH	250	0.0740	$ 18.49		
CURRENT 2001 BILL			$	31.27	Adjusted 2002 BILL			$ 33.36	$ 2.10	6.7%
500 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION KWH	500	0.0070	$	3.50	DISTRIBUTION KWH	500	0.00814	$ 4.07		
COST OF POWER KWH	500	0.0740	$	36.98	COST OF POWER KWH	500	0.0740	$ 36.98		
CURRENT 2001 BILL			$	51.51	Adjusted 2002 BILL			$ 53.89	$ 2.38	4.6%
750 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION KWH	750	0.0070	$	5.25	DISTRIBUTION KWH	750	0.00814	$ 6.10		
COST OF POWER KWH	750	0.0740	$	55.46	COST OF POWER KWH	750	0.0740	$ 55.46		
CURRENT 2001 BILL			$	71.74	Adjusted 2002 BILL			$ 74.41	$ 2.67	3.7%
1000 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION KWH	1000	0.0070	$	7.00	DISTRIBUTION KWH	1000	0.00814	$ 8.14		
COST OF POWER KWH	1000	0.0740	$	73.95	COST OF POWER KWH	1000	0.0740	$ 73.95		
CURRENT 2001 BILL			$	91.98	Adjusted 2002 BILL			$ 94.93	$ 2.95	3.2%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	1500	0.0070	$ 10.50	DISTRIBUTION KWH	1500	0.00814	$ 12.21		
	COST OF POWER KWH	1500	0.0740	$ 110.93	COST OF POWER KWH	1500	0.0740	$ 110.93		
	CURRENT 2001 BILL			$ 132.46	Adjusted 2002 BILL			$ 135.98	$ 3.52	2.7%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	2000	0.0070	$ 14.00	DISTRIBUTION KWH	2000	0.00814	$ 16.28		
	COST OF POWER KWH	2000	0.0740	$ 147.90	COST OF POWER KWH	2000	0.0740	$ 147.90		
	CURRENT 2001 BILL			$ 172.93	Adjusted 2002 BILL			$ 177.02	$ 4.09	2.4%

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	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION KWH	1000	0.0098	$ 9.80	DISTRIBUTION KWH	1000	0.01141	$ 11.41		
	COST OF POWER KWH	1000	0.0729	$ 72.85	COST OF POWER KWH	1000	0.0729	$ 72.85		
	CURRENT 2001 BILL			$ 101.53	Adjusted 2002 BILL			$ 106.23	$ 4.70	4.6%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION KWH	2000	0.0098	$ 19.60	DISTRIBUTION KWH	2000	0.01141	$ 22.81		
	COST OF POWER KWH	2000	0.0729	$ 145.70	COST OF POWER KWH	2000	0.0729	$ 145.70		
	CURRENT 2001 BILL			$ 184.18	Adjusted 2002 BILL			$ 190.49	$ 6.31	3.4%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION KWH	5000	0.0098	$ 49.00	DISTRIBUTION KWH	5000	0.01141	$ 57.03		
	COST OF POWER KWH	5000	0.0729	$ 364.25	COST OF POWER KWH	5000	0.0729	$ 364.25		
	CURRENT 2001 BILL			$ 432.13	Adjusted 2002 BILL			$ 443.26	$ 11.13	2.6%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION KWH	10000	0.0098	$ 98.00	DISTRIBUTION KWH	10000	0.01141	$ 114.07		
	COST OF POWER KWH	10000	0.0729	$ 728.50	COST OF POWER KWH	10000	0.0729	$ 728.50		
	CURRENT 2001 BILL			$ 845.38	Adjusted 2002 BILL			$ 864.54	$ 19.16	2.3%

MONTHLY CONSUMPTION 20,000 KWh		KWH (enter)	RATE $/KWH		CHARGE $			KWH	RATE $/KWH		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$	21.98			
	DISTRIBUTION KWH	20000	0.0098	$	196.00	DISTRIBUTION KWH	20000	0.01141	$	228.13			
	COST OF POWER KWH	20000	0.0729	$	1,457.00	COST OF POWER KWH	20000	0.0729	$	1,457.00			
	CURRENT 2001 BILL			$	1,671.88	Adjusted 2002 BILL			$	1,707.11	$ 35.23		2.1%

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	$	275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$	321.01		
	DISTRIBUTION KW	0	1.4690	$	-	DISTRIBUTION KW	0	1.70896	$	-		
	COST OF POWER KW	0	2.8315	$	-	COST OF POWER KW	0	2.8315	$	-		
	COST OF POWER **KWH**	0	0.0650	$	-	COST OF POWER **KWH**	0	0.0650	$	-		
	CURRENT 2001 BILL			$	275.44	Adjusted 2002 BILL			$	321.01	$ 45.57	16.5%

MONTHLY CONSUMPTION 100kW, 30,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$	321.01			
	DISTRIBUTION KW	100	1.4690	$	146.90	DISTRIBUTION KW	100	1.70896	$	170.90			
	COST OF POWER KW	100	2.8315	$	283.15	COST OF POWER KW	100	2.8315	$	283.15			
	COST OF POWER **KWH**	30,000	0.0650	$	1,948.50	COST OF POWER **KWH**	30,000	0.0650	$	1,948.50			
	CURRENT 2001 BILL			$	2,653.99	Adjusted 2002 BILL			$	2,723.56	$ 69.57		2.6%

MONTHLY CONSUMPTION 100kW, 40,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$	321.01			
	DISTRIBUTION KW	100	1.4690	$	146.90	DISTRIBUTION KW	100	1.70896	$	170.90			
	COST OF POWER KW	100	2.8315	$	283.15	COST OF POWER KW	100	2.8315	$	283.15			
	COST OF POWER **KWH**	40,000	0.0650	$	2,598.00	COST OF POWER **KWH**	40,000	0.0650	$	2,598.00			
	CURRENT 2001 BILL			$	3,303.49	Adjusted 2002 BILL			$	3,373.06	$ 69.57		2.1%

MONTHLY CONSUMPTION 500kW, 100,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$	321.01			
	DISTRIBUTION KW	500	1.4690	$	734.50	DISTRIBUTION KW	500	1.70896	$	854.48			
	COST OF POWER KW	500	2.8315	$	1,415.75	COST OF POWER KW	500	2.8315	$	1,415.75			
	COST OF POWER **KWH**	100,000	0.0650	$	6,495.00	COST OF POWER **KWH**	100,000	0.0650	$	6,495.00			
	CURRENT 2001 BILL			$	8,920.69	Adjusted 2002 BILL			$	9,086.24	$ 165.55		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	$	275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$	321.01			
	DISTRIBUTION KW	500	1.4690	$	734.50	DISTRIBUTION KW	500	1.70896	$	854.48			
	COST OF POWER KW	500	2.8315	$	1,415.75	COST OF POWER KW	500	2.8315	$	1,415.75			
	COST OF POWER **KWH**	250,000	0.0650	$	16,237.50	COST OF POWER **KWH**	250,000	0.0650	$	16,237.50			
	CURRENT 2001 BILL			$	18,663.19	Adjusted 2002 BILL			$	18,828.74	$ 165.55		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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	1000	1.4690	$ 1,469.00	DISTRIBUTION KW	1000	1.70896	$ 1,708.96		
	COST OF POWER KW	1000	2.8315	$ 2,831.50	COST OF POWER KW	1000	2.8315	$ 2,831.50		
	COST OF POWER **KWH**	400,000	0.0650	$ 25,980.00	COST OF POWER **KWH**	400,000	0.0650	$ 25,980.00		
	CURRENT 2001 BILL			$ 30,555.94	Adjusted 2002 BILL			$ 30,841.47	$ 285.53	0.9%

MONTHLY CONSUMPTION 1000kW, 500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	1000	1.4690	$ 1,469.00	DISTRIBUTION KW	1000	1.70896	$ 1,708.96		
	COST OF POWER KW	1000	2.8315	$ 2,831.50	COST OF POWER KW	1000	2.8315	$ 2,831.50		
	COST OF POWER **KWH**	500,000	0.0650	$ 32,475.00	COST OF POWER **KWH**	500,000	0.0650	$ 32,475.00		
	CURRENT 2001 BILL			$ 37,050.94	Adjusted 2002 BILL			$ 37,336.47	$ 285.53	0.8%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	3000	1.4690	$ 4,407.00	DISTRIBUTION KW	3000	1.70896	$ 5,126.87		
	COST OF POWER KW	3000	2.8315	$ 8,494.50	COST OF POWER KW	3000	2.8315	$ 8,494.50		
	COST OF POWER **KWH**	#######	0.0650	$ 64,950.00	COST OF POWER **KWH**	#######	0.0650	$ 64,950.00		
	CURRENT 2001 BILL			$ 78,126.94	Adjusted 2002 BILL			$ 78,892.38	$ 765.44	1.0%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	3000	1.4690	$ 4,407.00	DISTRIBUTION KW	3000	1.70896	$ 5,126.87		
	COST OF POWER KW	3000	2.8315	$ 8,494.50	COST OF POWER KW	3000	2.8315	$ 8,494.50		
	COST OF POWER **KWH**	#######	0.0650	$ 97,425.00	COST OF POWER **KWH**	#######	0.0650	$ 97,425.00		
	CURRENT 2001 BILL			$ 110,601.94	Adjusted 2002 BILL			$ 111,367.38	$ 765.44	0.7%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	4000	1.4690	$ 5,876.00	DISTRIBUTION KW	4000	1.70896	$ 6,835.82		
	COST OF POWER KW	4000	2.8315	$ 11,326.00	COST OF POWER KW	4000	2.8315	$ 11,326.00		
	COST OF POWER **KWH**	#######	0.0650	$ 77,940.00	COST OF POWER **KWH**	#######	0.0650	$ 77,940.00		
	CURRENT 2001 BILL			$ 95,417.44	Adjusted 2002 BILL			$ 96,422.83	$ 1,005.39	1.1%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	4000	1.4690	$ 5,876.00	DISTRIBUTION KW	4000	1.70896	$ 6,835.82		
	COST OF POWER KW	4000	2.8315	$ 11,326.00	COST OF POWER KW	4000	2.8315	$ 11,326.00		
	COST OF POWER **KWH**	#######	0.0650	$ 116,910.00	COST OF POWER **KWH**	#######	0.0650	$ 116,910.00		
	CURRENT 2001 BILL			$ 134,387.44	Adjusted 2002 BILL			$ 135,392.83	$ 1,005.39	0.7%

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	0.4999	$ 49.99
kW COST OF POWER			
Demand Charge	100	11.0197	$ 1,101.97
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
WINTER PEAK	20,000	0.0704	$ 1,407.00
WINTER OFF PEAK	20,000	0.0420	$ 839.00
MONTHLY SERVICE CHARGE			$ 2,112.29
TOTAL			$ 5,510.25

SUMMER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION			
kW	100	0.4999	$ 49.99
kW COST OF POWER			
Demand Charge	100	7.1258	$ 712.58
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
SUMMER PEAK	20,000	0.0594	$ 1,187.00
SUMMER OFF PEAK	20,000	0.0312	$ 623.00
MONTHLY SERVICE CHARGE			$ 2,112.29
TOTAL			$ 4,684.86

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

WINTER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	100	0.5816	$ 58.16		
kW COST OF POWER					
Demand Charge	100	11.0197	$ 1,101.97		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	20,000	0.0704	$ 1,407.00		
WINTER OFF PEAK	20,000	0.0420	$ 839.00		
MONTHLY SERVICE CHARGE			$ 2,459.56		
TOTAL			$ 5,865.69	$ 355.44	6.5%

SUMMER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION					
kW	100	0.5816	$ 58.16		
kW COST OF POWER					
Demand Charge	100	7.1258	$ 712.58		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	20,000	0.0594	$ 1,187.00		
SUMMER OFF PEAK	20,000	0.0312	$ 623.00		
MONTHLY SERVICE CHARGE			$ 2,459.56		
TOTAL			$ 5,040.30	$ 355.44	7.6%

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 Incremental MARR, 2001 & 2002 PILs)

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 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	0.0000	$ -	DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER Demand Charge	6000	0.0000	$ -	kW COST OF POWER Demand Charge	6000	0.0000	$ -		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	#######	0.0000	$ -	WINTER PEAK	#######	0.0000	$ -		
WINTER OFF PEAK	#######	0.0000	$ -	WINTER OFF PEAK	1,500,000	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 kW	6000	0.0000	$ -	DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER Demand Charge	6000	0.0000	$ -	kW COST OF POWER Demand Charge	6000	0.0000	$ -		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	#######	0.0000	$ -	SUMMER PEAK	#######	0.0000	$ -		
SUMMER OFF PEAK	#######	0.0000	$ -	SUMMER OFF PEAK	1,500,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			$ -	MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			$ -	**TOTAL**			#DIV/0!	#DIV/0!	#DIV/0!

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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:

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	-	206,609,045	20,098	$3,634,936.63	56.02%	$ -
GENERAL SERVICE <50 KW CLASS	-	94,745,265	2,724	$1,371,100.50	21.13%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	513,135	-	224	$1,331,158.30	20.52%	$ -
GENERAL SERVICE >50 KW TIME OF USE	102,340	-	2	$90,340.69	1.39%	$ -
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,817	-	1,115	$29,162.99	0.45%	$ -
STREET LIGHTING CLASS	8,779	-	5,011	$31,867.38	0.49%	$ -
TOTALS				$6,488,566.48	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	ALLOCATED Z-Factor Amount for Recovery
	0.349	0.651	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	$ -	$ -	$ -
(B) RETAIL KWH	206,609,045		
(C) NUMBER OF CUSTOMERS		20,098	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(I (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
	0.600	0.400	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	$ -	$ -	$ -
(B) RETAIL KWH	94,745,265		
(C) NUMBER OF CUSTOMERS		2,724	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(I (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
	0.500	0.500	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	$ -	$ -	$ -
(B) RETAIL KW	513,135		
(C) NUMBER OF CUSTOMERS		224	
(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
	0.500	0.500	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above)	$ -	$ -	$ -
(B) RETAIL KW	102,340		
(C) NUMBER OF CUSTOMERS		2	
(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
	0.000	1.000	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G31 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!	

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
	0.349	0.651	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above)	$ -	$ -	$ -
(B) RETAIL KW	2,817		
(C) NUMBER OF CUSTOMERS		1,115	
(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
	0.349	0.651	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	$ -	$ -	$ -
(B) RETAIL KW	8,779		
(C) NUMBER OF CUSTOMERS (Connections)		5,011	
(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	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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	$0.00814
MONTHLY SERVICE CHARGE (Per Customer)	$12.84108
COST OF POWER KWH RATE	$0.07395

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00814			
MONTHLY SERVICE CHARGE (Per Customer)	$12.84108			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1216	$0.0416	$0.0958	$0.0309

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01141
MONTHLY SERVICE CHARGE (Per Customer)	$21.97804
COST OF POWER KWH RATE	$0.072850

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01141			
MONTHLY SERVICE CHARGE (Per Customer)	$21.97804			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1116	$0.0416	$0.0933	$0.0309

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.70896
MONTHLY SERVICE CHARGE (Per Customer)	$321.01102
COST OF POWER KW RATE	$2.831500
COST OF POWER KWH RATE	$0.064950

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.58155
MONTHLY SERVICE CHARGE (Per Customer)	$2,459.56119

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
	$11.0197	$7.1258	$0.0704	$0.0420	$0.0594	$0.0312

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	#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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.71908
MONTHLY SERVICE CHARGE (Per Connection)	$1.86198
COST OF POWER KW RATE	$21.1024

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.71908
MONTHLY SERVICE CHARGE (Per Connection)	$1.86198

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$27.6474	$9.2563

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.68549
MONTHLY SERVICE CHARGE (Per Connection)	$0.45368
COST OF POWER KW RATE	$25.0813

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.68588
MONTHLY SERVICE CHARGE (Per Connection)	$0.45368

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$33.0028	$11.8598

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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	$ -	56.02%	$ -	56.02%	$ -	56.02%
GENERAL SERVICE <50 KW CLASS	$ -	21.13%	$ -	21.13%	$ -	21.13%
GENERAL SERVICE >50 KW NON TIME OF USE	$ -	20.52%	$ -	20.52%	$ -	20.52%
GENERAL SERVICE >50 KW TIME OF USE	$ -	1.39%	$ -	1.39%	$ -	1.39%
INTERMEDIATE USE	$ -	0.00%	$ -	0.00%	$ -	0.00%
LARGE USER CLASS	$ -	0.00%	$ -	0.00%	$ -	0.00%
SENTINEL LIGHTS	$ -	0.45%	$ -	0.45%	$ -	0.45%
STREET LIGHTING CLASS	$ -	0.49%	$ -	0.49%	$ -	0.49%
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	-	206,609,045	20,098	$3,634,936.63	56.02%	$ -
GENERAL SERVICE <50 KW CLASS	-	94,745,265	2,724	$1,371,100.50	21.13%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	513,135	-	224	$1,331,158.30	20.52%	$ -
GENERAL SERVICE >50 KW TIME OF USE	102,340	-	2	$90,340.69	1.39%	$ -
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,817	-	1,115	$29,162.99	0.45%	$ -
STREET LIGHTING CLASS	8,779	-	5,011	$31,867.38	0.49%	$ -
TOTALS				$6,488,566.48	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
	0.349	0.651	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)	$ -	$ -	$ -
(B) RETAIL KWH	206,609,045		
(C) NUMBER OF CUSTOMERS		20,098	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(E (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
	0.600	0.400	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	$ -	$ -	$ -
(B) RETAIL KWH	94,745,265		
(C) NUMBER OF CUSTOMERS		2,724	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(E (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
	0.500	0.500	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	$ -	$ -	$ -
(B) RETAIL KW	513,135		
(C) NUMBER OF CUSTOMERS		224	
(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
	0.500	0.500	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G45 above)	$ -	$ -	$ -
(B) RETAIL KW	102,340		
(C) NUMBER OF CUSTOMERS		2	
(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 Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	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
	0.000	1.000	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G47 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!	

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
	0.349	0.651	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G48 above)	$ -	$ -	$ -
(B) RETAIL KW	2,817		
(C) NUMBER OF CUSTOMERS		1,115	
(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
	0.349	0.651	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above)	$ -	$ -	$ -
(B) RETAIL KW	8,779		
(C) NUMBER OF CUSTOMERS (Connections)		5,011	
(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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ın in the 2001 Statistics Table below.

	4	Allocation	5	Allocation	6	Allocation	7	Allocation	8	Allocation	9	Allocation	10	Allocation		Total
	$ -						$ -									$ -
	$ -	56.02%	$ -	56.02%	$ -	56.02%	$ -	56.02%	$ -	56.02%	$ -	56.02%	$ -	56.02%		$ -
	$ -	21.13%	$ -	21.13%	$ -	21.13%	$ -	21.13%	$ -	21.13%	$ -	21.13%	$ -	21.13%		$ -
	$ -	20.52%	$ -	20.52%	$ -	20.52%	$ -	20.52%	$ -	20.52%	$ -	20.52%	$ -	20.52%		$ -
	$ -	1.39%	$ -	1.39%	$ -	1.39%	$ -	1.39%	$ -	1.39%	$ -	1.39%	$ -	1.39%		$ -
	$ -	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%		$ -
	$ -	0.45%	$ -	0.45%	$ -	0.45%	$ -	0.45%	$ -	0.45%	$ -	0.45%	$ -	0.45%		$ -
	$ -	0.49%	$ -	0.49%	$ -	0.49%	$ -	0.49%	$ -	0.49%	$ -	0.49%	$ -	0.49%		$ -
		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	North Bay Hydro	**LICENCE NUMBEF**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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	$0.0081
MONTHLY SERVICE CHARGE (Per Customer)	$12.8411
COST OF POWER KWH RATE	$0.0740

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0081			
MONTHLY SERVICE CHARGE (Per Customer)	$12.8411			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1216	$0.0416	$0.0958	$0.0309

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0114
MONTHLY SERVICE CHARGE (Per Customer)	$21.9780
COST OF POWER KWH RATE	$0.072850

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0114			
MONTHLY SERVICE CHARGE (Per Customer)	$21.9780			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.1116	$0.0416	$0.0933	$0.0309

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.7090
MONTHLY SERVICE CHARGE (Per Customer)	$321.0110
COST OF POWER KW RATE	$2.831500
COST OF POWER KWH RATE	$0.064950

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.5816
MONTHLY SERVICE CHARGE (Per Customer)	$2,459.5612

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
	$11.0197	$7.1258	$0.0704	$0.0420	$0.0594	$0.0312

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	#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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.7191
MONTHLY SERVICE CHARGE (Per Connection)	$1.8620
COST OF POWER KW RATE	$21.1024

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.7191
MONTHLY SERVICE CHARGE (Per Connection)	$1.8620

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$27.6474	$9.2563

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.6855
MONTHLY SERVICE CHARGE (Per Connection)	$0.4537
COST OF POWER KW RATE	$25.0813

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.6859
MONTHLY SERVICE CHARGE (Per Connection)	$0.4537

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$33.0028	$11.8598

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

NAME OF UTILITY	North Bay Hydro	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Bob Mason	**PHONE NUMBER**	705-476-4696
E- Mail Address	bob.mason@sympatico.ca		
VERSION NUMBER	Version 7		
Date	Amended 3/20/2002		

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	$	11.03		MONTHLY SERVICE CHARGE	n/a	n/a	$	12.84		
DISTRIBUTION KWH	100	0.0070	$	0.70		DISTRIBUTION KWH	100	0.00814	$	0.81		
COST OF POWER KWH	100	0.0740	$	7.40		COST OF POWER KWH	100	0.0740	$	7.40		
CURRENT 2001 BILL			$	19.13		Adjusted 2002 BILL			$	21.05	$ 1.93	10.1%
250 kWh												
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03		MONTHLY SERVICE CHARGE	n/a	n/a	$	12.84		
DISTRIBUTION KWH	250	0.0070	$	1.75		DISTRIBUTION KWH	250	0.00814	$	2.03		
COST OF POWER KWH	250	0.0740	$	18.49		COST OF POWER KWH	250	0.0740	$	18.49		
CURRENT 2001 BILL			$	31.27		Adjusted 2002 BILL			$	33.36	$ 2.10	6.7%
500 kWh												
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03		MONTHLY SERVICE CHARGE	n/a	n/a	$	12.84		
DISTRIBUTION KWH	500	0.0070	$	3.50		DISTRIBUTION KWH	500	0.00814	$	4.07		
COST OF POWER KWH	500	0.0740	$	36.98		COST OF POWER KWH	500	0.0740	$	36.98		
CURRENT 2001 BILL			$	51.51		Adjusted 2002 BILL			$	53.89	$ 2.38	4.6%
750 kWh												
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03		MONTHLY SERVICE CHARGE	n/a	n/a	$	12.84		
DISTRIBUTION KWH	750	0.0070	$	5.25		DISTRIBUTION KWH	750	0.00814	$	6.10		
COST OF POWER KWH	750	0.0740	$	55.46		COST OF POWER KWH	750	0.0740	$	55.46		
CURRENT 2001 BILL			$	71.74		Adjusted 2002 BILL			$	74.41	$ 2.67	3.7%
1000 kWh												
MONTHLY SERVICE CHARGE	n/a	n/a	$	11.03		MONTHLY SERVICE CHARGE	n/a	n/a	$	12.84		
DISTRIBUTION KWH	1000	0.0070	$	7.00		DISTRIBUTION KWH	1000	0.00814	$	8.14		
COST OF POWER KWH	1000	0.0740	$	73.95		COST OF POWER KWH	1000	0.0740	$	73.95		
CURRENT 2001 BILL			$	91.98		Adjusted 2002 BILL			$	94.93	$ 2.95	3.2%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	1500	0.0070	$ 10.50	DISTRIBUTION KWH	1500	0.00814	$ 12.21		
	COST OF POWER KWH	1500	0.0740	$ 110.93	COST OF POWER KWH	1500	0.0740	$ 110.93		
	CURRENT 2001 BILL			$ 132.46	Adjusted 2002 BILL			$ 135.98	$ 3.52	2.7%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.03	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	2000	0.0070	$ 14.00	DISTRIBUTION KWH	2000	0.00814	$ 16.28		
	COST OF POWER KWH	2000	0.0740	$ 147.90	COST OF POWER KWH	2000	0.0740	$ 147.90		
	CURRENT 2001 BILL			$ 172.93	Adjusted 2002 BILL			$ 177.02	$ 4.09	2.4%

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	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION KWH	1000	0.0098	$ 9.80	DISTRIBUTION KWH	1000	0.01141	$ 11.41		
	COST OF POWER KWH	1000	0.0729	$ 72.85	COST OF POWER KWH	1000	0.0729	$ 72.85		
	CURRENT 2001 BILL			$ 101.53	Adjusted 2002 BILL			$ 106.23	$ 4.70	4.6%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION KWH	2000	0.0098	$ 19.60	DISTRIBUTION KWH	2000	0.01141	$ 22.81		
	COST OF POWER KWH	2000	0.0729	$ 145.70	COST OF POWER KWH	2000	0.0729	$ 145.70		
	CURRENT 2001 BILL			$ 184.18	Adjusted 2002 BILL			$ 190.49	$ 6.31	3.4%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION KWH	5000	0.0098	$ 49.00	DISTRIBUTION KWH	5000	0.01141	$ 57.03		
	COST OF POWER KWH	5000	0.0729	$ 364.25	COST OF POWER KWH	5000	0.0729	$ 364.25		
	CURRENT 2001 BILL			$ 432.13	Adjusted 2002 BILL			$ 443.26	$ 11.13	2.6%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.88	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION KWH	10000	0.0098	$ 98.00	DISTRIBUTION KWH	10000	0.01141	$ 114.07		
	COST OF POWER KWH	10000	0.0729	$ 728.50	COST OF POWER KWH	10000	0.0729	$ 728.50		
	CURRENT 2001 BILL			$ 845.38	Adjusted 2002 BILL			$ 864.54	$ 19.16	2.3%

MONTHLY CONSUMPTION 20,000 KWh		KWH (enter)	RATE $/KWH		CHARGE $			KWH	RATE $/KWH		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	18.88	MONTHLY SERVICE CHARGE		n/a	n/a	$	21.98		
	DISTRIBUTION KWH	20000	0.0098	$	196.00	DISTRIBUTION KWH		20000	0.01141	$	228.13		
	COST OF POWER KWH	20000	0.0729	$	1,457.00	COST OF POWER KWH		20000	0.0729	$	1,457.00		
	CURRENT 2001 BILL			$	1,671.88	Adjusted 2002 BILL				$	1,707.11	$ 35.23	2.1%

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	$	275.44	MONTHLY SERVICE CHARGE		n/a	n/a	$	321.01		
	DISTRIBUTION KW	0	1.4690	$	-	DISTRIBUTION KW		0	1.70896	$	-		
	COST OF POWER KW	0	2.8315	$	-	COST OF POWER KW		0	2.8315	$	-		
	COST OF POWER **KWH**	0	0.0650	$	-	COST OF POWER **KWH**		0	0.0650	$	-		
	CURRENT 2001 BILL			$	275.44	Adjusted 2002 BILL				$	321.01	$ 45.57	16.5%

MONTHLY CONSUMPTION 100kW, 30,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	275.44	MONTHLY SERVICE CHARGE		n/a	n/a	$	321.01		
	DISTRIBUTION KW	100	1.4690	$	146.90	DISTRIBUTION KW		100	1.70896	$	170.90		
	COST OF POWER KW	100	2.8315	$	283.15	COST OF POWER KW		100	2.8315	$	283.15		
	COST OF POWER **KWH**	30,000	0.0650	$	1,948.50	COST OF POWER **KWH**		30,000	0.0650	$	1,948.50		
	CURRENT 2001 BILL			$	2,653.99	Adjusted 2002 BILL				$	2,723.56	$ 69.57	2.6%

MONTHLY CONSUMPTION 100kW, 40,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	275.44	MONTHLY SERVICE CHARGE		n/a	n/a	$	321.01		
	DISTRIBUTION KW	100	1.4690	$	146.90	DISTRIBUTION KW		100	1.70896	$	170.90		
	COST OF POWER KW	100	2.8315	$	283.15	COST OF POWER KW		100	2.8315	$	283.15		
	COST OF POWER **KWH**	40,000	0.0650	$	2,598.00	COST OF POWER **KWH**		40,000	0.0650	$	2,598.00		
	CURRENT 2001 BILL			$	3,303.49	Adjusted 2002 BILL				$	3,373.06	$ 69.57	2.1%

MONTHLY CONSUMPTION 500kW, 100,000kWh		KW (enter)	RATE $/KW		CHARGE $			KW	RATE $/KW		CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$	275.44	MONTHLY SERVICE CHARGE		n/a	n/a	$	321.01		
	DISTRIBUTION KW	500	1.4690	$	734.50	DISTRIBUTION KW		500	1.70896	$	854.48		
	COST OF POWER KW	500	2.8315	$	1,415.75	COST OF POWER KW		500	2.8315	$	1,415.75		
	COST OF POWER **KWH**	100,000	0.0650	$	6,495.00	COST OF POWER **KWH**		100,000	0.0650	$	6,495.00		
	CURRENT 2001 BILL			$	8,920.69	Adjusted 2002 BILL				$	9,086.24	$ 165.55	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	$	275.44	MONTHLY SERVICE CHARGE		n/a	n/a	$	321.01		
	DISTRIBUTION KW	500	1.4690	$	734.50	DISTRIBUTION KW		500	1.70896	$	854.48		
	COST OF POWER KW	500	2.8315	$	1,415.75	COST OF POWER KW		500	2.8315	$	1,415.75		
	COST OF POWER **KWH**	250,000	0.0650	$	16,237.50	COST OF POWER **KWH**		250,000	0.0650	$	16,237.50		
	CURRENT 2001 BILL			$	18,663.19	Adjusted 2002 BILL				$	18,828.74	$ 165.55	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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	1000	1.4690	$ 1,469.00	DISTRIBUTION KW	1000	1.70896	$ 1,708.96		
	COST OF POWER KW	1000	2.8315	$ 2,831.50	COST OF POWER KW	1000	2.8315	$ 2,831.50		
	COST OF POWER **KWH**	400,000	0.0650	$ 25,980.00	COST OF POWER **KWH**	400,000	0.0650	$ 25,980.00		
	CURRENT 2001 BILL			$ 30,555.94	Adjusted 2002 BILL			$ 30,841.47	$ 285.53	0.9%

MONTHLY CONSUMPTION 1000kW, 500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	1000	1.4690	$ 1,469.00	DISTRIBUTION KW	1000	1.70896	$ 1,708.96		
	COST OF POWER KW	1000	2.8315	$ 2,831.50	COST OF POWER KW	1000	2.8315	$ 2,831.50		
	COST OF POWER **KWH**	500,000	0.0650	$ 32,475.00	COST OF POWER **KWH**	500,000	0.0650	$ 32,475.00		
	CURRENT 2001 BILL			$ 37,050.94	Adjusted 2002 BILL			$ 37,336.47	$ 285.53	0.8%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	3000	1.4690	$ 4,407.00	DISTRIBUTION KW	3000	1.70896	$ 5,126.87		
	COST OF POWER KW	3000	2.8315	$ 8,494.50	COST OF POWER KW	3000	2.8315	$ 8,494.50		
	COST OF POWER **KWH**	#######	0.0650	$ 64,950.00	COST OF POWER **KWH**	#######	0.0650	$ 64,950.00		
	CURRENT 2001 BILL			$ 78,126.94	Adjusted 2002 BILL			$ 78,892.38	$ 765.44	1.0%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	3000	1.4690	$ 4,407.00	DISTRIBUTION KW	3000	1.70896	$ 5,126.87		
	COST OF POWER KW	3000	2.8315	$ 8,494.50	COST OF POWER KW	3000	2.8315	$ 8,494.50		
	COST OF POWER **KWH**	#######	0.0650	$ 97,425.00	COST OF POWER **KWH**	#######	0.0650	$ 97,425.00		
	CURRENT 2001 BILL			$ 110,601.94	Adjusted 2002 BILL			$ 111,367.38	$ 765.44	0.7%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	4000	1.4690	$ 5,876.00	DISTRIBUTION KW	4000	1.70896	$ 6,835.82		
	COST OF POWER KW	4000	2.8315	$ 11,326.00	COST OF POWER KW	4000	2.8315	$ 11,326.00		
	COST OF POWER **KWH**	#######	0.0650	$ 77,940.00	COST OF POWER **KWH**	#######	0.0650	$ 77,940.00		
	CURRENT 2001 BILL			$ 95,417.44	Adjusted 2002 BILL			$ 96,422.83	$ 1,005.39	1.1%

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	$ 275.44	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION KW	4000	1.4690	$ 5,876.00	DISTRIBUTION KW	4000	1.70896	$ 6,835.82		
	COST OF POWER KW	4000	2.8315	$ 11,326.00	COST OF POWER KW	4000	2.8315	$ 11,326.00		
	COST OF POWER **KWH**	#######	0.0650	$ 116,910.00	COST OF POWER **KWH**	#######	0.0650	$ 116,910.00		
	CURRENT 2001 BILL			$ 134,387.44	Adjusted 2002 BILL			$ 135,392.83	$ 1,005.39	0.7%

GENERAL SERVICE >50 KW TIME OF USE

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)					
WINTER	**KW**	**RATE $/kW**		**CHARGE $**	**WINTER**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION kW	100	0.4999	$	49.99	DISTRIBUTION kW	100	0.5816	$ 58.16		
kW COST OF POWER					kW COST OF POWER					
Demand Charge	100	11.0197	$	1,101.97	Demand Charge	100	11.0197	$ 1,101.97		
		RATE					**RATE**			
COST OF POWER	**kWh**	**$/kWh**			COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	20,000	0.0704	$	1,407.00	WINTER PEAK	20,000	0.0704	$ 1,407.00		
WINTER OFF PEAK	20,000	0.0420	$	839.00	WINTER OFF PEAK	20,000	0.0420	$ 839.00		
MONTHLY SERVICE CHARGE			$	2,112.29	MONTHLY SERVICE CHARGE			$ 2,459.56		
TOTAL			$	5,510.25	**TOTAL**			$ 5,865.69	$ 355.44	6.5%
SUMMER					**SUMMER**					
DISTRIBUTION kW	100	0.4999	$	49.99	DISTRIBUTION kW	100	0.5816	$ 58.16		
kW COST OF POWER					kW COST OF POWER					
Demand Charge	100	7.1258	$	712.58	Demand Charge	100	7.1258	$ 712.58		
		RATE					**RATE**			
COST OF POWER	**kWh**	**$/kWh**			COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	20,000	0.0594	$	1,187.00	SUMMER PEAK	20,000	0.0594	$ 1,187.00		
SUMMER OFF PEAK	20,000	0.0312	$	623.00	SUMMER OFF PEAK	20,000	0.0312	$ 623.00		
MONTHLY SERVICE CHARGE			$	2,112.29	MONTHLY SERVICE CHARGE			$ 2,459.56		
TOTAL			$	4,684.86	**TOTAL**			$ 5,040.30	$ 355.44	7.6%

GENERAL SERVICE - INTERMEDIATE USE

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

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)					
WINTER	**KW**	**RATE $/kW**		**CHARGE $**	**WINTER**	**KW**	**RATE $/kW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION kW	4000	0.0000	$	-	DISTRIBUTION 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**					
DISTRIBUTION kW	4000	0.0000	$	-	DISTRIBUTION 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 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				DISTRIBUTION					
kW	6000	0.0000	$ -	kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER				kW COST OF POWER					
Demand Charge	6000	0.0000	$ -	Demand Charge	6000	0.0000	$ -		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	#######	0.0000	$ -	WINTER PEAK	#######	0.0000	$ -		
WINTER OFF PEAK	#######	0.0000	$ -	WINTER OFF PEAK	1,500,000	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	6000	0.0000	$ -	kW	6000	#DIV/0!	#DIV/0!		
kW COST OF POWER				kW COST OF POWER					
Demand Charge	6000	0.0000	$ -	Demand Charge	6000	0.0000	$ -		
		RATE				**RATE**			
COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	#######	0.0000	$ -	SUMMER PEAK	#######	0.0000	$ -		
SUMMER OFF PEAK	#######	0.0000	$ -	SUMMER OFF PEAK	1,500,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			$ -	MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			$ -	**TOTAL**			#DIV/0!	#DIV/0!	#DIV/0!

Schedule of Rates and Charges

North Bay Hydro
Effective March 1, 2002

RP-2002-0027
EB-2002-0036

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, Thansgiving Day, Christmas Day and Boxing Day.
Off Peak: All Other Hours.

RESIDENTIAL

Monthly Service Charge	(per month)	$12.84
Distribution Volumetric Rate	(per kWh)	$0.0081
Cost of Power Rate	(per kWh)	$0.0740

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	$12.84
Distribution Volumetric Rate	(per kWh)	$0.0081
Cost of Power - Winter Peak	(per kWh)	$0.1216
Cost of Power - Winter Off Peak	(per kWh)	$0.0416
Cost of Power - Summer Peak	(per kWh)	$0.0958
Cost of Power - Summer Off Peak	(per kWh)	$0.0309

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$21.98
Distribution Volumetric Rate	(per kWh)	$0.0114
Cost of Power Rate	(per kWh)	$0.0729

GENERAL SERVICE < 50 KW (Time of Use)

Monthly Service Charge	(per month)	$21.98
Distribution Volumetric Rate	(per kWh)	$0.0114
Cost of Power - Winter Peak	(per kWh)	$0.1116
Cost of Power - Winter Off Peak	(per kWh)	$0.0416
Cost of Power - Summer Peak	(per kWh)	$0.0933
Cost of Power - Summer Off Peak	(per kWh)	$0.0309

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$321.01
Distribution Volumetric Rate	(per kW)	$1.7090
Cost of Power Demand Rate	(per kW)	$2.8315
Cost of Power Energy Rate	(per kWh)	$0.0650

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$2,459.56
Distribution Volumetric Rate	(per kW)	$0.5816
Cost of Power - Winter Peak	(per kW)	$11.0197
Cost of Power - Summer Peak	(per kW)	$7.1258
Cost of Power - Winter Peak	(per kWh)	$0.0704
Cost of Power - Winter Off Peak	(per kWh)	$0.0420
Cost of Power - Summer Peak	(per kWh)	$0.0594
Cost of Power - Summer Off Peak	(per kWh)	$0.0312

GENERAL SERVICE INTERMEDIATE USE

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power - Winter Peak	(per kW)	$0.0000
Cost of Power - Summer Peak	(per kW)	$0.0000
Cost of Power - Winter Peak	(per kWh)	$0.0000
Cost of Power - Winter Off Peak	(per kWh)	$0.0000
Cost of Power - Summer Peak	(per kWh)	$0.0000
Cost of Power - Summer Off Peak	(per kWh)	$0.0000

LARGE USE

Monthly Service Charge	(per month)	#DIV/0!
Distribution Volumetric Rate	(per kW)	#DIV/0!
Cost of Power - Winter Peak	(per kW)	$0.0000
Cost of Power - Summer Peak	(per kW)	$0.0000
Cost of Power - Winter Peak	(per kWh)	$0.0000
Cost of Power - Winter Off Peak	(per kWh)	$0.0000
Cost of Power - Summer Peak	(per kWh)	$0.0000
Cost of Power - Summer Off Peak	(per kWh)	$0.0000

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.86
Distribution Volumetric Rate	(per kW)	$4.7191
Cost of Power Demand Rate	(per kW)	$21.1024

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	$1.86
Distribution Volumetric Rate	(per kW)	$4.7191
Cost of Power - Winter	(per kW)	$27.6474
Cost of Power - Summer	(per kW)	$9.2563

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$0.45
Distribution Volumetric Rate	(per kW)	$1.6855
Cost of Power Demand Rate	(per kW)	$25.0813

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	$0.45
Distribution Volumetric Rate	(per kW)	$1.6859
Cost of Power - Winter	(per kW)	$33.0028
Cost of Power - Summer	(per kW)	$11.8598

MISCELLANEOUS CHARGES

ADD 2002 OEB APPROVED MISCELLANEOUS CHARGES HERE

New Account Setup	$	20.00
Change of Occupancy	$	-
Account History		
Administration Fee	$	-
Current Year Data	$	-
Each Additional Year Data	$	-
Arrear's Certificate	$	11.00
Late Payment		1.50%
Returned Cheque	$	25.00
Collection of Account Charge	$	20.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	$	20.00
At Meter - After Hours	$	60.00
Customer Requested Special Meter Reading	$	15.00
Dispute Involvement Charge	$	30.00
Temporary Pole Service	$	-
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 Winter	$	-
(discontinued at Mar Summer	$	-
Transformer Ownership Credit		
(per kW of billing demand service at less than 115 kV)	$	0.60
Primary Metering Allowance		
percentage of metered amounts billed		
kW		1.00%
kWh		1.00%

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	**North Bay Hydro Distribution Limited**			**Amount**
5	**October 1, 2001 to 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	No
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)			38,665,209
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			3,311,675
33				
34	1999 return from RUD Sheet #7			760,348
35				
36	Total Incremental revenue			2,551,327
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			0
40	Amount allowed in 2002, Year 2			1,275,664
41	Amount allowed in 2003, Year 3			1,275,664
42				
43	Equity			19,332,604
44				
45	Return at target ROE			1,910,061
46				
47	Debt			19,332,604
48				
49	Deemed interest amount in EBIT			1,401,614
50				
51	Phase-in of interest - Year 1			321,805
52	((D34+D39)/D32)*D49			
53	Phase-in of interest - Year 2			861,710
54	((D34+D39+D40)/D32)*D49			
55	Phase-in of interest - Year 3 (D49)			1,401,614
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	**North Bay Hydro Distribution Limited**			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5	**October 1, 2001 to December 31, 2001**		$	#	$		$	#	$		$	#
6												
7											Column	
8											Brought	
9											Forward	
10											From	
11											TAXREC	
12	**I) CORPORATE INCOME TAXES**											
13												
14	ACCOUNTING INCOME											
15	Regulatory Net Income	1		1A	190,087		190,087	1B	-1,870,701		-1,680,614	1C
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	*Additions: To Accounting Income*											
20	Depreciation & Amortization	2		2A	636,146		636,146	2B	-352,739		283,407	2C
21	Federal Large Corporation Tax	3		3A	0			3B	18,810		18,810	3C
22	Employee Benefit Plans - Accrued, Not Paid	4		4A	0			4B	0		0	4C
23	Change in Tax Reserves	5		5A	0			5B	0		0	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	4,665,674		4,665,674	7C
29	*Deductions: From Accounting Income*											
30	Capital Cost Allowance	8		8A	-251,812		-251,812	8B	-82,097		-333,909	8C
31	Employee Benefit Plans - Paid Amounts	9		9A	0			9B	0		0	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	-80,451		-80,451	12B	80,451		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	-4,641,969		-4,641,969	13C
39												
40	REGULATORY TAXABLE INCOME		0		493,969		493,969		-2,182,570		-1,688,601	
41	(sum of above)											
42												
43	CORPORATE INCOME TAX RATE											
44	Deemed %	14	34.1200%	14A	6.5000%		40.6200%	14B	-40.6200%		0.0000%	14C
45												
46	REGULATORY INCOME TAX											
47	Taxable Income x Rate		0		200,650		200,650		-200,650		0	
48												
49	Miscellaneous Tax Credits	15		15A	0			15B	0			15C
50												
51	**Total Regulatory Income Tax**		0		200,650		200,650		-200,650		0	
52												
53												
54												

	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	**North Bay Hydro Distribution Limited**			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5	**October 1, 2001 to December 31, 2001**		$	#	$		$	#	$		$	#
55												
56	**II) CAPITAL TAXES**											
57												
58	*Ontario*											
59	Base	16		16A	38,665,209		38,665,209	16B	4,451,476		43,116,685	16C
60	Less: Exemption	17		17A	-5,000,000		-5,000,000	17B	0		-5,000,000	17C
61	Deemed Taxable Capital		0		33,665,209		33,665,209		4,451,476		38,116,685	
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		25,249		25,249		3,574		28,822	
66												
67	*Federal (LCT)*											
68	Base	19		19A	38,665,209		38,665,209	19B	4,501,978		43,167,187	19C
69	Less: Exemption	20		20A	-10,000,000		-10,000,000	20B	0		-10,000,000	20C
70	Deemed Taxable Capital		0		28,665,209		28,665,209		4,501,978		33,167,187	
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		16,124		16,124		2,686		18,810	
75	Less: Federal Surtax	22	0	22A	-5,532		-5,532	22B	5,532		0	22C
76												
77	Net LCT		0		10,592		10,592		8,218		18,810	
78												
79												
80	III) INCLUSION IN RATES											
81												
82	IncomeTax (grossed-up)	23	0	23A	331,654		331,654	23B	-331,654			n/a
83	LCT (grossed-up)	24	0	24A	17,507		17,507	24B	-17,507			n/a
84	Ontario Capital Tax	25	0	25A	25,249		25,249	25B	-25,249			n/a
85												
86												
87	***Total S. 93 PILs Rate Adjustment***		0		374,409		374,409		-374,409			
88												
89												
90												

	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	**North Bay Hydro Distribution Limited**			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5	**October 1, 2001 to December 31, 2001**		$	#	$		$	#	$		$	#
91												
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							0	True-up		
99	Change in Tax Reserves	5							0	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							0	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)**								0	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)								-1,401,614			
122	Interest phased-in - (Deferral Account Cell G34)								80,451			
123												
124	Variance due to phase-in of debt stucture								-1,321,163			
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)								1,401,614			
132												
133	Variance caused by excess debt								1,401,614			
134												
135	**Interest Adjustment for Tax Purposes Cell I108**								0	True-up Amount- Used above		
136												
137	**Total Interest Variance (Cell I34)**								80,451			
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	**North Bay Hydro Distribution Limited**		Return			note
5	**October 1, 2001 to December 31, 2001**					#
6						
7						
8						
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					0	
16						
17					0	
18					0	
19					0	
20	Net income per T2 S(1)		-906,842	-726,140	-1,632,982	
21	adjusted for capital taxes taxes				0	
22					0	
23	Ontario Capital Tax	8	-28,822		-28,822	
24	Federal LCT	9	-18,810		-18,810	
25						
26	**Net Income Before Interest & Income Taxes EBIT**	10	-954,474	-726,140	-1,680,614	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		283,407	0	283,407	2C
30	Federal Large Corporation Tax		18,810	0	18,810	3C
31	Employee benefit plans-accrued, not paid				0	4C
32	Change in tax reserves				0	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			302,217	0	302,217	
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		620		620	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising				0	7C
46	Interest and penalties on taxes				0	7C
47	Legal and accounting fees				0	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	**North Bay Hydro Distribution Limited**		Return			note
5	**October 1, 2001 to December 31, 2001**					#
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		3,774,640		3,774,640	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book		500		500	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year		889,914		889,914	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	**III) INCLUSION IN RATES**				0	7C
81					0	
82	*Other Additions:*				0	7C
83					0	
84	*Total Other Additions*		4,665,674	0	4,665,674	7C
85						
86	Total Additions		4,967,891	0	4,967,891	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance		-333,909		-333,909	8C
90	Employee benefit plans-paid amounts				0	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			-333,909	0	-333,909	
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		-1,035,595		-1,035,595	13C
113	Reserves from F/S- beginning of year		-3,606,374		-3,606,374	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	**North Bay Hydro Distribution Limited**		Return			note
5	**October 1, 2001 to December 31, 2001**					#
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*		-4,641,969	0	-4,641,969	13C
134						
135	Total Deductions		-4,975,878	0	-4,975,878	
136						
137						
138	TAXABLE INCOME		-962,461	-726,140	-1,688,601	
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	**North Bay Hydro Distribution Limited**		Return			note
5	**October 1, 2001 to December 31, 2001**					#
6						
142						
143						
144	**ONTARIO CAPITAL TAX**					
145						
146	**PAID-UP CAPITAL**					
147						
148	Paid-up capital stock		19,511,601		19,511,601	
149	Retained earnings (if deficit, deduct)		1,332,240		1,332,240	
150	Capital and other surplus excluding				0	
151	appraisal surplus				0	
152	Loans and advances		19,584,301		19,584,301	
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		2,739,045		2,739,045	
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		43,167,187	0	43,167,187	
165	Subtract:					
166	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked		-50,502		-50,502	
168	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	**Total (Net) Paid-up Capital**		43,116,685	0	43,116,685	
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	**North Bay Hydro Distribution Limited**		Return			note
5	**October 1, 2001 to December 31, 2001**					#
6						
187						
188	**TOTAL ASSETS**					
189						
190	Total assets per balance sheet		49,943,828		49,943,828	
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**		49,943,828	0	49,943,828	
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		-50,502		-50,502	
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**		49,893,327	1	49,893,328	
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		43,116,685	0	43,116,685	
222	Subtract: Investment Allowance		0	0	0	
223					0	
224	Taxable Capital		43,116,685	0	43,116,685	
225						
226	**Capital Tax Calculation**					
227						
228	Taxable capital		43,116,685	0	43,116,685	16C
229						
230	Deduction from taxable capital up to $5,000,000		-5,000,000		-5,000,000	17C
231						
232	Net Taxable Capital		38,116,685	0	38,116,685	
233						
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		92	92	92	
237	Divide days by 365		0.2521	0.2521	0.2521	
238						
239	**Ontario Capital Tax**		28,822	0	28,822	
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	**North Bay Hydro Distribution Limited**		Return			note
5	**October 1, 2001 to December 31, 2001**					#
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		2,739,045		2,739,045	
250	Capital stock		19,511,601		19,511,601	
251	Retained earnings		1,332,240		1,332,240	
252	Contributed surplus				0	
253	Any other surpluses				0	
254	Deferred unrealized foreign exchange gains				0	
255	All loans and advances to the corporation		19,584,301		19,584,301	
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		43,167,187	0	43,167,187	
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**		43,167,187	0	43,167,187	
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	**North Bay Hydro Distribution Limited**		Return			note
5	**October 1, 2001 to December 31, 2001**					#
6						
292						
293	**TAXABLE CAPITAL**					
294						
295	Capital for the year		43,167,187	0	43,167,187	
296						
297	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		43,167,187	0	43,167,187	19C
300						
301	Deduct: Capital Deduction $10,000,000		-10,000,000		-10,000,000	20C
302						
303	**Taxable Capital**		33,167,187	0	33,167,187	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
307	Days in year		92	92	92	
308	Divide days by 365		0.2521	0.2521	0.2521	
309						
310	**Gross Part I.3 Tax LCT**		18,810	0	18,810	
311						
312	Federal Surtax Rate		0.0000%	0.0000%	0.0000%	
313						
314	Federal Surtax = Taxable Income x Surtax Rate		0	0	0	
315						
316	**Net Part I.3 Tax LCT Payable**		18,810	0	18,810	
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 01.00**
2	**REGULATORY INFORMATION (REGINFO)**			
3	**Utility Name: NORTH BAY HYDRO DISTRIBUTION LIMITED**			
4	**Reporting period: 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	N
21	Please identify the % used to allocate the exemption in Cell C63 in the TAXCALC spreadsheet.			
22				
23	Accounting Year End		Date	DECEMBER 31, 2002
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)			38,665,209
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			3,311,675
41				
42	1999 return from RUD Sheet #7			760,348
43				
44	Total Incremental revenue			2,551,327
45	Input Board-approved dollar amounts phased-in			
46				
47	Amount allowed in 2001, Year 1			0
48	Amount allowed in 2002, Year 2			1,275,664
49	Amount allowed in 2003, Year 3 and forward (will be zero due to Bill 210)			0
50				
51	Equity			19,332,605
52				
53	Return at target ROE			1,910,061
54				
55	Debt			19,332,605
56				
57	Deemed interest amount in EBIT			1,401,614
58				
59	Phase-in of interest - Year 1 (2001)			321,805
60	((D38+D43)/D36)*D54			
61	Phase-in of interest - Year 2 (2002)			861,710
62	((D38+D43+D44)/D36)*D54			
63	Phase-in of interest - Year 3 (2003) and forward			861,710
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 01.00**	
6			$						$		$	
7	**Utility Name: NORTH BAY HYDRO DISTRIBUTION LIMITED**											
8	**Reporting period: 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												
13												
14	**I) CORPORATE INCOME TAXES**											
15	Regulatory Net Income	1	2,036,012						-3,933,987		-1,897,975	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	***Additions:***											
20	Depreciation & Amortization	2	2,544,583						-278,407		2,266,176	
21	Employee Benefit Plans - Accrued, Not Paid	3	0						0		0	
22	Tax reserves deducted in prior year	4	0						1,035,595		1,035,595	
23	Reserves from financial statements-end of year	4	0						4,717,275		4,717,275	
24	Regulatory Adjustments	5	0						0		0	
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6	0						0		0	
27	Other Additions (not "Material") "TAXREC"	6	0						0		0	
28	"Material Items from "TAXREC 2" worksheet	6	0						1,263,069		1,263,069	
29	Other Additions (not "Material") "TAXREC 2"	6	0						0		0	
30												
31	***Deductions:***											
32	Capital Cost Allowance and CEC	7	1,962,175						595,471		2,557,646	
33	Employee Benefit Plans - Paid Amounts	8	0						0		0	
34	Items Capitalized for Regulatory Purposes	9	0						0		0	
35	Regulatory Adjustments	10	0						0		0	
36	Interest Expense Deemed/ Incurred	11	861,710						126,090		987,800	
37	Tax reserves claimed in current year	4	0						1,364,249		1,364,249	
38	Reserves from F/S beginning of year	4	0						3,774,640		3,774,640	
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						0		0	
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	REGULATORY TAXABLE INCOME/ (LOSSES)		1,756,710						8,663,995		-1,300,195	
49												
50	CORPORATE INCOME TAX RATE											
51	Deemed %	13	38.62%						0.0000%		38.62%	
52												
53	REGULATORY INCOME TAX		678,441						-678,441		0	
54	Taxable Income x Rate											
55												
56	Miscellaneous Tax Credits	14	0						0		0	
57												
58	**Total Regulatory Income Tax**		678,441						-678,441		0	
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	38,665,209						3,035,152		41,700,361	
67	Less: Exemption	16	5,000,000						-203,063		4,796,937	
68	Deemed Taxable Capital		33,665,209						2,832,089		36,903,424	
69												
70	Rate (.3%)	17	0.3000%						0.0000%		0.3000%	
71												
72	Net Amount (Taxable Capital x Rate)		100,996						9,715		110,710	
73												
74	*Federal (LCT)*											
75	Base	18	38,665,209						1,996,911		40,662,120	
76	Less: Exemption	19	10,000,000						0		10,000,000	
77	Deemed Taxable Capital		28,665,209						1,996,911		30,662,120	
78												
79	Rate (.225%)	20	0.2250%						0.0000%		0.2250%	
80												
81	Gross Amount (Taxable Capital x Rate)		64,497						4,493		68,990	
82	Less: Federal Surtax	21	19,675						-19,675		0	
83												
84	Net LCT		44,822						-15,182		68,990	
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	1,085,506									
91	LCT (grossed-up)	23	71,715									
92	Ontario Capital Tax	24	100,996									
93												
94												
95	***Total S. 93 PILs Rate Adjustment***	25	1,258,216									
96												
97												

	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 01.00**	
6			$						$		$	
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							1,035,595			
104	Reserves from financial statements-end of year	4							4,717,275			
105	Regulatory Adjustments	5							0			
106	Other additions "Material" Items "TAXREC"	6							0			
107	Other additions "Material" Items "TAXREC 2"	6							1,263,069			
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							1,364,249			
114	Reserves from F/S beginning of year	4							3,774,640			
115	Contributions to deferred income plans	3							0			
116	Contributions to pension plans	3							0			
117	Other deductions "Material" Items "TAXREC"	12							0			
118	Other deductions "Material" Item "TAXREC 2"	12							0			
119												
120	Total TRUE-UPS before tax effect	26						=	1,877,050			
121												
122	Income Tax Rate (excluding surtax)							x	35.50%			
123												
124	Income Tax Effect on True-up adjustments							=	666,353			
125												
126	Less: Miscellaneous Tax Credits	14							0			
127												
128	Total Income Tax on True-ups								666,353			
129												
130	Income Tax Rate used for gross-up (exclude surtax)								35.50%			
131												
132	**TRUE-UP VARIANCE**								1,033,105			
133												
134	**IV b) Calculation of the Deferral Account Variance**											
135												
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							=	1,756,710			
137												
138	REVISED CORPORATE INCOME TAX RATE							x	38.62%			
139												
140	REVISED REGULATORY INCOME TAX							=	678,441			
141												
142	Less: Revised Miscellaneous Tax Credits							-	0			
143												
144	Total Revised Regulatory Income Tax							=	678,441			
145												
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)							-	678,441			
147												
148	Regulatory Income Tax Variance							=	0			
149												
150	Ontario Capital Tax											
151	Base							=	38,665,209			
152	Less: Exemption							-	5,000,000			
153	Revised deemed taxable capital							=	33,665,209			
154												
155	Rate (as a result of legislative changes)							x	0.3000%			
156												
157	Revised Ontario Capital Tax							=	100,996			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)							-	100,996			
159	Regulatory Ontario Capital Tax Variance							=	0			
160												
161	Federal LCT											
162	Base								38,665,209			
163	Less: Exemption							-	10,000,000			
164	Revised Federal LCT							=	28,665,209			
165												
166	Rate (as a result of legislative changes)								0.2250%			
167												
168	Gross Amount								64,497			
169	Less: Federal surtax							-	19,675			
170	Revised Net LCT							=	44,822			
171												
172	Less: Federal LCT reported in the initial estimate column (Cell C84)							-	44,822			
173	Regulatory Federal LCT Variance							=	0			
174												
175	Income Tax Rate used for gross-up (exclude surtax)								37.50%			
176												
177	Income Tax (grossed-up)							+	0			
178	LCT (grossed-up)							+	0			
179	Ontario Capital Tax							+	0			
180												
181	**DEFERRAL ACCOUNT VARIANCE**							=	0			
182												
183	**TRUE-UP VARIANCE (from cell I132)**							+	1,033,105			
184												
185	**Deferral Account Entry (Positive Entry = Debit)**							=	1,033,105			
186	*(Deferral Account Variance + True-up Variance)*											
187	*To be included as deferral account in rate application)*											
188												

	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 01.00**	
6			$						$		$	
189												
190	**V) INTEREST PORTION OF TRUE-UP**											
191	**Variance Caused By Phase-in of Deemed Debt**											
192												
193	Total deemed interest (REGINFO)								1,401,614			
194	Interest phased-in (Cell C36)								861,710			
195												
196	Variance due to phase-in of debt structure								539,904			
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)								987,800			
202	Total deemed interest (REGINFO CELL D57)								1,401,614			
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**								539,904			
209												

	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			Return			
5					**Version 01.00**	
6	**Section A: Identification:**					
7	**Utility Name: NORTH BAY HYDRO DISTRIBUTION LIMITED**					
8	**Reporting period: DECEMBER 31, 2002**					
9	**Taxation Year's start date: JANUARY 1, 2002**					
10	**Taxation Year's end date: DECEMBER 31, 2002**					
11	**Number of days in taxation year:**		365	days		
12						
13	**Please enter the Materiality Level :**		48,332	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N	Y			
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-wire related operation?**	Y/N	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 positive number, the program automatically treat all amounts*					
28	*in the "non-wires elimination column" entered as negative values in the TAXREC and TAXREC2.*					
29	***Description:***					
30	*Income:*					
31	Distribution Revenue	+	22,788,679		22,788,679	
32	Other Income	+	979,120		979,120	
33	Miscellaneous income	+	77,538	77,538	0	
34		+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Expenses:					
39	Cost of energy purchased	-	15,740,000		15,740,000	
40	Administration	-	3,153,580		3,153,580	
41	Write off of Transition Costs	-	722,314		722,314	
42	Amortization	-	2,266,176		2,266,176	
43	Operations and maintenance	-	2,057,605		2,057,605	
44	Ontario Capital Tax	-			0	
45	Property Taxes	-	165,000		165,000	
46	Interest	-	0		0	
47	Loss on write down of building	-	540,755		540,755	
48	Write off of retail settlement variance accounts	-	1,020,344		1,020,344	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	-1,820,437	77,538	-1,897,975	
51	Less: Interest expense for accounting purposes	-	987,800		987,800	
52	Provision for payments in lieu of income taxes	-	193,629		193,629	
53	**Net Income (loss)**	=	-3,001,866	77,538	-3,079,404	
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	+	193,629	0	193,629	
60	Depreciation & Amortization	+	2,266,176	0	2,266,176	
61	Employee benefit plans-accrued, not paid	+	0	0	0	
62	*Tax reserves deducted in prior year*	+	1035595	0	1,035,595	
63	*Reserves from financial statements- end of year*	+	4,717,275		4,717,275	
64	Regulatory adjustments	+			0	
65	Material addition items from TAXREC 2	+	1,263,069	0	1,263,069	
66	Other addition items (not Material) from TAXREC 2	+	0	0	0	
67						
68	*Subtotal*		9,475,744	0	9,475,744	
69						
70	*Other Additions: (Please explain the nature of the additions)*					
71	Recapture of CCA	+			0	
72	Non-deductible meals and entertainment expense	+			0	
73	Capital items expensed	+			0	
74		+			0	
75		+			0	
76		+			0	
77		+			0	
78	*Total Other Additions*	=	0	0	0	
79						
80	Total Additions	=	9,475,744	0	9,475,744	
81						
82	Recap Material Additions:					
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	*Total Other additions >materiality level*		0	0	0	
91	Other deductions (less than materiality level)		0	0	0	
92	Total Other Additions		0	0	0	
93						

	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			Return			
5					**Version 01.00**	
94	BOOK TO TAX DEDUCTIONS:					
95	Capital cost allowance	-	2,557,646		2,557,646	
96	Cumulative eligible capital deduction	-			0	
97	Employee benefit plans-paid amounts	-			0	
98	Items capitalized for regulatory purposes	-			0	
99	*Regulatory adjustments :*	-			0	
100	*CCA*	-			0	
101	*other deductions*	-			0	
102	*Tax reserves claimed in current year*	-	1,364,249	0	1,364,249	
103	*Reserves from F/S- beginning of year*	-	3,774,640		3,774,640	
104	*Contributions to deferred income plans*	-			0	
105	*Contributions to pension plans*	-			0	
106	Interest capitalized for accounting deducted for tax	-			0	
107	Material deduction items from TAXREC 2	-	0	0	0	
108	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
109						
110	Subtotal	=	7,696,535	0	7,696,535	
111	*Other deductions (Please explain the nature of the deductions)*					
112	Charitable donations - tax basis	-			0	
113	*Gain on disposal of assets*	-			0	
114		-			0	
115					0	
116		-			0	
117	*Total Other Deductions*	=	0	0	0	
118						
119	Total Deductions	=	7,696,535	0	7,696,535	
120						
121	Recap Material Deductions:					
122			0	0	0	
123			0	0	0	
124			0	0	0	
125			0	0	0	
126			0	0	0	
127	*Total Other Deductions exceed materiality level*		0	0	0	
128	Other Deductions less than materiality level		0	0	0	
129	Total Other Deductions		0	0	0	
130						
131	TAXABLE INCOME	=	-1,222,657	77,538	-1,300,195	
132	DEDUCT:					
133	Non-capital loss applied	-			0	
134	Net capital loss applied	-			0	
135	NET TAXABLE INCOME	=	-1,222,657	77,538	-1,300,195	
136						
137	Net Federal Income Tax	+			0	
138	Net Ontario Income Tax	+			0	
139	Subtotal	=	0	0	0	
140	Less: Miscellaneous tax credits	-			0	
141	Total Income Tax	=	0	0	0	
142						
143						
144	**Section D: Detail calculation of the Ontario Capital Tax**					
145	**ONTARIO CAPITAL TAX**					
146	**(From Ontario CT23)**					
147	**PAID-UP CAPITAL**					
148						
149	Paid-up capital stock	+	19,511,601		19,511,601	
150	Retained earnings (if deficit, deduct)	+/-	-1,669,626		-1,669,626	
151	Capital and other surplus excluding	+			0	
152	appraisal surplus	+			0	
153	Loans and advances	+	20,800,069		20,800,069	
154	Bank loans	+			0	
155	Bankers acceptances	+			0	
156	Bonds and debentures payable	+			0	
157	Mortgages payable	+			0	
158	Lien notes payable	+			0	
159	Deferred credits	+			0	
160	Contingent, investment, inventory and similar reserves	+			0	
161	Other reserves not allowed as deductions	+	4,245,895		4,245,895	
162	Share of partnership(s), joint venture(s) paid-up capital	+			0	
163	Sub-total	=	42,887,939	0	42,887,939	
164	Subtract:					
165	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
166	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
167	**Total (Net) Paid-up Capital**	=	42,887,939	0	42,887,939	
168						
169	**ELIGIBLE INVESTMENTS**					
170						
171	Bonds, lien notes, interest coupons	+			0	
172	Mortgages due from other corporations	+			0	
173	Shares in other corporations	+			0	
174	Loans and advances to unrelated corporations	+			0	
175	Eligible loans and advances to related corporations	+	1,332,950		1,332,950	
176	Share of partnership(s) or joint venture(s) eligible investments	+			0	
177						
178	**Total Eligible Investments**	=	1,332,950	0	1,332,950	
179						

	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			Return			
5					**Version 01.00**	
180						
181	**TOTAL ASSETS**					
182						
183	Total assets per balance sheet	+	48,137,887		48,137,887	
184	Mortgages or other liabilities deducted from assets	+			0	
185	Share of partnership(s)/ joint venture(s) total assets	+			0	
186	Subtract: Investment in partnership(s)/joint venture(s)	-			0	
187						
188	**Total assets as adjusted**	=	48,137,887	0	48,137,887	
189						
190	Add: (if deducted from assets)					
191	Contingent, investment, inventory and similar reserves	+			0	
192	Other reserves not allowed as deductions	+			0	
193	Subtract:				0	
194	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
195	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
196	Subtract: Appraisal surplus if booked	-			0	
197	Add or subtract: Other adjustments	+/-			0	
198						
199	**Total Assets**	=	48,137,887	0	48,137,887	
200						
201						
202	**Investment Allowance**		1,187,578	0	1,187,578	
203						
204	**Taxable Capital**					
205						
206	Net paid-up capital	+	42,887,939	0	42,887,939	
207	Subtract: Investment Allowance	-	1,187,578	0	1,187,578	
208						
209	Taxable Capital	=	41,700,361	0	41,700,361	
210						
211	**Capital Tax Calculation**					
212	Deduction from taxable capital up to $5,000,000		4,796,937		4,796,937	
213						
214	Net Taxable Capital		36,903,424	0	36,903,424	
215						
216	Rate 0.3%		0.3000%	0.3000%	0.3000%	
217						
218	Days in taxation year		365	365	365	
219	Divide days by 365		1.00	1.00	1.00	
220						
221	**Ontario Capital Tax**		110,710	0	110,710	
222						
223						
224	**LARGE CORPORATION TAX**					
225	**(From Federal Schedule 33)**					
226	**CAPITAL**					
227	ADD:					
228	Reserves that have not been deducted in computing income for the year under Part I	+	3,353,026		3,353,026	
229	Capital stock	+	19,511,601	0	19,511,601	
230	Retained earnings	+			0	
231	Contributed surplus	+			0	
232	Any other surpluses	+			0	
233	Deferred unrealized foreign exchange gains	+			0	
234	All loans and advances to the corporation	+	20,800,069		20,800,069	
235	All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+			0	
236	Any dividends declared but not paid	+			0	
237	All other indebtedness outstanding for more than 365 days	+			0	
238						
239	Subtotal	=	43,664,696	0	43,664,696	
240						
241	DEDUCT:					
242	Deferred tax debit balance	-			0	
243	Any deficit deducted in computing shareholders' equity	-	1,669,626		1,669,626	
244	Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0	
245	Deferred unrealized foreign exchange losses	-			0	
246						
247	Subtotal	=	1,669,626	0	1,669,626	
248						
249	**Capital for the year**		41,995,070	0	41,995,070	
250						

	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			Return			
5					**Version 01.00**	
251	**INVESTMENT ALLOWANCE**					
252						
253	Shares in another corporation	+			0	
254	Loan or advance to another corporation	+	1,332,950		1,332,950	
255	Bond, debenture, note, mortgage, or	+			0	
256	similar obligation of another corporation	+			0	
257	Long term debt of financial institution	+			0	
258	Dividend receivable from another corporation	+			0	
259	Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0	
260	Interest in a partnership	+			0	
261						
262	**Investment Allowance**	=	1,332,950	0	1,332,950	
263						
264						
265	**TAXABLE CAPITAL**					
266						
267	Capital for the year	=	41,995,070	0	41,995,070	
268						
269	Deduct: Investment allowance	-	1,332,950	0	1,332,950	
270						
271	Taxable Capital for taxation year	=	40,662,120	0	40,662,120	
272						
273	Deduct: Capital Deduction $10,000,000	-	10,000,000	0	10,000,000	
274						
275	**Taxable Capital**	=	30,662,120	0	30,662,120	
276						
277	Rate .225%		0.22500%	0.22500%	0.22500%	
278						
279	Days in year		365	365	365	
280	Divide days by 365		1.0000	1.0000	1.0000	
281						
282	**Gross Part I.3 Tax LCT**	=	68,989.77	0.00	68,989.77	
283						
284	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
285						
286	Less: Federal Surtax = Taxable Income x Surtax Rate	-	0	868	0	
287						
288	**Net Part I.3 Tax LCT Payable**	=	68,990	0	68,990	
289	(If surtax is greater than Gross LCT, then zero)					
290						
291	RECAP:					
292	Total Income Taxes	+	0	0	0	
293	Ontario Capital Tax	+	110,710	0	110,710	
294	Federal Large Corporations Tax	+	68,990	0	68,990	
295						
296	Total income and capital taxes	=	179,700	0	179,700	
297						

Appendix 5

2002 Signed Decision

Ontario Energy Board
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie de l'Ontario
C.P. 2319
26e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone; 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273

Ontario

BY PRIORITY POST

March 28, 2002

David Wills
General Manager/Secretary
North Bay Hydro Distribution Limited
1350 Fisher St.
P.O. Box 3240
North Bay, ON
P1B-8Y5

Dear Mr. Wills:

Re: North Bay Hydro Distribution Limited
March 2002 LDC Rate Adjustments
Board File No. RP-2002-0027/EB-2002-0036

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,

Peter H. O'Dell
Assistant Board Secretary

Encl.

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2002-0027
EB-2002-0036

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 North Bay Hydro Distribution Limited 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.

North Bay Hydro Distribution Limited ("the Applicant") filed an Application ("the Application"), dated January 25, 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 May 1, 2002.

The Applicant filed revised applications dated February 24, and March 21, 2002 (collectively "the Revised Application").

The Board published a generic Notice in newspapers across Ontario informing ratepayers of the distribution rate adjustments to be effective on or after 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. One submission was received which stated that North Bay Hydro assets and increased revenues were used to fund non-hydro functions, the utility is incurring new debts, and that the utility is providing information that can be misleading to the readers.

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.

- one half of the second of three installments of the utility's incremental Market Adjusted Revenue Requirement (MARR), $427,796.

- the 2001 deferred Payments in Lieu of Taxes (PILs), $374,409.

- thirty eight percent (38%) of the 2002 Payments in Lieu of Taxes (PILs) of $1,258,217, or $478,122.

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.

no mention of transition costs

The Board notes that, because of rate impact concerns, the Applicant proposed to forego recovery of 68% of 2002 PILs, or $780,095, and defer recovery of the one half of the second of three installments of MARR, $427,796, to May 1, 2003. The Board accepts the Applicant's proposals.

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 May 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, March 28, 2002.

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0027
EB-2002-0036

MARCH 28, 2002

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

North Bay Hydro Distribution Limited
Schedule of Rates and Charges
Effective May 1, 2002

RP-2002-0027
EB-2002-0036

Time Periods for Time of Use (Eastern Standard Time)

Winte : 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)	$12.84
Distribution Volumetric Rate	(per kWh)	$0.0081
Cost of Power Rate	(per kWh)	$0.0740

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	$12.84
Distribution Volumetric Rate	(per kWh)	$0.0081
Cost of Power - Winter Peak	(per kWh)	$0.1216
Cost of Power - Winter Off Peak	(per kWh)	$0.0416
Cost of Power - Summer Peak	(per kWh)	$0.0958
Cost of Power - Summer Off Peak	(per kWh)	$0.0309

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$21.98
Distribution Volumetric Rate	(per kWh)	$0.0114
Cost of Power Rate	(per kWh)	$0.0729

GENERAL SERVICE < 50 KW (Time of Use)

Monthly Service Charge	(per month)	$21.98
Distribution Volumetric Rate	(per kWh)	$0.0114
Cost of Power - Winter Peak	(per kWh)	$0.1116
Cost of Power - Winter Off Peak	(per kWh)	$0.0416
Cost of Power - Summer Peak	(per kWh)	$0.0933
Cost of Power - Summer Off Peak	(per kWh)	$0.0309

See Appendix B of Submission

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$321.01
Distribution Volumetric Rate	(per kW)	$1.7090
Cost of Power Demand Rate	(per kW)	$2.8315 X
Cost of Power Energy Rate	(per kWh)	$0.0650 X

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$2,459.56
Distribution Volumetric Rate	(per kW)	$0.5816
Cost of Power - Winter Peak	(per kW)	$11.0197
Cost of Power - Summer Peak	(per kW)	$7.1258
Cost of Power - Winter Peak	(per kWh)	$0.0704 X
Cost of Power - Winter Off Peak	(per kWh)	$0.0420
Cost of Power - Summer Peak	(per kWh)	$0.0594
Cost of Power - Summer Off Peak	(per kWh)	$0.0312
Monthly Service Charge	(per month)	$1.06
Distribution Volumetric Rate	(per kW)	$2.9502 X
Cost of Power Demand Rate	(per kW)	$23.2517

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per ~~month~~ Connection)	$1.86
Distribution Volumetric Rate	(per kW)	$4.7191
Cost of Power Demand Rate	(per kW)	$21.1024 X

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per connection)	$1.86
Distribution Volumetric Rate	(per kW)	$4.7191
Cost of Power - Winter	(per kW)	$27.6474
Cost of Power - Summer	(per kW)	$9.2563

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	$0.45
Distribution Volumetric Rate	(per kW)	$1.6855
Cost of Power Demand Rate	(per kW)	$25.0813 X

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per connection)	$0.45
Distribution Volumetric Rate	(per kW)	$1.6859
Cost of Power - Winter	(per kW)	$33.0028
Cost of Power - Summer	(per kW)	$11.8598

SPECIFIC SERVICE CHARGES

Customer Administration:			
New Account Setup		$	20.00
Dispute Involvement Charge		$	30.00
Arrear's Certificate		$	11.00
Non-Payment of Account:			
Late Payment Charge	(per month)		1.5%
	(per annum)		19.56%
Collection of Account Charge		$	20.00
Returned Cheque - Plus Actual Bank Charges		$	25.00
Disconnect/Reconnect Charges (non payment of account)			
At Meter - during regular working hours		$	20.00
At Meter - after regular working hours		$	80.00
Customer Requested Special Meter Reading		$	15.00
Transformer			
Allowance for ownership (per KW of billing demand)		$	0.60
Primary Metering Allowance			
percentage of metered amounts billed	kW		1.00%
	kWh		1.00%

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$2.10
Distribution Volumetric Rate	(per kW)	$5.3148
Cost of Power Demand Rate	(per kW)	$18.4524

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	$1.94
Distribution Volumetric Rate	(per kW)	$5.3154
Cost of Power - Winter	(per kW)	$27.6474
Cost of Power - Summer	(per kW)	$9.2563

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$0.51
Distribution Volumetric Rate	(per kW)	$1.8970
Cost of Power Demand Rate	(per kW)	$22.4313

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	$0.51
Distribution Volumetric Rate	(per kW)	$1.8970
Cost of Power - Winter	(per kW)	$33.0028
Cost of Power - Summer	(per kW)	$11.8598

MISCELLANEOUS CHARGES

ADD 2002 OEB APPROVED MISCELLANEOUS CHARGES HERE

Appendix 6

2004 Approved RAM Model

SHEET 1 - December 31, 2002 Regulatory Assets

V2

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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		$690,232
RSVA - Retail Transmission Network Charge	1584		$49,935
RSVA - Retail Transmission Connection Charge	1586		$7,353
RSVA - Power	1588		$431,126
Sub-Total			$1,178,646
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		$54,171
PILs Contra Account	1563		$0
Qualifing Transition Costs	1570		$0
Pre-Market Opening Energy Variances Total	1571		$28,990
Pre-Market Opening Energy Variances - 2001		-$182,395	
Pre-Market Opening Energy Variances - 2002		$211,385	
Extra-Ordinary Event Losses	1572		$0
Deferred Rate Impact Amounts	1574		$0
Other Deferred Credits	2425		$0
Total Applied-for Regulatory Assets		**(a)**	$1,261,807

(1) Total of 4 RSVA Accounts	**(b)**	$1,178,646	Approved for 2004 Final Recovery
4 RSVA accounts as a percent of total: (b) / (a)		93.4%	
(2) 25 % of (a)	**(c)**	$527,452	
		$212,000	added for rate stability

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)	$527,452	Approved for Final 2004 Rate Recovery
Gross Up for Recovery over 11 months: Amount (c) x 12/11	$575,402	Enter this amount on Sheet 3 (Therefore, entry on Sheet 5 is zero.)
Remaining Final Amount to be recovered in future periods (b) - (c)	$651,194	Ignore minus sign

Section 2: For LDCs with 4 RSVA accounts less than 25 % of Total:

25% of total applied-for Regulatory Asset Accounts: Amount (c)		$315,452	Approved for 2004 Rate Recovery
Final 4 RSVA Amount as shown at (b)		$1,178,646	
Gross Up for Recovery over 11 months: Amount (b) x 12/11		$1,285,796	Enter this amount on Sheet 3
Interim Amount to be recovered (c) - (b)	**(d)**	-$863,194	
Gross Up for Recovery over 11 months: Amount (d) x 12/11		-$941,666	Enter this amount on Sheet 5
Total Final + Interim Amount for Recovery (b) + (d) (no gross up)		$315,452	

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.	X
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.	

SHEET 2 - 2002 Base Rate Schedule

V2

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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	$0.0073
MONTHLY SERVICE CHARGE (Per Customer)	$11.55

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0073
MONTHLY SERVICE CHARGE (Per Customer)	$11.55

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0103
MONTHLY SERVICE CHARGE (Per Customer)	$19.77

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.5385
MONTHLY SERVICE CHARGE (Per Customer)	$288.48

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.5236
MONTHLY SERVICE CHARGE (Per Customer)	$2,212.27

GENERAL SERVICE INTERMEDIATE USE

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

LARGE USE

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.2444
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.2444
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.5190
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.5190
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

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		$	20.00
Change of Occupancy		$	20.00
Account History			
Administration Fee		$	-
Current Year Data		$	-
Each Additional Year Data		$	-
Arrear's Certificate		$	11.00
Late Payment			1.50%
Returned Cheque		$	25.00
Collection of Account Charge		$	20.00
Disconnect/Reconnect Charges (non payment of account)			
At Meter - During Regular Hours		$	20.00
At Meter - After Hours		$	80.00
Temporary Pole Service		$	-
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	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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. $ 575,402.00
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	2002 kWh Shares	2002 Reg. Asset RSVA Allocations
RESIDENTIAL CLASS	-	211,788,238	20,258	$4,835,845.97	37.2%	$ 214,051.18
GENERAL SERVICE <50 KW CLASS	-	94,314,935	3,077	$1,905,615.58	16.6%	$ 95,322.68
GENERAL SERVICE >50 KW NON TIME OF USE	570,094	201,332,160	264	$1,991,250.33	35.4%	$ 203,483.38
GENERAL SERVICE >50 KW TIME OF USE	111,079	58,269,821	2	$123,632.99	10.2%	$ 58,892.43
INTERMEDIATE USE	0	0	0	$0.00	0.0%	$ -
LARGE USER CLASS	0	0	0	$0.00	0.0%	$ -
SENTINEL LIGHTS	500	195,634	1,046	$25,706.27	0.0%	$ 197.72
STREET LIGHTING CLASS	9,600	3,418,082	5,287	$44,730.60	0.6%	$ 3,454.60
TOTALS		569,318,869	29,934	$8,926,781.74	1.00	$ 575,402.00
		Allocated Total for 4 major RSVA accounts ==>				$ 575,402.00

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)	$ 214,051.18	$ -		$ 214,051.18
(B) RETAIL kWh in 2002	211,788,238			
(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)	$0.0010			

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)	$ 95,322.68	$ -		$ 95,322.68
(B) RETAIL kWh in 2002	94,314,935			
(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)	$0.0010			

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)	$ 203,483.38	$ -	$ 203,483.38
(B) RETAIL KW in 2002	570,094		
(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)	$0.3569		

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 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G25 above)	$ 58,892.43	$ -	$ 58,892.43
(B) RETAIL KW in 2002	111,079		
(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)	$0.5302		

Intermediate Class

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 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 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G27 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!		

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 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G28 above)	$ 197.72	$ -	$ 197.72
(B) RETAIL KW in 2002	500		
(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)	$0.3954		

Streetlighting Class

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 G29 above)	$ 3,454.60	$ -	$ 3,454.60
(B) RETAIL KW in 2002	9,600		
(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)	$0.3599		

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

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0083
MONTHLY SERVICE CHARGE (Per Customer)	$11.55

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0083
MONTHLY SERVICE CHARGE (Per Customer)	$11.55

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0113
MONTHLY SERVICE CHARGE (Per Customer)	$19.77

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.8954
MONTHLY SERVICE CHARGE (Per Customer)	$288.48

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$1.0537
MONTHLY SERVICE CHARGE (Per Customer)	$2,212.27

GENERAL SERVICE INTERMEDIATE USE

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

LARGE USE

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.6398
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.6398
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.8789
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.8789
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

SHEET 5 - Calculating Rate Increases using 2002 LDC Data and additional Interim Regulatory Assets

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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	-	211,788,238	20,258	$4,835,845.97	54.2%	$ -
GENERAL SERVICE <50 KW CLASS	-	94,314,935	3,077	$1,905,615.58	21.3%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	570,094	201,332,160	264	$1,991,250.33	22.3%	$ -
GENERAL SERVICE >50 KW TIME OF USE	111,079	58,269,821	2	$123,632.99	1.4%	$ -
INTERMEDIATE USE	0	0	0	$0.00	0.0%	$ -
LARGE USER CLASS	0	0	0	$0.00	0.0%	$ -
SENTINEL LIGHTS	500	195,634	1,046	$25,706.27	0.3%	$ -
STREET LIGHTING CLASS	9,600	3,418,082	5,287	$44,730.60	0.5%	$ -
TOTALS		569,318,869	29,934	$8,926,781.74	1.00	$ -
		Allocated Total for additional interim amounts ==>				$ -

Residential Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G22 above)	$ -	$ -	$ -
(B) RETAIL kWh in 2002	211,788,238		
(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	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G23 above)	$ -	$ -	$ -
(B) RETAIL kWh in 2002	94,314,935		
(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	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G24 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	570,094		
(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	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G25 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	111,079		
(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	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	Percentage	Percentage	
	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	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G27 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!		

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	500		
(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	9,600		
(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

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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	$0.0083
MONTHLY SERVICE CHARGE (Per Customer)	$11.55

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0083
MONTHLY SERVICE CHARGE (Per Customer)	$11.55

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0113
MONTHLY SERVICE CHARGE (Per Customer)	$19.77

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.8954
MONTHLY SERVICE CHARGE (Per Customer)	$288.48

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$1.0537
MONTHLY SERVICE CHARGE (Per Customer)	$2,212.27

GENERAL SERVICE INTERMEDIATE USE

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

LARGE USE

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.6398
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$4.6398
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.8789
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.8789
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

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

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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. $ 478,122.24

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2004 PILs Proxy Allocations
RESIDENTIAL CLASS	-	211,788,238	20,258	$4,835,845.97	54.2%	$ 259,009.97
GENERAL SERVICE <50 KW CLASS	-	94,314,935	3,077	$1,905,615.58	21.3%	$ 102,065.58
GENERAL SERVICE >50 KW NON TIME OF USE	570,094	201,332,160	264	$1,991,250.33	22.3%	$ 106,652.22
GENERAL SERVICE >50 KW TIME OF USE	111,079	58,269,821	2	$123,632.99	1.4%	$ 6,621.84
INTERMEDIATE USE	0	0	0	$0.00	0.0%	$ -
LARGE USER CLASS	0	0	0	$0.00	0.0%	$ -
SENTINEL LIGHTS	500	195,634	1,046	$25,706.27	0.3%	$ 1,376.84
STREET LIGHTING CLASS	9,600	3,418,082	5,287	$44,730.60	0.5%	$ 2,395.79
TOTALS		569,318,869	29,934	$8,926,781.74	1.00	$ 478,122.24
		Allocated Total for additional interim amounts ==>				$ 478,122.24

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)	$ 259,009.97	$ -	$ 259,009.97
(B) RETAIL kWh in 2002	211,788,238		
(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)	$0.001223		

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)	$ 102,065.58	$ -	$ 102,065.58
(B) RETAIL kWh in 2002	94,314,935		
(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)	$0.001082		

General Service >50kW Class Non TOU

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 G24 above)	$ 106,652.22	$ -	$ 106,652.22
(B) RETAIL KW in 2002	570,094		
(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)	$0.187078		

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)	$ 6,621.84	$ -	$ 6,621.84
(B) RETAIL KW in 2002	111,079		
(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)	$0.059614		

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)	$ -	$ -	$ -
(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!		

Sentinel Lighting 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 G28 above)	$ 1,376.84	$ -	$ 1,376.84
(B) RETAIL KW in 2002	500		
(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)	$2.753678		

Streetlighting 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 G29 above)	$ 2,395.79	$ -	$ 2,395.79
(B) RETAIL KW in 2002	9,600		
(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)	$0.249561		

SHEET 8 - 2004 Rates including Recovery of 2004 PILs

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0095
MONTHLY SERVICE CHARGE (Per Customer)	$11.55

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0095
MONTHLY SERVICE CHARGE (Per Customer)	$11.55

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0124
MONTHLY SERVICE CHARGE (Per Customer)	$19.77

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.0825
MONTHLY SERVICE CHARGE (Per Customer)	$288.48

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$1.1134
MONTHLY SERVICE CHARGE (Per Customer)	$2,212.27

GENERAL SERVICE INTERMEDIATE USE

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

LARGE USE

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$7.3935
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$7.3935
MONTHLY SERVICE CHARGE (Per Connection)	$1.68

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.1284
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.1284
MONTHLY SERVICE CHARGE (Per Connection)	$0.41

SHEET 9 - Adjustment to Maintain the Current Service Charge Level

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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	-	211,788,238	20,258	$12.84
GENERAL SERVICE <50 KW CLASS	-	94,314,935	3,077	$21.98
GENERAL SERVICE >50 KW NON TIME OF USE	570,094	201,332,160	264	$321.01
GENERAL SERVICE >50 KW TIME OF USE	111,079	58,269,821	2	$2,459.56
INTERMEDIATE USE	0	0	0	$0.00
LARGE USER CLASS	0	0	0	$0.00
SENTINEL LIGHTS	500	195,634	1,046	$1.86
STREET LIGHTING CLASS	9,600	3,418,082	5,287	$0.45
TOTALS		569,318,869	29,934	

Residential Class

Revenue from Current Monthly Service Charge		$3,121,353	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$2,807,759	
Difference		$313,594	
Variable Rate Adjustment	$/kWh	$ 0.0015	
Adjusted Variable Rate	$/kWh		$ 0.0081

Residential Class (Time of Use)

Revenue from Current Monthly Service Charge		$3,121,353	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$2,807,759	
Difference		$313,594	
Variable Rate Adjustment	$/kWh	$ 0.0015	
Adjusted Variable Rate	$/kWh		$ 0.0081

General Service <50 kW Class

Revenue from Current Monthly Service Charge		$811,590	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$729,987	
Difference		$81,602	
Variable Rate Adjustment	$/kWh	$ 0.0009	
Adjusted Variable Rate	$/kWh		$ 0.0115

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

Revenue from Current Monthly Service Charge		$1,016,960	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$913,905	
Difference		$103,055	
Variable Rate Adjustment	$/kW	$ 0.1808	
Adjusted Variable Rate	$/kW		$ 1.9017

General Service >50 kW Class (Time of Use)

Revenue from Current Monthly Service Charge		$59,029	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$53,094	
Difference		$5,935	
Variable Rate Adjustment	$/kW	$ 0.0534	
Adjusted Variable Rate	$/kW		$ 1.0599

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

Sentinal Lights (Non Time of Use)

Revenue from Current Monthly Service Charge		$23,347	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$21,087	
Difference		$2,259	
Variable Rate Adjustment	$/kW	4.51872	
Adjusted Variable Rate	$/kW		$ 2.8748

OR

Sentinal Lights (Time of Use)

Revenue from Current Monthly Service Charge		$23,347	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$21,087	
Difference		$2,259	
Variable Rate Adjustment	$/kW	4.51872	
Adjusted Variable Rate	$/kW		$ 2.8748

Streetlighting (Non Time of Use)

Revenue from Current Monthly Service Charge		$28,550	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$26,012	
Difference		$2,538	
Variable Rate Adjustment	$/kW	0.2644	
Adjusted Variable Rate	$/kW		$ 1.8641

OR

Streetlighting (Time of Use)

Revenue from Current Monthly Service Charge		$28,550	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$26,012	
Difference		$2,538	
Variable Rate Adjustment	$/kW	0.26	
Adjusted Variable Rate	$/kW		$ 1.8641

NORTH BAY HYDRO DISTRIBUTION LIMITED RP-2004-0075
Schedule of Distribution Rates and Charges EB-2004-0061
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.

RESIDENTIAL

Monthly Service Charge	(per month)	$12.84
Distribution Volumetric Rate	(per kWh)	$0.0081

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	$12.84
Distribution Volumetric Rate	(per kWh)	$0.0081

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$21.98
Distribution Volumetric Rate	(per kWh)	$0.0115

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$321.01
Distribution Volumetric Rate	(per kW)	$1.9017

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$2,459.56
Distribution Volumetric Rate	(per kW)	$1.0599

GENERAL SERVICE INTERMEDIATE USE

Monthly Service Charge	(per month)	$0.00
Distribution Volumetric Rate	(per kW)	#DIV/0!

LARGE USE

Monthly Service Charge	(per month)	$0.00
Distribution Volumetric Rate	(per kW)	#DIV/0!

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.86
Distribution Volumetric Rate	(per kW)	$2.8748

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	$1.86
Distribution Volumetric Rate	(per kW)	$2.8748

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$0.45
Distribution Volumetric Rate	(per kW)	$1.8641

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	$0.45
Distribution Volumetric Rate	(per kW)	$1.8641

SPECIFIC SERVICE CHARGES

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

Bill Impact Analysis for 2004 Rate Schedule after Regulatory Asset and 2004 PILs Adjustments
(commodity price constant)

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	100	0.0081	$ 0.81		DISTRIBUTION kWh	100	0.0081	$ 0.81		
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	0.0430	$ 4.30		
CURRENT 2003 BILL			$ 20.34		Adjusted 2004 BILL			$ 20.34	$ (0.00)	0.0%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	250	0.0081	$ 2.03		DISTRIBUTION kWh	250	0.0081	$ 2.01		
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	0.0430	$ 10.75		
CURRENT 2003 BILL			$ 31.59		Adjusted 2004 BILL			$ 31.58	$ (0.01)	0.0%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	500	0.0081	$ 4.05		DISTRIBUTION kWh	500	0.0081	$ 4.03		
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	0.0430	$ 21.50		
CURRENT 2003 BILL			$ 50.34		Adjusted 2004 BILL			$ 50.32	$ (0.02)	0.0%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	750	0.0081	$ 6.08		DISTRIBUTION kWh	750	0.0081	$ 6.04		
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	0.0430	$ 32.25		
CURRENT 2003 BILL			$ 69.09		Adjusted 2004 BILL			$ 69.05	$ (0.04)	-0.1%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	1000	0.0081	$ 8.10		DISTRIBUTION kWh	1000	0.0081	$ 8.05		
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			$ 87.84		Adjusted 2004 BILL			$ 87.79	$ (0.05)	-0.1%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1500 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	1500	0.0081	$ 12.15		DISTRIBUTION kWh	1500	0.0081	$ 12.08		
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			$ 125.34		Adjusted 2004 BILL			$ 125.27	$ (0.07)	-0.1%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
2000 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	2000	0.0081	$ 16.20		DISTRIBUTION kWh	2000	0.0081	$ 16.11		
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			$ 162.84		Adjusted 2004 BILL			$ 162.75	$ (0.09)	-0.1%

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	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$21.98		MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
DISTRIBUTION kWh	1000	0.0114	$ 11.40		DISTRIBUTION kWh	1000	0.0115	$ 11.53		
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			$ 99.28		Adjusted 2004 BILL			$ 99.41	$ 0.13	0.1%
MONTHLY CONSUMPTION	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
2000 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
DISTRIBUTION kWh	2000	0.0114	$ 22.80		DISTRIBUTION kWh	2000	0.0115	$ 23.06		
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			$ 176.58		Adjusted 2004 BILL			$ 176.84	$ 0.26	0.1%
MONTHLY CONSUMPTION	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
5000 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
DISTRIBUTION kWh	5000	0.0114	$ 57.00		DISTRIBUTION kWh	5000	0.0115	$ 57.64		
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			$ 408.48		Adjusted 2004 BILL			$ 409.12	$ 0.64	0.2%
MONTHLY CONSUMPTION	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
10.000 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
DISTRIBUTION kWh	10000	0.0114	$ 114.00		DISTRIBUTION kWh	10000	0.0115	$ 115.28		
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			$ 794.98		Adjusted 2004 BILL			$ 796.26	$ 1.28	0.2%

MONTHLY CONSUMPTION 15,000 KWH		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION kWh	15000	0.0114	$ 171.00	DISTRIBUTION kWh	15000	0.0115	$ 172.91		
	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			$ 1,181.48	Adjusted 2004 BILL			$ 1,183.39	$ 1.91	0.2%

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

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	$321.01	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION kW	60	1.7090	$ 102.54	DISTRIBUTION kW	60	1.9017	$ 114.10		
	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			$ 1,681.15	Adjusted 2004 BILL			$ 1,692.71	$ 11.56	0.7%

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	$ 321.01	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION kW	100	1.7090	$ 170.90	DISTRIBUTION kW	100	1.9017	$ 190.17		
	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			$ 3,610.91	Adjusted 2004 BILL			$ 3,630.18	$ 19.27	0.5%

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	$ 321.01	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION kW	500	1.7090	$ 854.50	DISTRIBUTION kW	500	1.9017	$ 950.87		
	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			$ 9,950.51	Adjusted 2004 BILL			$ 10,046.88	$ 96.37	1.0%

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	$ 321.01	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION kW	1000	1.7090	$ 1,709.00	DISTRIBUTION kW	1000	1.9017	$ 1,901.74		
	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			$ 33,220.01	Adjusted 2004 BILL			$ 33,412.75	$ 192.74	0.6%

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	$ 321.01	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION kW	3000	1.7090	$ 5,127.00	DISTRIBUTION kW	3000	1.9017	$ 5,705.22		
	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			$ 85,378.01	Adjusted 2004 BILL			$ 85,956.23	$ 578.22	0.7%

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	$ 321.01	MONTHLY SERVICE CHARGE	n/a	n/a	$ 321.01		
	DISTRIBUTION kW	4000	1.7090	$ 6,836.00	DISTRIBUTION kW	4000	1.90174	$ 7,606.96		
	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			$ 145,557.01	Adjusted 2004 BILL			$ 146,327.97	$ 770.96	0.5%

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

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	$2,459.56	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,459.56		
	DISTRIBUTION kW	60	0.5816	$ 34.90	DISTRIBUTION kW	60	1.0599	$ 63.60		
	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			$ 3,770.28	Adjusted 2004 BILL			$ 3,798.98	$ 28.70	0.8%

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	$ 2,459.56	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,459.56		
	DISTRIBUTION kW	100	0.5816	$ 58.16	DISTRIBUTION kW	100	1.0599	$ 105.99		
	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			$ 5,667.10	Adjusted 2004 BILL			$ 5,714.93	$ 47.83	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	$ 2,459.56	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,459.56		
	DISTRIBUTION kW	500	0.5816	$ 290.80	DISTRIBUTION kW	500	1.0599	$ 529.96		
	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			$ 11,677.26	Adjusted 2004 BILL			$ 11,916.42	$ 239.16	2.0%

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	$ 2,459.56	MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,459.56		
	DISTRIBUTION kW	1000	0.5816	$ 581.60	DISTRIBUTION kW	1000	1.0599	$ 1,059.93		
	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			$ 34,534.96	Adjusted 2004 BILL			$ 35,013.29	$ 478.33	1.4%

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	$ 2,459.56		MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,459.56		
	DISTRIBUTION kW	3000	0.5816	$ 1,744.80		DISTRIBUTION kW	3000	1.0599	$ 3,179.79		
	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			$ 85,045.76		Adjusted 2004 BILL			$ 86,480.75	$ 1,434.99	1.7%

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	$ 2,459.56		MONTHLY SERVICE CHARGE	n/a	n/a	$ 2,459.56		
	DISTRIBUTION kW	4000	0.5816	$ 2,326.40		DISTRIBUTION kW	4000	1.05993	$ 4,239.72		
	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			$ 144,401.16		Adjusted 2004 BILL			$146,314.48	$ 1,913.32	1.3%

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	$0.00		MONTHLY SERVICE CHARGE	n/a	n/a	$ -		
6000kW, 2,800,000 kWh	DISTRIBUTION kW	6000	0.0000	$ -		DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
	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			$ 205,381.40		Adjusted 2004 BILL			#DIV/0!	#DIV/0!	#DIV/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	$ -		MONTHLY SERVICE CHARGE	n/a	n/a	$ -		
	DISTRIBUTION kW	15000	0.0000	$ -		DISTRIBUTION kW	15000	#DIV/0!	#DIV/0!		
	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			$ 703,053.50		Adjusted 2004 BILL			#DIV/0!	#DIV/0!	#DIV/0!

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

(commodity price increase on April 1, 2004)

NAME OF UTILITY	North Bay Hydro Distribution Limited	**LICENCE NUMBER**	ED-1999-0107
NAME OF CONTACT	Kim Jenkins	**PHONE NUMBER**	705-474-8100 ext. 310
E- Mail Address	kjenkins@northbayhydro.com		
VERSION NUMBER	2		
Date	24-Aug-11		

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	$ 12.84	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	100	0.0081	$ 0.81	DISTRIBUTION kWh	100	0.0081	$ 0.81		
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			$ 20.34	Adjusted 2004 BILL			$ 20.74	$ 0.40	1.9%

MONTHLY CONSUMPTION OF
250 kWh

	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	250	0.0081	$ 2.03	DISTRIBUTION kWh	250	0.0081	$ 2.01		
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			$ 31.59	Adjusted 2004 BILL			$ 32.58	$ 0.99	3.1%

MONTHLY CONSUMPTION OF
500 kWh

	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	500	0.0081	$ 4.05	DISTRIBUTION kWh	500	0.0081	$ 4.03		
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			$ 50.34	Adjusted 2004 BILL			$ 52.32	$ 1.98	3.9%

MONTHLY CONSUMPTION OF
750 kWh

	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
DISTRIBUTION kWh	750	0.0081	$ 6.08	DISTRIBUTION kWh	750	0.0081	$ 6.04		
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			$ 69.09	Adjusted 2004 BILL			$ 72.05	$ 2.96	4.3%

MONTHLY CONSUMPTION OF 1000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION kWh	1000	0.0081	$ 8.10	DISTRIBUTION kWh	1000	0.0081	$ 8.05		
	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			$ 87.84	Adjusted 2004 BILL			$ 93.79	$ 5.95	6.8%

MONTHLY CONSUMPTION OF 1500 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION kWh	1500	0.0081	$ 12.15	DISTRIBUTION kWh	1500	0.0081	$ 12.08		
	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			$ 125.34	Adjusted 2004 BILL			$ 137.27	$ 11.93	9.5%

MONTHLY CONSUMPTION OF 2000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION kWh	2000	0.0081	$ 16.20	DISTRIBUTION kWh	2000	0.0081	$ 16.11		
	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			$ 162.84	Adjusted 2004 BILL			$ 180.75	$ 17.91	11.0%

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	$ 21.98	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION kWh	1000	0.0114	$ 11.40	DISTRIBUTION kWh	1000	0.01153	$ 11.53		
	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			$ 99.28	Adjusted 2004 BILL			$ 105.41	$ 6.13	6.2%

MONTHLY CONSUMPTION OF 2000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION kWh	2000	0.0114	$ 22.80	DISTRIBUTION kWh	2000	0.0115	$ 23.06		
	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			$ 176.58	Adjusted 2004 BILL			$ 194.84	$ 18.26	10.3%

MONTHLY CONSUMPTION OF 5000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION kWh	5000	0.0114	$ 57.00	DISTRIBUTION kWh	5000	0.0115	$ 57.64		
	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			$ 408.48	Adjusted 2004 BILL			$ 463.12	$ 54.64	13.4%

MONTHLY CONSUMPTION OF 10000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION kWh	10000	0.0114	$ 114.00	DISTRIBUTION kWh	10000	0.0115	$ 115.28		
	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			$ 794.98	Adjusted 2004 BILL			$ 910.26	$ 115.28	14.5%

MONTHLY CONSUMPTION OF 15000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.98		
	DISTRIBUTION kWh	15000	0.0114	$ 171.00	DISTRIBUTION kWh	15000	0.0115	$ 172.91		
	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			$ 1,181.48	Adjusted 2004 BILL			$ 1,357.39	$ 175.91	14.9%

Appendix 7

2004 Approved PILS Model

	A	B	C	D
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**			**Version 01.00**
2	**REGULATORY INFORMATION (REGINFO)**			
3	**Utility Name: NORTH BAY HYDRO DISTRIBUTION LIMITED**			
4	**Reporting period: DECEMBER 31, 2004**			
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	N
21	Please identify the % used to allocate the exemption in Cell C63 in the TAXCALC spreadsheet.			
22				
23	Accounting Year End		Date	DECEMBER 31, 2002
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)			38,665,209
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			3,311,675
41				
42	1999 return from RUD Sheet #7			760,348
43				
44	Total Incremental revenue			2,551,327
45	Input Board-approved dollar amounts phased-in			
46				
47	Amount allowed in 2001, Year 1			0
48	Amount allowed in 2002, Year 2			1,275,664
49	Amount allowed in 2003, Year 3 and forward (will be zero due to Bill 210)			0
50				
51	Equity			19,332,605
52				
53	Return at target ROE			1,910,061
54				
55	Debt			19,332,605
56				
57	Deemed interest amount in EBIT			1,401,614
58				
59	Phase-in of interest - Year 1 (2001)			321,805
60	((D38+D43)/D36)*D54			
61	Phase-in of interest - Year 2 (2002)			861,710
62	((D38+D43+D44)/D36)*D54			
63	Phase-in of interest - Year 3 (2003) and forward			861,710
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 01.00**	
6			$						$		$	
7	**Utility Name: NORTH BAY HYDRO DISTRIBUTION LIMITED**											
8	**Reporting period: DECEMBER 31, 2004**										**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	Regulatory Net Income	1	2,036,012						-3,933,987		-1,897,975	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	***Additions:***											
20	Depreciation & Amortization	2	2,544,583						-278,407		2,266,176	
21	Employee Benefit Plans - Accrued, Not Paid	3	0						0		0	
22	Tax reserves deducted in prior year	4	0						1,035,595		1,035,595	
23	Reserves from financial statements-end of year	4	0						4,717,275		4,717,275	
24	Regulatory Adjustments	5	0						0		0	
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Items from "TAXREC" worksheet	6	0						0		0	
27	Other Additions (not "Material") "TAXREC"	6	0						0		0	
28	"Material Items from "TAXREC 2" worksheet	6	0						1,263,069		1,263,069	
29	Other Additions (not "Material") "TAXREC 2"	6	0						0		0	
30												
31	***Deductions:***											
32	Capital Cost Allowance and CEC	7	1,962,175						595,471		2,557,646	
33	Employee Benefit Plans - Paid Amounts	8	0						0		0	
34	Items Capitalized for Regulatory Purposes	9	0						0		0	
35	Regulatory Adjustments	10	0						0		0	
36	Interest Expense Deemed/ Incurred	11	861,710						126,090		987,800	
37	Tax reserves claimed in current year	4	0						1,364,249		1,364,249	
38	Reserves from F/S beginning of year	4	0						3,774,640		3,774,640	
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						0		0	
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	REGULATORY TAXABLE INCOME/ (LOSSES)		1,756,710						8,663,995		-1,300,195	
49												
50	CORPORATE INCOME TAX RATE											
51	Deemed %	13	38.62%						0.0000%		38.62%	
52												
53	REGULATORY INCOME TAX		678,441						-678,441		0	
54	Taxable Income x Rate											
55												
56	Miscellaneous Tax Credits	14	0						0		0	
57												
58	**Total Regulatory Income Tax**		678,441						-678,441		0	
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	38,665,209						3,035,152		41,700,361	
67	Less: Exemption	16	5,000,000						-203,063		4,796,937	
68	Deemed Taxable Capital		33,665,209						2,832,089		36,903,424	
69												
70	Rate (.3%)	17	0.3000%						0.0000%		0.3000%	
71												
72	Net Amount (Taxable Capital x Rate)		100,996						9,715		110,710	
73												
74	*Federal (LCT)*											
75	Base	18	38,665,209						1,996,911		40,662,120	
76	Less: Exemption	19	10,000,000						0		10,000,000	
77	Deemed Taxable Capital		28,665,209						1,996,911		30,662,120	
78												
79	Rate (.225%)	20	0.2250%						0.0000%		0.2250%	
80												
81	Gross Amount (Taxable Capital x Rate)		64,497						4,493		68,990	
82	Less: Federal Surtax	21	19,675						-19,675		0	
83												
84	Net LCT		44,822						-15,182		68,990	
85												

	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 01.00**	
6			$						$		$	
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	1,085,506									
91	LCT (grossed-up)	23	71,715									
92	Ontario Capital Tax	24	100,996									
93												
94												
95	***Total S. 93 PILs Rate Adjustment***	25	1,258,216									
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							1,035,595			
104	Reserves from financial statements-end of year	4							4,717,275			
105	Regulatory Adjustments	5							0			
106	Other additions "Material" Items "TAXREC"	6							0			
107	Other additions "Material" Items "TAXREC 2"	6							1,263,069			
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							1,364,249			
114	Reserves from F/S beginning of year	4							3,774,640			
115	Contributions to deferred income plans	3							0			
116	Contributions to pension plans	3							0			
117	Other deductions "Material" Items "TAXREC"	12							0			
118	Other deductions "Material" Item "TAXREC 2"	12							0			
119												
120	Total TRUE-UPS before tax effect	26						=	1,877,050			
121												
122	Income Tax Rate (excluding surtax)							x	35.50%			
123												
124	Income Tax Effect on True-up adjustments							=	666,353			
125												
126	Less: Miscellaneous Tax Credits	14							0			
127												
128	Total Income Tax on True-ups								666,353			
129												
130	Income Tax Rate used for gross-up (exclude surtax)								35.50%			
131												
132	**TRUE-UP VARIANCE**								1,033,105			
133												
134	**IV b) Calculation of the Deferral Account Variance**											
135												
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)							=	1,756,710			
137												
138	REVISED CORPORATE INCOME TAX RATE							x	38.62%			
139												
140	REVISED REGULATORY INCOME TAX							=	678,441			
141												
142	Less: Revised Miscellaneous Tax Credits							-	0			
143												
144	Total Revised Regulatory Income Tax							=	678,441			
145												
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)							-	678,441			
147												
148	Regulatory Income Tax Variance							=	0			
149												
150	Ontario Capital Tax											
151	Base							=	38,665,209			
152	Less: Exemption							-	5,000,000			
153	Revised deemed taxable capital							=	33,665,209			
154												
155	Rate (as a result of legislative changes)							x	0.3000%			
156												
157	Revised Ontario Capital Tax							=	100,996			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)							-	100,996			
159	Regulatory Ontario Capital Tax Variance							=	0			
160												
161	Federal LCT											
162	Base								38,665,209			
163	Less: Exemption							-	10,000,000			
164	Revised Federal LCT							=	28,665,209			
165												

	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 01.00**	
6			$						$		$	
166	Rate (as a result of legislative changes)								0.2250%			
167												
168	Gross Amount								64,497			
169	Less: Federal surtax							-	19,675			
170	Revised Net LCT							=	44,822			
171												
172	Less: Federal LCT reported in the initial estimate column (Cell C84)							-	44,822			
173	Regulatory Federal LCT Variance							=	0			
174												
175	Income Tax Rate used for gross-up (exclude surtax)								37.50%			
176												
177	Income Tax (grossed-up)							+	0			
178	LCT (grossed-up)							+	0			
179	Ontario Capital Tax							+	0			
180												
181	**DEFERRAL ACCOUNT VARIANCE**							=	0			
182												
183	**TRUE-UP VARIANCE (from cell I132)**							+	1,033,105			
184												
185	**Deferral Account Entry (Positive Entry = Debit)**							=	1,033,105			
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)								1,401,614			
194	Interest phased-in (Cell C36)								861,710			
195												
196	Variance due to phase-in of debt structure								539,904			
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)								987,800			
202	Total deemed interest (REGINFO CELL D57)								1,401,614			
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**								539,904			
209												

	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			Return			
5					**Version 01.00**	
6	**Section A: Identification:**					
7	**Utility Name: NORTH BAY HYDRO DISTRIBUTION LIMITED**					
8	**Reporting period: DECEMBER 31, 2004**					
9	**Taxation Year's start date: JANUARY 1, 2004**					
10	**Taxation Year's end date: DECEMBER 31, 2004**					
11	**Number of days in taxation year:**		365	days		
12						
13	**Please enter the Materiality Level :**		48,332	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N	Y			
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-wire related operation?**	Y/N	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 positive number, the program automatically treat all amounts*					
28	*in the "non-wires elimination column" entered as negative values in the TAXREC and TAXREC2.*					
29	***Description:***					
30	*Income:*					
31	Distribution Revenue	+	22,788,679		22,788,679	
32	Other Income	+	979,120		979,120	
33	Miscellaneous income	+	77,538	77,538	0	
34		+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Expenses:					
39	Cost of energy purchased	-	15,740,000		15,740,000	
40	Administration	-	3,153,580		3,153,580	
41	Write off of Transition Costs	-	722,314		722,314	
42	Amortization	-	2,266,176		2,266,176	
43	Operations and maintenance	-	2,057,605		2,057,605	
44	Ontario Capital Tax	-			0	
45	Property Taxes	-	165,000		165,000	
46	Interest	-	0		0	
47	Loss on write down of building	-	540,755		540,755	
48	Write off of retail settlement variance accounts	-	1,020,344		1,020,344	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	-1,820,437	77,538	-1,897,975	
51	Less: Interest expense for accounting purposes	-	987,800		987,800	
52	Provision for payments in lieu of income taxes	-	193,629		193,629	
53	**Net Income (loss)**	=	-3,001,866	77,538	-3,079,404	
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	+	193,629	0	193,629	
60	Depreciation & Amortization	+	2,266,176	0	2,266,176	
61	Employee benefit plans-accrued, not paid	+	0	0	0	
62	*Tax reserves deducted in prior year*	+	1035595	0	1,035,595	
63	*Reserves from financial statements- end of year*	+	4,717,275		4,717,275	
64	Regulatory adjustments	+			0	
65	Material addition items from TAXREC 2	+	1,263,069	0	1,263,069	
66	Other addition items (not Material) from TAXREC 2	+	0	0	0	
67						
68	*Subtotal*		9,475,744	0	9,475,744	
69						
70	*Other Additions: (Please explain the nature of the additions)*					
71	Recapture of CCA	+			0	
72	Non-deductible meals and entertainment expense	+			0	
73	Capital items expensed	+			0	
74		+			0	
75		+			0	
76		+			0	
77		+			0	
78	*Total Other Additions*	=	0	0	0	
79						
80	Total Additions	=	9,475,744	0	9,475,744	
81						
82	Recap Material Additions:					
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	*Total Other additions >materiality level*		0	0	0	
91	Other deductions (less than materiality level)		0	0	0	
92	Total Other Additions		0	0	0	
93						

	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			Return			
5					**Version 01.00**	
94	BOOK TO TAX DEDUCTIONS:					
95	Capital cost allowance	-	2,557,646		2,557,646	
96	Cumulative eligible capital deduction	-			0	
97	Employee benefit plans-paid amounts	-			0	
98	Items capitalized for regulatory purposes	-			0	
99	*Regulatory adjustments :*	-			0	
100	*CCA*	-			0	
101	*other deductions*	-			0	
102	*Tax reserves claimed in current year*	-	1,364,249	0	1,364,249	
103	*Reserves from F/S- beginning of year*	-	3,774,640		3,774,640	
104	*Contributions to deferred income plans*	-			0	
105	*Contributions to pension plans*	-			0	
106	Interest capitalized for accounting deducted for tax	-			0	
107	Material deduction items from TAXREC 2	-	0	0	0	
108	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
109						
110	Subtotal	=	7,696,535	0	7,696,535	
111	*Other deductions (Please explain the nature of the deductions)*					
112	Charitable donations - tax basis	-			0	
113	*Gain on disposal of assets*	-			0	
114		-			0	
115					0	
116		-			0	
117	*Total Other Deductions*	=	0	0	0	
118						
119	Total Deductions	=	7,696,535	0	7,696,535	
120						
121	Recap Material Deductions:					
122			0	0	0	
123			0	0	0	
124			0	0	0	
125			0	0	0	
126			0	0	0	
127	*Total Other Deductions exceed materiality level*		0	0	0	
128	Other Deductions less than materiality level		0	0	0	
129	Total Other Deductions		0	0	0	
130						
131	TAXABLE INCOME	=	-1,222,657	77,538	-1,300,195	
132	DEDUCT:					
133	Non-capital loss applied	-			0	
134	Net capital loss applied	-			0	
135	NET TAXABLE INCOME	=	-1,222,657	77,538	-1,300,195	
136						
137	Net Federal Income Tax	+			0	
138	Net Ontario Income Tax	+			0	
139	Subtotal	=	0	0	0	
140	Less: Miscellaneous tax credits	-			0	
141	Total Income Tax	=	0	0	0	
142						
143						
144	**Section D: Detail calculation of the Ontario Capital Tax**					
145	**ONTARIO CAPITAL TAX**					
146	**(From Ontario CT23)**					
147	**PAID-UP CAPITAL**					
148						
149	Paid-up capital stock	+	19,511,601		19,511,601	
150	Retained earnings (if deficit, deduct)	+/-	-1,669,626		-1,669,626	
151	Capital and other surplus excluding	+			0	
152	appraisal surplus	+			0	
153	Loans and advances	+	20,800,069		20,800,069	
154	Bank loans	+			0	
155	Bankers acceptances	+			0	
156	Bonds and debentures payable	+			0	
157	Mortgages payable	+			0	
158	Lien notes payable	+			0	
159	Deferred credits	+			0	
160	Contingent, investment, inventory and similar reserves	+			0	
161	Other reserves not allowed as deductions	+	4,245,895		4,245,895	
162	Share of partnership(s), joint venture(s) paid-up capital	+			0	
163	Sub-total	=	42,887,939	0	42,887,939	
164	Subtract:					
165	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
166	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
167	**Total (Net) Paid-up Capital**	=	42,887,939	0	42,887,939	
168						
169	**ELIGIBLE INVESTMENTS**					
170						
171	Bonds, lien notes, interest coupons	+			0	
172	Mortgages due from other corporations	+			0	
173	Shares in other corporations	+			0	
174	Loans and advances to unrelated corporations	+			0	
175	Eligible loans and advances to related corporations	+	1,332,950		1,332,950	
176	Share of partnership(s) or joint venture(s) eligible investments	+			0	
177						
178	**Total Eligible Investments**	=	1,332,950	0	1,332,950	
179						

	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			Return			
5					**Version 01.00**	
180						
181	**TOTAL ASSETS**					
182						
183	Total assets per balance sheet	+	48,137,887		48,137,887	
184	Mortgages or other liabilities deducted from assets	+			0	
185	Share of partnership(s)/ joint venture(s) total assets	+			0	
186	Subtract: Investment in partnership(s)/joint venture(s)	-			0	
187						
188	**Total assets as adjusted**	=	48,137,887	0	48,137,887	
189						
190	Add: (if deducted from assets)					
191	Contingent, investment, inventory and similar reserves	+			0	
192	Other reserves not allowed as deductions	+			0	
193	Subtract:				0	
194	Amounts deducted for income tax purposes in excess of amounts booked	-			0	
195	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
196	Subtract: Appraisal surplus if booked	-			0	
197	Add or subtract: Other adjustments	+/-			0	
198						
199	**Total Assets**	=	48,137,887	0	48,137,887	
200						
201						
202	**Investment Allowance**		1,187,578	0	1,187,578	
203						
204	**Taxable Capital**					
205						
206	Net paid-up capital	+	42,887,939	0	42,887,939	
207	Subtract: Investment Allowance	-	1,187,578	0	1,187,578	
208						
209	Taxable Capital	=	41,700,361	0	41,700,361	
210						
211	**Capital Tax Calculation**					
212	Deduction from taxable capital up to $5,000,000		4,796,937		4,796,937	
213						
214	Net Taxable Capital		36,903,424	0	36,903,424	
215						
216	Rate 0.3%		0.3000%	0.3000%	0.3000%	
217						
218	Days in taxation year		365	365	365	
219	Divide days by 365		1.00	1.00	1.00	
220						
221	**Ontario Capital Tax**		110,710	0	110,710	
222						
223						
224	**LARGE CORPORATION TAX**					
225	**(From Federal Schedule 33)**					
226	**CAPITAL**					
227	ADD:					
228	Reserves that have not been deducted in computing income for the year under Part I	+	3,353,026		3,353,026	
229	Capital stock	+	19,511,601	0	19,511,601	
230	Retained earnings	+			0	
231	Contributed surplus	+			0	
232	Any other surpluses	+			0	
233	Deferred unrealized foreign exchange gains	+			0	
234	All loans and advances to the corporation	+	20,800,069		20,800,069	
235	All indebtedness- bonds, debentures, notes, mortgages, bankers acceptances, or similar obligations	+			0	
236	Any dividends declared but not paid	+			0	
237	All other indebtedness outstanding for more than 365 days	+			0	
238						
239	Subtotal	=	43,664,696	0	43,664,696	
240						
241	DEDUCT:					
242	Deferred tax debit balance	-			0	
243	Any deficit deducted in computing shareholders' equity	-	1,669,626		1,669,626	
244	Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above	-			0	
245	Deferred unrealized foreign exchange losses	-			0	
246						
247	Subtotal	=	1,669,626	0	1,669,626	
248						
249	**Capital for the year**		41,995,070	0	41,995,070	
250						

	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			Return			
5					**Version 01.00**	
251	**INVESTMENT ALLOWANCE**					
252						
253	Shares in another corporation	+			0	
254	Loan or advance to another corporation	+	1,332,950		1,332,950	
255	Bond, debenture, note, mortgage, or	+			0	
256	similar obligation of another corporation	+			0	
257	Long term debt of financial institution	+			0	
258	Dividend receivable from another corporation	+			0	
259	Debts of corporate partnerships that were not exempt from tax under Part I.3	+			0	
260	Interest in a partnership	+			0	
261						
262	**Investment Allowance**	=	1,332,950	0	1,332,950	
263						
264						
265	**TAXABLE CAPITAL**					
266						
267	Capital for the year	=	41,995,070	0	41,995,070	
268						
269	Deduct: Investment allowance	-	1,332,950	0	1,332,950	
270						
271	Taxable Capital for taxation year	=	40,662,120	0	40,662,120	
272						
273	Deduct: Capital Deduction $10,000,000	-	10,000,000	0	10,000,000	
274						
275	**Taxable Capital**	=	30,662,120	0	30,662,120	
276						
277	Rate .225%		0.22500%	0.22500%	0.22500%	
278						
279	Days in year		365	365	365	
280	Divide days by 365		1.0000	1.0000	1.0000	
281						
282	**Gross Part I.3 Tax LCT**	=	68,989.77	0.00	68,989.77	
283						
284	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
285						
286	Less: Federal Surtax = Taxable Income x Surtax Rate	-	0	868	0	
287						
288	**Net Part I.3 Tax LCT Payable**	=	68,990	0	68,990	
289	(If surtax is greater than Gross LCT, then zero)					
290						
291	RECAP:					
292	Total Income Taxes	+	0	0	0	
293	Ontario Capital Tax	+	110,710	0	110,710	
294	Federal Large Corporations Tax	+	68,990	0	68,990	
295						
296	Total income and capital taxes	=	179,700	0	179,700	
297						

Appendix 8

2004 Signed Decision

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 11, 2004

Ron Ross
General Manager
North Bay Hydro Distribution Limited
74 Commerce Crescent
North Bay ON
P1B 8G4

Dear Mr. Ross:

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

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2004-0075
EB-2004-0061

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 North Bay Hydro 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.

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 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 11, 2004

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Secretary

Interim Rates
North Bay Hydro Distribution Limited
Schedule of Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0075
EB-2004-0061

RESIDENTIAL

Monthly Service Charge	(per month)	$12.84
Distribution Volumetric Rate	(per kWh)	$0.0081

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	$12.84
Distribution Volumetric Rate	(per kWh)	$0.0081

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$21.98
Distribution Volumetric Rate	(per kWh)	$0.0115

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$321.01
Distribution Volumetric Rate	(per kW)	$1.9017

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$2,459.56
Distribution Volumetric Rate	(per kW)	$1.0599

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	$1.86
Distribution Volumetric Rate	(per kW)	$2.8748

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	$0.45
Distribution Volumetric Rate	(per kW)	$1.8641

UNMETERED SCATTERED LOADS

Unmetered scattered loads such as cable amplifiers, car park lights and traffic lights will be billed at General Service < 50 kW rates. Energy usage is based on connected load estimates. Charges per account will be billed as follows:

Monthly Service Charge	(per month)	$21.98
Distribution Volumetric Rate	(per kWh)	$0.0115

Appendix 9

2005 Approved Rate Model

2005 Rate Adjustment Model

Name of Utility:	**North Bay Hydro Distribution Limited**
License Number:	**ED-2003-0024**
File Number:	**RP-2005-0013**
	EB-2005-0057
Name of Contact:	**Elizabeth Chirico**
E- Mail Address:	**echirico@northbayhydro.com**
Phone Number:	**(705)474-8100 Extension: 310**
Date:	**February 11, 2005**

Version Number: **2005.V1.1** **revised/amended**

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100 Extension: 310**	
Date:	**February 11, 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	$0.0073
Monthly Service Charge (Per Customer)	$11.55

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	$0.0073
Monthly Service Charge (Per Customer)	$11.55

GENERAL SERVICE < 50 KW

Distribution kWh Rate	$0.0103
Monthly Service Charge (Per Customer)	$19.77

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	$1.5385
Monthly Service Charge (Per Customer)	$288.48

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	$0.5236
Monthly Service Charge (Per Customer)	$2,212.27

SHEET 1 - 2002 Base Rate Schedule

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

LARGE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	$4.2444
Monthly Service Charge (Per Connection)	$1.68

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	$4.2444
Monthly Service Charge (Per Connection)	$1.68

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	$1.5190
Monthly Service Charge (Per Connection)	$0.41

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	$1.5190
Monthly Service Charge (Per Connection)	$0.41

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100** **Extension: 310**	
Date:	**February 11, 2005**	

Enter the final MARR installment calculated in the 2001 RUD Model	**$ 1,274,388.00**
Have you applied for approval of your C&DM plan?	**yes**
Enter the amount applied for your C&DM plan	**$ 1,275,000.00**
Has the C&DM application been approved?	**no**
Enter the final MARR installment *(based on Board-Approved C&DM plan or applied-for amount)*	**$ 1,274,388.00**
Grossed-up MARR based on 14 months recovery over 13 months.	**$ 1,372,417.85**

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		202,669,124	20,070	$3,602,157	56.02%	$768,837
General Service < 50 KW Class		93,890,858	2,717	$1,358,736	21.13%	$290,006
General Service > 50 KW Non-Time of Use	508,508	192,138,397	226	$1,319,154	20.52%	$281,558
General Service > 50 KW Time of Use	101,417	61,704,625	2	$89,526	1.39%	$19,108
Intermediate Use					0.00%	$0
Large Class User					0.00%	$0
Sentinel Lights	2,817	953,800	1,112	$28,900	0.45%	$6,168
Street Lighting	8,608	3,848,794	5,000	$31,580	0.49%	$6,740
TOTALS	**621,351**	**555,205,599**	**29,127**	**$6,430,053**	**100.00%**	**$1,372,418**
				Grossed-up MARR Value ==========>		**$1,372,418**

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			$768,837
(B) Fixed-Variable Split (%)	34.9%	65.1%	100%
(C) Re-Allocated MARR ($)	$268,324	$500,513	$768,837
(D) Number of kWh	202,669,124		
(E) Number of Customers		20,070	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0013		
(G) Incremental Monthly Service Charge (C)/(E)/12		$2.0782	

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			$290,006
(B) Fixed-Variable Split (%)	60.0%	40.0%	100%
(C) Re-Allocated MARR ($)	$174,004	$116,002	$290,006
(D) Number of kWh	93,890,858		
(E) Number of Customers		2,717	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0019		
(G) Incremental Monthly Service Charge (C)/(E)/12		$3.5579	

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

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$281,558
(B) Fixed-Variable Split (%)	50.0%	50.0%	100%
(C) Re-Allocated MARR ($)	$140,779	$140,779	$281,558
(D) Number of kW	508,508		
(E) Number of Customers		226	
(F) Incremental Distribution kWh Rate ($/kW)	$0.2768		
(G) Incremental Monthly Service Charge (C)/(E)/12		$51.9096	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$19,108
(B) Fixed-Variable Split (%)	50.0%	50.0%	100%
(C) Re-Allocated MARR ($)	$9,554	$9,554	$19,108
(D) Number of kW	101,417		
(E) Number of Customers		2	
(F) Incremental Distribution kW Rate ($/kW)	$0.0942		
(G) Incremental Monthly Service Charge (C)/(E)/12		$398.0869	

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$0
(B) Fixed-Variable Split (%)			0%
(C) Re-Allocated MARR ($)	$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			$0
(B) Fixed-Variable Split (%)			0%
(C) Re-Allocated MARR ($)	$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	

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$6,168
(B) Fixed-Variable Split (%)	34.9%	65.1%	100%
(C) Re-Allocated MARR ($)	$2,153	$4,016	$6,168
(D) Number of kW	2,817		
(E) Number of Customers		1,112	
(F) Incremental Distribution kW Rate ($/kW)	$0.7641		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.3009	

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$6,740
(B) Fixed-Variable Split (%)	34.9%	65.1%	100%
(C) Re-Allocated MARR ($)	$2,352	$4,388	$6,740
(D) Number of kW	8,608		
(E) Number of Customers		5,000	
(F) Incremental Distribution kW Rate ($/kW)	$0.2733		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.0731	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100 Extension: 310**	
Date:	**February 11, 2005**	

Residential Class

DISTRIBUTION KWH RATE	$0.0086
MONTHLY SERVICE CHARGE (Per Customer)	$13.63

Residential Class (Time-of-Use)

DISTRIBUTION KWH RATE	$0.0086
MONTHLY SERVICE CHARGE (Per Customer)	$13.63

General Service < 50 KW

DISTRIBUTION KWH RATE	$0.0122
MONTHLY SERVICE CHARGE (Per Customer)	$23.33

General Service > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE	$1.8153
MONTHLY SERVICE CHARGE (Per Customer)	$340.39

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE	$0.6178
MONTHLY SERVICE CHARGE (Per Customer)	$2,610.36

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	
MONTHLY SERVICE CHARGE (Per Customer)	

Sentinel Lights (Non-Time of Use)

DISTRIBUTION KW RATE	$5.0085
MONTHLY SERVICE CHARGE (Per Connection)	$1.98

OR

Sentinel Lights (Time of Use)

DISTRIBUTION KW RATE	$5.0085
MONTHLY SERVICE CHARGE (Per Connection)	$1.98

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE	$1.7923
MONTHLY SERVICE CHARGE (Per Connection)	$0.48

OR

Street Lighting (Time of Use)

DISTRIBUTION KW RATE	$1.7923
MONTHLY SERVICE CHARGE (Per Connection)	$0.48

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100** **Extension: 310**	
Date:	**February 11, 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 $ 1,337,153.05

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	
							206,364,706
Residential Class		206,364,706	20,917	$4,885,294	54.9%	$733,765	94,882,307
General Service < 50 KW Class		93,986,187	2,737	$1,725,622	19.4%	$259,186	234,630,305
General Service > 50 KW Non-Time of Use	558,858	205,314,063	252	$2,105,195	23.6%	$316,197	29,489,214
General Service > 50 KW Time of Use	97,183	55,320,409	2	$115,551	1.3%	$17,356	565,366,532
Intermediate Use					0.0%	$0	
Large Class User					0.0%	$0	59,029.44
Sentinel Lights	1,675	120,193	1,077	$21,259	0.2%	$3,193	56,521.63
Street Lighting	9,600	3,260,971	5,277	$49,643	0.6%	$7,456	115,551.07
TOTALS		**564,366,529**	**30,262**	**$8,902,564**	**1.00**	**$1,337,153**	970,734.24
			2005 PILs Proxy Amount ==========>			$1,337,153	1,062,780.26
							2,033,514.50

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			$733,765
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$733,765	$0	$733,765
(D) Number of kWh	206,364,706		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0036		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$259,186
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$259,186	$0	$259,186
(D) Number of kWh	93,986,187		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0028		

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			$316,197
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$316,197	$0	$316,197
(D) Number of kW	558,858		
(E) Incremental Distribution kW Rate ($/kW)	$0.5658		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$17,356
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$17,356	$0	$17,356
(D) Number of kW	97,183		
(E) Incremental Distribution kW Rate ($/kW)	$0.1786		

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			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$0	$0	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

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			$3,193
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$3,193	$0	$3,193
(D) Number of kW	1,675		
(E) Incremental Distribution kW Rate ($/kW)	$1.9063		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$7,456
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$7,456	$0	$7,456
(D) Number of kW	9,600		
(E) Incremental Distribution kW Rate ($/kW)	$0.7767		

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100 Extension: 310**	
Date:	**February 11, 2005**	

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0122
MONTHLY SERVICE CHARGE (Per Customer)	$13.63

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0122
MONTHLY SERVICE CHARGE (Per Customer)	$13.63

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0149
MONTHLY SERVICE CHARGE (Per Customer)	$23.33

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.3811
MONTHLY SERVICE CHARGE (Per Customer)	$340.39

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.7964
MONTHLY SERVICE CHARGE (Per Customer)	$2,610.36

INTERMEDIATE USE

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

SHEET 5 - Rate Schedule including 2005 PILs

LARGE USE

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.9148
MONTHLY SERVICE CHARGE (Per Connection)	$1.98

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$6.9148
MONTHLY SERVICE CHARGE (Per Connection)	$1.98

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.5690
MONTHLY SERVICE CHARGE (Per Connection)	$0.48

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.5690
MONTHLY SERVICE CHARGE (Per Connection)	$0.48

SHEET 6 - December 31, 2003 Regulatory Assets

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100** **Extension: 310**	
Date:	**February 11, 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**	$500,965
RSVA - One-time Wholesale Market Service	**1582**	$178,003
RSVA - Retail Transmission Network Charge	**1584**	-$93,557
RSVA - Retail Transmission Connection Charge	**1586**	**-$135,211**
RSVA - Power	**1588**	**-$301,225**
Sub-Total for RSVA Accounts		$148,975
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		$575,402
Adjusted 2005 Recovery Amount (RSVA Accounts)		**-$426,427**

Other Regulatory Assets	**1508**	
Retail Cost Variance Account - Retail	**1518**	
Retail Cost Variance Account - STR	**1548**	
Misc. Deferred Debits - incl. Rebate Cheques	**1525**	$637
Deferred Payments in Lieu of Taxes	**1562**	$39,600
PILs Contra Account	**1563**	
Qualifing Transition Costs	**1570**	$55
Pre-Market Opening Energy Variances Total	**1571**	$32,318
Extra-Ordinary Event Losses	**1572**	
Deferred Rate Impact Amounts	**1574**	
Other Deferred Credits	**2425**	
Sub-Total for Non-RSVA Regulatory Asset Accounts		$72,610
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		$0
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		**$72,610**

Total Adjusted Regulatory Assets	-$353,817

33% of Total Adjusted Regulatory Assets	**-$117,939.00**

SHEET 6 - December 31, 2003 Regulatory Assets

---------- Please go to Section 2 ----------

Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:		
Total Adjusted Balance for RSVA Accounts	**(a)**	N/A
33% of Total Adjusted Regulatory Assets	**(b)**	N/A
Remaining Final Amount to be recovered in future periods (a) - (b)		**N/A**

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:	
33% OF Total Adjusted Regulatory Assets	-$117,939
Total Adjusted Balance for RSVA Accounts	-$426,427
Amount to be colleced from RSVA Accounts	-$426,427
Amount to be collected from Non-RSVA accounts	$36,305

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:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100** **Extension: 310**	
Date:	**February 11, 2005**	

Approved Regulatory Asset Recovery from Sheet 4 ***(either from Section 1 or Section 2)*** **$ (426,427.00)**

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	206,364,706	20,917	$4,885,294	36.6%	-$155,926
General Service < 50 KW Class	0	93,986,187	2,737	$1,725,622	16.7%	-$71,015
General Service > 50 KW Non-Time of Use	558,858	205,314,063	252	$2,105,195	36.4%	-$155,132
General Service > 50 KW Time of Use	97,183	55,320,409	2	$115,551	9.8%	-$41,799
Intermediate Use	0	0	0	$0	0.0%	$0
Large Class User	0	0	0	$0	0.0%	$0
Sentinel Lights	1,675	120,193	1,077	$21,259	0.0%	-$91
Street Lighting	9,600	3,260,971	5,277	$49,643	0.6%	-$2,464
TOTALS		**564,366,529**	**30,262**	**$8,902,564.01**	**1.00**	**-$426,427**
			Allocated Total for RSVA accounts ==========>			-$426,427

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			-$155,926
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	-$155,926	$0	-$155,926
(D) Number of kWh	206,364,706		
(E) Incremental Distribution kWh Rate ($/kWh)	-$0.0008		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			-$71,015
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	-$71,015	$0	-$71,015
(D) Number of kWh	93,986,187		
(E) Incremental Distribution kWh Rate ($/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			-$155,132
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	-$155,132	$0	-$155,132
(D) Number of kW	558,858		
(E) Incremental Distribution kW Rate ($/kW)	-$0.2776		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			-$41,799
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	-$41,799	$0	-$41,799
(D) Number of kW	97,183		
(E) Incremental Distribution kW Rate ($/kW)	-$0.4301		

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	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

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			-$91
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	-$91	$0	-$91
(D) Number of kW	1,675		
(E) Incremental Distribution kW Rate ($/kW)	-$0.0542		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			-$2,464
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	-$2,464	$0	-$2,464
(D) Number of kW	9,600		
(E) Incremental Distribution kW Rate ($/kW)	-$0.2567		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100** **Extension: 310**	
Date:	**February 11, 2005**	

Approved Regulatory Asset Recovery from Non-RSVA Accounts *(Sheet 4, Section 2)* **$ 36,305.00**

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	206,364,706	20,917	$4,885,294	54.9%	$19,922
General Service < 50 KW Class	0	93,986,187	2,737	$1,725,622	19.4%	$7,037
General Service > 50 KW Non-Time of Use	558,858	205,314,063	252	$2,105,195	23.6%	$8,585
General Service > 50 KW Time of Use	97,183	55,320,409	2	$115,551	1.3%	$471
Intermediate Use	0	0	0	$0	0.0%	$0
Large Class User	0	0	0	$0	0.0%	$0
Sentinel Lights	1,675	120,193	1,077	$21,259	0.2%	$87
Street Lighting	9,600	3,260,971	5,277	$49,643	0.6%	$202
TOTALS		**564,366,529**	**30,262**	**$8,902,564**	**1.00**	**$36,305**
			Allocated Total for Non-RSVA accounts ==========>			$36,305

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			$19,922
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$19,922	$0	$19,922
(D) Number of kWh	206,364,706		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0001		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$7,037
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$7,037	$0	$7,037
(D) Number of kWh	93,986,187		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0001		

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			$8,585
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$8,585	$0	$8,585
(D) Number of kW	558,858		
(E) Incremental Distribution kW Rate ($/kW)	$0.0154		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$471
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$471	$0	$471
(D) Number of kW	97,183		
(E) Incremental Distribution kW Rate ($/kW)	$0.0048		

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	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/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			$87
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$87	$0	$87
(D) Number of kW	1,675		
(E) Incremental Distribution kW Rate ($/kW)	$0.0518		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$202
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$202	$0	$202
(D) Number of kW	9,600		
(E) Incremental Distribution kW Rate ($/kW)	$0.0211		

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100 Extension: 310**	
Date:	**February 11, 2005**	

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0115
MONTHLY SERVICE CHARGE (Per Customer)	$13.63

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0115
MONTHLY SERVICE CHARGE (Per Customer)	$13.63

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0142
MONTHLY SERVICE CHARGE (Per Customer)	$23.33

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.1189
MONTHLY SERVICE CHARGE (Per Customer)	$340.39

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.3711
MONTHLY SERVICE CHARGE (Per Customer)	$2,610.36

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

MONTHLY SERVICE CHARGE (Per Customer)

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$6.9123
MONTHLY SERVICE CHARGE (Per Connection)	$1.98

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$6.9123
MONTHLY SERVICE CHARGE (Per Connection)	$1.98

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.3334
MONTHLY SERVICE CHARGE (Per Connection)	$0.48

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.3334
MONTHLY SERVICE CHARGE (Per Connection)	$0.48

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	North Bay Hydro Distribution Limited	2005.V1.1
License Number:	ED-2003-0024	RP-2005-0013
Name of Contact:	Elizabeth Chirico	EB-2005-0057
E- Mail Address:	echirico@northbayhydro.com	
Phone Number:	(705)474-8100 Extension: 310	
Date:	February 11, 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	

North Bay Hydro Distribution Limited
RP-2005-0013 EB-2005-0057
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

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

RESIDENTIAL

Monthly Service Charge	(per month)	$13.63
Distribution Volumetric Rate	(per kWh)	$0.0115

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	$13.63
Distribution Volumetric Rate	(per kWh)	$0.0115

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$23.33
Distribution Volumetric Rate	(per kWh)	$0.0142

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$340.39
Distribution Volumetric Rate	(per kW)	$2.1189

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$2,610.36
Distribution Volumetric Rate	(per kW)	$0.3711

INTERMEDIATE USE

Monthly Service Charge	(per month)	
Distribution Volumetric Rate	(per kW)	

LARGE USE

Monthly Service Charge	(per month)	
Distribution Volumetric Rate	(per kW)	

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.98
Distribution Volumetric Rate	(per kW)	$6.9123

North Bay Hydro Distribution Limited
RP-2005-0013 EB-2005-0057
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	$1.98
Distribution Volumetric Rate	(per kW)	$6.9123

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$0.48
Distribution Volumetric Rate	(per kW)	$2.3334

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	$0.48
Distribution Volumetric Rate	(per kW)	$2.3334

SHEET 12 - Current Rates as of April 1, 2004

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.1**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100 Extension: 310**	
Date:	**February 11, 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	$0.0081
Monthly Service Charge (Per Customer)	$12.84

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	$0.0081
Monthly Service Charge (Per Customer)	$12.84

GENERAL SERVICE < 50 KW

Distribution kWh Rate	$0.0115
Monthly Service Charge (Per Customer)	$21.98

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	$1.9017
Monthly Service Charge (Per Customer)	$321.01

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	$1.0599
Monthly Service Charge (Per Customer)	$2,459.56

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SHEET 12 - Current Rates as of April 1, 2004

LARGE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	$2.8748
Monthly Service Charge (Per Customer)	$1.86

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	$2.8748
Monthly Service Charge (Per Customer)	$1.86

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	$1.8641
Monthly Service Charge (Per Customer)	$0.45

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	$1.8641
Monthly Service Charge (Per Customer)	$0.45

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.0**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100** **Extension: 310**	
Date:	**February 11, 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 ($)**	**IMPACT (%)**
100	Monthly Service Charge	N/A	N/A	**$ 12.84**	Monthly Service Charge	N/A	N/A	**$ 13.63**		
	Distribution (kWh)	100	**$ 0.0081**	$ 0.81	Distribution (kWh)	100	**$ 0.0115**	$ 1.15		
			Sub-Total	**$ 13.65**			**Sub Total**	**$ 14.78**	**$ 1.13**	**8.28%**
	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			**$ 20.74**	**Adjusted 2005 Bill**			**$ 21.87**	**$ 1.13**	**5.45%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
250	Monthly Service Charge	N/A	N/A	**$ 12.84**	Monthly Service Charge	N/A	N/A	**$ 13.63**		
	Distribution (kWh)	250	**$0.0081**	$ 2.03	Distribution (kWh)	250	**$ 0.0115**	$ 2.88		
			Sub-Total	**$ 14.87**			**Sub Total**	**$ 16.51**	**$ 1.64**	**11.06%**
	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			**$ 32.59**	**Adjusted 2005 Bill**			**$ 34.23**	**$ 1.64**	**5.04%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
500	Monthly Service Charge	N/A	N/A	**$ 12.84**	Monthly Service Charge	N/A	N/A	**$ 13.63**		
	Distribution (kWh)	500	**$0.0081**	$ 4.05	Distribution (kWh)	500	**$ 0.0115**	$ 5.76		
			Sub-Total	**$ 16.89**			**Sub Total**	**$ 19.39**	**$ 2.50**	**14.79%**
	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			**$ 52.34**	**Adjusted 2005 Bill**			**$ 54.84**	**$ 2.50**	**4.77%**

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	$ 12.84	Monthly Service Charge	N/A	N/A	$ 13.63		
	Distribution (kWh)	750	$0.0081	$ 6.08	Distribution (kWh)	750	0.0115	$ 8.64		
			Sub-Total	$ 18.92			Sub Total	$ 22.27	$ 3.35	17.73%
	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			$ 72.09	Adjusted 2005 Bill			$ 75.44	$ 3.35	4.65%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 12.84	Monthly Service Charge	N/A	N/A	$ 13.63		
	Distribution (kWh)	1000	$0.0081	$ 8.10	Distribution (kWh)	1000	0.0115	$ 11.52		
			Sub-Total	$ 20.94			Sub Total	$ 25.15	$ 4.21	20.10%
	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			$ 93.84	Adjusted 2005 Bill			$ 98.05	$ 4.21	4.49%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,500	Monthly Service Charge	N/A	N/A	$ 12.84	Monthly Service Charge	N/A	N/A	$ 13.63		
	Distribution (kWh)	1500	$0.0081	$ 12.15	Distribution (kWh)	1500	0.0115	$ 17.28		
			Sub-Total	$ 24.99			Sub Total	$ 30.91	$ 5.92	23.69%
	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			$ 137.34	Adjusted 2005 Bill			$ 143.26	$ 5.92	4.31%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
2,000	Monthly Service Charge	N/A	N/A	$ 12.84	Monthly Service Charge	N/A	N/A	$ 13.63		
	Distribution (kWh)	2000	$0.0081	$ 16.20	Distribution (kWh)	2000	0.0115	$ 23.04		
			Sub-Total	$ 29.04			Sub Total	$ 36.67	$ 7.63	26.27%
	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			$ 180.84	Adjusted 2005 Bill			$ 188.47	$ 7.63	4.22%

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 ($)**	**IMPACT (%)**
1,000										
	Monthly Service Charge	N/A	N/A	**$ 21.98**	Monthly Service Charge	N/A	N/A	**$ 23.33**		
	Distribution (kWh)	1000	**$ 0.0115**	$ 11.50	Distribution (kWh)	1000	**$ 0.0142**	$ 14.23		
			Sub-Total	**$ 33.48**			**Sub Total**	**$ 37.56**	**$ 4.08**	**12.18%**
	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			**$ 103.38**	**Adjusted 2005 Bill**			**$ 107.46**	**$ 4.08**	**3.94%**

ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
2,000										
	Monthly Service Charge	N/A	N/A	**$ 21.98**	Monthly Service Charge	N/A	N/A	**$ 23.33**		
	Distribution (kWh)	2000	**$0.0115**	$ 23.00	Distribution (kWh)	2000	**$0.0142**	$ 28.46		
			Sub-Total	**$ 44.98**			**Sub Total**	**$ 51.79**	**$ 6.81**	**15.14%**
	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			**$ 194.78**	**Adjusted 2005 Bill**			**$ 201.59**	**$ 6.81**	**3.50%**

ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
5,000										
	Monthly Service Charge	N/A	N/A	**$ 21.98**	Monthly Service Charge	N/A	N/A	**$ 23.33**		
	Distribution (kWh)	5000	**$0.0115**	$ 57.50	Distribution (kWh)	5000	**$0.0142**	$ 71.15		
			Sub-Total	**$ 79.48**			**Sub Total**	**$ 94.48**	**$ 15.00**	**18.87%**
	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			**$ 462.98**	**Adjusted 2005 Bill**			**$ 477.98**	**$ 15.00**	**3.24%**

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	$ 21.98	Monthly Service Charge	N/A	N/A	$ 23.33		
	Distribution (kWh)	10000	$0.0115	$ 115.00	Distribution (kWh)	10000	$0.0142	$ 142.30		
			Sub-Total	$ 136.98			Sub Total	$ 165.63	$ 28.65	20.92%
	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			$ 909.98	Adjusted 2005 Bill			$ 938.63	$ 28.65	3.15%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
15,000	Monthly Service Charge	N/A	N/A	$ 21.98	Monthly Service Charge	N/A	N/A	$ 23.33		
	Distribution (kWh)	15000	$0.0115	$ 172.50	Distribution (kWh)	15000	$0.0142	$ 213.45		
			Sub-Total	$ 194.48			Sub Total	$ 236.78	$ 42.30	21.75%
	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			$ 1,356.98	Adjusted 2005 Bill			$ 1,399.28	$ 42.30	3.12%

GENERAL SERVICE > 50 KW to 3000 KW

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	$ 321.01	Monthly Service Charge	N/A	N/A	$ 340.39		
kWh	Distribution (kW)	60	$1.9017	$ 114.10	Distribution (kW)	60	$2.1189	$ 127.13		
15,000			Sub-Total	$ 435.11			Sub Total	$ 467.52	$ 32.41	7.45%
	Other Charges (kW)	60	$3.9100	$ 234.60	Other Charges (kW)	60.00	$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)	750	$0.0550	$ 41.25	Cost of Power (kWh)	750	$0.0550	$ 41.25		
	Current 2004 Bill			$ 908.96	Adjusted 2005 Bill			$ 941.37	$ 32.41	3.57%

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	$ 321.01	Monthly Service Charge	N/A	N/A	$ 340.39		
kWh	Distribution (kW)	100	$1.9017	$ 190.17	Distribution (kW)	100	$2.1189	$ 211.89		
40,000			Sub-Total	$ 511.18			Sub Total	$ 552.28	$ 41.10	8.04%
	Other Charges (kW)	100	$3.9100	$ 391.00	Other Charges (kW)	100.00	$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 2004 Bill			$ 3,630.18	Adjusted 2005 Bill			$ 3,671.28	$ 41.10	1.13%

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	$ 321.01	Monthly Service Charge	N/A	N/A	$ 340.39		
kWh	Distribution (kW)	500	$1.9017	$ 950.85	Distribution (kW)	500	$2.1189	$ 1,059.46		
100,000			Sub-Total	$ 1,271.86			Sub Total	$ 1,399.85	$ 127.99	10.06%
	Other Charges (kW)	500	$3.9100	$ 1,955.00	Other Charges (kW)	500.00	$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 2004 Bill			$ 10,046.86	Adjusted 2005 Bill			$ 10,174.85	$ 127.99	1.27%

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	$ 321.01	Monthly Service Charge	N/A	N/A	$ 340.39		
kWh	Distribution (kW)	1,000	$1.9017	$ 1,901.70	Distribution (kW)	1000	2.1189	$ 2,118.91		
400,000			Sub-Total	$ 2,222.71			Sub Total	$ 2,459.30	$ 236.59	10.64%
	Other Charges (kW)	1,000	3.9100	$ 3,910.00	Other Charges (kW)	1,000.00	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 2004 Bill			$ 33,412.71	Adjusted 2005 Bill			$ 33,649.30	$ 236.59	0.71%

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	$ 321.01	Monthly Service Charge	N/A	N/A	$ 340.39		
kWh	Distribution (kW)	3,000	$1.9017	$ 5,705.10	Distribution (kW)	3000	2.1189	$ 6,356.74		
1,000,000			Sub-Total	$ 6,026.11			Sub Total	$ 6,697.13	$ 671.02	11.14%
	Other Charges (kW)	3,000	3.9100	$ 11,730.00	Other Charges (kW)	3,000.00	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 2004 Bill			$ 85,956.11	Adjusted 2005 Bill			$ 86,627.13	$ 671.02	0.78%

INTERMEDIATE CLASS (> 3000 KW to 5000 KW)

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	$ -	Monthly Service Charge	N/A	N/A			
kWh	Distribution (kW)	3,000	$0.0000	$ -	Distribution (kW)	3000		#VALUE!		
800,000			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)	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			$ 67,201.40	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 (%)
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)

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	$ -	Monthly Service Charge	N/A	N/A			
kWh	Distribution (kW)	6,000	$0.0000	$ -	Distribution (kW)	6000		$ -		
2,800,000			Sub-Total	$ -			Sub Total	$ -	$ -	#DIV/0!
	Other Charges (kW)	6,000	0.0474	$ 284.21	Other Charges (kWh)	6,000.00	0.0474	$ 284.21		
	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			$ 191,244.21	Adjusted 2005 Bill			$ 191,244.21	$ -	0.00%

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	$ -	Monthly Service Charge	N/A	N/A			
kWh	Distribution (kW)	15,000	$0.0000	$ -	Distribution (kW)	15000		$ -		
10,000,000			Sub-Total	$ -			Sub Total	$ -	$ -	#DIV/0!
	Other Charges (kW)	15,000	0.0474	$ 710.54	Other Charges (kWh)	15,000.00	0.0474	$ 710.54		
	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			$ 682,710.54	Adjusted 2005 Bill			$ 682,710.54	$ -	0.00%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Name of Utility:	**North Bay Hydro Distribution Limited**	**2005.V1.0**
License Number:	**ED-2003-0024**	**RP-2005-0013**
Name of Contact:	**Elizabeth Chirico**	**EB-2005-0057**
E- Mail Address:	**echirico@northbayhydro.com**	
Phone Number:	**(705)474-8100** **Extension: 310**	
Date:	**February 11, 2005**	

Monthly Consumption

General Service > 50 kW TOU

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/ kWh**	**RATE $/kW or $/kWh**	**CHARGE ($)**		**kW/ kWh**	**RATE $/kW or $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
kW										
4,000	Monthly Service Charge	N/A	N/A	**$ 2,459.56**	Monthly Service Charge	N/A	N/A	**$ 2,610.36**		
kWh	Distribution (kW)	4,000	**$1.0599**	$ 4,239.60	Distribution (kW)	4000	**$0.37**	$ 1,484.53		
1,200,000			**Sub-Total**	**$ 6,699.16**			**Sub Total**	**$ 4,094.89**	**$ (2,604.27)**	**-38.87%**
	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			**$ 105,394.36**	**Adjusted 2005 Bill**			**$ 102,790.09**	**$ (2,604.27)**	**-2.47%**

ENTER DESIRED CONSUMPTION LEVEL		**kW/ kWh**	**RATE $/kW or $/kWh**	**CHARGE ($)**		**kW/ kWh**	**RATE $/kW or $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
kW										
4,000	Monthly Service Charge	N/A	N/A	**$ 2,459.56**	Monthly Service Charge	N/A	N/A	**$ 2,610.36**		
kWh	Distribution (kW)	4,000	**$1.0599**	$ 4,239.60	Distribution (kW)	4000	**$0.3711**	$ 1,484.53		
1,800,000			**Sub-Total**	**$ 6,699.16**			**Sub Total**	**$ 4,094.89**	**$ (2,604.27)**	**-38.87%**
	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			**$ 146,314.36**	**Adjusted 2005 Bill**			**$ 143,710.09**	**$ (2,604.27)**	**-1.780%**

Appendix 10

2005 Approved PILS Model

SECTION 93 PILs TAX GROSS-UP	PROXY CALCULATION FOR 2005	PILS2005.V1.1

REGULATORY INFORMATION (REGINFO) — revised/amended

Utility Name:	North Bay Hydro Distribution Limited	
File Number:	RP-2005-0013	
	EB-2005-0057	
Reporting period:	January 1, 2005 - 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.	100.00%	
3. Please explain the basis of the allocation if the percentage is other than 100%.		
4. Accounting Year End	31-Dec-05	

MARR NO TAX CALCULATIONS
FROM SHEET #7 FINAL 2001 RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)

Rate base (wires-only)	$38,665,208.55		
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	$3,311,675		
1999 return from RUD Sheet #7	$760,348		$760,348
Total Incremental revenue	$2,551,327		
	Based on Board's Decision (RP-2000-0069)	*Board-Approved Amounts*	
Amount allowed in 2001, Year 1	$850,442	$852,143	$852,143
Amount allowed in 2002, Year 2	$850,442	$424,796	$424,796
Amount allowed in 2003, Year 3	$850,442	$1,274,388	$1,274,388
Permanent Changes to Base Rate *(e.g. LPP 5% to 1.5%)*			$0
C&DM Capital Portion from "C&DM TAX FORECAST" worksheet	24%		
Total Regulatory Income			**$3,311,675**
Equity	$19,332,604		
Return at target ROE	$1,910,061		
Debt	$19,332,604		
Deemed interest amount in EBIT	$1,401,614		

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Utility Name: North Bay Hydro Distribution Limited Reporting Period: January 1, 2005 - 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	**$3,311,675**	
BOOK TO TAX ADJUSTMENTS			
Additions:			
Depreciation & Amortization	2	**$2,544,583**	
Employee Benefit Plans - Accrued, Not Paid	3	$0	
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	**$1,962,175**	
Employee Benefit Plans - Paid Amounts	8	$0	
Items Capitalized for Regulatory Purposes	9	$0	
Regulatory Adjustments	10	$0	
Interest Expense Deemed	11	**$1,401,614**	
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	**$293,000**	
Material Items	12	$0	
Other Deductions	12	$0	
REGULATORY TAXABLE INCOME		**$2,199,469**	
CORPORATE INCOME TAX RATE			
Deemed %	13	36.12%	
REGULATORY INCOME TAX Taxable Income x Rate		$794,448	
Miscellaneous Tax Credits	14	$0	
Total Regulatory Income Tax		**$794,448**	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Utility Name: North Bay Hydro Distribution Limited Reporting Period: January 1, 2005 - 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		100%	
II) CAPITAL TAXES			
Ontario			
Rate Base	15	$38,665,209	
Less: Exemption	16	$7,500,000	
Deemed Taxable Capital		$31,165,209	
Rate (.3%)	17	0.3000%	
Net Amount (Taxable Capital x Rate)		**$93,496**	
Federal (LCT)			
Base	18	$38,665,209	
Less: Exemption	19	$50,000,000	
Deemed Taxable Capital		$0	
Rate (.175%)	20	0.1750%	
Gross Amount (Taxable Capital x Rate)		$0	
Less: Federal Surtax	21	$0	
Net LCT		**$0**	
III) INCLUSION IN RATES			
Income Tax Rate used for gross- up		36.12%	
Income Tax (grossed-up)	22	$1,243,657	
LCT (grossed-up)	23	$0	
Ontario Capital Tax	24	$93,496	
Total S. 93 PILs Rate Adjustment ***(Enter this amount in the 2005 RAM, Sheet #4, cell G14)***	**25**	**$1,337,153**	

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: North Bay Hydro Distribution Limited
File Number: RP-2005-0013
EB-2005-0057

	Jan - Dec 2005		Jan - Dec 2006		Jan - Sept 30th 2007		Total	
	$	%	$	%	$	%	$	%
Capital	$92,000	24%	$39,500	9%	$7,000	2%	**$138,500**	11%
Tax Deductible Expense	$293,000	76%	$397,500	91%	$446,000	98%	**$1,136,500**	89%
Total	**$385,000**	**100%**	**$437,000**	**100%**	**$453,000**	**100%**	**$1,275,000**	**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

Ontario

RP-2005-0013
EB-2005-0057

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 **North Bay Hydro Distribution Limited** 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 dated January 14, 2005 and a revised application dated March 11, 2005 for adjustments to their rates for the following amounts:

MARR: $ 1,274,388
2005 PILs Proxy: $ 1,337,153
Regulatory Assets Second Tranche: -$ 390,122

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-2005-0057

March 21, 2005

ONTARIO ENERGY BOARD

North Bay Hydro Distribution Limited
Schedule of Distribution Rates and Charges
Effective Date: March 1, 2005
Implementation Date: April 1, 2005

RESIDENTIAL

Monthly Service Charge	(per month)	$13.63
Distribution Volumetric Rate	(per kWh)	$0.0115

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$23.33
Distribution Volumetric Rate	(per kWh)	$0.0142

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$340.39
Distribution Volumetric Rate	(per kW)	$2.1189

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$2,610.36
Distribution Volumetric Rate	(per kW)	$0.3711

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	$1.98
Distribution Volumetric Rate	(per kW)	$6.9123

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	$0.48
Distribution Volumetric Rate	(per kW)	$2.3334

UNMETERED SCATTERED LOADS

Unmetered scattered loads such as cable amplifiers, car park lights and traffic lights will be billed at General Service < 50 kW rates. Energy usage is based on connected load estimates. Charges per account will be billed as follows:

Monthly Service Charge	(per month)	$23.33
Distribution Volumetric Rate	(per kWh)	$0.0142

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: North Bay Hydro Distribution Limited**				
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)			38,665,209	
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			3,311,675	
42					
43	1999 return from RUD Sheet #7			760,348	760,348
44					
45	Total Incremental revenue			2,551,327	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			1,275,664	1,275,664
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**				2,036,012
54					
55	Equity			19,332,605	
56					
57	Return at target ROE			1,910,061	
58					
59	Debt			19,332,605	
60					
61	Deemed interest amount in 100% of MARR			1,401,614	
62					
63	Phase-in of interest - Year 1 (2001)			321,805	
64	((D43+D47)/D41)*D61				
65	Phase-in of interest - Year 2 (2002)			861,710	
66	((D43+D47+D48)/D41)*D61				
67	Phase-in of interest - Year 3 (2003) and forward			861,710	
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: North Bay Hydro Distribution Limited**											
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	190,087						-1,118,605		-928,518	
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	***Additions:***											
20	Depreciation & Amortization	2	636,146						-352,739		283,407	
21	Employee Benefit Plans - Accrued, Not Paid	3							0		0	
22	Tax reserves - beginning of year	4							889,914		889,914	
23	Reserves from financial statements - end of year	4							3,774,640		3,774,640	
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							1,120		1,120	
30												
31	***Deductions:*** ***Input positive numbers***											
32	Capital Cost Allowance and CEC	7	251,812						82,097		333,909	
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	80,451						-73,305		7,146	
37	Tax reserves - end of year	4							1,035,595		1,035,595	
38	Reserves from financial statements - beginning of year	4							3,606,374		3,606,374	
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)		493,970						7,845,091	Before loss C/F	-962,461	
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		200,650						-200,650	Actual	0	
54												
55												
56	Miscellaneous Tax Credits	14							0	Actual	0	
57												
58	**Total Regulatory Income Tax**		200,650						-200,650	Actual	0	
59												
60												
61	**II) CAPITAL TAXES**											
62												
63	***Ontario***											
64	Base	15	38,665,209						4,451,476		43,116,685	
65	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000						0		5,000,000	
66	Taxable Capital		33,665,209						4,451,476		38,116,685	
67												
68	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%						0.0000%		0.3000%	
69												
70	Ontario Capital Tax		25,249						3,574		28,822	
71												
72	***Federal Large Corporations Tax***											
73	Base	18	38,665,209						4,501,978		43,167,187	
74	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000						0		10,000,000	
75	Taxable Capital		28,665,209						4,501,978		33,167,187	
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)		16,124						2,686		18,810	
80	Less: Federal Surtax 1.12% x Taxable Income	21	5,532						-5,532		0	
81												
82	Net LCT		10,592						-2,847		18,810	
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	331,654							**Actual 2001**	0	
89	LCT (proxy tax is grossed-up)	23	17,507							**Actual 2001**	18,810	
90	Ontario Capital Tax (no gross-up since it is deductible)	24	25,249							**Actual 2001**	28,822	
91												
92												
93	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	374,410							**Actual 2001**	47,632	
94	**RAM DECISION**											
95												

	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			$						$		$	
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							889,914			
102	Reserves from financial statements-end of year	4							3,774,640			
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							1,035,595			
112	Reserves from F/S beginning of year	4							3,606,374			
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						=	22,585		**Incremental taxable income due to schedule true up items - F/S and tax reserves**	
119												
120	Income Tax Rate for True-up = legislated rate for the year							x	40.62%			
121												
122	Income Tax Effect on True-uo adiustments							=	9.174			
123												
124	Less: Miscellaneous Tax Credits	14							0			
125												
126	Total Income Tax on True-ups								9,174			
127												
128	Income Tax Rate used for gross-up (exclude surtax)								39.50%			
129												
130	**TRUE-UP VARIANCE ADJUSTMENT**								15.164		**true-up on Schedule 1 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)							=	493,970			
135												
136	REVISED CORPORATE INCOME TAX RATE							x	40.62%			
137												
138	REVISED REGULATORY INCOME TAX							=	200,650			
139												
140	Less: Revised Miscellaneous Tax Credits							-				
141												
142	Total Revised Regulatory Income Tax							=	200,650			
143												
144	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)							-	200,650			
145												
146	Regulatory Income Tax Variance							=	0		**No tax rate changes - no true-up**	
147												
148	**Ontario Capital Tax**											
149	Base							=	38,665,209			
150	Less: Exemption							-	5,000,000			
151	Revised deemed taxable capital							=	33,665,209			
152												
153	Rate							x	0.3000%			
154												
155	Revised Ontario Capital Tax							=	25,249			
156	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)							-	25,249			
157	Regulatory Ontario Capital Tax Variance							=	0		**No tax rate or exemption changes - no true-up**	
158												
159	**Federal LCT**											
160	Base								38,665,209			
161	Less: Exemption from tab Tax Rates, Table 2, cell C40							-	10,000,000			
162	Revised Federal LCT							=	28,665,209			
163												
164	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51								0.2250%			
165												
166	Gross Amount								16,124			
167	Less: Federal surtax							-	5,532			
168	Revised Net LCT							=	10,592			
169												
170	Less: Federal LCT reported in the initial estimate column (Cell C82)							-	10,592			
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)**							+	15,164			
182												
183	**Total Deferral Account Entry (Positive Entry = Debit)**							=	**15,164**			
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)								1,401,614			
192	Interest phased-in (Cell C36)								80,451			
193												
194	Variance due to phase-in of debt component of MARR in rates								1,321,163			
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)								7,146			
200	Total deemed interest (REGINFO CELL D61)								1,401,614			
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**								1,321,163			
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: North Bay Hydro Distribution Limited**					
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 :**		12,083	< - 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	+	11,724,771		11,724,771	
32	Distribution Revenue	+	135,785		135,785	
33	Other Income	+	55,075		55,075	
34	Miscellaneous income	+	41,754		41,754	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	11,724,771		11,724,771	
40	Administration	-	603,394		603,394	
41	Customer billing and collecting	-	241,646		241,646	
42	Operations and maintenance	-	32,685		32,685	
43	Amortization	-	283,407		283,407	
44	Ontario Capital Tax	-	0		0	
45	Expenses per 3 month Statement	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	-928,518	0	-928,518	
51	Less: Interest expense for accounting purposes	-	7,146		7,146	
52	Provision for payments in lieu of income taxes	-			0	
53	**Net Income (loss)**	=	-935,664	0	-935,664	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	283,407	0	283,407	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	889,914	0	889,914	
64	Reserves from financial statements- end of year	+	3,774,640	0	3,774,640	
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	+	1,120	0	1,120	
68						
69	*Subtotal*		4,949,081	0	4,949,081	
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	=	4,949,081	0	4,949,081	
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						

	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**	
95	BOOK TO TAX DEDUCTIONS:					
96	Capital cost allowance	-	333,909		333,909	
97	Cumulative eligible capital deduction	-			0	
98						
99						
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*	-	1,035,595	0	1,035,595	
106	*Reserves from financial statements- beginning of year*	-	3,606,374	0	3,606,374	
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						
113	Subtotal	=	4,975,878	0	4,975,878	
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	=	4,975,878	0	4,975,878	
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	=	-962,461	0	-962,461	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-962,461	0	-962,461	
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	+	19,511,601		19,511,601	
160	Retained earnings (if deficit, deduct)	+/-	1,332,240		1,332,240	
161	Capital and other surplus excluding	+			0	
162	appraisal surplus	+			0	
163	Loans and advances	+	19,584,301		19,584,301	
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	+			0	
170	Contingent, investment, inventory and similar reserves	+			0	
171	Other reserves not allowed as deductions	+	2,739,045		2,739,045	
172	Share of partnership(s), joint venture(s) paid-up capital	+			0	
173	Sub-total	=	43,167,187	0	43,167,187	
174	Subtract:					
175	Amounts deducted for income tax purposes in excess of amounts booked	-	50,502		50,502	
176	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
177	**Total (Net) Paid-up Capital**	=	43,116,685	0	43,116,685	
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	+			0	
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**	=	0	0	0	
189						
190						

	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**	
191	**TOTAL ASSETS**					
192						
193	Total assets per balance sheet	+			0	
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**	=	0	0	0	
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	-			0	
205	Deductible R&D expenditures and ONTTI costs deferred for income tax	-			0	
206	Subtract: Appraisal surplus if booked	-			0	
207	Add or subtract: Other adjustments	+/-			0	
208						
209	**Total Assets**	=	0	0	0	
210						
211						
212	**Investment Allowance**		0	0	0	
213						
214	**Taxable Capital**					
215						
216	Net paid-up capital	+	43,116,685	0	43,116,685	
217	Subtract: Investment Allowance	-	0	0	0	
218						
219	Taxable Capital	=	43,116,685	0	43,116,685	
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		38,116,685	0	38,116,685	
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)**		28,822	0	28,822	
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	+	2,739,045		2,739,045	
240	Capital stock	+	19,511,601		19,511,601	
241	Retained earnings	+	1,332,240		1,332,240	
242	Contributed surplus	+			0	
243	Any other surpluses	+			0	
244	Deferred unrealized foreign exchange gains	+			0	
245	All loans and advances to the corporation	+	19,584,301		19,584,301	
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	=	43,167,187	0	43,167,187	
251						
252	DEDUCT:					
253	Deferred tax debit balance	-			0	
254	Any deficit deducted in computing shareholders' equity	-			0	
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	=	0	0	0	
259						
260	**Capital for the year**		43,167,187	0	43,167,187	
261						
262	**INVESTMENT ALLOWANCE**					
263						
264	Shares in another corporation	+			0	
265	Loan or advance to another corporation	+			0	
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**	=	0	0	0	
274						
275						

	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**	
276	**TAXABLE CAPITAL**					
277						
278	Capital for the year	=	43,167,187	0	43,167,187	
279						
280	Deduct: Investment allowance	-	0	0	0	
281						
282	Taxable Capital for taxation year	=	43,167,187	0	43,167,187	
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**	=	33,167,187	0	33,167,187	
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)**	=	18,810	0	18,810	
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)**	=	18,810	0	18,810	
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	+	28,822	0	28,822	
307	Federal Large Corporations Tax	+	18,810	0	18,810	
308						
309	**Total income and capital taxes**	=	47,632	0	47,632	
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: North Bay Hydro Distribution Limited**					
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)		45,000		45,000	
15	Reserve for goods & services ss.20(1)(m)		844,914		844,914	
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)		889,914	0	889,914	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		32,884		32,884	
27	Reserve for goods & services ss.20(1)(m)		1,002,711		1,002,711	
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)		1,035,595	0	1,035,595	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		45,000		45,000	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Emplyee Future Benefits		2,716,460		2,716,460	
48	Underliverable goods and services		844,914		844,914	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		3,606,374	0	3,606,374	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		32,884		32,884	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee Future Benefits		2,739,045		2,739,045	
60	Underliverable goods and services		1,002,711		1,002,711	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		3,774,640	0	3,774,640	
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: North Bay Hydro Distribution Limited**					
9	**Reporting period: Dec. 31, 2001**					
10	**Number of days in taxation year:**		92			
11	**Materiality Level:**		12,083			
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	+	500		500	
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	+	620		620	
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	=	1,120	0	1,120	
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		1,120	0	1,120	
97	Total Additions		1,120	0	1,120	
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: North Bay Hydro Distribution Limited

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: North Bay Hydro Distribution Limited**		**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: North Bay Hydro Distribution Limited**	**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: North Bay Hydro Distribution Limited**												**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: North Bay Hydro Distribution Limited**			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)			38,665,209	
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			3,311,675	
42					
43	1999 return from RUD Sheet #7			760,348	760,348
44					
45	Total Incremental revenue			2,551,327	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			1,275,664	1,275,664
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**				2,036,012
55					
56	Equity			19,332,605	
57					
58	Return at target ROE			1,910,061	
59					
60	Debt			19,332,605	
61					
62	Deemed interest amount in 100% of MARR			1,401,614	
63					
64	Phase-in of interest - Year 1 (2001)			321,805	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			861,710	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			861,710	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,401,614	
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: North Bay Hydro Distribution Limited**							
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	2,036,012		-3,856,449		-1,820,437	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	2,544,583		-278,407		2,266,176	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			1,035,595		1,035,595	
23	Reserves from financial statements - end of year	4			4,717,275		4,717,275	
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			540,755		540,755	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	**Items on which true-up does not apply "TAXREC 3"**				722,314		722,314	
31								
32	***Deductions: Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,962,175		595,471		2,557,646	
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	861,710		126,090		987,800	
38	Tax reserves - end of year	4			1,364,249		1,364,249	
39	Reserves from financial statements - beginning of year	4			3,774,640		3,774,640	
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)		1,756,710		-2,979,367	Before loss C/F	-1,222,657	
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		678,442		-678,442	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		678,442		-678,442	Actual	0	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	38,665,209		3,035,152		41,700,361	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-203,063		4,796,937	
68	Taxable Capital		33,665,209		2,832,089		36,903,424	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		100,996		9,715		110,710	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	38,665,209		1,996,911		40,662,120	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		28,665,209		1,996,911		30,662,120	
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)		64,497		4,493		68,990	
82	Less: Federal Surtax 1.12% x Taxable Income	21	19,675		-19,675		0	
83								
84	Net LCT		44,822		24,168		68,990	
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	1,085,506			**Actual 2002**	0	
91	LCT (proxy tax is grossed-up)	23	71,715			**Actual 2002**	68,990	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	100,996			**Actual 2002**	110,710	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	1,258,217			**Actual 2002**	179,700	
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: North Bay Hydro Distribution Limited**							
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			1,035,595			
104	Reserves from financial statements-end of year	4			4,717,275			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			540,755			
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			1,364,249			
114	Reserves from F/S beginning of year	4			3,774,640			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	1,154,736			
121								
122	Income Tax Rate			x	38.62%			
123								
124	Income Tax Effect on True-up adjustments			=	445,959			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				445,959			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				713,534			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,756,710			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	678,442			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	678,442			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	678,442			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	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: North Bay Hydro Distribution Limited**							
7	**Reporting period: 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	38,665,209			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	33,665,209			
154								
155	Rate			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	100,996			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	100,996			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				38,665,209			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	28,665,209			
165								
166	Rate				0.2250%			
167								
168	Gross Amount				64,497			
169	Less: Federal surtax			-	19,675			
170	Revised Net LCT			=	44,822			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	44,822			
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)**			+	713,534			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**713,534**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				1,401,614			
194	Interest phased-in (Cell C36)				861,710			
195								
196	Variance due to phase-in of debt component of MARR in rates				539,904			
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)				987,800			
202	Total deemed interest (REGINFO CELL D61)				1,401,614			
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**				539,904			
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: North Bay Hydro Distribution Limited**					
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 :**		48,332	< - 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	+	15,740,000		15,740,000	
32	Distribution Revenue	+	7,048,679		7,048,679	
33	Other Income	+	979,120		979,120	
34	Miscellaneous income	+	77,538		77,538	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	15,740,000		15,740,000	
40	Administration	-	3,318,580		3,318,580	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	2,057,605		2,057,605	
43	Amortization	-	2,266,176		2,266,176	
44	Ontario Capital Tax	-			0	
45	Reg Assets	-			0	
46		-			0	
47	Other items expensed	-	2,283,413		2,283,413	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	-1,820,437	0	-1,820,437	
51	Less: Interest expense for accounting purposes	-	987,800		987,800	
52	Provision for payments in lieu of income taxes	-	193,629		193,629	
53	**Net Income (loss)**	=	-3,001,866	0	-3,001,866	
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	+	193,629	0	193,629	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	2,266,176	0	2,266,176	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	1,035,595	0	1,035,595	
64	Reserves from financial statements- end of year	+	4,717,275	0	4,717,275	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		722,314	0	722,314	
67	Material addition items from TAXREC 2	+	540,755	0	540,755	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	*Subtotal*		9,475,744	0	9,475,744	
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	=	9,475,744	0	9,475,744	
83						
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	

	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**	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	2,557,646		2,557,646	
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*	-	1,364,249	0	1,364,249	
105	*Reserves from financial statements- beginning of year*	-	3,774,640	0	3,774,640	
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	=	7,696,535	0	7,696,535	
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	=	7,696,535	0	7,696,535	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	-1,222,657	0	-1,222,657	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-1,222,657	0	-1,222,657	
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	+	110,710		110,710	
158	Federal Large Corporations Tax	+	68,990		68,990	
159						
160	**Total income and capital taxes**	=	179,700	0	179,700	
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: North Bay Hydro Distribution Limited**					
8	**Reporting period: 2002**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)		32,884		32,884	
15	Reserve for goods & services ss.20(1)(m)		1,002,711		1,002,711	
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)		1,035,595	0	1,035,595	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		56,899		56,899	
27	Reserve for goods & services ss.20(1)(m)		1,307,350		1,307,350	
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)		1,364,249	0	1,364,249	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		32,884		32,884	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee future benefits		2,739,045		2,739,045	
48	Underliverable goods and services		1,002,711		1,002,711	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		3,774,640	0	3,774,640	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		56,899		56,899	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee future benefits		3,353,026		3,353,026	
60	Underliverable goods and services		1,307,350		1,307,350	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		4,717,275	0	4,717,275	
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: North Bay Hydro Distribution Limited**					
9	**Reporting period: 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		48,332			
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	+	540,755		540,755	
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	=	540,755	0	540,755	
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	#REF!		540,755	0	540,755	
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		540,755	0	540,755	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		540,755	0	540,755	

	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: North Bay Hydro Distribution Limited**					
9	**Reporting period: 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		48,332			
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: North Bay Hydro Distribution Limited**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2002**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+			0	
42		+			0	
43	*WtrieOff of Transition Costs*	+	722,314		722,314	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	722,314	0	722,314	
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: North Bay Hydro Distribution Limited

Reporting period: 2002

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

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)		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**		**200,001**	
Expected Rates		**to**		**to**	**>700,000**
	Year	**200,000**		**700,000**	
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: North Bay Hydro Distribution Limited**														**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: North Bay Hydro Distribution Limited**			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 Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			38,665,209	
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			3,311,675	
42					
43	1999 return from RUD Sheet #7			760,348	760,348
44					
45	Total Incremental revenue			2,551,327	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			1,275,664	1,275,664
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**				2,036,012
55					
56	Equity			19,332,605	
57					
58	Return at target ROE			1,910,061	
59					
60	Debt			19,332,605	
61					
62	Deemed interest amount in 100% of MARR			1,401,614	
63					
64	Phase-in of interest - Year 1 (2001)			321,805	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			861,710	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			861,710	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,401,614	
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: North Bay Hydro Distribution Limited**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: North Bay Hydro Distribution Limited**							
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	2,036,012		1,659,146		3,695,158	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	2,544,583		-444,708		2,099,875	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			1,364,249		1,364,249	
23	Reserves from financial statements - end of year	4			5,476,383		5,476,383	
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			88,453		88,453	
29	Other Additions (not "Material") "TAXREC 2"	6			1,684		1,684	
30	**Items on which true-up does not apply "TAXREC 3"**				0		0	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,962,175		69,620		2,031,795	
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	861,710		152,714		1,014,424	
38	Tax reserves - end of year	4			1,507,184		1,507,184	
39	Reserves from financial statements - beginning of year	4			4,717,275		4,717,275	
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)		1,756,710		1,698,414		3,455,124	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.1326%		36.49%	
54								
55	REGULATORY INCOME TAX		678,442		-215,050	Actual	463,392	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		678,442		-215,050	Actual	463,392	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	38,665,209		6,320,853		44,986,062	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-210,062		4,789,938	
68	Taxable Capital		33,665,209		6,110,791		40,196,124	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		100,996		19,593		120,588	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	38,665,209		5,199,547		43,864,756	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		28,665,209		5,199,547		33,864,756	
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)		64,497		11,699		76,196	
82	Less: Federal Surtax 1.12% x Taxable Income	21	19,675		-5,451		14,224	
83								
84	Net LCT		44,822		17,150		61,972	
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	1,085,506			**Actual 2003**	463,392	
91	LCT (proxy tax is grossed-up)	23	71,715			**Actual 2003**	61,972	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	100,996			**Actual 2003**	120,588	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	1,258,217			**Actual 2003**	645,952	
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: North Bay Hydro Distribution Limited**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: North Bay Hydro Distribution Limited**							
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			1,364,249			
104	Reserves from financial statements-end of year	4			5,476,383			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			88,453			
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			1,507,184			
114	Reserves from F/S beginning of year	4			4,717,275			
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		=	704,626			
121								
122	Income Tax Rate			x	36.62%			
123								
124	Income Tax Effect on True-up adjustments			=	258,034			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				258,034			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**400,053**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,756,710			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	643,307			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	643,307			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	678,442			
147								
148	Regulatory Income Tax Variance			=	-13,351	**38% of regulatory tax**		
149						**difference**		
150	**Ontario Capital Tax**							
151	Base			=	38,665,209			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	33,665,209			
154								
155	Rate - Tab Tax Rates cell C36			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	100,996			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	100,996			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				38,665,209			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	28,665,209			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C37				0.2250%			
167								
168	Gross Amount				64,497			
169	Less: Federal surtax			-	19,675			
170	Revised Net LCT			=	44,822			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	44,822			
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)**			+	-20,699			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**-20,699**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**400,053**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**379,354**			
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: North Bay Hydro Distribution Limited**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: North Bay Hydro Distribution Limited**							
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)				1,401,614			
194	Interest phased-in (Cell C36)				861,710			
195								
196	Variance due to phase-in of debt component of MARR in rates				539,904			
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)				1,014,424			
202	Total deemed Interest (REGINFO D62)				1,401,614			
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**				539,904			
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: North Bay Hydro Distribution Limited**		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: North Bay Hydro Distribution Limited**					
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 :**		48,332	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+			0	
32	Distribution Revenue	+	8,902,384		8,902,384	
33	Other Income	+	1,092,838		1,092,838	
34	Miscellaneous income	+	1,020,344		1,020,344	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-			0	
40	Administration	-	2,410,130		2,410,130	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	2,810,403		2,810,403	
43	Amortization	-	2,099,875		2,099,875	
44	Ontario Capital Tax	-			0	
45	OM&A expenses per financial statements	-			0	
46	Restatement adjustment	-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	3,695,158	0	3,695,158	
51	Less: Interest expense for accounting purposes	-	1,014,424		1,014,424	
52	Provision for payments in lieu of income taxes	-	399,209		399,209	
53	**Net Income (loss)**	=	2,281,525	0	2,281,525	
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	+	399,209	0	399,209	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	2,099,875	0	2,099,875	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	1,364,249	0	1,364,249	
64	Reserves from financial statements- end of year	+	5,476,383	0	5,476,383	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
67	Material addition items from TAXREC 2	+	88,453	0	88,453	
68	Other addition items (not Material) from TAXREC 2	+	1,684	0	1,684	
69						
70	*Subtotal*		9,429,853	0	9,429,853	
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	=	9,429,853	0	9,429,853	
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: North Bay Hydro Distribution Limited**		**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	-	2,031,795		2,031,795	
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*	-	1,507,184	0	1,507,184	
105	*Reserves from financial statements- beginning of year*	-	4,717,275	0	4,717,275	
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	=	8,256,254	0	8,256,254	
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	=	8,256,254	0	8,256,254	
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	=	3,455,124	0	3,455,124	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	2,185,118		2,185,118	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	1,270,006	0	1,270,006	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	306,325		306,325	
143	Net Ontario Income Tax (Must agree with tax return)	+	157,067		157,067	
144	Subtotal	=	463,392	0	463,392	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	463,392	0	463,392	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		24.12%		24.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.37%		12.37%	
151	Blended Income Tax Rate		36.49%		36.49%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	463,392	0	463,392	
157	Ontario Capital Tax	+	120,588		120,588	
158	Federal Large Corporations Tax	+	61,972		61,972	
159						
160	**Total income and capital taxes**	=	645,952	0	645,952	
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: North Bay Hydro Distribution Limited**		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: North Bay Hydro Distribution Limited**					
8	**Reporting period: 2003**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)		56,899		56,899	
15	Reserve for goods & services ss.20(1)(m)		1,307,350		1,307,350	
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)		1,364,249	0	1,364,249	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		99,757		99,757	
27	Reserve for goods & services ss.20(1)(m)		1,407,427		1,407,427	
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)		1,507,184	0	1,507,184	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		56,899		56,899	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Employee future benefits		3,353,026		3,353,026	
48	Underliverable goods and services		1,307,350		1,307,350	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		4,717,275	0	4,717,275	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		99,757		99,757	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Employee future benefits		3,969,199		3,969,199	
60	Underliverable goods and services		1,407,427		1,407,427	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		5,476,383	0	5,476,383	
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: North Bay Hydro Distribution Limited**		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: North Bay Hydro Distribution Limited**					
9	**Reporting period: 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		48,332			
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	+	88,453		88,453	
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 Credits	+	1,684		1,684	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	90,137	0	90,137	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51	#REF!		88,453	0	88,453	
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		88,453	0	88,453	
78	Other additions less than materiality level		1,684	0	1,684	
79	Total Additions		90,137	0	90,137	
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: North Bay Hydro Distribution Limited**					
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: North Bay Hydro Distribution Limited**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2003**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**		0		0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	0	0	0	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee 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: North Bay Hydro Distribution Limited
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: North Bay Hydro Distribution Limited**														**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: North Bay Hydro Distribution Limited**			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)			38,665,209	
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			3,311,675	
42					
43	1999 return from RUD Sheet #7			760,348	760,348
44					
45	Total Incremental revenue			2,551,327	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001				0
48	Amount allowed in 2002			1,275,664	1,275,664
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**				2,036,012
55					
56	Equity			19,332,605	
57					
58	Return at target ROE			1,910,061	
59					
60	Debt			19,332,605	
61					
62	Deemed interest amount in 100% of MARR			1,401,614	
63					
64	Phase-in of interest - Year 1 (2001)			321,805	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			861,710	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			861,710	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,401,614	
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: North Bay Hydro Distribution Limited**							
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	2,036,012		299,330		2,335,342	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	2,544,583		-540,976		2,003,607	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			1,507,184		1,507,184	
23	Reserves from financial statements - end of year	4			5,772,196		5,772,196	
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			144,597		144,597	
29	Other Additions (not "Material") "TAXREC 2"	6			3,000		3,000	
30	**Items on which true-up does not apply "TAXREC 3"**				4,136		4,136	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,962,175		-32,048		1,930,127	
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	861,710		189,495		1,051,205	
38	Tax reserves - end of year	4			1,196,920		1,196,920	
39	Reserves from financial statements - beginning of year	4			5,476,383		5,476,383	
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			29,301		29,301	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		1,756,710		329,416	Before loss C/F	2,086,126	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.6438%		35.98%	
54								
55	REGULATORY INCOME TAX		678,442		72,067	Actual	750,509	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		678,442		72,067	Actual	750,509	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	38,665,209		7,017,537		45,682,746	
67	Less: Exemption	16	5,000,000		-212,643		4,787,357	
68	Taxable Capital		33,665,209		6,804,894		40,895,389	
69								
70	Rate	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		100,996		21,691		122,686	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	38,665,209		-38,665,209			
76	Less: Exemption	19	10,000,000		-10,000,000			
77	Taxable Capital		28,665,209		-48,665,209		0	
78								
79	Rate	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		64,497		-64,497		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	19,675		3,689		23,365	
83								
84	Net LCT		44,822		-68,186		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	1,085,506			**Actual 2004**	750,509	
91	LCT (proxy tax is grossed-up)	23	71,715			**Actual 2004**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	100,996			**Actual 2004**	122,686	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	1,258,217			**Actual 2004**	873,195	
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: North Bay Hydro Distribution Limited**							
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			1,507,184			
104	Reserves from financial statements-end of year	4			5,772,196			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			144,597			
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			1,196,920			
114	Reserves from F/S beginning of year	4			5,476,383			
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		=	750,674			
121								
122	Income Tax Rate			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	271,143			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				271,143			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.00%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**417,144**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,756,710			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	634,524			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	634,524			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	678,442			
147								
148	Regulatory Income Tax Variance			=	-16,689	**38% of regulatory tax**		
149						**difference**		
150	**Ontario Capital Tax**							
151	Base			=	38,665,209			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	33,665,209			
154								
155	Rate - Tab Tax Rates cell C36			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	100,996			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	100,996			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				38,665,209			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-11,334,791			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C36				0.3000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	23,365			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	44,822			
173	Regulatory Federal LCT Variance			=	-44,822			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	**Income Tax (grossed-up)**			+	-25,675			
178	**LCT (grossed-up)**			+	-27,252	**38% of LCT**		
179	**Ontario Capital Tax**			+	0	**difference**		
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**-52,927**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**417,144**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**364,217**			
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: North Bay Hydro Distribution Limited**							
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)				1,401,614			
194	Interest phased-in (Cell C36)				861,710			
195								
196	Variance due to phase-in of debt component of MARR in rates				539,904			
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)				1,051,205			
202	Total deemed Interest (REGINFO D62)				1,401,614			
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**				539,904			
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: North Bay Hydro Distribution Limited**					
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 :**		48,332	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+			0	
32	Distribution Revenue	+	8,447,081		8,447,081	
33	Other Income	+	1,303,716		1,303,716	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-			0	
40	Administration	-	2,308,594		2,308,594	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	2,811,657		2,811,657	
43	Amortization	-	2,003,607		2,003,607	
44	Ontario Capital Tax	-	147,000		147,000	
45	Loss on disposal of assets	-	144,597		144,597	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	2,335,342	0	2,335,342	
51	Less: Interest expense for accounting purposes	-	1,051,205		1,051,205	
52	Provision for payments in lieu of income taxes	-	864,000		864,000	
53	**Net Income (loss)**	=	420,137	0	420,137	
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	+	864,000	0	864,000	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	2,003,607	0	2,003,607	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	1,507,184	0	1,507,184	
64	Reserves from financial statements- end of year	+	5,772,196	0	5,772,196	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	***Items on which true-up does not apply "TAXREC 3"***		4,136	0	4,136	
67	Material addition items from TAXREC 2	+	144,597	0	144,597	
68	Other addition items (not Material) from TAXREC 2	+	3,000	0	3,000	
69						
70	*Subtotal*		10,298,720	0	10,298,720	
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	=	10,298,720	0	10,298,720	
83						
84	Recap Material Additions:					

	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**	
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	-	1,930,127		1,930,127	
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*	-	1,196,920	0	1,196,920	
105	*Reserves from financial statements- beginning of year*	-	5,476,383	0	5,476,383	
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	-	29,301	0	29,301	
112						
113	Subtotal	=	8,632,731	0	8,632,731	
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	=	8,632,731	0	8,632,731	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	2,086,126	0	2,086,126	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	2,086,126	0	2,086,126	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	461,451		461,451	
143	Net Ontario Income Tax (Must agree with tax return)	+	289,058		289,058	
144	Subtotal	=	750,509		750,509	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	750,509	0	750,509	
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)		13.86%		13.86%	
151	Blended Income Tax Rate		35.98%		35.98%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	750,509	0	750,509	
157	Ontario Capital Tax	+	122,686		122,686	
158	Federal Large Corporations Tax	+	0		0	
159						
160	**Total income and capital taxes**	=	873,195	0	873,195	
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: North Bay Hydro Distribution Limited**					
8	**Reporting period: 2004**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)		99,757		99,757	
15	Reserve for goods & services ss.20(1)(m)		1,407,427		1,407,427	
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)		1,507,184	0	1,507,184	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		148,964		148,964	
27	Reserve for goods & services ss.20(1)(m)		1,047,956		1,047,956	
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)		1,196,920	0	1,196,920	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		99,757		99,757	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	employee future benefits		3,969,199		3,969,199	
48	undeliverable goods and services		1,407,427		1,407,427	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		5,476,383	0	5,476,383	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		148,964		148,964	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	employee future benefits		4,575,276		4,575,276	
60	undeliverable goods and services		1,047,956		1,047,956	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		5,772,196	0	5,772,196	
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: North Bay Hydro Distribution Limited**					
9	**Reporting period: 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		48.332			
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	+	144,597		144,597	
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	+	3,000		3,000	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	147,597	0	147,597	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51	#REF!		144,597	0	144,597	
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		144,597	0	144,597	
78	Other additions less than materiality level		3,000	0	3,000	
79	Total Additions		147,597	0	147,597	
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	2003 OCT included in 2004 income tax	-	29,301		29,301	
97		-			0	
98		-			0	
99	Total Deductions	=	29,301	0	29,301	
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		29,301	0	29,301	
121	Total Deductions		29,301	0	29,301	
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: North Bay Hydro Distribution Limited**				**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	+	4,136		4,136	
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**	=	4,136	0	4,136	
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: North Bay Hydro Distribution Limited
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: North Bay Hydro Distribution Limited**														**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)**	+/-											417,144		417,144
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		417,144		417,144

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: North Bay Hydro Distribution Limited**			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)			38,665,209	
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			3,311,675	
42					
43	1999 return from RUD Sheet #7			760,348	760,348
44					
45	Total Incremental revenue			2,551,327	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			852,143	852,143
48	Amount allowed in 2002			424,796	424,796
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			1,274,388	1,274,388
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**				3,311,675
55					
56	Equity			19,332,605	
57					
58	Return at target ROE			1,910,061	
59					
60	Debt			19,332,605	
61					
62	Deemed interest amount in 100% of MARR			1,401,614	
63					
64	Phase-in of interest - Year 1 (2001)			682,461	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			862,249	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			862,249	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,401,614	
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: North Bay Hydro Distribution Limited**							
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	3,311,675		1,780,617		5,092,292	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	2,544,583		-403,052		2,141,531	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			1,196,920		1,196,920	
23	Reserves from financial statements - end of year	4			5,018,878		5,018,878	
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"**				13,352		13,352	
31				##				
32	***Deductions: Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,962,175		-13,276		1,948,899	
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	1,401,614		-1,401,614		0	
38	Tax reserves - end of year	4			1,231,239		1,231,239	
39	Reserves from financial statements - beginning of year	4			5,772,196		5,772,196	
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	CDM Incremental OM&A per CDM plan	12	293,000		-293,000		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12		##	31,000		31,000	
48	**Items on which true-up does not apply "TAXREC 3"**			##	3,904,351		3,904,351	
49								
50	TAXABLE INCOME/ (LOSS)		2,199,469		-1,624,181	Before loss C/F	575,288	
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		794,448		-631,348	Actual	163,100	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		794,448		-631,348	Actual	163,100	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	38,665,209		7,108,522		45,773,731	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-288,410		7,211,590	
68	Taxable Capital		31,165,209		6,820,112		38,562,141	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		93,496		22,191		115,686	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	38,665,209		-38,665,209			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		-50,000,000			
77	Taxable Capital		0		-88,665,209		0	
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)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		-4,923		-4,923	
83								
84	Net LCT		0		4,923		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	1,243,657			**Actual 2005**	163,100	
91	LCT (proxy tax is grossed-up)	23	0			**Actual 2005**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	93,496			**Actual 2005**	115,686	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2005***	25	1,337,153			**Actual 2005**	278,786	
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: North Bay Hydro Distribution Limited**							
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			1,196,920			
104	Reserves from financial statements-end of year	4			5,018,878			
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			1,231,239			
114	Reserves from F/S beginning of year	4			5,772,196			
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		=	-787,637			
121								
122	Income Tax Rate			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-284,494			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-284,494			
129								
130	Income Tax Rate used for gross-up				35.00%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**-437,684**			
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)			=	2,199,469			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	794,448			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	794,448			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	794,448			
147								
148	Regulatory Income Tax Variance			=	0			
149								
150	**Ontario Capital Tax**							
151	Base			=	38,665,209			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	31,165,209			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	93,496			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	93,496			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				38,665,209			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-11,334,791			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.1750%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	-4,923			
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)				35.00%			
176								
177	**Income Tax (grossed-up)**			+	0			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**0**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**-437,684**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**-437,684**			
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: North Bay Hydro Distribution Limited**							
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)				1,401,614			
194	Interest phased-in (REGINFO D70)				1,401,614			
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				1,014,804			
202	Total Deemed Interest (REGINFO D62)				1,401,614			
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: North Bay Hydro Distribution Limited**						
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 :**		**48,332**	< - enter materiality level			
14	**(0.25% x Rate Base x CER)**	Y/N					
15	**(0.25% x Net Assets)**	Y/N					
16	**Or other measure (please provide the basis of the amount)**	Y/N					
17	**Does the utility carry on non-wires related operation?**	Y/N					
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**						
19							
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K						
21							
22	**Section B: Financial statements data:**						
23	*Input unconsolidated financial statement data submitted with Tax returns.*						
24	*The actual categories of the income statements should be used.*						
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*						
26							
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*						
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*						
29							
30	**Income:**						
31	Energy Sales	+			0		
32	Distribution Revenue	+	10,149,515		10,149,515		
33	Other Income	+	1,519,058		1,519,058		
34	Miscellaneous income	+	428,808		428,808		
35		+			0		
36	Revenue should be entered above this line						
37							
38	**Costs and Expenses:**						
39	Cost of energy purchased	-			0		
40	Administration	-	2,343,447		2,343,447		
41	Customer billing and collecting	-			0		
42	Operations and maintenance	-	2,408,306		2,408,306		
43	Amortization	-	2,141,531		2,141,531		
44	Ontario Capital Tax	-	111,805		111,805		
45	Capitalized	-			0		
46	Rounding adjustment re: depreciation	-			0		
47	OM&A per Financial Statements	-			0		
48	Net Income Adjustments per audit adjustments	-			0		
49							
50	**Net Income Before Interest & Income Taxes EBIT**	=	5,092,292	0	5,092,292		
51	Less: Interest expense for accounting purposes	-	1,014,804		0		
52	Provision for payments in lieu of income taxes	-	-15,997		0		
53	**Net Income (loss)**	=	4,093,485	0	5,092,292		
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	+	-15,997	0	-15,997		
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	2,141,531	0	2,141,531		
62	Employee benefit plans-accrued, not paid	+		0	0		
63	Tax reserves - beginning of year	+	1,196,920	0	1,196,920		
64	Reserves from financial statements- end of year	+	5,018,878	0	5,018,878		
65	Regulatory adjustments on which true-up may apply (see A66)	+			0		
66	***Items on which true-up does not apply "TAXREC 3"***		13,352	0	13,352		
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*		8,354,684	0	8,354,684		
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	=	8,354,684	0	8,354,684		
83							
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	-	1,948,899		1,948,899		
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*	-	1,231,239	0	1,231,239		
105	*Reserves from financial statements- beginning of year*	-	5,772,196	0	5,772,196		
106	*Contributions to deferred income plans*	-			0		
107	*Contributions to pension plans*	-			0		
108	***Items on which true-up does not apply "TAXREC 3"***		3,904,351	0	3,904,351		
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	-	31,000	0	31,000		
112							
113	Subtotal	=	12,887,685	0	12,887,685		
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	=	12,887,685	0	12,887,685		
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	=	-439,516	0	559,291		
135	DEDUCT:						
136	Non-capital loss applied positive number	-			0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	-439,516	0	559,291		
140							
141	**FROM ACTUAL TAX RETURNS**						
142	Net Federal Income Tax (Must agree with tax return)	+	0	0	0		
143	Net Ontario Income Tax (Must agree with tax return)	+	163,100	0	163,100		
144	Subtotal	=	163,100	0	163,100		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	**Total Income Tax**	=	163,100	0	163,100		
147							
148	**FROM ACTUAL TAX RETURNS**						
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%		Divide federal income tax by the taxable
150	Net Ontario Income Tax Rate (Must agree with tax return)		-37.11%		-37.11%		Divide Ontario income tax by the taxable
151	Blended Income Tax Rate		-37.11%		-37.11%		
152							
153	**Section F: Income and Capital Taxes**						
154							
155	**RECAP**						
156	Total Income Taxes	+	163,100	0	163,100		
157	Ontario Capital Tax	+	115,686		115,686		
158	Federal Large Corporations Tax	+	0		0		
159							
160	**Total income and capital taxes**	=	278,786	0	278,786		
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: North Bay Hydro Distribution Limited**					
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		1,196,920		1,196,920	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		1,196,920	0	1,196,920	
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		1,231,239		1,231,239	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		1,231,239	0	1,231,239	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		0		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe		5,772,196		5,772,196	
48	Other - Please describe				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		5,772,196	0	5,772,196	
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	Other - Please describe		5,018,878		5,018,878	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		5,018,878	0	5,018,878	
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: North Bay Hydro Distribution Limited**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		48,332			
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	Non deductible interest	+			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	
52			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	-	31,000		31,000	
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	=	31,000	0	31,000	
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		31,000	0	31,000	
121	Total Deductions		31,000	0	31,000	
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: North Bay Hydro Distribution Limited**				**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	+	13,352		13,352	
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	+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	13,352		13,352	
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	**Ontario capital tax adjustments to current or prior year**	-			0	
61		-			0	
62	**Tax deductible regulatory assets capitalized for accounting**	-	3,904,351		3,904,351	
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	-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	3,904,351	0	3,904,351	
74						
75						

PILs TAXES - EB-2008-0381

Corporate Tax Rates — Version 2009.1

Utility Name: North Bay Hydro Distribution Limited

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: North Bay Hydro Distribution Limited**														**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

200
Code 0101

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

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 882463128RC0001

Corporation's name

002 North Bay Hydro Distribution Limited

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 1350 Fisher Street

012 P.O. Box 3240

City: 015 North Bay | Province, territory, or state: 016 ON

Country (other than Canada): 017 | Postal Code/ZIP code: 018 P1B-8Y5

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: 025 | Province, territory, or state: 026

Country (other than Canada): 027 | Postal code/ZIP code: 028

Location of books and records

031 1350 Fisher Street

032

City: 035 North Bay | Province, territory, or state: 036 ON

Country (other than Canada): 037 | Postal Code/ZIP code: 038 P1B-8Y5

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: 060 2001-10-01 YYYY/MM/DD

Taxation year end: 061 2001-12-31 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 [X] 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
7	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		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	X	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
102	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	207		7
	ii) is the corporation claiming the refundable portion of Part I tax?	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	X	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
149	Is the corporation an investment corporation or a mutual fund corporation?	220		20 *
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	221		21
117	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	226		26 *
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	227		27
110	Does the corporation have any Canadian manufacturing and processing profits?	231		31
120	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
123	Is the corporation subject to gross Part I.3 tax?	236	X	36
123	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	237		37
123	Is the corporation claiming a surtax credit?	238		38
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	242		42
127	Is the corporation claiming a Part I tax credit?	243		43
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?	244		45
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	249		46
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	250		39
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?	251		40
127	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?	252		41
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?	253		T1131
151	Is the corporation claiming a Canadian film or video production tax credit refund?			

Corporation's name	Business Number	Taxation year-end
North Bay Hydro Distribution Limited	882463128RC0001	2001-12-31

Attachments - continued from page 2

Guide item		Yes	Schedule
			92 *
129	Is the corporation subject to Part XIII.1 tax?		T1177
152	Is the corporation claiming a film or video production services tax credit refund?		T1134-A
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		T1134-B
44	Did the corporation have any controlled foreign affiliates?		T1135
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		T1141
44	Did the corporation transfer or loan property to a non-resident trust?		T1142
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1145
—	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1146
—	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		T1174
—	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		421
—	Is the corporation claiming the BC mining exploration tax credit?		T666
—	Is the corporation claiming the BC SR&ED tax credit?		

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 [X]

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	Electricity Distr.	285	90 %
286	Other	287	10 %
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	-962,461	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
	355	0	D
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	360	0	
Taxable income (amount C plus amount D)	370	0	
Income exempt under paragraph 149(1)(t)		0	Z
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			

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
North Bay Hydro Distribution Limited	882463128RC0001	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 — 0 E
Net amount 0

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
North Bay Hydro Distribution Limited

Business Number
882463128RC0001

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	18,810
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		18,810

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		18,810 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	0	
Total credits	890	0	0 B
Balance (line A minus line B)			18,810

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 18,810

Enclosed payment 898 18,810

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 Jenkins (Last name in block letters) 951 Kim (First name in block letters) 954 Manager of Finance (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

956 705-474-8100 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 [ ]

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2001-12-31 Sch. 001

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

ET 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			-935,664 A
Additions:			
Amortization of tangible assets	104	283,407	
Charitable donations from Schedule 2	112	500	
Non-deductible meals and entertainment expenses	121	620	
Tax reserves deducted in prior year from Schedule 13	125	889,914	
Reserves from financial statements - balance at the end of the year	126	3,774,640	
Subtotal of additions		4,949,081	4,949,081
Other Additions:			
Miscellaneous Other Additions:			
Subtotal of Other Additions	199	0	0
Total Additions	500	4,949,081	4,949,081
Deductions:			
Capital cost allowance from Schedule 8	403	333,909	
Tax reserves claimed in current year from Schedule 13	413	1,035,595	
Reserves from financial statements-balance at the beginning of the year	414	3,606,374	
Subtotal of Deductions		4,975,878	4,975,878
Other Deductions:			
Miscellaneous Other Deductions:			
Subtotal of Other Deductions	499	0	0
Total Deductions	510	4,975,878	4,975,878
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)			-962,461

(Ce formulaire existe en français.)

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

IARITABLE DONATIONS AND GIFTS
(1998 and later taxation years)

- For use by corporations to claim any of the following:
  - Charitable donations;
  - Gifts to Canada or a province;
  - Gifts of certified cultural property; or
  - Gifts of certified ecologically sensitive land.
- The donations and gifts are eligible for a five year carry-forward.
- Use this schedule to show a credit transfer following an amalgamation or wind-up of subsidiary as described under subsections 87(1) and 88(1) of the federal "Income Tax Act".
- File one completed copy of this schedule with your "T2 Corporation Income Tax Return".
- For more information, see the "T2 Corporation Income Tax Guide".

Part 1 - Charitable donations

Charity/Recipient	Amount ($100 or more only)
North Bay Food Bank	500
Subtotal	500
Add: Total donations of less than $100 each	0
Total donations in current taxation year	500

			Federal		Quebec	Alberta
Charitable donations at end of preceding taxation year			0	A	0	0
Deduct: Donations expired after 5 taxation years	239		0		0	0
Charitable donations at beginning of taxation year	240		0		0	0
Add: Donations transferred on amalgamation or wind-up of subsidiary	250	0		B		
Total current year charitable donations made donations made	210	500		C		
Subtotal: Amount B plus amount C		500	500	D	500	500

		Federal		Quebec	Alberta
Total donations available		500	E	500	500
Deduct: Amount applied against taxable income:					
(enter amount from line S)	260	0	F	0	0
Charitable donations closing balance	280	500	G	500	500

Amounts carried forward - Charitable donations

Year of origin:			Federal	Quebec	Alberta
1st prior year	-	2001	0	0	0
2nd prior year	-	2000	0	0	0
3rd prior year	-	1999	0	0	0
4th prior year	-	1998	0	0	0
5th prior year	-	1997	0	0	0
6th prior year *	-	1996	0	0	0
Total (to line A)			0	0	0

* These donations expired in the prior year.

Part 2 - Maximum deduction calculation for donations

Net income for tax purposes * **multiplied** by 75% ..... -721,846 H

Taxable capital gains arising in respect of gifts of capital property:

- per line 895 of schedule 6 0
- other 0

Total ..... 225 0 I

Taxable capital gain in respect of deemed gifts of non-qualifying securities per subsection 40(1.01) ..... 227 0 J

Add the lesser of:

1) The amount of the recapture of capital cost allowance in respect of charitable gifts ..... 230 0 K

2) **The lesser of:**

i) Proceeds of dispositions less outlays and expenses ..... 0 L

ii) The capital cost ..... 0 M

The lesser of amounts L and M 235 0 N

The lesser of amounts K and N 0 O

Subtotal: Amount I plus amount J plus amount O ..... 0 0 P

Amount P multiplied by 25% 0 Q

Maximum deduction allowable: (amount H plus amount Q) ..... -721,846 R

Claim for charitable donations: (not exceeding the lesser of amount E from Part 1, amount R and net income for tax purposes) ..... 0 S

(Enter amount S on line 311 of the T2 return)

* For credit unions this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Part 3 - Gifts to Canada or a province

Gifts to Canada or a province at the end of the preceding taxation year		0
Deduct: Gifts to Canada or a province expired after 5 taxation years	339	0
Gifts to Canada or a province at the beginning of the taxation year	340	0
Add: Gifts to Canada or a province transferred on amalgamation or wind-up of a subsidiary	350	0
Total current year gifts made to Canada or a province *	310	0
Subtotal		0
Deduct: Amount applied against taxable income (enter this amount on line 312 of the T2 return)	360	0
Gifts to Canada or a province closing balance	380	0

* Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date. If the taxation year straddles February 18, 1997, and gifts were made after this date, enter the amount at line 210 and complete part 2.

Part 4 - Gifts of certified cultural property

		Federal	Quebec	Alberta
Gifts of certified cultural property at the end of the preceding taxation year		0	0	0
Deduct: Gifts of certified cultural property expired after 5 taxation years	439	0	0	0
Gifts of certified cultural property at the beginning of the taxation year	440	0	0	0
Add: Gifts of certified cultural property transferred on amalgamation or wind-up of a subsidiary	450	0		
Total current year gifts of certified cultural property	410	0		
Subtotal		0	0	0
Deduct: Amount applied against taxable income (enter this amount on line 313 of the T2 return)	460	0	0	0
Gifts of certified cultural property - Closing balance	480	0	0	0

Amounts carried forward - Gifts of certified cultural property

Year of origin:		Federal	Quebec	Alberta
1st prior year	2001	0	0	0
2nd prior year	2000	0	0	0
3rd prior year	1999	0	0	0
4th prior year	1998	0	0	0
5th prior year	1997	0	0	0
6th prior year *	1996	0	0	0
	Total	0	0	0

* These donations expired in the prior year.

Part 5 - Gifts of certified ecologically sensitive land

		Federal	Quebec	Alberta
s of certified ecologically sensitive land at the end of of the preceding taxation year		0	0	0
Deduct: Gifts of certified ecologically sensitive land expired after 5 taxation years	539	0	0	0
Gifts of certified ecologically sensitive land at the beginning of the taxation year	540	0	0	0
Add: Gifts of certified ecologically sensitive land transferred on amalgamation or wind-up of a subsidiary	550	0		
Total current year gifts of certified ecologically sensitive land	510	0		
Subtotal		0	0	0
Deduct: Amount applied against taxable income (enter this amount on line 314 of the T2 return)	560	0	0	0
Gifts of certified ecologically sensitive land - Closing balance	580	0	0	0

Amounts carried forward - Gifts of certified ecologically sensitive lands

Year of origin:		Federal	Quebec	Alberta
1st prior year	2001	0	0	0
2nd prior year	2000	0	0	0
3rd prior year	1999	0	0	0
4th prior year	1998	0	0	0
5th prior year	1997	0	0	0
6th prior year *	1996	0	0	0
	Total	0	0	0

* These donations expired in the prior year.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

ORPORATION LOSS CONTINUITY AND APPLICATION
00 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		-962,461
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")		-962,461
Deduct: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
Subtotal		-962,461
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		-962,461

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	962,461	962,461

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	962,461
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		962,461

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%)	Inclusion Rate		Amount carried back (100%)	
First preceding taxation year	0	.0000	951	0	
Second preceding taxation year	0	75.0000	952	0	
Third preceding taxation year	0	75.0000	953	0	0
Capital losses - Closing balance			280		0

Part 2 - Capital losses

Continuity of capital losses and request for a carryback (cont'd)

pital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.

apital 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

Losses for the year from farming business			485		0 A
Minus the deductible farm loss:				2,500	
$2,500 plus B or C, whichever is less				0 B	
(Amount A above 0 - $2,500) divided by 2		=	6,250 C	0	2,500
					0
Current-year restricted farm loss (enter this amount on line 410)					

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	962,461	0	0	N/A	0	962,461
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	962,461	0	0	0	0	962,461

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
998	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 *
Total	0	0	0	0	0	N/A	0

* This balance expires this year and will not be available next year

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2001-12-31

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	0	41,494,753	0	39,900	20,727,426	4	0	0	208,978	41,245,875
8	0	315,215	0	0	157,607	20	0	0	7,945	307,270
10	0	866,680	0	2,250	432,215	30	0	0	32,683	831,747
10	0	74,348	0	0	37,174	30	0	0	2,811	71,537
12	0	492,824	0	0	246,412	100	0	0	62,109	430,715
1	0	3,844,905	0	0	1,922,452	4	0	0	19,383	3,825,522
Total	0	47,088,725	0	42,150	23,523,286		0	0	333,909	46,712,666

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2001-12-31
RELATED AND ASSOCIATED CORPORATIONS

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
ssociated 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]
North Bay Hydro Holdings Limit	CA		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

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	0	0	0	64,752,557	[N]

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

Schedule 11 Details

Total Assets Purchased	64,752,557.00
	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
	0.00
Total	64,752,557.00

On September 30,2001 the corporation purchased the assets of the municipal electric distribution utility for the City of North Bay and issued debt and shares as consideration. Pursuant to regulation 162/01 paragraph 7 of the Electricity Act the transaction has been recorded at fair market value in this return.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

)NTINUITY OF RESERVES
,.998 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 Benefit	2,716,460	0	22,585	0	2,739,045
	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
Reserves From Section 2 below	889,914	0	157,797	12,116	1,035,595
Totals	3,606,374	0	180,382	12,116	3,774,640

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

scription	[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	[X]	110	45,000	115	0	0	12,116	120	32,884
Reserve for undelivered goods and services not rendered	[X]	130	844,914	135	0	157,797	0	140	1,002,711
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	889,914	275	0	157,797	12,116	280	1,035,595

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.

he 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	
North Bay Hydro Distribution L	882463128RC0001	1	200,000	2001-12-31	0
See attached			0		0
					0
	Totals (not to exceed $200,000)		200,000		

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 or 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).

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2001-12-31

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	Asso-ciation 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]	
North Bay Hydro Holdings Limit			0		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
(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			

Complete 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	2,739,045 ✓
Capital stock (or members' contributions if incorporated without share capital)	103	19,511,601 ✓
Retained earnings	104	1,332,240 ✓
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	19,584,301 ✓
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 at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	0		
	Subtotal	43,167,187	43,167,187	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		43,167,187	

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	0
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	0

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)		43,167,187	C
Deduct: Investment allowance for the year (line 490)		0	D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500	43,167,187	

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.

.xable capital for the year (line 500)	43,167,187	X	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	590	43,167,187
			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, 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)			43,167,187
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		33,167,187

Gross Part I.3 tax: Line 811 33,167,187 x .2250% = 74,626 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 74,626 x (Number of days in the year 92 / 365) = 18,810 G

Gross Part I.3 tax (amount F or G, whichever applies)	820		18,810 ✓

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	43,167,187	=	0	
			43,167,187			
			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)		18,810 J
	Net amount	-18,810 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 ..... 18,810 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)			18,810 N
Deduct the following amounts:			
Current year surtax credit applied (the 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		18,810

Loans and Advances - CT23 line 353

	0.00
	0.00
	0.00
	72,700.00
Current portion of long-term debt Payable to Corporation of City of North Bay	19,511,601.00
	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	19,584,301.00

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2001-12-31 Sch. 036

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

GREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
998 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 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
North Bay Hydro Distribution L	882463128RC0001	10,000,000	2001-12-31
See attached		0	
		10,000,000	
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.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION
998 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
North Bay Hydro Holdings Limited			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 "SB" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Appendix 18

2001 CT23 Provincial Tax Return

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Additional information may be found on the reverse.

Summary
Federal Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Account No.	1800277
Taxation Year End	2001-12-31

CLIENTS' COPY

Please complete the following information below for the **Federal Payment-in-Lieu (PIL)** and attach this form to the front of your CT23 Corporations Tax and Annual Return. Our current processing will accept paper returns only.

Enter the following information from your Federal T2 Corporation Income Tax Return:

Federal Taxable Income - - - - - - - - - - - - - - - from line	360	NIL
Federal PIL Instalments Paid - - - - - - - - - - - - - from line	840	NIL
Federal PIL Payment Enclosed - - - - - - - - - - - - from line	898	NIL
Balance Payable (From the T2: Total tax payable on line 770 minus Total Credits on line 890) -		NIL

PXS007

Please DO NOT separate

0000180 005

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998 • *Corporations Tax Act*, R.S.O. 1990

If submitting a payment please complete this Remittance Advice portion and return the complete form with your cheque or money order made payable to the "Ontario Electricity Financial Corporation" to: the Ministry of Finance, PO Box 620, 33 King St W, Oshawa, ON L1H 8E9.

Account No.	
Taxation Year End	-
Total Payment	$

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Revised 2001 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. e 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) laration 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, may request 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 [X] No [ ]

Ontario Corporations Tax Account No. (MOF): 1800277

Corporation's Legal Name *(including punctuation)* and Mailing Address

North Bay Hydro Distribution Limited

1350 Fisher Street
P.O. Box 3240
North Bay
ON CA P1B-8Y5

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 1999-12-10

Registered/Head Office Address

1350 Fisher Street
P.O. Box 3240
North Bay
ON CA P1B-8Y5

Ontario Corporation No. (MCBS): 1390858

Location of Books and Records

1350 Fisher Street
North Bay
ON CA P1B-8Y5

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter: 882463128RC0001

Name of person to contact regarding this CT23 Return: Kim Jenkins
Telephone No.: 705-474-8100
Fax No.:

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).

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).

No. of Schedule(s): 3

[ ] 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)*

Kim Jenkins

Title: D [ ] Director O [ ] Officer P [X] 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
North Bay Hydro Distribution Limited	1800277	2001-12-31

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	-962,461.
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	-962,461.
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 Ontario Allocation 100.0000%	x 15.5000%	x	Days before May 2, 2000 22: 0	÷ 73 Total Days: 92	= +	23	0.
From 10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 14.5000%	x	Days after May 1, 2000 and before Jan 1, 2001 24: 0	÷ 73 Total Days: 92	= +	25	0.
From 10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 14.0000%	x	Days after Dec 31, 2000 and before Oct 1, 2001 26: 0	÷ 73 Total Days: 92	= +	27	0.
From 10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 12.5000%	x	Days after Sept 30, 2001 and before Jan 1, 2003 28: 92	÷ 73 Total Days: 92	= +	29	0.
From 10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 11.0000%	x	Days after Dec 31, 2002 and before Jan 1, 2004 31: 0	÷ 73 Total Days: 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	÷ 73 Total Days: 92				
X From 55 50,411	÷ 200,000	=+	42	0.		
80,000 x	Days after Sept 30, 2001 and before Jan 1, 2003: 92	÷ 73 Total Days: 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	÷ 73 Total Days: 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 Least of 50, 54 or 45	0.	= 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.
	5.50%	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] .
			= [85] 0.

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. .....

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.
									= [86]	0.

(If negative, enter nil) .....

Calculation of Specified Rate for Surtax

Number of Days in Taxation Year

	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	
	3.6670%	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 92	= + 96	.0000	
									= 94	4.3330

Specified rate of surtax for Taxation Year [92] + [93] + [95] + [96] .....

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 -962,461.

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 -962,461. 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 % * 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 1.0000 % 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 [5799] 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 [6599] 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]	49,943,828.	
*** Total Revenue of the corporation**			+ [241] 47,439,625.

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] 49,943,828.

Aggregate Total Revenue [241] + [244] + [246] + [248], etc. = [250] 47,439,625.

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)*

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	19,511,601. ✓
Retained earnings (if deficit, deduct)	±	351	1,332,240. ✓
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+	352	0.
Loans and advances *(Attach schedule)*	+	353	19,584,301. ✓
Bank loans	+	354	0.
Bankers acceptances	+	355	0.
Bonds and debentures payable	+	356	0.
Mortgages payable	+	357	0.
Other 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	0.
Contingent, investment, inventory and similar reserves	+	360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)*	+	361	2,739,045. ✓
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	+	362	0.
Subtotal	=	370	43,167,187.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	−	371	50,502. ✓
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	43,116,685.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	−	381	0.
Net Paid-up Capital	=	390	43,116,685. ✓

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	0.
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	0.

continued on Page 10

North Bay Hydro Distribution Limited
Corp. Tax Acct. No. : 1800277 Year Ended: 2001-12-31 Attached Sch.

CT23 Ontario Capital Tax - line 371

	0.00
Amortization on Financial Statements	-283,407.00
	0.00
Ontario Capital Cost Allowance	333,909.00
	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
Total	50,502.00

Loans and Advances - CT23 line 353

	0.00
	0.00
	0.00
Current portion of long-term debt	72,700.00
Payable to Corporation of City of North Bay	19,511,601.00
	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	19,584,301.00

Capital Tax *continued from Page 9*

Total Assets

Total Assets per balance sheet	+ 420	49,943,828.
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	49,943,828.
Amounts in 360 and 361 (if deducted from assets)	+ 440	0.
Subtract: Amounts in 371, 372 and 381	− 441	50,502.
Subtract: Appraisal surplus if booked	− 442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	± 443	0.
Total Assets	= 450	49,893,326.

Investment Allowance (410 ÷ 450) X 390 ..... Not to exceed 410	= 460	0.
Taxable Capital 390 − 460	= 470	43,116,685.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	11,957,385.
Total Assets (as adjusted)	From 430	49,943,828.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) 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 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 92 / ** 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

Capital Tax Calculation *continued from page 11*

SECTION C

If the corporation is a member of an associated group and/or partnership, complete 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 43,116,685.

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	43,116,685.

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 43,116,685. ÷ From 540 43,116,685. 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 with no permanent establishment in Canada		Taxable Capital
	+ 514	0.
Total Aggregate Taxable Capital 540 + 514	= 520	43,116,685.

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 43,116,685. ÷ 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.*

E1. 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

(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 43,116,685. 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 43,116,685.

From 541 (section C) – 5,000,000.

= 471 38,116,685. x From 30 [100.0000]% Ontario Allocation x .3000% x [560 92 / ** 365 (366 if leap year)] = + 523 28,822.

Days in taxation year after Sept 30, 2001

Total Capital Tax for the taxation year 502 + 523 ..... = 508 28,822.

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	28,822.
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	– 546	0.
Capital Tax 543 – 546	= 550	28,822.

Transfer to Page 18

continued on Page 14

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 (Days in taxation year) 0 ÷ ** 0 (366 if leap 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 (Days in taxation year) 0 ÷ ** 0 (366 if leap 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.*

''. 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 583 - 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 -962,461.
Transfer to page 16

Add:

Federal capital cost allowance	+ 601	333,909.
Federal cumulative eligible capital deduction	+ 602	0.
Ontario taxable capital gain	+ 603	0.
Federal non allowable reserves. Balance beginning of year	+ 604	3,606,374.
Federal allowable reserves. Balance end of year	+ 605	1,035,595.
Ontario non-allowable reserves. Balance end of year	+ 606	3,774,640.
Ontario allowable reserves. Balance beginning of year	+ 607	889,914.
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 before May 2, 2000	Total Days				
612	0.	x 5 ÷ 15.5000	x	22 0	÷ 73 92	= +	630	0.
				Days after May 1, 2000 and before Jan 1, 2001	Total Days				
612	0.	x 5 ÷ 14.5000	x	24 0	÷ 73 92	= +	631	0.
				Days after Dec 31, 2000 and before Oct 1, 2001	Total Days				
612	0.	x 5 ÷ 14.0000	x	26 0	÷ 73 92	= +	632	0.
				Days after Sept 30, 2001 and before Jan 1, 2003	Total Days				
612	0.	x 5 ÷ 12.5000	x	28 92	÷ 73 92	= +	633	0.
				Days after Dec 31, 2002 and before Jan 1, 2004	Total Days				
612	0.	x 5 ÷ 11.0000	x	31 0	÷ 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 = 9,640,432. 640 9,640,432.
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

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 -962,461.

Subtotal of Additions ..... From + 640 9,640,432.

Deduct:

Ontario capital cost allowance	+ 650	333,909.
Ontario cumulative eligible capital deduction	+ 651	0.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves. Balance beginning of year	+ 653	3,606,374.
Ontario allowable reserves. Balance end of year	+ 654	1,035,595.
Federal non-allowable reserves. Balance end of year	+ 655	3,774,640.
Federal allowable reserves. Balance beginning of year	+ 656	889,914.
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 made within the 3 year period commencing after May 4, 1999.) *(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 ..... = 9,640,432. 680 9,640,432.

Net income (loss) for Ontario Purposes 600 + 640 − 680 ..... = 690 -962,461.
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)	701 962,461	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	703 962,461	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) 962,461	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
809 2001-12-31	826 962,461	836 0	846 0	859 0	879 0
Total	829 962,461	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.

- 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				910 962,461	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				919 962,461	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		0.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		28,822.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		28,822.
Subtract: Payments	– 960		58,122.
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		-29,300.
If payment due	Enclosed * 990		0.
If overpayment: Refund *(Refer to Guide)*	= 975		29,300.
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)

Kim Jenkins

Title

Manager of Finance

Full Residence Address

Signature	Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	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.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 **-935,664.**

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	0.	
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	=	0.	+ 2115 0.

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 **-935,664.**

** 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 **-935,664.**

Deduct: * CMT losses: pre-1994 Loss	+ From	2210	0.	
* CMT losses: other eligible losses	+ From	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 **0.**

Transfer to CMT Base on Page 8

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	935,664.		
	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		=	935,664.	+ 2207	935,664.
Adjustments (attach schedule)				± 2208	0.
CMT losses available	2201 + 2207 ± 2208			= 2209	935,664.
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	935,664.

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	2000-12-31	2260 0	2280 0
2241	2001-12-31	2261 935,664	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
2249		2269 0	2289 0
Totals		2270 935,664	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	2000-12-31	2360 0	2380 0
2341	2001-12-31	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.

Schedule A: Information on Ontario Corporations

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act)*

To submit additional Director or Officer Information, please photocopy this page and attach the completed schedules with your return.

Identification

Corporation's Legal Name *(including punctuation)*	Ontario Corporation No. (MCBS)	Date of Incorporation or Amalgamation (year month day)
North Bay Hydro Distribution Limited	1390858	1999-12-10

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Walton	William	

Street Number and Name / Suite: 277 Hearst Street

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1B-8Z2

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected (year month day): 2000-11-01

Date Ceased (year month day):

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Koziol	Anthony	

Street Number and Name / Suite: 923 Bourke Street

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1B-3K7

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected (year month day): 2000-11-01

Date Ceased (year month day):

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Schedule A: Information on Ontario Corporations

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act)*

To submit additional Director or Officer Information, please photocopy this page and attach the completed schedules with your return.

Identification

Corporation's Legal Name *(including punctuation)*	Ontario Corporation No. (MCBS)	Date of Incorporation or Amalgamation (year month day)
North Bay Hydro Distribution Limited	1390858	1999-12-10

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Lechlitner	Paul	

Street Number and Name: 138 Silver Lady Lane — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1B-8G4

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected (year month day): 2000-11-01

Date Ceased (year month day):

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Fournier	Elizabeth	

Street Number and Name: 2 Plumtree Place — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1A-3Y6

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected (year month day): 2000-11-01

Date Ceased (year month day):

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Schedule A: Information on Ontario Corporations

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act)*

To submit additional Director or Officer Information, please photocopy this page and attach the completed schedules with your return.

Identification

Corporation's Legal Name *(including punctuation)*	Ontario Corporation No. (MCBS)	Date of Incorporation or Amalgamation (year month day)
North Bay Hydro Distribution Limited	1390858	1999-12-10

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Burrows	Jack	

Street Number and Name: 823 Golf Club Road — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1B-8G2

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected (year month day): 2000-11-01

Date Ceased (year month day):

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)

Street Number and Name — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[ ] Yes [ ] No

Date Elected (year month day):

Date Ceased (year month day):

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

North Bay Hydro Distribution Limited
Corp. Tax Acct. No. : 1800277 Year Ended: 2001-12-31
ONTARIO CT23 SUPPLEMENTARY - LIST OF ASSOCIATED CORPORATIONS

~e of Associated poration	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
North Bay Hydro Holdings Limit			0	0	0	0	
TOTALS			0	0	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

North Bay Hydro Distribution Limited — Ont. Sch. 008
Corp. Tax Acct. No. : 1800277 — Year Ended: 2001-12-31

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	0	41,494,753	0	39,900	41,454,853	20,727,426	20,727,427	4	0	0	208,978	41,245,875
8	0	315,215	0	0	315,215	157,607	157,608	20	0	0	7,945	307,270
10	0	866,680	0	2,250	864,430	432,215	432,215	30	0	0	32,683	831,747
10	0	74,348	0	0	74,348	37,174	37,174	30	0	0	2,811	71,537
12	0	492,824	0	0	492,824	246,412	246,412	100	0	0	62,109	430,715
1	0	3,844,905	0	0	3,844,905	1,922,452	1,922,453	4	0	0	19,383	3,825,522
Total	0	47,088,725	0	42,150	47,046,575	23,523,286	23,523,289		0	0	333,909	46,712,666
							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

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Continuity of Reserves

Schedule 13

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2001-12-31

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 $	Additions	Deductions	Ontario balance at the end of the year $
1.	0	0	0	0	0
2.	0	0	0	0	0
3.	0	0	0	0	0
4.	0	0	0	0	0
5.	0	0	0	0	0
6.					
Totals	0 A	0 B	0	0	0 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 $	Additions	Deductions	Ontario balance at the end of the year $
Reserve for doubtful debts	45,000	0	0	12,116	32,884
Reserve for undelivered goods and services not rendered	844,914	0	157,797	0	1,002,711
Reserve for prepaid rent	0	0	0	0	0
Reserve for December 31, 1995 income	0	0	0	0	0
Reserve for refundable containers	0	0	0	0	0
Reserve for unpaid amounts	0	0	0	0	0
Other tax reserves	0	0	0	0	0
Totals	889,914 D	0 E	157,797	12,116	1,035,595 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 Benefit	2,716,460	0	22,585	0		2,739,045
	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
Reserves from Part 2	889,914	0	157,797	12,116		1,035,595
Totals	3,606,374	0	180,382	12,116		3,774,640

Enter in box [653] *of the CT23* — *Enter in box* [605] *of the CT23*

Appendix 19

2001 Notice of Assessments

CORPORATION NOTICE OF REASSESSMENT

Shawinigan-Sud QC G9N 7S6

0003215

Date of mailing July 15, 2005
Business Number 88246 3128 RC0001
Taxation year-end December 31, 2001

NORTH BAY HYDRO DISTRIBUTION
LIMITED
PO BOX 3240
NORTH BAY ON P1B 8Y5

RESULTS

This notice explains the results of our reassessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Reassessment : $ 0.00

Please refer to the Summary and Explanation for additional information.

CORPORATION NOTICE OF REASSESSMENT

ORTH BAY HYDRO DISTRIBUTION LIMITED

Date of mailing	July 15, 2005
Business Number	88246 3128 RC0001
Taxation year-end	December 31, 2001

SUMMARY OF REASSESSMENT

	$ Previous	$ Reassessed	$ Adjustment
Federal Tax:			
Part I	0.00	0.00	0.00
Part I.3	0.00	0.00	0.00
Part II	0.00	0.00	0.00
Part IV	0.00	0.00	0.00
Part IV.1	0.00	0.00	0.00
Part VI	0.00	0.00	0.00
Part VI.1	0.00	0.00	0.00
Part XIII.1	0.00	0.00	0.00
Part XIV	0.00	0.00	0.00
Total Federal Tax Adjustment:			$ 0.00
		Net balance:	$ 0.00
		Result of this reassessment:	$ 0.00

Michel Dorais
Commissioner of Customs and Revenue

EXPLANATION

We have adjusted the T2 return based on the additional information submitted.

We have revised the amount of net income or loss after taxes and extraordinary items to agree with the calculated amount.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

If you require additional information or wish to request an adjustment, contact:

Shawinigan Tax Centre
4695, 12th Avenue
Shawinigan-Sud QC G9N 7S6
Phone (819) 537-5141
Fax (819) 536-4486
Toll free number 1-800-959-7405
We accept collect calls.

Sudbury Tax Centre
1050 Notre Dame Avenue
Sudbury ON P3A 5C1
Toll free number 1-800-998-7739

CORPORATION NOTICE OF ASSESSMENT

Shawinigan-Sud QC G9N 7S6

0004755

Date of mailing
July 26, 2002
Business Number
88246 3128 RC0001
Taxation year-end
December 31, 2001

NORTH BAY HYDRO DISTRIBUTION
LIMITED
PO BOX 3240
NORTH BAY ON P1B 8Y5

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	$	0.00
Prior balance:	$	0.00
Total balance:	$	0.00

Please refer to the Summary and Explanation for additional information.

CORPORATION NOTICE OF ASSESSMENT

NORTH BAY HYDRO DISTRIBUTION LIMITED

Date of mailing	July 26, 2002
Business Number	88246 3128 RC0001
Taxation year-end	December 31, 2001

SUMMARY OF ASSESSMENT

	$ Reported	$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		$ 0.00
Net balance:		$ 0.00
Result of this assessment:		$ 0.00
Prior balance:		$ 0.00
Total balance:		$ 0.00

Rob Wright
Commissioner of Customs and Revenue

EXPLANATION

If necessary, we have adjusted subsequent taxation years for carry-forward balances, interest, and balance due date.

Please visit our Web site at www.ccra-adrc.gc.ca.

If you require further information, contact:

Shawinigan-Sud Tax Centre
4695, 12th Avenue
Shawinigan-Sud QC G9N 7S6
Phone (819) 537-5141
Fax (819) 536-4486
Toll-Free Long Distance Number 1-800-959-7405
We accept collect calls.

Sudbury Tax Services Office
1050 Notre Dame Avenue
Sudbury ON P3A 5C1
Toll-Free Long Distance Number 1-800-959-5525

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 2 7 7	31 December 2001

Name of Corporation / Raison sociale de la compagnie
NORTH BAY HYDRO DISTRIBUTION LIMITED

PAYMENTS-IN-LIEU OF:

INCOME TAX

Loss as previously reported	$ 962,461	
Deduct: Bad debt expense disallowed	(10,000)	
Depreciation re: disc operations	(83,593)	
Non-deductible meals and entertainment	(2,736)	
Revised Loss	$ 866,132	
Tax (Federal & Ontario) thereon		$ Nil

CAPITAL TAX

As previously assessed (Federal & Ontario)	47,632
TOTAL TAX PAYABLE	$ 47,632

Note: Valuation of assets is subject to audit at a later date.

Stan Santavy
MRK811

***"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.

0199K(94-01)

Detach and retain 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

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Account No.
1800277

35
PX5003

NORTH BAY HYDRO DISTRIBUTION LIMITED
C/O ELIZABETH CHIRICO
74 COMMERCE COURT
PO BOX 3240
NORTH BAY ON
P1B 8Y5

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2001123 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 2001/10/01 **to** 2001/12/31

	Account No.	Assessment Date (year, month, day)	Page
NORTH BAY HYDRO DISTRICTION LIMITED	**1800277**	2002/10/08	1 of 2

ASSESSMENT NO. 12

Tax: Federal and Provincial PIL		47,632.00
Assessment Interest		597.10CR
Total Assessment Liability		47,034.90

SUMMARY OF 2001/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	58,122.00CR	
Sub-Total		58,122.00CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		11,087.10CR

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.

Tax Assessment as per Company Estimate.

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

0000001

North Bay Hydro Distribution Ltd.
STATEMENT OF OPERATIONS AND EQUITY
For the 3 month period ended December 31, 2001

Energy revenue	
Residential	4,282,367
General	6,949,003
Street lighting	63,247
	11,294,617
Service revenue adjustment (Note 13)	565,939
Total revenue from the sale of energy	11,860,556
Power purchased	11,724,771
Gross margin on service revenue	135,785
Other operating revenue (Schedule)	55,075
	190,860
Operating and maintenance expense:	
Operating expense	43,037
Maintenance expense (Schedule)	(10,352)
Total operating and maintenance expense	32,685
Billing and collecting	241,646
Administrative and general expense (Schedule)	603,394
Depreciation (Note 8)	283,407
	1,161,132
Operating income	
Interest expense	7,146
Income from continuing operations before income taxes	(977,418)
Income taxes	
Income from continuing operations	
Income from discontinued operations, net of income taxes (Note 4)	41,754
Net income before extraordinary item	
Extraordinary item, net of income taxes (Note 14)	
Net income	(935,665)
Deficit, beginning of year	2,267,905
Net income	(935,665)
Equity, end of year	1,332,240

Detach and return this REMITTANCE FORM with your payment.

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800277

35
PX5003

NORTH BAY HYDRO DISTRIBUTION LIMITED
C/O ELIZABETH CHIRICO
74 COMMERCE COURT
PO BOX 3240
NORTH BAY ON
P1B 8Y5

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2 0 0 1 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 2001/10/01 to 2001/12/31

Account No.	Assessment Date (year, month, day)	Page
1800277	2002/10/08	1 of 2

NORTH BAY HYDRO DISTRIBUTION LIMITED

ASSESSMENT NO. 12

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- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

PX5003 P 002

Appendix 20

2002 T2 Federal Tax Return

T2 CORPORATION INCOME TAX RETURN

200
Code 0101

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

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 882463128RC0001

Corporation's name

002 North Bay Hydro Distribution Limited

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 [X] 2 No [ ]

011 74 Commerce court

012 P.O. Box 3240

City	Province, territory, or state
015 North Bay	016 ON
Country (other than Canada)	**Postal Code/ZIP code**
017	018 P1B-8Y5

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 74 Commerce Court

032

City	Province, territory, or state
035 North Bay	036 ON
Country (other than Canada)	**Postal Code/ZIP code**
037	038 P1B-8Y5

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	061 2002-12-31
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*, 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

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
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
29	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
30	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
92	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	207		7
	ii) is the corporation claiming the refundable portion of Part I tax?	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	X	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
149	Is the corporation an investment corporation or a mutual fund corporation?	220		20
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	221		21
117	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	226		26 *
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	227		27
110	Does the corporation have any Canadian manufacturing and processing profits?	231		31
120	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
123	Is the corporation subject to gross Part I.3 tax?	236	X	36
123	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	237		37
123	Is the corporation claiming a surtax credit?	238		38
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	242		42
127	Is the corporation claiming a Part I tax credit?	243		43
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?	244		45
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	249		46
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	250		39
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?	251		40
127	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?	252		41
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?	253		T1131
151	Is the corporation claiming a Canadian film or video production tax credit refund?			

Corporation's name	Business Number	Taxation year-end
North Bay Hydro Distribution Limited	882463128RC0001	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 [X]

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	Electricity Distr.	285	99 %
286	Other	287	1 %
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	-1,222,657 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) ..... 410 200,000 C

Reduction to business limit:

Amount C 200,000 x 415 *** 0 D / 11,250 = ... 0 E

Reduced business limit (amount C minus amount E) (if negative, enter "0") ..... 425 200,000 F

Small business deduction - 16.00% of the least of amounts A, B, C, and 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 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
line 425 200,000 X $300,000 + increased business limit (Schedule 23) ..... = 300,000 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 365/365 = 0 N

Accelerated tax reduction - 7% of amount N ..... 0 O
(enter amount O on line 637 of page 7)

* 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
North Bay Hydro Distribution Limited	882463128RC0001	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
North Bay Hydro Distribution Limited	882463128RC0001	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

Corporation's name: North Bay Hydro Distribution Limited

Business Number: 882463128RC0001

Taxation year-end: 2002-12-31

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	68,990
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		68,990

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		68,990 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	0	
Total credits	890	0	0 B

Refund code 894 0 Overpayment 0

Balance (line A minus line B) 68,990

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 68,990

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 Jenkins (Last name in block letters) 951 Kim (First name in block letters) 954 Manager of Finance (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 956 705-474-8100 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 Please indicate the language of your choice. Indiquer la langue de correspondance de votre choix. 1 English/Anglais ☒ 2 Français/French ☐

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2002-12-31 Sch. 001

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			-3,001,866 A
Additions:			
Provision for income taxes - current	101	193,629	
Amortization of tangible assets	104	2,266,176	
Tax reserves deducted in prior year from Schedule 13	125	1,035,595	
Reserves from financial statements - balance at the end of the year	126	4,717,275	
Subtotal of additions		8,212,675	8,212,675
Other Additions:			
Write-down of capital property	236	540,755	
Miscellaneous Other Additions:			
600 Write-off of transition costs (in Class 1 for tax)	290	722,314	
Subtotal of Other Additions	199	1,263,069	1,263,069
Total Additions	500	9,475,744	9,475,744
Deductions:			
Capital cost allowance from Schedule 8	403	2,557,646	
Tax reserves claimed in current year from Schedule 13	413	1,364,249	
Reserves from financial statements-balance at the beginning of the year	414	3,774,640	
Subtotal of Deductions		7,696,535	7,696,535
Other Deductions:			
Miscellaneous Other Deductions:			
Subtotal of Other Deductions	499	0	0
Total Deductions	510	7,696,535	7,696,535
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)			-1,222,657

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

PART I.3 TAX ON LARGE CORPORATIONS
98 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 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	3,353,026
Capital stock (or members' contributions if incorporated without share capital)	103	19,511,601
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	20,800,069
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) n respect of 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	43,664,696	43,664,696	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	1,669,626		
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	1,669,626	1,669,626	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		41,995,070	

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	1,332,950
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	1,332,950

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)		41,995,070	C
Deduct: Investment allowance for the year (line 490)		1,332,950	D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500	40,662,120	

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 the year (line 500)	40,662,120	X	Taxable income earned in Canada / Taxable income	610	1,000 / 1,000	=	Taxable capital employed in Canada	690	40,662,120

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, 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)			40,662,120
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		30,662,120
Gross Part I.3 tax: Line 811 30,662,120 x .2250% =			68,990 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 68,990 x (Number of days in the year 365 / 365) = 0 G

Gross Part I.3 tax (amount F or G, whichever applies)	820		68,990

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:					
c) line 600 from the T2 return	0 x	line 690 of this schedule / line 500 of this schedule = 40,662,120 / 40,662,120	=	0	
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)		68,990 J
Net amount		-68,990 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		68,990 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)			68,990 N
Deduct the following amounts:			
Current year surtax credit applied (the 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		68,990

Loans and Advances - CT23 line 353

	0.00
	0.00
Long-term customer deposits	1,288,468.00
Current portion of long-term debt	0.00
Payable to Corporation of City of North Bay	19,511,601.00
	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
Total	20,800,069.00

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2002-12-31 Sch. 036

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
98 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]
.er 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
North Bay Hydro Distribution L	882463128RC0001	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.

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2002-12-31
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 rporation 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]
North Bay Hydro Holdings Limit		0	
North Bay Hydro Services Inc.	864503511RC0001	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.

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
North Bay Hydro Holdings Limited			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.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION
00 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		-1,222,657
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")		-1,222,657
Deduct: (increase a loss) Section 110.5 - Addition for foreign tax deductions		0
Subtotal		-1,222,657
Add: (decrease a loss) Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		-1,222,657

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		962,461	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	962,461	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	1,222,657	2,185,118

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	2,185,118

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		2,185,118

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	0x 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
plus 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	1,222,657	0	0	N/A	0	1,222,657
2001	962,461	N/A	0	N/A	0	0	962,461
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	962,461	1,222,657	0	0	0	0	2,185,118

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
96	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 *
Total	0	0	0	0	0	N/A	0

This balance expires this year and will not be available next year

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2002-12-31

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	41,245,875	1,173,573	0	0	586,786	4	0	0	1,673,306	40,746,142
8	307,270	11,147	0	0	5,573	20	0	0	62,569	255,848
10	831,747	23,219	0	0	11,609	30	0	0	253,007	601,959
10	71,537	36,757	0	0	18,378	30	0	0	26,975	81,319
12	430,715	16,516	0	0	8,258	100	0	0	438,973	8,258
1	3,825,522	342,809	0	1,597,939	0	4	0	0	102,816	2,467,576
Total	46,712,666	1,604,021	0	1,597,939	630,604		0	0	2,557,646	44,161,102

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 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	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]
North Bay Hydro Holdings Limit			1	0	0.00	0	0.00	0
North Bay Hydro Services Inc.		864503511RC0001	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

CONTINUITY OF RESERVES
98 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 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 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 Benefit	2,739,045	0	613,981	0	3,353,026
	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
Reserves From Section 2 below	1,035,595	0	328,654	0	1,364,249
Totals	3,774,640	0	942,635	0	4,717,275

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	[X]	110	32,884	115	0	24,015	0	120	56,899
Reserve for undelivered goods and services not rendered	[X]	130	1,002,711	135	0	304,639	0	140	1,307,350
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	1,035,595	275	0	328,654	0	280	1,364,249

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 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	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	4A	5	6
Names of associated corporations	Business Number of associated corporations	Asso-ciation code	Business limit allocated **(Note 1)**	Increased business limit **(Note 4)**	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	
North Bay Hydro Distribution L	882463128RC0001	1	200,000	200,000		0
See attached			0	0		0
		Totals	200,000	200,000		0

Note 1:
Each corporation will enter the amount allocated to it in column 4 based on a repartition of $200,000 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
[illegible]oss Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3
[illegible] 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).

Note 4:
For 2003, the limit is $225,000 and it will increase by $25,000 each year to reach $300,000 in 2006. For the taxation years that overlap with the calendar year, the limit is established on a pro-rata basis using of the number of days of the taxation year that fall within the calendar year.

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2002-12-31
AGREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	4A	5	6
Name of associated corporation	Business Number of associated corporation	Asso-ciation code	Business limit allocated (Note 1)	Increased business limit (Note 3)	Taxation year end to which this agreement applies (Note 2)	Gross Part I.3 Tax of the prior year
[100]	[200]	[300]	[400]		[500]	
North Bay Hydro Holdings Limit			0	0		0
North Bay Hydro Services Inc.	864503511RC0001	1	0	0	2002-12-31	0
TOTALS			0	0		0

Note 1:
Each corporation will enter the amount allocated to it in column 4 based on a repartition of $200,000 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:
For [illegible], the limit is $225,000 and it will increase by $25,000 each year to reach $300,000 in [illegible]. For the taxation years that overlap with the calendar year, the limit is established on a prorata basis using of the number of days of the taxation year that fall within the calendar year.

Appendix 21

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 1, 2000

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(fomerly Ministry of Consumer and Commercial Relations)

eturn is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return.
/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 3-18, together with the applicable schedules on pages 19-22. **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 Schedules A or K on pages 23 and 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 **Page 1 of 24**

Corporation's Legal Name *(including punctuation)* and Mailing Address

North Bay Hydro Distribution Limited

74 Commerce court
P.O. Box 3240
North Bay
ON CA P1B-8Y5

Ontario Corporations Tax Account No. (MOF): 1800277

This CT23 Return covers the Taxation Year
Start: year month day 2002-01-01
End: year month day 2002-12-31

Has the mailing address changed since last filed CT23 Return? Yes [X]

Date of Change: year month day

Date of Incorporation or Amalgamation: year month day 1999-12-10

Registered/Head Office Address

74 Commerce court
P.O. Box 3240
North Bay
ON CA P1B-8Y5

Ontario Corporation No. (MCBS): 1390858

Location of Books and Records

8 Commerce Court
North Bay
ON CA P1B-8Y5

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter: 882463128RC0001

Name of person to contact regarding this CT23 Return: Kim Jenkins

Telephone No.: 705-474-8100

Fax No.:

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)

Preferred Language/*Langue de préférence*
English *anglais* [X] 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): 3

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).

[ ] **No change**

Ministry use

Certification (MCBS)

ertify that all information set out in the Annual Return is true, correct and complete.

ame of Authorized Person *(Print clearly or type in full)*

Kim Jenkins

Title: D [ ] Director O [ ] Officer P [X] 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.

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	-1,222,657.	
Add: 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	-1,222,657.	
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 15.5000% X	Days before May 2, 2000 22: 0	÷	Total Days 73: 365	= +	23	0.
From 10 (or 20 if applicable)	0.	X 30	100.0000%	X 14.5000% X	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.	X 30	100.0000%	X 14.0000% X	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.	X 30	100.0000%	X 12.5000% X	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.	X 30	100.0000%	X 12.5000% X	Days after Dec 31, 2002 and before Jan 1, 2004 31: 0	÷	Total Days 73: 365	= +	32	0.

Ontario Allocation

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.		
	=	0.	54	0.
Federal Business limit for the year before the application of fed.s.125(5.1) (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	Days after Dec 31, 2000 and before Oct 1, 2001: 0	÷	Total Days 73: 365						
X From 55	200,000	÷	200,000	=+	42	0.			
80,000 x	Days after Sept 30, 2001 and before Jan 1, 2003: 365	÷	Total Days 73: 365						
X From 55	200,000	÷	200,000	=+	43	80,000.			
120,000 x	Days after Dec 31, 2002 and before Jan 1, 2004: 0	÷	Total Days 73: 365						
X From 55	200,000	÷	200,000	=+	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	X 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	÷	Total Days 73: 365	= +	75	.0000
	7.50%	x	Days after Dec 31, 1999 and before Oct 1, 2001 76: 0	÷	Total Days 73: 365	= +	77	.0000
	6.50%	x	Days after Sept 30, 2001 and before Jan 1, 2003 28: 365	÷	Total Days 73: 365	= +	79	6.5000
	7.00%	x	Days after Dec 31, 2002 and before Jan 1, 2004 31: 0	÷	Total Days 73: 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] 432,202.
			+ [83] .
			+ [84] .
			= [85] 432,202.

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] 432,202.

Number of Days in Taxation Year

Subtract: 200,000	x	Days before Jan 1, 2001 558: 0	÷	Total Days 73: 365	= +	111	0.		
240,000	x	Days after Dec 31, 2000 and before Oct 1, 2001 26: 0	÷	Total Days 73: 365	= +	112	0.		
280,000	x	Days after Sept 30, 2001 and before Jan 1, 2003 28: 365	÷	Total Days 73: 365	= +	113	280,000.		
320,000	x	Days after Dec 31, 2002 and before Jan 1, 2004 31: 0	÷	Total Days 73: 365	= +	115	0.		
		[111] + [112] + [113] + [115] =					280,000.	- [114]	280,000.
(If negative, enter nil)								= [86]	152,202.

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	÷	Total Days 73: 365	= +	92	.0000
	5.00%	x	Days after Dec. 31, 1999 and before Oct 1, 2001 76: 0	÷	Total Days 73: 365	= +	93	.0000
	4.3330%	x	Days after Sept 30, 2001 and before Jan 1, 2003 28: 365	÷	Total Days 73: 365	= +	95	4.3330
	4.6670%	x	Days after Dec 31, 2002 and before Jan 1, 2004 31: 0	÷	Total Days 73: 365	= +	96	.0000
Specified rate of surtax for Taxation Year	[92] + [93] + [95] + [96]						=	[94]	4.3330
From [86] 152,202. x From [94] 4.3330%							=	[87]	6,595.
From [87] 6,595. 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 -1,222,657.

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 1,222,657. 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 73 365) = + 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 73 365) = + 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 73 365) = + 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*

›ecified 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.

ıtario 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)

ermination 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]	48,137,887.
*** Total Revenue of the corporation**	+ [241]	23,845,337.

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] 1,636,624.	+ [244] 848,567.
			+ [245] .	+ [246] .
			+ [247] .	+ [248] .

Aggregate Total Assets	[240] + [243] + [245] + [247], etc.	= [249] 49,774,511.
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc.	= [250] 24,693,904.

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.)*

ɔss 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)*

r 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	19,511,601.
Retained earnings (if deficit, deduct)	± 351	-1,669,626.
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+ 352	0.
Loans and advances *(Attach schedule)*	+ 353	20,800,069.
Bank loans	+ 354	0.
Bankers acceptances	+ 355	0.
Bonds and debentures payable	+ 356	0.
Mortgages payable	+ 357	0.
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	0.
Contingent, investment, inventory and similar reserves	+ 360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)*	+ 361	4,245,895.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	+ 362	0.
Subtotal	= 370	42,887,939.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	− 371	0.
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	42,887,939.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	− 381	0.
Net Paid-up Capital	= 390	42,887,939.

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	0.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+ 406	1,332,950.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+ 407	0.
Total Eligible Investments	= 410	1,332,950.

continued on Page 10

Capital Tax *continued from Page 9*

Total Assets

Total Assets per balance sheet	+ 420	48,137,887.
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	48,137,887.
Amounts in 360 and 361 (if deducted from assets)	+ 440	0.
Subtract: Amounts in 371, 372 and 381	- 441	0.
Subtract: Appraisal surplus if booked	- 442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	± 443	0.
Total Assets	= 450	48,137,887.

Investment Allowance (410 + 450) X 390 — Not to exceed 410	= 460	1,187,578.
Taxable Capital 390 - 460	= 470	41,700,361.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	23,845,337.
Total Assets (as adjusted) From 430		48,137,887.

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 Ontario Allocation 100.0000% X Days in taxation year after May 4, 1999 and before Jan 1, 2000 552 / ** 365 (366 if leap year) 0 = + 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 Ontario Allocation 100.0000% X Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553 / ** 365 (366 if leap year) 0 = + 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 Ontario Allocation 100.0000% X Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 558 / ** 365 (366 if leap year) 0 = + 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 Ontario Allocation 100.0000% X .3000% X Days in taxation year before Oct 1, 2001 559 / ** 365 (366 if leap year) 0 ..... = + 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 0. X From 30 Ontario Allocation 100.0000% X .3000% X Days in taxation year after Sept 30, 2001 560 / ** 365 (366 if leap year) 365 ..... = + 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

...ie corporation is a member of an associated group and/or partnership, complete 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 41,700,361.

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	1,765,253.
Aggregate Taxable Capital 470 + 531	= 540	43,465,614.

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 41,700,361. ÷ From 540 43,465,614. x 5,000,000 ..... = 541 4,796,937.
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

...nes of Canadian & Foreign associated corporations or related partners no permanent establishment in Canada		Taxable Capital
	+ 514	0.
Total Aggregate Taxable Capital 540 + 514	= 520	43,465,614.

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 41,700,361. ÷ 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.*

E1. 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. × .3000% = + [490] 0.

Deduct: $2,400,000 − From [520] 0. × 1.5% × From [521] .0000 = − [492] 0.

If 2,400,000 − [520] is negative, enter NIL in [492]

([504] = [490] − [492]) = [504] 0. × From [30] 100.0000% (Ontario Allocation) × 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. × .3000% = + [490] 0.

Deduct: $2,800,000 − From [520] 0. × 0.75% × From [521] .0000 = − [493] 0.

If 2,800,000 − [520] is negative, enter NIL in [493]

([506] = [490] − [493]) = [506] 0. × From [30] 100.0000% (Ontario Allocation) × 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. × .3000% = + [490] 0.

Deduct: $3,200,000 − From [520] 0. × 0.5% × From [521] .0000 = − [495] 0.

If 3,200,000 − [520] is negative, enter NIL in [495]

([509] = [490] − [495]) = [509] 0. × From [30] 100.0000% (Ontario Allocation) × Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 [557] 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] 41,700,361. × From [30] 100.0000% (Ontario Allocation) × .3000% × 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] 41,700,361.

From [541] (section C) − 4,796,937.

= [471] 36,903,424. × From [30] 100.0000% (Ontario Allocation) × .3000% × Days in taxation year after Sept 30, 2001 [560] 365 ** 365 (366 if leap year) = + [523] 110,710.

Total Capital Tax for the taxation year [502] + [523] ..... = [508] 110,710.

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] 110,710.

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* ..... − [546] 0.

Capital Tax [543] − [546] ..... = [550] 110,710.

Transfer to Page 18

continued on Page 14

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.***

" 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 -1,222,657.
Transfer to page 16

Add:

Federal capital cost allowance	+ 601	2,557,646.
Federal cumulative eligible capital deduction	+ 602	0.
Ontario taxable capital gain	+ 603	0.
Federal non allowable reserves. Balance beginning of year	+ 604	3,774,640.
Federal allowable reserves. Balance end of year	+ 605	1,364,249.
Ontario non-allowable reserves. Balance end of year	+ 606	4,717,275.
Ontario allowable reserves. Balance beginning of year	+ 607	1,035,595.
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	÷ 73 365	= + 630	0.
612	0.	x 5 ÷ 14.5000 x	Days after May 1, 2000 and before Jan 1, 2001	24 0	÷ 73 365	= + 631	0.
612	0.	x 5 ÷ 14.0000 x	Days after Dec 31, 2000 and before Oct 1, 2001	26 0	÷ 73 365	= + 632	0.
612	0.	x 5 ÷ 12.5000 x	Days after Sept 30, 2001 and before Jan 1, 2003	28 365	÷ 73 365	= + 633	0.
612	0.	x 5 ÷ 12.5000 x	Days after Dec 31, 2002 and before Jan 1, 2004	31 0	÷ 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 = 13,449,405. 640 13,449,405.
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

ıtinued from Page 15

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 -1,222,657.

Subtotal of Additions ..... From + 640 13,449,405.

Deduct:

Ontario capital cost allowance	+	650	2,557,646.
Ontario cumulative eligible capital deduction	+	651	0.
Federal taxable capital gain	+	652	0.
Ontario non-allowable reserves. Balance beginning of year	+	653	3,774,640.
Ontario allowable reserves. Balance end of year	+	654	1,364,249.
Federal non-allowable reserves. Balance end of year	+	655	4,717,275.
Federal allowable reserves. Balance beginning of year	+	656	1,035,595.
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 52 [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 ..... = 13,449,405. 680 13,449,405.

Net income (loss) for Ontario Purposes 600 + 640 – 680 ..... = 690 -1,222,657.

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) 962,461	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 1,222,657	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 1,222,657	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) 2,185,118	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.

(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 1993-12-31				850 0	870 0
801 1994-12-31				851 0	871 0
802 1995-12-31				852 0	872 0
803 1996-12-31	820 0	830 0	840 0	853 0	873 0
804 1997-12-31	821 0	831 0	841 0	854 0	874 0
805 1998-12-31	822 0	832 0	842 0	855 0	875 0
806 1999-12-31	823 0	833 0	843 0	856 0	876 0
807 2000-12-31	824 0	834 0	844 0	857 0	877 0
808 2001-12-31	825 962,461	835 0	845 0	858 0	878 0
809 2002-12-31	826 1,222,657	836 0	846 0	859 0	879 0
Total	829 2,185,118	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.

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 1,222,657	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 1,222,657	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		0.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		110,710.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		110,710.
Subtract: Payments	- 960		119,986.
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		-9,276.
If payment due	Enclosed * 990		0.
If overpayment: Refund *(Refer to Guide)*	= 975		9,276.
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)

Kim Jenkins
Title

Manager of Finance
Full Residence Address

Signature | Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Loans and Advances - CT23 line 353

	0.00
	0.00
Long-term customer deposits	1,288,468.00
Current portion of long-term debt	0.00
Payable to Corporation of City of North Bay	19,511,601.00
	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	20,800,069.00

North Bay Hydro Distribution Limited **Attached Sch.**
Corp. Tax Acct. No. : 1800277 **Year Ended:** **2002-12-31**

Other Reserves

Reserve for employee future benefits per fs		3,353,026.00
NBV	30,146,674	0.00
Land	(311,179)	0.00
Land	(199,855)	0.00
UCC	(44,161,102)	0.00
Excess of opening UCC over NBV	13,632,594	0.00
Amounts deducted for book > tax	(892,869)	892,869.00
		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		4,245,895.00

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2002-12-31

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 -3,001,866.
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	193,629.
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		=	193,629. + 2115 193,629.
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 -2,808,237.
** 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 -2,808,237.
Deduct: * CMT losses: pre-1994 Loss		+ From 2210	0.
* CMT losses: other eligible losses		+ From 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 0.

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	2,808,237.		
	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		=	2,808,237.	+ 2207	2,808,237.
Adjustments (attach schedule)				± 2208	0.
CMT losses available	2201 + 2207 ± 2208			= 2209	2,808,237.
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	2,808,237.

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	2000-12-31	2260 0	2280 0
2241	2002-12-31	2261 2,808,237	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
49		2269 0	2289 0
Totals		2270 2,808,237	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	2000-12-31	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.

Schedule A: Information on Ontario Corporations

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act*)

To submit additional Director or Officer Information, please photocopy this page and attach the completed schedules with your return.

Identification

Corporation's Legal Name *(including punctuation)*	Ontario Corporation No. (MCBS)	Date of Incorporation or Amalgamation (year month day)
North Bay Hydro Distribution Limited	1390858	1999-12-10

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Walton	William	

Street Number and Name: 277 Hearst Street — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1B-8Z2

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected (year month day): 2000-09-01

Date Ceased (year month day):

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President	2002-01-02	
Secretary		
Treasurer		
General Manager		
Other (specify)	2000-09-01	

Other Titles *(please specify)*:

- [ ] Chair
- [ ] Chair Person
- [X] Chairman
- [ ] Chairwoman
- [ ] Vice-Chair
- [ ] Vice-President
- [ ] Assistant Secretary
- [ ] Assistant Treasurer
- [ ] Chief Manager
- [ ] Executive Director
- [ ] Managing Director
- [ ] Chief Executive Officer
- [ ] Chief Financial Officer
- [ ] Chief Information Officer
- [ ] Chief Operating Officer
- [ ] Chief Administrative Officer
- [ ] Comptroller
- [ ] Authorized Signing Officer
- [ ] Other (untitled)

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Koziol	Anthony	

Street Number and Name: 923 Bourke Street — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1B-3K7

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected (year month day): 2000-09-01

Date Ceased (year month day):

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)	2000-09-01	

Other Titles *(please specify)*:

- [ ] Chair
- [ ] Chair Person
- [ ] Chairman
- [ ] Chairwoman
- [X] Vice-Chair
- [ ] Vice-President
- [ ] Assistant Secretary
- [ ] Assistant Treasurer
- [ ] Chief Manager
- [ ] Executive Director
- [ ] Managing Director
- [ ] Chief Executive Officer
- [ ] Chief Financial Officer
- [ ] Chief Information Officer
- [ ] Chief Operating Officer
- [ ] Chief Administrative Officer
- [ ] Comptroller
- [ ] Authorized Signing Officer
- [ ] Other (untitled)

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Schedule A: Information on Ontario Corporations

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act*)

submit additional Director or Officer Information, please photocopy this page and attach the completed schedules with your return.

Identification

Corporation's Legal Name *(including punctuation)*	Ontario Corporation No. (MCBS)	Date of Incorporation or Amalgamation (year month day)
North Bay Hydro Distribution Limited	1390858	1999-12-10

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Lechlitner	Paul	

Street Number and Name: 138 Silver Lady Lane — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1B-8G4

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected: year month day — 2000-11-01

Date Ceased: year month day — 2003-01-06

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Other Titles *(please specify)*:

- [ ] Chair
- [ ] Chair Person
- [ ] Chairman
- [ ] Chairwoman
- [ ] Vice-Chair
- [ ] Vice-President
- [ ] Assistant Secretary
- [ ] Assistant Treasurer
- [ ] Chief Manager
- [ ] Executive Director
- [ ] Managing Director
- [ ] Chief Executive Officer
- [ ] Chief Financial Officer
- [ ] Chief Information Officer
- [ ] Chief Operating Officer
- [ ] Chief Administrative Officer
- [ ] Comptroller
- [ ] Authorized Signing Officer
- [ ] Other (untitled)

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Fournier	Elizabeth	

Street Number and Name: 2 Plumtree Place — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1A-3Y6

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected: year month day — 2000-09-01

Date Ceased: year month day —

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Other Titles *(please specify)*:

- [ ] Chair
- [ ] Chair Person
- [ ] Chairman
- [ ] Chairwoman
- [ ] Vice-Chair
- [ ] Vice-President
- [ ] Assistant Secretary
- [ ] Assistant Treasurer
- [ ] Chief Manager
- [ ] Executive Director
- [ ] Managing Director
- [ ] Chief Executive Officer
- [ ] Chief Financial Officer
- [ ] Chief Information Officer
- [ ] Chief Operating Officer
- [ ] Chief Administrative Officer
- [ ] Comptroller
- [ ] Authorized Signing Officer
- [ ] Other (untitled)

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Schedule A: Information on Ontario Corporations

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act*)

To submit additional Director or Officer Information, please photocopy this page and attach the completed schedules with your return.

Identification

Corporation's Legal Name *(including punctuation)*	Ontario Corporation No. (MCBS)	Date of Incorporation or Amalgamation (year month day)
North Bay Hydro Distribution Limited	1390858	1999-12-10

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Burrows	Jack	

Street Number and Name: 823 Golf Club Road — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON	CA	P1B-8G2

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected: year month day — 2000-11-01

Date Ceased: year month day —

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Other Titles *(please specify)*:

- [ ] Chair
- [ ] Chair Person
- [ ] Chairman
- [ ] Chairwoman
- [ ] Vice-Chair
- [ ] Vice-President
- [ ] Assistant Secretary
- [ ] Assistant Treasurer
- [ ] Chief Manager
- [ ] Executive Director
- [ ] Managing Director
- [ ] Chief Executive Officer
- [ ] Chief Financial Officer
- [ ] Chief Information Officer
- [ ] Chief Operating Officer
- [ ] Chief Administrative Officer
- [ ] Comptroller
- [ ] Authorized Signing Officer
- [ ] Other (untitled)

Director/Officer Information

Full Name and Address for Service:

Last Name	First Name	Middle Name(s)
Lynch	Wayne	

Street Number and Name: 49 Janey Street — Suite:

City/Town/Village	Province/State	Country	Postal/Zip Code
North Bay	ON		P1C-1M9

Director

Are you a resident Canadian? *(Applies to directors of business corporations only)*

[X] Yes [ ] No

Date Elected: year month day — 2000-09-01

Date Ceased: year month day —

Officer

Indicate the appointment period for each of the following:

	Date Appointed (year month day)	Date Ceased (year month day)
President		
Secretary		
Treasurer		
General Manager		
Other (specify)		

Other Titles *(please specify)*:

- [ ] Chair
- [ ] Chair Person
- [ ] Chairman
- [ ] Chairwoman
- [ ] Vice-Chair
- [ ] Vice-President
- [ ] Assistant Secretary
- [ ] Assistant Treasurer
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- [ ] Executive Director
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- [ ] Chief Financial Officer
- [ ] Chief Information Officer
- [ ] Chief Operating Officer
- [ ] Chief Administrative Officer
- [ ] Comptroller
- [ ] Authorized Signing Officer
- [ ] Other (untitled)

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

CCH Canadian Ltd. - Corporate Taxprep, 2002 CT23, ver. 2-2003, 0098

North Bay Hydro Distribution Limited

Corp. Tax Acct. No. : 1800277 Year Ended: 2002-12-31

ONTARIO CT23 SUPPLEMENTARY - LIST OF ASSOCIATED CORPORATIONS

Name of Associated (ration	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
North Bay Hydro Holdings Limit			0	0	0	0	
North Bay Hydro Services Inc.		2002-12-31	1,765,253	1,636,624	848,567	432,202	
TOTALS			1,765,253	1,636,624	848,567	432,202	

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

North Bay Hydro Distribution Limited **Ont. Sch. 008**
Corp. Tax Acct. No. : 1800277 **Year Ended: 2002-12-31**

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	41,245,875	1,173,573	0	0	42,419,448	586,786	41,832,662	4	0	0	1,673,306	40,746,142
8	307,270	11,147	0	0	318,417	5,573	312,844	20	0	0	62,569	255,848
10	831,747	23,219	0	0	854,966	11,609	843,357	30	0	0	253,007	601,959
10	71,537	36,757	0	0	108,294	18,378	89,916	30	0	0	26,975	81,319
12	430,715	16,516	0	0	447,231	8,258	438,973	100	0	0	438,973	8,258
1	3,825,522	342,809	0	1,597,939	2,570,392	0	2,570,392	4	0	0	102,816	2,467,576
Total	46,712,666	1,604,021	0	1,597,939	46,718,748	630,604	46,088,144		0	0	2,557,646	44,161,102
								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

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Continuity of Reserves

Schedule 13

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2002-12-31

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 $	Additions	Deductions	Ontario balance at the end of the year $
1.		0	0	0	0	0
2.		0	0	0	0	0
3.		0	0	0	0	0
4.		0	0	0	0	0
5.		0	0	0	0	0
6.						
	Totals	0 A	0 B	0	0	0 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 $	Additions	Deductions	Ontario balance at the end of the year $
Reserve for doubtful debts	32,884	0	24,015	0	56,899
Reserve for undelivered goods and services not rendered	1,002,711	0	304,639	0	1,307,350
Reserve for prepaid rent	0	0	0	0	0
Reserve for December 31, 1995 income	0	0	0	0	0
Reserve for refundable containers	0	0	0	0	0
Reserve for unpaid amounts	0	0	0	0	0
Other tax reserves	0	0	0	0	0
Totals	1,035,595 D	0 E	328,654	0	1,364,249 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 Benefit	2,739,045	0	613,981	0		3,353,026
	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
Reserves from Part 2	1,035,595	0	328,654	0		1,364,249
Totals	3,774,640	0	942,635	0		4,717,275
	Enter in box [653] *of the CT23*					*Enter in box* [606] *of the CT23*

Appendix 22

2002 Notice of Assessments

Ministry of Finance
North York RTO
5 Park Home Avenue
3rd Floor
North York, Ontario
M2N 6L4

Ministère des Finances
North York RTO
5 avenue Park Home
3e étage
North York (Ontario)
M2N 6L4

Ontario

(416) 730-5543

August 16, 2005

Ms. Elizabeth Chirico
Manager, Finance
North Bay Hydro
74 Commerce Crescent
North Bay, Ontario
P1B 8Y5

Dear Ms. Chirico,

Re: North Bay Hydro Distribution Limited
Account Number: 1800277
Ontario Tax Audit: Fiscal 2001 - 2002

We have completed our review of the above-noted taxation years.

Attached are Statements of Adjustments reflecting the changes in your company's tax liabilities. We have not yet completed our audit on the opening balance of your fixed assets account and as such, further changes in this particular area may be necessary in future. A Notice of Reassessment will be mailed under separate cover for each year being reassessed. Should you require further information, please feel free to contact Mr. Stan Santavy of my office at the telephone number noted above.

Yours truly,

Ian Tso
Senior Group Manager
Field Audit Section

Encl.

Ontario

PO Box 622 CP 622
33 King St. West 33 rue King ouest
Oshawa ON L1H 8H6 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: 1 8 0 0 2 1 8

Name of Corporation / Raison sociale de la compagnie: NORTH BAY HYDRO DISTRIBUTION LIMITED

Taxation Year End / Fin de l'année d'imposition: 31 December 2002

INCOME TAX

Loss as previously assessed	$ 1,222,657	
Deduct: Bad debt expense disallowed	(70,531)	
Add-back of non-deductible meals and Entertainment expenditures	(15,000)	
Revised Loss	$ 1,137,126	
Tax thereon (Federal & Ontario)		$ Nil

CAPITAL TAX

As previously assessed	179,700
TOTAL TAX PAYABLE	$ 179,700

Note: The opening balance of depreciable assets still has not been audited. Their value may be subject to further changes at a later date.

Stan Santavy
MRK811

***"DESIGNATED ASSESSMENT"**

The items marked with an asterisk above are designated parts of this assess-ment. 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 essment. The Corporation and the Minister will be bound by the final osition 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.

NORTH BAY HYDRO DISTRIBUTION LIMITED

Account Number# 1800277
Fiscal Year Ending: 31 December 2002

Revised Non-Capital Losses Schedule

Revised loss for fiscal year ended December 31, 2001	866,132
Revised loss for fiscal year ended December 31, 2002	1,137,126
Balance available as at December 31, 2002	$ 2,003,258

Stan Santavy
MRK811

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

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Account No.
1800277

35
PX5003

NORTH BAY HYDRO DISTRIBUTION LIMITED
C/O ELIZABETH CHIRICO
74 COMMERCE COURT
PO BOX 3240
NORTH BAY ON
P1B 8Y5

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2 0 0 2 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 2002/01/01 **to** 2002/12/31

	Account No.	Assessment Date (year, month, day)	Page
NORTH BAY HYDRO DISTRIBUTION LIMITED	**1800277**	2003/07/18	2 of 2

ASSESSMENT NO. 27

Tax: Federal and Provincial PIL		179,700.00
Assessment Interest		407.09CR
Total Assessment Liability		179,292.91

SUMMARY OF 2002/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	188,976.00CR	
Sub-Total		188,976.00CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		9,683.09CR

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.

Tax Assessment as per Company Estimate.

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
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

002 PX5003

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

CORPORATION NOTICE OF REASSESSMENT

Shawinigan-Sud QC G9N 7S6

0001882

Date of mailing May 18, 2005
Business Number 88246 3128 RC0001
Taxation year-end December 31, 2002

NORTH BAY HYDRO DISTRIBUTION
LIMITED
PO BOX 3240
NORTH BAY ON P1B 8Y5

RESULTS

This notice explains the results of our reassessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Reassessment : $ 0.00

Please refer to the Summary and Explanation for additional information.

CORPORATION NOTICE OF REASSESSMENT

,ORTH BAY HYDRO DISTRIBUTION LIMITED

Date of mailing
May 18, 2005
Business Number
88246 3128 RC0001
Taxation year-end
December 31, 2002

SUMMARY OF REASSESSMENT

	$ Previous	$ Reassessed	$ Adjustment
Federal Tax:			
Part I	0.00	0.00	0.00
Part I.3	0.00	0.00	0.00
Part II	0.00	0.00	0.00
Part IV	0.00	0.00	0.00
Part IV.1	0.00	0.00	0.00
Part VI	0.00	0.00	0.00
Part VI.1	0.00	0.00	0.00
Part XIII.1	0.00	0.00	0.00
Part XIV	0.00	0.00	0.00
Total Federal Tax Adjustment:			$ 0.00
		Net balance:	$ 0.00
		Result of this reassessment:	$ 0.00

Michel Dorais
Commissioner of Customs and Revenue

EXPLANATION

We have adjusted the T2 return based on a further review.

We have disallowed the claim for capital cost allowance on Schedule 1, "Net Income (Loss) for Income Tax Purposes," because we have not received a reply to our request for a completed Schedule 8, "Capital Cost Allowance (CCA)."

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

If you require additional information or wish to request an adjustment, contact:

Shawinigan Tax Centre
4695, 12th Avenue
Shawinigan-Sud QC G9N 7S6
Phone (819) 537-5141
Fax (819) 536-4486
Toll free number 1-800-959-7405
We accept collect calls.

Sudbury Tax Centre
1050 Notre Dame Avenue
Sudbury ON P3A 5C1
Toll free number 1-800-998-7739

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." Both terms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act.*

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this reassessment, you can file an objection. You can do this by sending either a letter or Form T400A, *Objection* , to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the *Notice of Reassessment* .

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if the loss reported is revised at the initial assessing stage or as a result of a reassessment arising from an audit or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
   - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
   - the reassessment to the particular year is related to the balance adjusted in the preceding year.
2. within three years after the end of the normal reassessment period if:
   - you are carrying back a loss or credit from a later taxation year;
   - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
   - the corporation paid an amount or received a refund of foreign income or profits tax;
   - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
   - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss or credit carry-back) for any of the above reasons affects the corporation's tax.

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

CORPORATION NOTICE OF REASSESSMENT

Shawinigan-Sud QC G9N 7S6

0003212

Date of mailing	July 15, 2005
Business Number	88246 3128 RC0001
Taxation year-end	December 31, 2002

NORTH BAY HYDRO DISTRIBUTION
LIMITED
PO BOX 3240
NORTH BAY ON P1B 8Y5

RESULTS

This notice explains the results of our reassessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Reassessment :	$	0.00
Result of reassessment for reporting period ending December 31, 2001 :	$	0.00
Prior balance:	$	0.00
Total balance:	$	0.00

Please refer to the Summary and Explanation for additional information.

CORPORATION NOTICE OF REASSESSMENT

NORTH BAY HYDRO DISTRIBUTION LIMITED

Date of mailing	July 15, 2005
Business Number	88246 3128 RC0001
Taxation year-end	December 31, 2002

SUMMARY OF REASSESSMENT

	$ Previous	$ Reassessed	$ Adjustment
Federal Tax:			
Part I	0.00	0.00	0.00
Part I.3	0.00	0.00	0.00
Part II	0.00	0.00	0.00
Part IV	0.00	0.00	0.00
Part IV.1	0.00	0.00	0.00
Part VI	0.00	0.00	0.00
Part VI.1	0.00	0.00	0.00
Part XIII.1	0.00	0.00	0.00
Part XIV	0.00	0.00	0.00
Total Federal Tax Adjustment:			$ 0.00
		Net balance:	$ 0.00
		Result of this reassessment:	$ 0.00
		Result of reassessment for reporting period ending December 31, 2001 :	$ 0.00
		Prior balance:	$ 0.00
		Total balance:	$ 0.00

Michel Dorais
Commissioner of Customs and Revenue

EXPLANATION

We have adjusted the T2 return based on the additional information submitted.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

If you require additional information or wish to request an adjustment, contact:

Shawinigan Tax Centre
4695, 12th Avenue
Shawinigan-Sud QC G9N 7S6
Phone (819) 537-5141
Fax (819) 536-4486
Toll free number 1-800-959-7405
We accept collect calls.

Sudbury Tax Centre
1050 Notre Dame Avenue
ury ON P3A 5C1
free number 1-800-998-7739

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." B('erms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act.*

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this reassessment, you can file an objection. You can do this by sending either a letter or Form T400A, *Objection* , to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the *Notice of Reassessment* .

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if th' 'oss reported is revised at the initial assessing stage or as a result of a reassessment arising from an a. . or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
   - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
   - the reassessment to the particular year is related to the balance adjusted in the preceding year.
2. within three years after the end of the normal reassessment period if:
   - you are carrying back a loss or credit from a later taxation year;
   - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
   - the corporation paid an amount or received a refund of foreign income or profits tax;
   - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
   - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss or credit carry-back) for any of the above reasons affects the corporation's tax.

North Bay Hydro Distribution Limited
Statement Of Earnings and Retained Earnings (Deficit)
Year ended December 31, 2002, with comparative figures for 2001

		2002		2001
Service revenue				
Residential	$	7,402,368	$	17,886,483
General		9,852,875		27,058,446
Street and sentinel lighting		140,403		243,789
Total revenue from the sale of energy		17,395,646		45,188,718
Power purchased		15,740,000		39,086,880
Gross margin on service revenue to April 30, 2002		1,655,646		6,101,838
Distribution revenue beginning May 1, 2002		5,393,033		-
Other operating revenue		979,120		1,363,933
		8,027,799		7,465,771
Operating expenses				
Operating and engineering expenses		2,057,605		1,152,607
Administrative and general expenses		3,153,580		2,505,592
Depreciation and amortization on continuing operations		2,266,176		2,314,228
		7,477,361		5,972,427
Operating Income		550,438		1,493,344
Property taxes		165,000		174,455
Interest		987,800		46,990
Income (loss) before other items, discontinued operations, extraordinary item and payment in lieu of taxes		(602,362)		1,271,899
Other items				
Write off of retail settlement variance accounts		1,020,344		-
Write off of transition costs		722,314		-
Loss on write down of building to fair market value		540,755		-
Income (loss) before discontinued operations, extraordinary item and payment in lieu of taxes		(2,885,775)		1,271,899
Income from discontinued operations (note 13)		77,538		167,014
Income (loss) before extraordinary item and payment in lieu of taxes		(2,808,237)		1,438,913
Extraordinary item (note 16)		-		181,411
Income (loss) before payment in lieu of taxes		(2,808,237)		1,620,324
Payment in lieu of taxes		193,629		58,122
Net income (loss) for the year	$	(3,001,866)	$	1,562,202
Retained earnings (deficit), beginning of year		1,332,240		(229,962)
Net income (loss) for the year		(3,001,866)		1,562,202
Retained earnings (deficit), end of year	$	(1,669,626)	$	1,332,240

See accompanying notes to financial statements.

Appendix 23

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 882463128RC0001

Corporation's name

002 North Bay Hydro Distribution Limited

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 74 Commerce court

012 P.O. Box 3240

City	Province, territory, or state
015 North Bay	016 ON
Country (other than Canada)	**Postal code/ZIP code**
017	018 P1B-8Y5

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 74 Commerce Court

032

City	Province, territory, or state
035 North Bay	036 ON
Country (other than Canada)	**Postal code/ZIP code**
037	038 P1B-8Y5

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 (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 ☒

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 ☒

Is this the first year of filing after:

Incorporation? 070 1 Yes ☐ 2 No ☒

Amalgamation? 071 1 Yes ☐ 2 No ☒

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 ☒

If *Yes*, complete and attach Schedule 24.

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? 082 1 Yes ☐ 2 No ☒

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.

Schedules – Answer the following questions. For each *Yes* response, attach to the T2 return the schedule that applies.

* We do not print these schedules.

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		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	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
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	X	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	X	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
128	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 [X]

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	Electricity Distr.	285	99%
286	Other	287	1%
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			3,455,124	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	2,185,118		
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		2,185,118	2,185,118	B
Subtotal (amount A minus amount B) (if negative, enter "0")			1,270,006	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		1,270,006	
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)			1,270,006	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 3,455,124 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 1,270,006 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
300,000	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 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 225,000 x 415*** 68,990 / 11,250 D = ... 1,379,800 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) * ..... 3,455,124 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 ..... 1,270,006 C

Deduct:

Aggregate investment income (amount from line 440 of page 6) ..... 0 D

Amount C minus amount D (if negative, enter "0") ..... 1,270,006 1,270,006 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) 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 (enter amount D on line 10 of page 7) ..... 438 0 D

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3 ..... 1,270,006 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") ..... 1,270,006 N

Amount N 1,270,006 x (Number of days in the taxation year in 2001 / Number of days in the taxation year) 0/365 x 1% = 0

Amount N 1,270,006 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 1,270,006 x (Number of days in the taxation year in 2003 / Number of days in the taxation year) 365/365 x 5% = 63,500 P

Amount N 1,270,006 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 (enter amount R on line 638 of page 7) ..... 63,500 R

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 (enter amount CC on line 639 of page 7) ..... 0 CC

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 1,270,006

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

1,270,006 x 26 2/3% = 338,668 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 306,325

Deduct: Corporate surtax from line 600 of page 7 14,224

Net amount ..... 292,101 — 292,101 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 ..... 550 482,602 A

Corporate surtax calculation

Base amount from line A above	482,602	1
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	127,001	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			127,001 7
Net amount (line 1 minus line 7)			355,601 8

Corporate surtax – 4.00% of the amount on line 8 ..... 600 14,224 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	1,270,006		
Deduct:			
Amount on lines 400, 405, 410, or 425 of page 4, whichever is less	0		
Net amount	1,270,006	1,270,006	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) 496,826 E

Deduct:

Small business deduction from line 430 of page 4		0	9
Federal tax abatement	608	127,001	
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	63,500	
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		190,501	190,501 F

Part I tax payable – Line E minus line F (enter amount G on line 700 of page 8) ..... 306,325 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	306,325
Part I.3 tax payable from Schedule 33, 34, or 35	704	61,972
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		368,297

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		368,297 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	0	
Total credits	890	0	0 B

Refund code 894 0 Overpayment 0

Balance (line A minus line B) 368,297

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 368,297

Enclosed payment 898 368,297

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 _____ Last name in block letters 951 _____ First name in block letters 954 _____ 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 956 705-474-8100 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 ☐

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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			2,281,525 A

Additions:

Provision for income taxes - current		101	399,209	
Amortization of tangible assets		104	2,099,875	
Loss on disposal of assets		111	88,453	
Tax reserves deducted in prior year from Schedule 13		125	1,364,249	
Reserves from financial statements - balance at the end of the year		126	5,476,383	
Subtotal of additions			9,428,169	9,428,169

Other Additions:

Miscellaneous Other Additions:

603a		0			
603b	Ontario Specified Tax Credits	1,684			
603c		0			
		1,684	293	1,684	
Subtotal of Other Additions			199	1,684	1,684
	Total Additions		500	9,429,853	9,429,853

Deductions:

Capital cost allowance from Schedule 8	403	2,031,795	
Tax reserves claimed in current year from Schedule 13	413	1,507,184	
Reserves from financial statements-balance at the beginning of the year	414	4,717,275	
Subtotal of Deductions		8,256,254	8,256,254

Other Deductions:

Miscellaneous Other Deductions:

Subtotal of Other Deductions	499	0	0
Total Deductions	510	8,256,254	8,256,254

Net income (loss) for income tax purposes (enter on line 300 on the T2 return)	3,455,124

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION

- 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		3,455,124
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		2,185,118	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	2,185,118	
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	2,185,118

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	2,185,118	
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	2,185,118
		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

Part 2 - Capital losses (cont'd)

Continuity of capital losses and request for a carryback (cont'd)

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

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

Part 5 - Listed personal property losses (cont'd)

Continuity of listed personal property loss and request for a carryback (cont'd)

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	1,222,657	N/A	0	N/A	1,222,657	0	0	
2001	962,461	N/A	0	N/A	962,461	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	2,185,118	0	0	0	2,185,118	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	
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	
2002	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**

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SUMMARY OF DISPOSITIONS OF CAPITAL PROPERTY

- For use by corporations that have disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- Use this schedule to make a designation under paragraph 111(4)(e) of the federal "Income Tax Act", if control of the corporation has been acquired by a person or group of persons.
- If more space is needed, attach additional schedules.

For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the "T2 Corporation Income Tax Guide".

Designation under paragraph 111(4)(e) of the "Income Tax Act"
Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?

050 [Y/N] [N] If "yes", attach a statement specifying which properties are subject to such a designation.

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 1 - Shares

No. of shares 100	Name of corporation 105	Class of shares 106	110	120	130	140	Gain (or loss) 150	
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
				0	0	0	0	
			Totals	0	0	0	0	A

Gain (loss) on dispositions before February 28, 2000	0	A1
Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000	0	A2
Gain (loss) on dispositions after October 17, 2000	0	A3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 2 - Real estate - Do not include losses on depreciable property.

Municipal address
1 = Address 1
2 = Address 2
3 = City
4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code

200	210	220	230	240	Gain (or loss) 250	
Land rights - office		16,350	16,350	0	0	3
-		0	0	0	0	3
-		0	0	0	0	3
-		0	0	0	0	3
-		0	0	0	0	
	Totals	16,350	16,350	0	0	B

Gain (loss) on dispositions before February 28, 2000	0	B1
Gain (loss) on disposition after February 27, 2000 and before October 18, 2000	0	B2
Gain (loss) on dispositions after October 17, 2000	0	B3

Part 3 - Bonds

Face value 300	Maturity date 305	Name of issuer 307	310	320	330	340	Gain (or loss) 350	
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
				0	0	0	0	
			Totals	0	0	0	0	C

Gain (loss) on dispositions before February 28, 2000	0	C1
Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000	0	C2
Gain (loss) on dispositions after October 17, 2000	0	C3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 4 - Other properties - Do not include losses on depreciable property.

Description 400	410	420	430	440	Gain (or loss) 450	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	
Disposition from a partnership						
		0	0	0	0	
	Totals	0	0	0	0	D
		Gain (loss) on dispositions before February 28, 2000			0	D1
		Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000			0	D2
		Gain (loss) on dispositions after October 17, 2000			0	D3

Part 5 - Personal-use property

Description 500	510	520	530	540	Gain only 550	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
Note:	**Totals**	0	0	0	0	E
Losses are not deductible.		Gain on dispositions before February 28, 2000			0	E1
		Gain on dispositions after February 27, 2000 and before October 18, 2000			0	E2
		Gain on dispositions after October 17, 2000			0	E3

Part 6 - Listed personal property

Description 600	610	620	630	640	Gain (or loss) 650	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
	Totals	0	0	0	0	

Part 6 - Listed personal property (cont'd)

Note:
Net listed personal property losses may only be applied against listed personal property gains.
- Amount from line 655 is from line 530 in Part 5 of Schedule 4.

	Before 2000/02/28	After 2000/02/27 and before 2000/10/18	After 2000/10/17		
Gains or losses on dispositions	0	0	0	0 (655)	
Subtract: Unapplied listed personal property losses from other years	0 (657)	0 (658)	0 (659)	0	
Net gains (or loss)	0	0	0	0	F

Part 7 - Property qualifying for and resulting in an allowable business investment loss

Name of small business corporation (900)	Shares, enter 1; debt, enter 2 (905)	Date of acquisition YYYY/MM/DD (910)	Proceeds of disposition (920)	Adjusted cost base (930)	Outlays and expenses (dispositions) (940)	Loss (col. 920 less cols. 930 and 940) (950)	Date of disp.	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
		Totals	0	0	0	0		G
					Loss on dispositions before February 28 2000	0		G1
					Loss on dispositions after February 27, 2000 and before October 18, 2000	0		G2
					Loss on dispositions after October 17, 2000	0		G3

Note: Properties listed in Part 7 should not be included in any other parts of Schedule 6.

Determining capital gains or losses

	Before 2000/02/28	After 2000/02/27 and before 2000/10/18	After 2000/10/17	Total	
Sum of the **Total** amounts A to F (do not include F, if the amount is a loss)	0	0	0	0	H
Allowable business investment losses (G1, G2, G3)	0 (770)	0 (670)	0 (570)		
Gains or losses on dispositions (including ABIL)	0	0	0		
Add:					
Gain or loss from a partnership	(775)	(675)	(575)	0 (875)	
Capital gains dividend received in the year	0	0	0	0	
Capital gains reserve opening balance (from Schedule 13)	0	0	0	0 (880)	
Subtotal	0	0	0	0	

Determining capital gains or losses (cont'd)

Deduct:				
Capital gains reserve closing balance	785	685	585	885
(from Schedule 13) (note 1)	0	0	0	0
Deductible portion of gain on donations				
(including ecologically sensitive land)	0	0	0	
	790	690	590	890
Gains (or losses)	0	0	0	0

Note 1: Applicable to dispositions made in the period. Closing balance reserves from dispositions made in a previous taxation year need to be deducted in the period during which the taxation year begins.

Inclusion rate

	Gain/loss			Inclusion rate		Net capital gain or Net capital loss	
Amount from line 790	0	J	x	75.0000%	=	0	JJ
Amount from line 690	0	K	x	66.6667%	=	0	KK
Subtotal (note 2)	0	a	x	.0000%	=	0	aa
Amount from line 590	0	L	x	50.0000%	=	0	LL
Total (note 3)	0	b			=	0	bb
Inclusion rate for the year expressed as a decimal fraction (bb divided by b)						.0000%	M

Note 2

If one of either line J or line K is positive, and the other is negative, enter the difference (gain or loss) on the **subtotal** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line **aa** based on that rate. In this case, it would not be necessary to calculate an amount at **JJ** and **KK**. Otherwise, add lines J and K, and lines **JJ** and **KK** for the subtotals. At the **inclusion rate** line between **a** and **aa**, enter the result of **aa** divided by **a**. This rate may be required in further calculations.

Note 3

If one of either line **a** or line **L** is positive, and the other is negative, enter the difference (gain or loss) on the **total** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line **bb** based on that rate. This could be the rate referred to at the end of the note 2 above. In this case, it would not be necessary to calculate an amount at line **LL**. Otherwise, add lines **a** and **L**, and lines **aa** and **LL** for the totals.

Time Weighted Method for investment corporation or mutual fund corporation

Is the corporation a mutual fund corporation that wishes to use the time weighted method?..... [Y/N] N

Number of days before February 28, 2000	0	x	75.0000%	=	.0000%
Number of days after February 27, 2000 and before October 18, 2000	0	x	66.6667%	=	.0000%
Number of days after October 17, 2000	0	x	50.0000%	=	.0000%
Number of days in the taxation year	0				.0000% N

Determining taxable capital gains, total capital losses and allowable business investment losses

Amount from line 890					0 O
Gain on donations of a share, debt obligation, or right (included in amounts A to F) (note 4)					
Before February 28, 2000	0				
After February 27, 2000 and before October 18, 2000	0				
After October 17, 2000	0				
	0	x 1/2	=	895	0 P
Amount on line O **minus** line 895					0 Q
Amount of gain on donation of ecologically sensitive land after February 27, 2000					
After February 27, 2000 and before October 18, 2000	0				
After October 17, 2000	0				
	0	x 1/2	=	896	0 R
Amount on line Q **minus** line 896					0 S
If this amount is a loss, enter on line 210 of Schedule 4.					
Taxable capital gains (line S x line M or N)					0 T
Enter the amount on line 113 of Schedule 1.					

Determining taxable capital gains and allowable business investment losses (cont'd)

Allowable business investment loss (line G x rate M or N) Enter the amount on line 406 of Schedule 1.	0 U

Note 4: Gain on donations of a share, debt obligation, or right listed on a prescribed stock exchange and amounts under paragraph 38(a.1) of the Act (for donations made after February 18, 1997, and before the year 2002 to charities other than private foundations)

Portion of Gain or Loss from Foreign sources (100%)	0

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	40,746,142	1,129,692	0	0	564,846	4	0	0	1,652,440	40,223,394
8	255,848	42,329	0	0	21,164	20	0	0	55,403	242,774
10	601,959	0	0	0	0	30	0	0	180,588	421,371
10	81,319	61,376	0	0	30,688	30	0	0	33,602	109,093
12	8,258	0	0	0	0	100	0	0	8,258	0
1	2,467,576	140,036	0	0	70,018	4	0	0	101,504	2,506,108
Total	44,161,102	1,373,433	0	0	686,716		0	0	2,031,795	43,502,740

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2003-12-31
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	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]
North Bay Hydro Holdings Limit		899999999RC0001	1	0	0.00	0	0.00	0
North Bay Hydro Services Inc.		864503511RC0001	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".

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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	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 Benefit	3,353,026	0	616,173	0	3,969,199
	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
Reserves From Section 2 below	1,364,249	0	142,935	0	1,507,184
Totals	4,717,275	0	759,108	0	5,476,383

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	[X]	110	56,899	115	0	42,858	0	120	99,757
Reserve for undelivered goods and services not rendered	[X]	130	1,307,350	135	0	100,077	0	140	1,407,427
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	1,364,249	275	0	142,935	0	280	1,507,184

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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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;
- 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.

If the calendar year to which this agreement applies is after 2006, ensure that the total at line A does not exceed $300,000.

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
North Bay Hydro Distribution L	882463128RC0001	1	225,000	100.0000	225,000	
See attached				.0000	0	
			Total	100.0000	225,000 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.

** "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.

North Bay Hydro Distribution Limited
Account/Business No.: 882463128RC0001 Year Ended: 2003-12-31
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 % [350]	Business limit allocated $ [400]	Taxation year end to which this agreement applies [500]	Part I.3 Tax
North Bay Hydro Holdings Limit	899999999RC0001	1	225,000	.0000	0		0
North Bay Hydro Services Inc.	864503511RC0001	1	225,000	.0000	0		0
TOTALS			450,000	.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	3,969,199
Capital stock (or members' contributions if incorporated without share capital)	103	19,511,601
Retained earnings	104	611,899
Contributed surplus	105	0
Any other surpluses	106	185,979
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	20,919,028
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)

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	0		
	Subtotal	45,197,706	45,197,706	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		45,197,706	

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.
- Amounts owing to the member or to other corporations that are 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.
- 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	1,332,950
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	1,332,950

Part 2 - Investment allowance (cont'd)

Notes:

1) Where the 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.

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)		45,197,706	C
Deduct: Investment allowance for the year (line 490)		1,332,950	D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	43,864,756	

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)	43,864,756	X	Taxable income earned in Canada / Taxable income	610	1,270,006 / 1,270,006 =	**Taxable capital employed in Canada**	690	43,864,756

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)

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)			43,864,756
Deduct: Capital deduction claimed for the year (enter $50,000,000 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		33,864,756

Year	Line 811		Number of days	/ Number of days in the taxation year				
Before 2004	33,864,756	x	(365	/ 365)	x	.2250%	=	76,196 F
2004	33,864,756	x	(0	/ 365)	x	.2000%	=	0 G
2005	33,864,756	x	(0	/ 365)	x	.1750%	=	0 H
2006	33,864,756	x	(0	/ 365)	x	.1250%	=	0 I
2007	33,864,756	x	(0	/ 365)	x	.0625%	=	0 J

Note: The Part I.3 tax rate is reduced to 0% for the days in the taxation year that are after 2007.

Subtotal (add amounts F to J) 76,196 K

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 76,196 x Number of days in the year 365 / 365 = 0 L

Gross Part I.3 tax (amount K or L, whichever applies)	820	76,196

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)	43,864,756	M
Deduct: Capital deduction claimed for the year (1/5 of line 801 if the taxation year end after 2003)	10,000,000	N
Excess (amount M minus amount N) (if negative, enter "0")	33,864,756	O

Amount O 33,864,756 x .2250% = 76,196 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 76,196 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	76,196

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 14,224 x (line 690 of this schedule 43,864,756 / line 500 of this schedule 43,864,756) = 14,224 c

d) line 700 from the T2 return	306,325	d	14,224	S
Current-year surtax credit available (amount R or S, whichever applies)	830		14,224	

Part 8 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)		14,224
Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821)		76,196
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)			76,196 T
Deduct:			
Current-year surtax credit applied (line 820 or 830, whichever is less)	861	14,224	
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)		14,224	14,224 U
Net Part I.3 tax payable (amount T minus amount U)	870		61,972

Enter this amount at line 704 of the T2 return.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

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.
  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 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 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
North Bay Hydro Distribution L	882463128RC0001	10,000,000	
See attached		0	
Total (Before 2004 must not exceed $10,000,000 After 2003 must not exceed $50,000,000)		10,000,000	

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.

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]
North Bay Hydro Holdings Limit	899999999RC0001	0	
North Bay Hydro Services Inc.	864503511RC0001	0	
TOTAL		0	

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.

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
North Bay Hydro Holdings Limited	899999999RC0001		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.

Appendix 24

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~~ "PIL"

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)

return is a combination of the Ministry of Finance (MOF) CT23 orations Tax Return and the Ministry of Consumer and Business ices (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

Page 1 of 24

Corporation's Legal Name *(including punctuation)*

North Bay Hydro Distribution Limited

Ontario Corporations Tax Account No. (MOF)
1800277

Mailing Address

CLIENT'S COPY

74 Commerce court
P.O. Box 3240
North Bay
ON CA P1B-8Y5

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 1999-12-10

Registered/Head Office Address

74 Commerce court
P.O. Box 3240
North Bay
ON CA P1B-8Y5

Ontario Corporation No. (MCBS) 1390858

Location of Books and Records

Commerce Court

North Bay
ON CA P1B-8Y5

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter
882463128RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
	705-474-8100	

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

Former Corporation Name *(Extra-Provincial Corporations only)* [X] ***Not Applicable*** (MCBS)

[X] ***Not Applicable***

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.

ne of Authorized Person *(Print clearly or type in full)*

Title: [ ] D Director [ ] O Officer [X] 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
North Bay Hydro Distribution Limited	1800277	2003-12-31

CT23 Corporations Tax Return

ntification 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

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]

Income Tax

DOLLARS ONLY

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 Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	3,455,124.
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	2,185,118.
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	1,270,006.
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	1,270,006.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	1,270,006.	x	30 100.0000% Ontario Allocation	x	12.5000%	x	Days after Sept. 30, 2001 and before Jan. 1, 2004 33 365	+	Total Days 73 365	= +	29	158,751.
From 10 (or 20 if applicable)	1,270,006.	x	30 100.0000% Ontario Allocation	x	14.0000%	x	Days after Dec. 31, 2003 34 0	+	Total Days 73 365	= +	32	0.

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 158,751.

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	3,455,124.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51	1,270,006.
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52	2,185,118.
Subtract: Losses of other years deducted for Ontario purposes (s.34)	–	53	2,185,118.
	=		1,270,006. 54 1,270,006.
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)		55	225,000.

Ontario Business Limit Calculation

280,000 x	Days after Sept. 30, 2001 and before Jan. 1, 2003 28 0	÷ ** 365	= +	43	0.			
320,000 x	Days after Dec. 31, 2002 and before Jan. 1, 2004 31 365	÷ ** 365	= +	46	320,000.			
400,000 x	Days after Dec. 31, 2003 34 0	÷ ** 365	= +	47	0.			
Business Limit for Ontario purposes	43 + 46 + 47		=	44	320,000.	x 48 100.0000% *** Percentage of Federal Business limit (from T2 Sch. 23). Enter 100% if not associated.	= 45	320,000.
Income eligible for the IDSBC				From 30	100.0000% **** Ontario Allocation	x 56 320,000.	= 60	320,000.

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	÷	Total Days [73] 365	= +	[79]	.0000
7.00 %	x	Days after Dec. 31, 2002 and before Jan. 1, 2004 [31] 365	÷	Total Days [73] 365	= +	[89]	7.0000
8.50 %	x	Days after Dec. 31, 2003 [34] 0	÷	Total Days [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] 1,270,006.

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]	1,270,006.

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] 1,270,006.

Number of Days in Taxation Year

Subtract: 280,000	x	Days after Sept. 30, 2001 and before Jan. 1, 2003 [28] 0	÷	Total Days [73] 365	= +	[113]	0.
320,000	x	Days after Dec. 31, 2002 and before Jan. 1, 2004 [31] 365	÷	Total Days [73] 365	= +	[115]	320,000.
400,000	x	Days after Dec. 31, 2003 [34] 0	÷	Total Days [73] 365	= +	[116]	0.

[113] + [115] + [116] = 320,000. − [114] 320,000.

(If negative, enter nil) = [86] 950,006.

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	÷	Total Days [73] 365	= +	[95]	.0000
4.6670 %	x	Days after Dec. 31, 2002 and before Jan. 1, 2004 [31] 365	÷	Total Days [73] 365	= +	[96]	4.6670
4.6670 %	x	Days after Dec. 31, 2003 [34] 0	÷	Total Days [73] 365	= +	[97]	.0000

Specified rate of surtax for Taxation Year [95] + [96] + [97] = [94] 4.6670

From [86] 950,006. x From [94] 4.6670 % = [87] 44,337.

From [87] 44,337. x From [60] 320,000. + From [114] 320,000. = [88] 44,337.

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 1,270,006.

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 1,270,006. 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 1,270,006.

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: 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 ..... = 190 158,751.

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] 1,684.

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] 1,684.

Specified Tax Credits ***Applied to reduce Income Tax*** ..... = [225] 1,684.

Income Tax [190] – [225] **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* ..... = [230] 157,067.

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]	51,510,047.	
* Total Revenue of the corporation			+ [241] 9,995,222.

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] 21,624,565.	+ [244] 827,832.
			+ [245]	+ [246]
			+ [247]	+ [248]
Aggregate Total Assets [240] + [243] + [245] + [247], etc.			= [249] 73,134,612.	
Aggregate Total Revenue [241] + [244] + [246] + [248], etc.				= [250] 10,823,054.

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] 0. (If negative, enter zero) X From [30] 100.0000% (Ontario Allocation) X 4.0000% =		[276]	0.
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*	–	[277]	0.
Subtract: Income Tax	– From [190]		158,751.
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]		158,751.
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]	158,751.
B. Income Tax (after deduction of specified credits)			+ From [230]		157,067.
Subtract: CMT credit used to reduce income taxes			–	[310]	0.
Income Tax			=	[320]	157,067.

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 ***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 (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	19,511,601.
Retained earnings (if deficit, deduct) (Int.B. 3012)	± 351	611,899.
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	+ 352	0.
Loans and advances *(Attach schedule)* (Int.B. 3013)	+ 353	20,919,028.
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	185,979.
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	4,930,149.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017)	+ 362	0.
Subtotal	= 370	46,158,656.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012)	− 371	0.
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	46,158,656.
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	46,158,656.

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	0.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+ 406	1,332,950.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+ 407	0.
Total Eligible Investments	= 410	1,332,950.

continued on Page 10

Loans and Advances - CT23 line 353

	0.00
Current customer deposits	412,866.00
Long-term customer deposits	994,561.00
Current portion of long-term debt	0.00
Payable to Corporation of City of North Bay	19,511,601.00
	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	20,919,028.00

Other Reserves

Reserve for employee future benefits per fs		3,969,199.00
NBV	29,315,427	0.00
Land	(494,684)	0.00
		0.00
UCC	(43,502,740)	0.00
Excess of acquisition UCC over NBV	13,721,047	960,950.00
Amounts deducted for book > tax	(960,950)	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		4,930,149.00

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015)

al Assets per balance sheet	+ 420	51,510,047.
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	51,510,047.
Amounts in 360 and 361 (if deducted from assets)	+ 440	960,950.
Subtract: Amounts in 371, 372 and 381	− 441	0.
Subtract: Appraisal surplus if booked	− 442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	± 443	0.
Total Assets	= 450	52,470,997.

Investment Allowance (410 ÷ 450) X 390 — Not to exceed 410	= 460	1,172,594.
Taxable Capital 390 − 460	= 470	44,986,062.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	9,995,222.
Total Assets (as adjusted)	From 430	51,510,047.

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) (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 (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 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 44,986,062.

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
See attached			+ 531 1,972,857.
			+ 532 .
			+ 533 .
			= 540 46,958,919.

Aggregate Taxable Capital 470 + 531 + 532 + 533, etc. .....

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 44,986,062. ÷ From 540 46,958,919. x 5,000,000 ..... = 541 4,789,938.
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*

CTION 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]	44,986,062.											
– [542]	4,789,938.											
= [471]	40,196,124.	x From [30]	100.0000%	x	.3000%	x	[555] 365 / ** 365 (366 if leap year)	Days in taxation year	.....	= + [523]	120,588.	**Total Capital Tax for the taxation year**
			Ontario Allocation								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%	x	.3000%	.....	= + [561]	0.			
			Ontario Allocation								
–	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] 365 / ** 365 (366 if leap year)	Days in taxation year	.....	= [563]	0.		
							Transfer to [543] and complete the return from that point		

f floating taxation year, refer to Guide.

Capital Tax *before application of specified credits*	.....	= [543]	120,588.
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	.....	– [546]	0.
Capital Tax [543] – [546] *(amount cannot be negative)*	.....	= [550]	120,588.
			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 (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) 0.6% X From [30] ____% (Ontario Allocation) X [555] 0 (Days in taxation year) + ** 0 (366 if leap year) = + [569] 0.

[570] 0. x (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) [571] 0.00% (Capital Tax Rate *(Refer to Guide)*) X From [30] ____% (Ontario Allocation) X [555] 0 (Days in taxation year) + ** 0 (366 if leap year) = + [574] 0.

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 3,455,124.
Transfer to Page 15

Add:

Federal capital cost allowance	+ 601	2,031,795.
Federal cumulative eligible capital deduction	+ 602	0.
Ontario taxable capital gain	+ 603	0.
Federal non-allowable reserves. Balance beginning of year	+ 604	4,717,275.
Federal allowable reserves. Balance end of year	+ 605	1,507,184.
Ontario non-allowable reserves. Balance end of year	+ 606	5,476,383.
Ontario allowable reserves. Balance beginning of year	+ 607	1,364,249.
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 ÷ 12.5000 x [Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 365 ÷ Total Days: 73 365] = + 633 0.

612 0. x 5 ÷ 14.0000 x [Days after Dec. 31, 2003: 34 0 ÷ Total Days: 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 ..... = 15,096,886. 640 15,096,886.
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	+ 650	2,031,795.
Ontario cumulative eligible capital deduction	+ 651	0.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves. Balance beginning of year	+ 653	4,717,275.
Ontario allowable reserves. Balance end of year	+ 654	1,507,184.
Federal non-allowable reserves. Balance end of year	+ 655	5,476,383.
Federal allowable reserves. Balance beginning of year	+ 656	1,364,249.
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 15,096,886.
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

ntinued from Page 14

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 3,455,124.

Total of Additions ..... From = 640 15,096,886.

Sub Total of deductions on page 14 ..... From = 681 15,096,886.

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 30 100.0000 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 477 **from Ont. CT23 Schedule 161** ..... + 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 .. = 15,096,886. 680 15,096,886.

Net income (loss) for Ontario Purposes 600 + 640 – 680 ..... = 690 3,455,124.

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) 2,185,118	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) 2,185,118	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 2,185,118	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.

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 1994-12-31				850 0	870 0
801 8th preceding taxation year 1995-12-31				851 0	871 0
802 7th preceding taxation year 1996-12-31				852 0	872 0
803 6th preceding taxation year 1997-12-31	820 0	830 0	840 0	853 0	873 0
804 5th preceding taxation year 1998-12-31	821 0	831 0	841 0	854 0	874 0
805 4th preceding taxation year 1999-12-31	822 0	832 0	842 0	855 0	875 0
806 3rd preceding taxation year 2000-12-31	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
808 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))

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

	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		157,067.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		120,588.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		277,655.
Subtract: Payments	– 960		164,725.
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		112,930.
If payment due	Enclosed * 990		112,930.
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. *(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)

Title

Full Residence Address

Signature | Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Payments

Total installments paid		164,725.00
Applied to Large Corporations Tax (Federal)		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	164,725.00

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2003-12-31

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

nks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) der the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 **2,281,525.**

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	399,209.
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	=	399,209. + 2115 399,209.

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 **2,680,734.**

** 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 **2,680,734.**

Deduct: * CMT losses: pre-1994 Loss + From 2210 0.

* CMT losses: other eligible losses + 2211 2,680,734.

= 2,680,734. − 2134 **2,680,734.**

CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base = 2135 0.

Transfer to CMT Base on Page 8

Corporate Minimum Tax (CMT)

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)				+ 2201	2,808,237.
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	2,808,237.
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	2,680,734.		
Losses expired during the year		+ 2212	0.		
Subtotal		=	2,680,734.	- 2213	2,680,734.
Balances at End of Year (5) 2209 - 2213				= 2214	127,503.

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	9th preceding taxation year 1994-12-31	2260 0	2280 0
2241	8th preceding taxation year 1995-12-31	2261 0	2281 0
2242	7th preceding taxation year 1996-12-31	2262 0	2282 0
2243	6th preceding taxation year 1997-12-31	2263 0	2283 0
2244	5th preceding taxation year 1998-12-31	2264 0	2284 0
2245	4th preceding taxation year 1999-12-31	2265 0	2285 0
2246	3rd preceding taxation year 2000-12-31	2266 0	2286 0
2247	2nd preceding taxation year 2001-12-31	2267 0	2287 0
2248	1st preceding taxation year 2002-12-31	2268 127,503	2288 0
249	Current taxation year 2003-12-31	2269 0	2289 0
Totals		2270 127,503	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	9th preceding taxation year 1994-12-31	2360 0	2380 0
2341	8th preceding taxation year 1995-12-31	2361 0	2381 0
2342	7th preceding taxation year 1996-12-31	2362 0	2382 0
2343	6th preceding taxation year 1997-12-31	2363 0	2383 0
2344	5th preceding taxation year 1998-12-31	2364 0	2384 0
2345	4th preceding taxation year 1999-12-31	2365 0	2385 0
2346	3rd preceding taxation year 2000-12-31	2366 0	2386 0
2347	2nd preceding taxation year 2001-12-31	2367 0	2387 0
2348	1st preceding taxation year 2002-12-31	2368 0	2388 0
2349	Current taxation year 2003-12-31	2369 0	2389 0
	Totals	2370 0	2390 0

The sum of amounts 2370 + 2390 ***must equal amount in*** 2310.

Schedule F:
ımmary 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)
U of Waterloo Elec Engineer	Sandrasagra Andrew	516-330-362	From 2003-05-05 To 2003-08-22	5749 8,936	5775 894
U of Waterloo Elec Engineer	Yip Ka Wun	515-666-923	From 2003-09-02 To 2003-12-17	5750 7,899	5776 790
			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	5798
			Totals	16,835	1,684

If insufficient space, attach schedule

Transfer to 192 *Page 7 of the Tax Return*

Note: Enter corporation's salaries & wages paid in the preceding taxation year [A] $ 2,139,076.

If [A] 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] 2,139,076. – $400,000) + $200,000]

Indicate rate used: 10.00%. *** Credit claimed equals ECP multiplied by rate.**

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		Total Days	
8.50%	x	0	/	365	= .0000%
IDSBC Rate for the Taxation Year					= 7.0000%

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2. Calculation of Specified Rate for Surtax

Number of Days In Taxation Year

4.67%	x	Days after Dec 31, 1998 and before Jan 1, 2000: 0	/	Total Days: 365	=	.0000%
5.00%	x	Days after Dec 31, 1999 and before Jan 1, 2001: 0	/	Total Days: 365	=	.0000%
5.00%	x	Days after Dec 31, 2000 and before Oct 1, 2001: 0	/	Total Days: 365	=	.0000%
4.3330%	x	Days after Sept 30, 2001 and before Jan 1, 2003: 0	/	Total Days: 365	=	.0000%
4.6670%	x	Days after Dec 31, 2002 and before Jan 1, 2004: 365	/	Total Days: 365	=	4.6670%
4.6670%	x	Days after Dec 31, 2003: 0	/	Total Days: 365	=	.0000%
					=	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
North Bay Hydro Distribution Limited	1800277	2003-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
North Bay Hydro Holdings Limit		2003-12-31	+
North Bay Hydro Services Inc.		2003-12-31	+
			+
			+

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
North Bay Hydro Distribution Limited	1800277	2003-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
North Bay Hydro Holdings Limit		2003-12-31	+ 19,586,075	+
North Bay Hydro Services Inc.		2003-12-31	+ 2,038,490	+ 827,832
			+	+
			+	+
			+	+

Ontario Summary of Dispositions of Capital Property
Schedule 6

or a corporation that has disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.

- This schedule may be used to make a designation under section 34(10) of the "Corporations Tax Act" provided the corporation has made a designation under paragraph 111(4)(e) of the "Income Tax Act" (Canada), if control of the corporation has been acquired by a person or group of persons.

Period 1: Dispositions before February 28, 2000
Period 2: Dispositions after February 27, 2000 and before October 18, 2000
Period 3: Dispositions after October 17, 2000

Part A: Designation under section 34(10) of the "Corporations Tax Act"

Complete part A if there are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e) of the "Income Tax Act" (Canada) or section 34(10) of the "Corporations Tax Act"? ..... Yes/No [N]
If Yes, complete the following:

Property	Class number	Date of disposition YYYY/MM/DD	Proceeds of disposition	Adjusted cost base	Other adjustments	Designated amount	Gain or loss
			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

Part B: Inter-provincial asset transfers

Complete part B if there was any disposition shown on the schedule as a result of a federal election under section 85 of the "Income Tax Act" (Canada) that transferred assets to a non-arm's length corporation with a permanent establishment in another Canadian jurisdiction? ..... Yes/No [N]
If Yes, complete the following:

Property	Class number	Corporation name of transferee/or	Date of disposition YYYY/MM/DD	Cost of asset in other jurisdiction
				0
				0
				0
				0
				0

Name of other jurisdiction	Allocation ratio to other jurisdictions	Ontario elected amount	Gain or loss
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0

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1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.	

Part 1 - Shares

No.of shares	Name of corporation	Class of shares				Gain (loss)	
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	
		Totals	0	0	0	0	A

Gain (loss) on dispositions in period 1	0	A1
Gain (loss) on dispositions in period 2	0	A2
Gain (loss) on dispositions in period 3	0	A3

Part 2 - Real estate ("Do not include losses on depreciable property")

Municipal address
1 = Address 1
2 = Address 2
3 = City
4 = Province, Country, Postal Code, Zip Code or Foreign Postal Code

					Gain (loss)	
Land rights - office	16,350	16,350	0	0	3	
	0	0	0	0	3	
	0	0	0	0	3	
	0	0	0	0	3	
	0	0	0	0		
Totals	16,350	16,350	0	0	B	

Gain (loss) on dispositions in period 1	0	B1
Gain (loss) on dispositions in period 2	0	B2
Gain (loss) on dispositions in period 3	0	B3

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1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.

Part 3 - Bonds

Face value	Maturity date YYYY/MM/DD	Name of issuer				Gain (loss)	
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
			0	0	0	0	
		Totals	0	0	0	0	C

Gain (loss) on dispositions in period 1	0	C1
Gain (loss) on dispositions in period 2	0	C2
Gain (loss) on dispositions in period 3	0	C3

Part 4 - Other properties - ("Do not include losses on depreciable property")

Description					Gain (loss)	
	0	0	0	0	0	3
	0	0	0	0	0	3
	0	0	0	0	0	3
	0	0	0	0	0	
Gain or loss from a partnership						
	0	0	0	0	0	
Totals	0	0	0	0	0	D

Gain (loss) on dispositions in period 1	0	D1
Gain (loss) on dispositions in period 2	0	D2
Gain (loss) on dispositions in period 3	0	D3

Part 5 - Personal- use property

Description of capital property					Gain only	
	0	0	0	0	0	3
	0	0	0	0	0	3
	0	0	0	0	0	3
	0	0	0	0	0	3
Note: Losses are not deductible.	Totals 0	0	0	0	0	E

Gain on dispositions in period 1	0	E1
Gain on dispositions in period 2	0	E2
Gain on dispositions in period 3	0	E3

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1	2	3	4	5	6	
Types of capital property	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Ontario adjusted cost base	Outlays and expenses	Ontario gain or (loss) (col. 3 less cols. 4 & 5)	Date of disp.

Part 6 - Listed personal property

Description					Gain (loss)	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
	Totals	0	0	0	0	

	Period 1	Period 2	Period 3		
Gain (or loss) on dispositions	0	0	0	0	
Subtract: Unapplied LPP losses from other years applicable to gain on dispositions	0	0	0	0	
Net gain (loss) on dispositions	0	0	0	0	F

Note: Net listed personal property losses may only be applied against personal property gains.

Part 7 - Property qualifying for and resulting in an allowable business investment loss

Name of small business corporation	Shares enter 1 Debt enter 2	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Ontario adjusted cost base	Outlays and expenses	Ontario loss (col. 3 less (cols 4 & 5)	Date of disp.	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
		Totals	0	0	0	0		G
				Loss on dispositions in period 1		0		G1
				Loss on dispositions in period 2		0		G2
				Loss on dispositions in period 3		0		G3

Note: Properties listed in Part 7 should not be included in any other Part of Schedule 6.

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Determining capital gains and capital losses

	Period 1	Period 2	Period 3	
ns or losses on dispositions				
(Total of amounts A to F, if amount F is a loss, do not include it)	0	0	0	0
Allowable business investment losses (G1, G2, G3)	0	0	0	
Gains or losses on dispositions (including ABIL)	0	0	0	
Add:				0
Gain or loss from a partnership				
Capital gains dividends received in the year	0	0	0	0
Capital gains reserve (Opening balance) Schedule 13	0	0	0	0
Subtotal	0	0	0	0
Less:				
Capital gains reserve (Closing balance) from Schedule 13 (note 1)	0	0	0	0
Deductible portion of gain on donations (including ecologically sensitive land)	0	0	0	
Gains (or losses)	0 H	0 I	0 J	0 Z

Note 1: Applicable to dispositions made in the period. Closing balance reserves from dispositions made in a previous taxation year need to be deducted in the period during which the taxation year begins.

Inclusion rate

	Gains or losses		Inclusion Rate		Net capital gain/capital loss	
Amount from line I, **period 1**	0 H	x	75.0000%	=	0	K
Amount from line I, **period 2**	0 I	x	66.6667%	=	0	L
Subtotal (note 2)	0 M	x	.0000%	=	0	AA
Amount from line I, **period 3**	0 J	x	50.0000%	=	0	N
Total (note 3)	0 O				0	P
Inclusion rate for the year expressed as a decimal fraction (P divided by O)					50.000000%	Q

Note 2
If one of either line **H** or line **I** is positive, and the other is negative, enter the difference (gain or loss) on the **subtotal** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line **AA** based on that rate. In this case, it would not be necessary to calculate an amount at **K** and **L**. Otherwise, add lines **H** and **I**, and lines **K** and **L** for the subtotals. At the **inclusion rate** line between **M** and **AA**, enter the result of **M** divided by **AA**. This rate may be required in further calculations.

Note 3
If one of either line **M** or line **J** is positive, and the other is negative, enter the difference (gain or loss) on the total line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line **P** based on that rate. This could be the rate referred to at the end of note 2 above. In this case, it would not be necessary to calculate an amount at line **N**. Otherwise, add lines **M** and **J**, and lines **AA** and **N** for the totals.

Time Weighted Method for investment corporation or mutual fund corporation

Is the corporation a mutual fund corporation that wishes to use the time weighted method? ..... [Y/N] N

Number of days in period 1	0	x	75.0000%	=	.0000%
Number of days in period 2	0	x	66.6667%	=	.0000%
Number of days in period 3	0	x	50.0000%	=	.0000%
Number of days in the taxaton year	0				.000000%

CCH Canadian Ltd. - Corporate Taxprep, 2003 CT23, ver 1-2004

Determination of taxable capital gains and allowable business investment losses

Amount from line Z					0	Z
Deduct:						
Gain on donations of a share, debt obligation, or right						
(included in amounts A to F) (note 4)						
Before February 28, 2000	0					
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	=	0	
Subtotal					0	
Deduct:						
Amount of gain on donations of ecologically sensitive land after February 27, 2000						
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	=	0	
Gains or Loss						
Include 100% of the losses in box 711 of the CT23					0	R
Taxable capital gains (amount R x Inclusion rate)						
Transfer to 603 of the CT23					0	S
Allowable business investment loss (line G x Inclusion rate)						
Transfer to 678 of the CT23					0	G4

Note 4:
Gain on donations of a share, debt obligation, or right listed on a prescribe stock exchange and amounts under paragraph 38(a.1) of the Act on (for donations made after February 18, 1997, and before the year 2002 to charities other than private foundations).

Portion of Gain or Loss from Foreign sources (100%)	0

CCH Canadian Ltd. - Corporate Taxprep, 2003 CT23, ver 1-2004

North Bay _dro Distribution Limited Ont. Sch. 008
Corp. Tax Acct. No. : 1800277 **Year Ended:** 2003-12-31

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	40,746,142	1,129,692	0	0	41,875,834	564,846	41,310,988	4	0	0	1,652,440	40,223,394
8	255,848	42,329	0	0	298,177	21,164	277,013	20	0	0	55,403	242,774
10	601,959	0	0	0	601,959	0	601,959	30	0	0	180,588	421,371
10	81,319	61,376	0	0	142,695	30,688	112,007	30	0	0	33,602	109,093
12	8,258	0	0	0	8,258	0	8,258	100	0	0	8,258	0
1	2,467,576	140,036	0	0	2,607,612	70,018	2,537,594	4	0	0	101,504	2,506,108
Total	44,161,102	1,373,433	0	0	45,534,535	686,716	44,847,819		0	0	2,031,795	43,502,740
								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

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Continuity of Reserves

Schedule 13

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2003-12-31

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 $	Additions	Deductions	Ontario balance at the end of the year $
1.		0	0	0	0	0
2.		0	0	0	0	0
3.		0	0	0	0	0
4.		0	0	0	0	0
5.		0	0	0	0	0
6.						
	Totals	0 A	0 B	0	0	0 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 $	Additions	Deductions	Ontario balance at the end of the year $
Reserve for doubtful debts	56,899	0	42,858	0	99,757
Reserve for undelivered goods and services not rendered	1,307,350	0	100,077	0	1,407,427
Reserve for prepaid rent	0	0	0	0	0
Reserve for December 31, 1995 income	0	0	0	0	0
Reserve for refundable containers	0	0	0	0	0
Reserve for unpaid amounts	0	0	0	0	0
Other tax reserves	0	0	0	0	0
Totals	1,364,249 D	0 E	142,935	0	1,507,184 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 Benefit	3,353,026	0	616,173	0		3,969,199
	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
Reserves from Part 2	1,364,249	0	142,935	0		1,507,184
Totals	4,717,275	0	759,108	0		5,476,383

Enter in box [653] *of the CT23*

Enter in box [606] *of the CT23*

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

poration's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	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
North Bay Hydro Holdings Limit		2003-12-31	+ 74,474
North Bay Hydro Services Inc.		2003-12-31	+ 1,898,383
			+
			+
			+

University of Waterloo

Co-operative Education & Career Services

the most comprehensive co-operative education program anywhere

OFFICIAL TAX RECEIPT

FF11-5

PENNY CHARETTE
NORTH BAY HYDRO
74 COMMERCE CRESCENT
NORTH BAY ON
P1B8G5

Work Term: May. - Aug., 2003

This form is the certified document required in order to claim your tax credit for employing University of Waterloo co-op students. Please pass this on to the appropriate financial officer in your organization. Although this form need not be attached to your income tax return, it must be retained by you and produced for any subsequent review of the Ontario co-operative education tax credit by Revenue Canada or the Ontario Ministry of Finance. You will, however, be required to provide summary information with respect to your claim as indicated on the tax return. Tax legislative bulletin website: www.gov.on.ca/fin/english/tb96e2r2.htm.

Job# C328401001 Andrew L Sandrasagra Electrical Engineeri

The University of Waterloo certifies that this is a qualifying co-op work placement for purposes of the co-operative education tax credit in respect of Ontario students.

Bruce A Lumsden

Bruce Lumsden
Director, Co-operative Education & Career Services

University of Waterloo

Co-operative Education & Career Services

the most comprehensive co-operative education program anywhere

OFFICIAL TAX RECEIPT

FF1-6

PENNY CHARETTE
NORTH BAY HYDRO
74 COMMERCE CRESCENT
NORTH BAY ON
P1B8G5

Work Term: Sept. - Dec. 2003

This form is the certified document required in order to claim your tax credit for employing University of Waterloo co-op students. Please pass this on to the appropriate financial officer in your organization. Although this form need not be attached to your income tax return, it must be retained by you and produced for any subsequent review of the Ontario co-operative education tax credit by Revenue Canada or the Ontario Ministry of Finance. You will, however, be required to provide summary information with respect to your claim as indicated on the tax return. Tax legislative bulletin website: www.gov.on.ca/fin/english/tb96e2r2.htm.

Job# C328401001 Ka Wun Yip Electrical Engineeri

The University of Waterloo certifies that this is a qualifying co-op work placement for purposes of the co-operative education tax credit in respect of Ontario students.

Bruce A Lumsden

Bruce Lumsden
Director, Co-operative Education & Career Services

Appendix 25

2003 Notice of Assessments

Shawinigan-Sud QC G9N 7S6

Date of mailing	July 4, 2006
Business Number	88246 3128 RC0001
Taxation year-end	December 31, 2004

NORTH BAY HYDRO DISTRIBUTION
LIMITED
PO BOX 3240
NORTH BAY ON P1B 8Y5

0000363

CORPORATION NOTICE OF REASSESSMENT

RESULTS

This notice explains the results of our reassessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Reassessment : $ 0.00

Please refer to the Summary and Explanation for additional information.

CORPORATION NOTICE OF ASSESSMENT

Shawinigan-Sud QC G9N 7S6

0002845

Date of mailing	July 8, 2005
Business Number	88246 3128 RC0001
Taxation year-end	December 31, 2004

NORTH BAY HYDRO DISTRIBUTION
LIMITED
PO BOX 3240
NORTH BAY ON P1B 8Y5

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	$	0.00
Prior balance:	$	0.00
Total balance:	$	0.00

Please refer to the Summary and Explanation for additional information.

CORPORATION NOTICE OF ASS. SMENT

0002846

NORTH BAY HYDRO DISTRIBUTION LIMITED

Date of mailing	July 8, 2005
Business Number	88246 3128 RC0001
Taxation year-end	December 31, 2004

SUMMARY OF ASSESSMENT

	$ Reported	$ Assessed
Federal Tax:		
Part I	0.00	0.00
Part I.3	0.00	0.00
Part II	0.00	0.00
Part IV	0.00	0.00
Part IV.1	0.00	0.00
Part VI	0.00	0.00
Part VI.1	0.00	0.00
Part XIII.1	0.00	0.00
Part XIV	0.00	0.00
Total Federal Tax:		$ 0.00
Net balance:		$ 0.00
Result of this assessment:		$ 0.00
Prior balance:		$ 0.00
Total balance:		$ 0.00

Michel Dorais
Commissioner of Customs and Revenue

EXPLANATION

We have revised the taxable income for the purpose of the small business deduction to $2,086,126.00, to correct a mathematical error.

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know you may be eligible to file your return using our Corporation Internet Filing service. For information on eligibility criteria and the service in general, please visit www.cra.gc.ca/corporation-internet.

If you require additional information or wish to request an adjustment, contact:

Shawinigan Tax Centre
4695, 12th Avenue
Shawinigan-Sud QC G9N 7S6
Phone (819) 537-5141
Fax (819) 536-4486
Toll free number 1-800-959-7405
We accept collect calls.

Sudbury Tax Centre
1050 Notre Dame Avenue
Sudbury ON P3A 5C1
Toll free number 1-800-998-7739

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." Both terms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act.*

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this assessment, you can file an objection. You can do this by sending either a letter or Form T400A, *Objection*, to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the *Notice of Assessment*.

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if the loss reported is revised at the initial assessing stage or as a result of a reassessment arising from an audit or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

This may be the only notice the corporation will receive for this taxation year. However, we may reassess a T2 return if an error is brought to our attention or if we find an error during our post-assessing reviews. Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
   - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
   - the reassessment to the particular year is related to the balance adjusted in the preceding year.
2. within three years after the end of the normal reassessment period if:
   - you are carrying back a loss or credit from a later taxation year;
   - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
   - the corporation paid an amount or received a refund of foreign income or profits tax;
   - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
   - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss or credit carry-back) for any of the above reasons affects the corporation's tax.

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 2003/01/01 to 2003/12/31

Account No.	Assessment Date (year, month, day)	Page
1800277	2004/08/13	1 of 1

NORTH BAY HYDRO DISTRIBUTION LIMITED

ASSESSMENT NO. 45

Tax: Federal and Provincial PIL	645,952.00
Assessment Interest	9,161.91
Total Assessment Liability	655,113.91

#1290

SUMMARY OF 2003/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	645,952.00CR	645,952.00CR
Sub-Total		9,161.91
TAXATION YEAR BALANCE DUE **		

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.

Total tax assessed as per company estimate

approved to pay
C Lidsio

**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%.

002-9100-777-60-45

Tax (Re)Assessment Enquiries:	Account Billing Enquiries & Change of Address Information:	
• Toronto (416) 730-5585	• Oshawa and Local (905) 433-6708	• Toll-Free 1-800-262-0784 ext. 3036
• FAX (416) 730-5593	• Toronto (416) 920-9048 ext. 3036	• FAX (905) 433-5197

0000016

080 PX5003

Appendix 26

2004 T2 Federal Tax Return

Canada Customs and Revenue Agency | Agence des douane et du revenu du Cana...

T2 CORPORATION INCOME T... RETURN "PIL"

200
Code 0401

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 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 882463128RC0001

Corporation's name

002 North Bay Hydro Distribution Limited

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 74 Commerce court

012 P.O. Box 3240

City: 015 North Bay | Province, territory, or state: 016 ON

Country (other than Canada): 017 | Postal code/ZIP code: 018 P1B-8Y5

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: 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 we were notified? 030 1 Yes [ ] 2 No [X]

031 74 Commerce Court

032

City: 035 North Bay | Province, territory, or state: 036 ON

Country (other than Canada): 037 | Postal code/ZIP code: 038 P1B-8Y5

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: 060 2004-01-01 YYYY/MM/DD
Taxation year-end: 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 1 to 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
1	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	X	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
		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?			
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		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
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
13	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	207		7
	ii) is the corporation claiming the refundable portion of Part I tax?	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	X	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		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
128	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
52	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
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256		T1134-A
44	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 ☒

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	Electricity Distr.	285	99%
286	Other	287	1%
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 2,086,126	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	0	B
Subtotal (amount A minus amount B) (if negative, enter "0")			2,086,126	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	2,086,126	
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)			2,086,126	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 2,086,126 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 2,086,126 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*** 80,467 D / 11,250 = ... 1,788,156 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) * ..... 2,086,126 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 ..... 2,086,126 C

Deduct:

Aggregate investment income (amount from line 440 of page 6) ..... 0 D

Amount C minus amount D (if negative, enter "0") ..... 2,086,126 2,086,126 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 ..... 2,086,126 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") ..... 2,086,126 N

Amount N	2,086,126	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	2,086,126	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	2,086,126	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	366 / 366	x 7% =	146,029 Q

General tax reduction for Canadian-controlled private corporations - total of amounts O, P, and Q ..... 146,029 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 2,086,126

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

2,086,126 x 26 2/3% = 556,300 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 461,451

Deduct: Corporate surtax from line 600 of page 7 23,365

Net amount ..... 438,086 — 438,086 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 ..... 550 792,728 A

Corporate surtax calculation

Base amount from line A above	792,728	1
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	208,613	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			208,613 7
Net amount (line 1 minus line 7)			584,115 8

Corporate surtax – 4.00% of the amount on line 8 ..... 600 23,365 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	2,086,126		
Deduct:			
Amount on lines 400, 405, 410, or 425 of page 4, whichever is less	0		
Net amount	2,086,126	2,086,126	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) 816,093 E

Deduct:

Small business deduction from line 430 of page 4			0 9
Federal tax abatement		608	208,613
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)		628	0
Additional deduction – credit unions from Schedule 17		632	0
Federal foreign non-business income tax credit from Schedule 21		636	0
Federal foreign business income tax credit from Schedule 21		637	0
Accelerated tax reduction from amount N of page 4			0 10
Resource deduction from line 438 of page 5		638	146,029
General tax reduction for CCPCs from amount R of page 5		639	0
General tax reduction from amount CC of page 5		640	0
Federal logging tax credit from Schedule 21		644	0
Federal political contribution tax credit			
Federal political contributions 646 0		648	0
Federal qualifying environmental trust tax credit		652	0
Investment tax credit from Schedule 31		Subtotal	354,642 354,642 F

Part I tax payable – Line E minus line F (enter amount G on line 700 of page 8) ..... 461,451 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	461,451
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		461,451

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		461,451 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	0	
Total credits	890	0	0 B
Balance (line A minus line B)			461,451

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 461,451

Enclosed payment 898 461,451

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 Chirico Last name in block letters 951 Elizabeth First name in block letters 954 Manager, Finance 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 2005-05-12 Date (yyyy/mm/dd) _____ Signature of the authorized signing officer of the corporation

956 705-474-8100 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 ☐

North Bay Hydro Distribut[illegible]n Limited
Account/Business No.: 8824 [illegible]28RC0001 Year Ended: 2004-12-31 Sch. 001

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		420,137 A ✓

Additions:

Provision for income taxes - current	101	864,000 ✓	
Amortization of tangible assets	104	2,003,607 ✓	
Loss on disposal of assets	111	144,597 ✓	
Non-deductible meals and entertainment expenses	121	4,136 ✓	
Tax reserves deducted in prior year from Schedule 13	125	1,507,184 ✓	
Reserves from financial statements - balance at the end of the year	126	5,772,196 ✓	
Subtotal of additions		10,295,720	10,295,720

Other Additions:

Miscellaneous Other Additions:

603a		0			
603b	Ontario Specified Tax Credits	3,000			
603c		0			
		3,000	293	3,000 ✓	
Subtotal of Other Additions			199	3,000	3,000
Total Additions			500		10,298,720

Deductions:

Capital cost allowance from Schedule 8	403	1,930,127 ✓	
reserves claimed in current year from Schedule 13	413	1,196,920 ✓	
Reserves from financial statements-balance at the beginning of the year	414	5,476,383 ✓	
Subtotal of Deductions		8,603,430	8,603,430

Other Deductions:

Miscellaneous Other Deductions:

700	2003 Ont capital tax inlcuded in 2004 income tax	390	29,301 ✓ Tax Rec 2	< materiality
Subtotal of Other Deductions		499	29,301	29,301
		Total Deductions	510	8,632,731

Net income (loss) for income tax purposes 2,086,126
(enter on line 300 on the T2 return)

North Bay Hydro Distribution Limited
Account/Business No.: 8824 128RC0001 Year Ended: 2004-12-31

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	40,223,394	1,587,463	0	4,711	791,376	4	0	0	1,640,591	40,165,555
8	242,774	42,796	0	0	21,398	20	0	0	52,834	232,736
10	421,371	53,788	0	8,000	22,894	30	0	0	133,280	333,879
10	109,093	4,513	0	0	2,256	30	0	0	33,405	80,201
1	2,506,108	0	0	906,437	0	4	0	0	63,987	1,535,684
45	0	14,042	0	0	7,021	45	0	0	3,159	10,883
12	0	5,741	0	0	2,870	100	0	0	2,871	2,870
Total	43,502,740	1,708,343	0	919,148	847,815		0	0	1,930,127	42,361,808

North Bay Hydro Distribution Limited
Account/Business No.: 882[illegible]3128RC0001 Year Ended: 2004-12-31
RELATED AND ASSOCIATED CO[illegible]ORATIONS

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]
North Bay Hydro Holdings Limit		899999999RC0001	1	0	0.00	0	0.00	0
North Bay Hydro Services Inc.		864503511RC0001	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

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		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 Benefit	3,969,199	0	606,077	0	4,575,276
	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
Reserves From Section 2 below	1,507,184	0	49,207	359,471	1,196,920
Totals	5,476,383	0	655,284	359,471	5,772,196

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	[X]	110	99,757	115	0	49,207	0	120	148,964
Reserve for undelivered goods and services not rendered	[X]	130	1,407,427	135	0	0	359,471	140	1,047,956
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	1,507,184	275	0	49,207	359,471	280	1,196,920

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 an addition.

The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

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

- 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 an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of associated corporations listed below? ..... 075 [Y/N] [N]

1	2	3	4	5	6
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 * $
100	200	300		350	400
North Bay Hydro Distribution L	882463128RC0001	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.
he 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.

North Bay Hydro Distribution Limited
Account/Business No.: 882[illegible]3128RC0001 Year Ended: 2004-12-31
AGREEMENT AMONG ASSOCIATE. CCPC's TO ALLOCATE THE BU[illegible]NESS LIMIT

1	2	3	4	5	6	7
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 % [350]	Business limit allocated $ [400]	Part I.3 Tax
North Bay Hydro Holdings Limit	899999999RC0001	1	250,000	.0000	0	0
North Bay Hydro Services Inc.	864503511RC0001	1	250,000	.0000	0	4,271
TOTALS			500,000	.0000	0	4,271

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

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.
  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

te: 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
North Bay Hydro Distribution L	882463128RC0001	46,946,000	
See attached		3,054,000	
Total (Before 2004 must not exceed $10,000,000 After 2003 must not exceed $50,000,000)		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.

North Bay Hydro Distribution Limited
Account/Business No.: 882[illegible]3128RC0001 Year Ended: 2004-12-31
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]
North Bay Hydro Holdings Limit	899999999RC0001	0	
North Bay Hydro Services Inc.	864503511RC0001	3,054,000	
TOTAL		3,054,000	

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.

Allocation of expenditure limit

Year Month Day

Date filed (do not use this area) 025

Year

Enter the calendar year to which the agreement applies 050 2004

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	4A	4B	4C	4D
Names of associated corporations	Business Number of associated corporations	Type of corporation code	Taxable Income of prior year	Reduced Business limit of current year	Reduced Business limit of prior year	Expenditure limit allocated* $
100	200	300				400
North Bay Hydro Distribution L	882463128RC0001	1	1,270,006	0	0	0
See attached			1,479,997	0	0	200,000
			2,750,003	0	0	

Total expenditure limit (cannot be more than $2,000,000) 410 0

The total expenditure limit is calculated as follows:

($5,000,000** minus 10A) x B divided by C where,

A = the greater of:
- $300,000**; and
- the total of all taxable incomes (prior to any loss carry-backs applied) of all associated corporations identified in columns 1 and 2 for their last taxation years*** ending in the preceding calendar year;

B = the total of the reduced business limits for the year*** from line 425 in the small business deduction area of the T2 return for each of the associated CCPC's; and

C = the total of all business limits allocated to each associated corporations identified in columns 1 and 2 above (amount A from Schedule 23).

Amount A 425 500,000 Amount B 450 0 Amount C 475 250,000

* 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 expenditure limit for the second (and subsequent) taxation year(s) will be equal to the expenditure limit allocated for the first taxation year ending in the calendar year.

** If your taxation year immediately follows a taxation year that ended before 2003, the references to $5,000,000 and $300,000 in the above calculation, should be $4,000,000 and $200,000 respectively.

*** If any of the taxation years referred to in A or B above are less than 51 weeks, gross up the taxable incomes and the business limits for those taxation years by the ratio that 365 is of the number of days in those taxation years. Use these grossed up amounts when applying the formula above.

North Bay Hydro Distribution Limited
Account/Business No.: 882[illegible]3128RC0001 Year Ended: 2004-12-31
AGREEMENT AMONG ASSOCIATE. CCPC's TO ALLOCATE THE EX. NDITURE LIMIT

1	2	3	4A	4B	4C	4D	
Names of associated corporations [100]	Business Number of associated corporations [200]	Type of corporation code [300]	Taxable Income of prior year	Reduced Business limit of current year	Reduced Business limit of prior year	Expenditure limit allocated [400]	See (*)
North Bay Hydro Holdings Limit	899999999RC0001	1	0	0	0	0	
North Bay Hydro Services Inc.	864503511RC0001	1	1,479,997	0	0	200,000	
TOTALS			1,479,997	0	0	200,000	

Schedule 49 - Supplementary

(*) Corporations with an "X" satisfy the conditions for an exception mentioned below.

Note: A CCPC calculating a refundable ITC for taxation years ending before March 23, 2004, is considered to be associated with another corporation, if it meets any of the conditions in subsection 256(1). For taxation years ending after March 22, 2004, the association rule remains the same except where:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the both corporations; and
- one of the corporations has at least one shareholder who is not common to both corporations.

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 [100]	Business Number (note 1) [200]	Social Insurance Number (note 2) [300]	Percentage common shares [400]	Percentage preferred shares [500]
North Bay Hydro Holdings Limited	899999999RC0001		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.

te 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.

Appendix 27

2004 CT23 Provincial Tax Return

"P1L"

Ontario

Ministry of Finar
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)

CLIENT'S COPY

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)*

North Bay Hydro Distribution Limited

Ontario Corporations Tax Account No. (MOF)
1800277

Mailing Address

74 Commerce court
P.O. Box 3240
North Bay
ON CA P1B-8Y5

This CT23 Return covers the Taxation Year

Start year month day 2004-01-01

End year month day 2004-12-31

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 1999-12-10

Registered/Head Office Address

74 Commerce court
P.O. Box 3240
North Bay
ON CA P1B-8Y5

Ontario Corporation No. (MCBS) 1390858

Location of Books and Records

Commerce Court

North Bay
ON CA P1B-8Y5

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter
882463128RC0001

Name of person to contact regarding this CT23 Return: Elizabeth Chirico

Telephone No. 705-474-8100

Fax No.

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.

me of Authorized Person *(Print clearly or type in full)*

Elizabeth Chirico

Title: [ ] D Director [ ] O Officer [X] 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 Accou	(MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277		2004-12-31

CT23 Corporations Tax Return

ntification 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

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

DOLLARS ONLY

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).

Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	2,086,126.
Add: 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	2,086,126.
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	2,086,126.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	2,086,126.	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)	2,086,126.	x 30	100.0000% (Ontario Allocation)	x 14.0000% x	Days after Dec. 31, 2003: 34 366	÷	Total Days: 73 366	= +	32	292,058.

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 **292,058.**

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	2,086,126.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51	2,086,126.	
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.	
	=	2,086,126.	54 2,086,126.
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.	

*** Percentage of Federal Business limit (from T2 Sch. 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:*** *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] 2,086,126.

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] 50,978.
			+ [83] .
			+ [84] .
			= [85] 2,137,104.

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] 2,137,104.

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] 1,737,104.

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

Specified rate of surtax for Taxation Year [95] + [96] + [97] = [94] 4.6670

From [86] 1,737,104. x From [94] 4.6670 % = [87] 81,071.

From [87] 81,071. x From [60] 400,000. + From [114] 400,000. = [88] 81,071.

Surtax Lesser of [70] or [88] = [100] 34,000

continued on Page 6

Income Tax *continued from Page 5*

Iditional 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 56 400,000.

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.

Lesser of 56 or 121 ..... + 122 400,000.

120 – 56 + 122 ..... = 130 0.

Taxable Income ..... + From 10 2,086,126.

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 2,086,126. 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 2,086,126.

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 ..... = 190 292,058.

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 3,000.

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)
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 3,000.

Specified Tax Credits ***Applied to reduce Income Tax*** = 225 3,000.

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 289,058.

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	53,588,064.	
* Total Revenue of the corporation			+ 241 9,606,200.

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 21,722,137.	+ 244 811,551.
			+ 245 .	+ 246 .
			+ 247 .	+ 248 .
Aggregate Total Assets 240 + 243 + 245 + 247 , etc.			= 249 75,310,201.	
Aggregate Total Revenue 241 + 244 + 246 + 248 , etc.				= 250 10,417,751.

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 1,156,634. (If negative, enter zero) X From 30 100.0000 % (Ontario Allocation) X 4.0000% = 276 46,265.

Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)* – 277 0.

Subtract: Income Tax – From 190 292,058.

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 190 292,058.

Gross CMT Payable + From 276 46,265.

Subtract: Foreign Tax Credit for CMT purposes – From 277 0.

If 276 – 277 is negative, enter NIL in 290 = 46,265. – 290 46,265.

Income Tax eligible for CMT Credit = 300 245,793.

B. Income Tax (after deduction of specified credits) + From 230 289,058.

Subtract: CMT credit used to reduce income taxes – 310 0.

Income Tax = 320 289,058.

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.

Corporation's Legal Name	Ontario Corporations Tax Account (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2004-12-31

Capital Tax *(Refer to Guide and Int.B. 3011)*

If your corporation is a Financial Institution (s.58(2)), complete lines 480 ***to*** 530 ***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	19,511,601.
Retained earnings (if deficit, deduct) (Int.B. 3012)	± 351	1,032,036.
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	+ 352	0.
Loans and advances *(Attach schedule)* (Int.B. 3013)	+ 353	20,559,557.
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.
rred 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	0.
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	5,744,851.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017)	+ 362	0.
Subtotal	= 370	46,848,045.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012)	− 371	0.
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	46,848,045.
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	46,848,045.

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	0.
gible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+ 406	1,332,950.
are of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+ 407	0.
Total Eligible Investments	= 410	1,332,950.

continued on Page 10

North Bay Hydro Distribution Limited
Corp. Tax Acct. No. : 1[illegible]0277 **Year Ended:** **2004-12-31**

Loans and Advances - CT23 line 353

	0.00
	156,112.00
Current customer deposits	891,844.00
Long-term customer deposits	0.00
Current portion of long-term debt	19,511,601.00
Payable to Corporation of City of North Bay	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	20,559,557.00

North Bay Hydro Distribution Limited **Year Ended:** **2004-12-31**
Corp. Tax Acct. No. : 1[illegible]0277

Other Reserves

Reserve for employee future benefits per fs	27,868,577	4,575,276.00
NBV	(397,730)	0.00
Land		0.00
		0.00
UCC	(42,361,469)	0.00
Excess of acquisition UCC over NBV	13,721,047	1,169,575.00
Amounts deducted for book > tax		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		5,744,851.00

Payments

		0.00
Total installments paid		676,668.00
Applied to Large Corporations Tax (Federal)		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	676,668.00

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015)

Total Assets per balance sheet	+ 420	53,588,064.
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	53,588,064.
Amounts in 360 and 361 (if deducted from assets)	+ 440	0.
Subtract: Amounts in 371, 372 and 381	− 441	0.
Subtract: Appraisal surplus if booked	− 442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	± 443	0.
Total Assets	= 450	53,588,064.
Investment Allowance (410 + 450) X 390 — Not to exceed 410	= 460	1,165,299.
Taxable Capital 390 − 460	= 470	45,682,746.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	9,606,200.
Total Assets (as adjusted) From 430		53,588,064.

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 % X (Ontario Allocation)	.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 (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 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. [X] 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 45,682,746.

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
See attached			+ 531 2,029,116.
			+ 532
			+ 533

Aggregate Taxable Capital 470 + 531 + 532 + 533, etc. ..... = 540 47,711,862.

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 45,682,746. + From 540 47,711,862. x 5,000,000 ..... = 541 4,787,357.
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]	45,682,746.											
− [542]	4,787,357.											
= [471]	40,895,389.	x From [30]	100.0000% (Ontario Allocation)	x	3000%	x	[555] 366 / ** 366 (366 if leap year) (Days in taxation year)	.....	= + [523]	122,686.	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] 366 / ** 366 (366 if leap year) (Days in taxation year)			.....	= [563]	0.	Transfer to [543] and complete the return from that point	

f floating taxation year, refer to Guide.

Capital Tax *before application of specified credits*	= [543]	122,686.	
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	− [546]	0.	
Capital Tax [543] − [546] *(amount cannot be negative)*	= [550]	122,686.	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. (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) x 0.6% x From [30] ____% (Ontario Allocation) x Days in taxation year [555] 0 + ** 0 (366 if leap 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 Days in taxation year [555] 0 + ** 0 (366 if leap year) = + [574] 0.

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 Page 12

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) - Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 2,086,126.
Transfer to Page 15

Add:

Federal capital cost allowance	+ 601	1,930,127.
Federal cumulative eligible capital deduction	+ 602	0.
Ontario taxable capital gain	+ 603	0.
Federal non-allowable reserves. Balance beginning of year	+ 604	5,476,383.
Federal allowable reserves. Balance end of year	+ 605	1,196,920.
Ontario non-allowable reserves. Balance end of year	+ 606	5,772,196.
Ontario allowable reserves. Balance beginning of year	+ 607	1,507,184.
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 ÷ 12.5000 x (Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 0 ÷ Total Days: 73 366) = + 633 0.

612 0. x 5 ÷ 14.0000 x (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	= 15,882,810.	640 15,882,810.

Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	+ 650	1,930,127.
Ontario cumulative eligible capital deduction	+ 651	0.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves. Balance beginning of year	+ 653	5,476,383.
Ontario allowable reserves. Balance end of year	+ 654	1,196,920.
Federal non-allowable reserves. Balance end of year	+ 655	5,772,196.
Federal allowable reserves. Balance beginning of year	+ 656	1,507,184.
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	15,882,810.

Transfer to Page 15

continued on Page 15

Corporation's Legal Name	Ontario Corporations Tax Account N	F)	Taxation Year End
North Bay Hydro Distribution Limited	1800277		2004-12-31

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

nued from Page 14

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 2,086,126.

Total of Additions ..... From = 640 15,882,810.

Sub Total of deductions on page 14 ..... From = 681 15,882,810.

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 477 **from Ont. CT23 Schedule 161** ..... + 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 .. = 15,882,810. 680 15,882,810.

Net income (loss) for Ontario Purposes 600 + 640 – 680 ..... = 690 2,086,126.

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.

— 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 1995-12-31				850 0	870 0
801	8th preceding taxation year 1996-12-31				851 0	871 0
802	7th preceding taxation year 1997-12-31				852 0	872 0
803	6th preceding taxation year 1998-12-31	820 0	830 0	840 0	853 0	873 0
804	5th preceding taxation year 1999-12-31	821 0	831 0	841 0	854 0	874 0
805	4th preceding taxation year 2000-12-31	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
808	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

Corporate Minimum Tax - Schedule A:
Calculation of CMT Base

ks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) er the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 420,137.

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.
	=	0. – 2109 0.

Subtotal

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes	+ 2110	864,000.
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.
	=	864,000. + 2115 864,000.

Subtotal

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 1,284,137.

** 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 1,284,137.

Deduct: * CMT losses: pre-1994 Loss + From 2210 0.

* CMT losses: other eligible losses + 2211 127,503.

= 127,503. – 2134 127,503.

249 CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base = 2135 1,156,634.

Transfer to CMT Base on Page 8

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.

± 2306 0.

Adjustments *(Attach schedule)* .....

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.

= 2310 0.

Balance at End of Year (3) 2307 − 2309 .....

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	9th preceding taxation year 1995-12-31	2360 0	2380 0
2341	8th preceding taxation year 1996-12-31	2361 0	2381 0
2342	7th preceding taxation year 1997-12-31	2362 0	2382 0
2343	6th preceding taxation year 1998-12-31	2363 0	2383 0
2344	5th preceding taxation year 1999-12-31	2364 0	2384 0
2345	4th preceding taxation year 2000-12-31	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
2348	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)
U of Waterloo Math / Eng	Plumb Matt	517-777-991	From 2004-01-05 To 2004-04-16	5749 10,817	5775 1,000
U of Waterloo Elec Eng	Venegas Darrick	508-041-381	From 2004-05-18 To 2004-08-27	5750 11,324	5776 1,000
U of Waterloo Elec Eng	Saylor Gregory	529-032-757	From 2004-09-07 To 2004-12-23	5751 11,624	5777 1,000
			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 33,765	5798 3,000

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 $ 1,000,000.

If A 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 1,000,000. – $400,000) ÷ $200,000]

Indicate rate used: 10.00%. *** Credit claimed equals ECP multiplied by rate.**

University of Waterloo

Co-operative Education & Career Services

the most comprehensive co-operative education program anywhere

OFFICIAL TAX RECEIPT

PENNY CHARETTE
NORTH BAY HYDRO
74 COMMERCE CRESCENT
NORTH BAY ON
P1B8G5

Work Term : Jan. - Apr., 2004

This form is the certified document required in order to claim your tax credit for employing University of Waterloo co-op students. Please pass this on to the appropriate financial officer in your organization. Although this form need not be attached to your income tax return, it must be retained by you and produced for any subsequent review of the Ontario co-operative education tax credit by Revenue Canada or the Ontario Ministry of Finance. You will, however, be required to provide summary information with respect to your claim as indicated on the tax return. Tax legislative bulletin website:
www.gov.on.ca/fin/english/tb96e2r2.htm.

Job# C328401001 Matthew P Plumb Applied Math/Enginee

The University of Waterloo certifies that this is a qualifying co-op work placement for purposes of the co-operative education tax credit in respect of Ontario students.

Bruce A Lumsden

Bruce Lumsden
Director, Co-operative Education & Career Services

University of Waterloo

Co-operative Education & Career Services

the most comprehensive co-operative education program anywhere

OFFICIAL TAX RECEIPT

PENNY CHARETTE
NORTH BAY HYDRO
74 COMMERCE CRESCENT
NORTH BAY ON
P1B8G5

Work Term: May. - Aug., 2004

This form is the certified document required in order to claim your tax credit for employing University of Waterloo co-op students. Please pass this on to the appropriate financial officer in your organization. Although this form need not be attached to your income tax return, it must be retained by you and produced for any subsequent review of the Ontario co-operative education tax credit by Revenue Canada or the Ontario Ministry of Finance. You will, however, be required to provide summary information with respect to your claim as indicated on the tax return. Tax legislative bulletin website: www.gov.on.ca/fin/english/tb96e2r2.htm.

Job# C328401001 Darrick Venegas Electrical Engineeri

The University of Waterloo certifies that this is a qualifying co-op work placement for purposes of the co-operative education tax credit in respect of Ontario students.

Bruce A Lumsden

Bruce Lumsden
Director, Co-operative Education & Career Services

University of Waterloo
University of Waterloo
Co-operative Education & Career Services
200 University Avenue West
Waterloo, Ontario, Canada N2L 3G1
Tel.: 519-888-4026
Fax.: 519-746-4103

North Bay Hydro
Charette, Penny
74 Commerce Crescent
North Bay, ON P1B8G5

This form is the certified document required in order to claim your tax credit for employing University of Waterloo co-op students. Please pass this on to the appropriate financial officer in your organization. Although this form need not be attached to your income tax return, it must be retained by you and produced for any subsequent review of the Ontario co-operative education tax credit by Revenue Canada or the Ontario Ministry of Finance. You will, however, be required to provide summary information with respect to your claim as indicated on the tax return.

Tax legislative bulletin website: http://www.trd.fin.gov.on.ca/

September - December, 2004 Saylor,Gregory J - Electrical Engineering

The University of Waterloo certifies that this is a qualifying co-op work placement for purposes of the co-operative ducation tax credit in respect of Ontario students.

BA Lumsden

Bruce Lumsden
Director, Co-operative Education & Career Services

Calculation of Tax Rates for the

'ncentive 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%

CCH Canadian Ltd. - Corporate Taxprep, 2003 CT23, ver 2-2004

2. Calculation of Specified Rate for Surtax

Number of Days In Taxation Year

4.67%	x	Days after Dec 31, 1998 and before Jan 1, 2000: 0	/	Total Days: 366	=	.0000%
5.00%	x	Days after Dec 31, 1999 and before Jan 1, 2001: 0	/	Total Days: 366	=	.0000%
5.00%	x	Days after Dec 31, 2000 and before Oct 1, 2001: 0	/	Total Days: 366	=	.0000%
4.3330%	x	Days after Sept 30, 2001 and before Jan 1, 2003: 0	/	Total Days: 366	=	.0000%
4.6670%	x	Days after Dec 31, 2002 and before Jan 1, 2004: 0	/	Total Days: 366	=	.0000%
4.6670%	x	Days after Dec 31, 2003: 366	/	Total Days: 366	=	4.6670%
Specified Rate of Surtax for the Taxation Year					=	4.6670%

CCH Canadian Ltd. - Corporate Taxprep, 2003 CT23, ver 2-2004

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Surtax on Canadian ontrolled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2004-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
North Bay Hydro Holdings Limit		2004-12-31	+
North Bay Hydro Services Inc.	1800370	2004-12-31	+ 50,978
			+
			+
			+
			+
			+
			+
			+
			+
			+
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			+
			+
			+
			+
			+
		Total	
		Transfer to 85 *of the CT23*	= 50,978

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
North Bay Hydro Distribution Limited	1800277	2004-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
North Bay Hydro Holdings Limit		2004-12-31	+ 19,586,075	+
North Bay Hydro Services Inc.	1800370	2004-12-31	+ 2,136,062	+ 811,551
			+	+
			+	+
			+	+

North Bay Hydro Distribution Limited
Corp. Tax Acct. No. : 1800277

Year Ended: 2004-12-31

Ont. Sch. 008

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)
1	40,223,394	1,587,463	0	4,711	41,806,146	791,376	41,014,770	4	0	0	1,640,591	40,165,555
8	242,774	42,796	0	0	285,570	21,398	264,172	20	0	0	52,834	232,736
10	421,371	53,788	0	8,000	467,159	22,894	444,265	30	0	0	133,280	333,879
10	109,093	4,513	0	0	113,606	2,256	111,350	30	0	0	33,405	80,201
1	2,506,108	0	0	906,437	1,599,671	0	1,599,671	4	0	0	63,987	1,535,684
45	0	14,042	0	0	14,042	7,021	7,021	45	0	0	3,159	10,883
12	0	5,741	0	0	5,741	2,870	2,871	100	0	0	2,871	2,870
stotal	43,502,740	1,708,343	0	919,148	44,291,935	847,815	43,444,120		0	0	1,930,127	42,361,808

North Bay Hydro Distribution Limited
Corp. Tax Acct. No. : 1800277 **Year Ended: 2004-12-31**

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	43,502,740	1,708,343	0	919,148	44,291,935	847,815	43,444,120		0	0	1,930,127	42,361,808
								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

Ministry ance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

ıtario Continuity of Reserves

Schedule 13

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2004-12-31

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 $	Additions	Deductions	Ontario balance at the end of the year $
1.		0	0	0	0	0
2.		0	0	0	0	0
3.		0	0	0	0	0
4.		0	0	0	0	0
5.		0	0	0	0	0
6.						
	Totals	0 A	0 B	0	0	0 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 $	Additions	Deductions	Ontario balance at the end of the year $
Reserve for doubtful debts	99,757	0	49,207	0	148,964
Reserve for undelivered goods and services not rendered	1,407,427	0	0	359,471	1,047,956
Reserve for prepaid rent	0	0	0	0	0
Reserve for December 31, 1995 income	0	0	0	0	0
Reserve for refundable containers	0	0	0	0	0
Reserve for unpaid amounts	0	0	0	0	0
Other tax reserves	0	0	0	0	0
Totals	1,507,184 D	0 E	49,207	359,471	1,196,920 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 Benefit	3,969,199	0	606,077	0		4,575,276
	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
Reserves from Part 2	1,507,184	0	49,207	359,471		1,196,920
Totals	5,476,383	0	655,284	359,471		5,772,196

Enter in box [653] *of the CT23*

Enter in box [606] *of the CT23*

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

ıration's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	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
North Bay Hydro Holdings Limit		2004-12-31	+
North Bay Hydro Services Inc.	1800370	2004-12-31	+ 2,029,116
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+

Aggregate of taxable capital = 2,029,116

Transfer to box 540 *of the CT23*

Appendix 28

2004 Notice of Assessments

Canada Revenue Agency | Agence du revenu du Canada

Shawinigan-Sud QC G9N 7S6

Date of mailing
July 4, 2006

Business Number
88246 3128 RC0001

Taxation year-end
December 31, 2005

NORTH BAY HYDRO DISTRIBUTION
LIMITED
PO BOX 3240
NORTH BAY ON P1B 8Y5

000038

CORPORATION NOTICE OF ASSESSMENT

RESULTS

This notice explains the results of our assessment of the T2 Corporation Income Tax Return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	$	0.00
Result of reassessment for reporting period ending December 31, 2004 :	$	0.00
Prior balance:	$	0.00
Total balance:	$	0.00

Please refer to the Summary and Explanation for additional information.

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.
1800277

35
PX5003

NORTH BAY HYDRO DISTRIBUTION LIMITED
C/O ELIZABETH CHIRICO
74 COMMERCE COURT
PO BOX 3240
NORTH BAY ON
P1B 8Y5

Remittance Advice - Payment in Lieu (P.I.L.)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD) 20051231

Payment Amount: $ 100000.00

Taxation Year End: (YYYYMMDD) 20041231

Payment Amount: $ 2869.10

Total Payment Enclosed: $ 102869.10

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
1800277	2005/06/27	1 of 1

NORTH BAY HYDRO DISTRIBUTION LIMITED

ASSESSMENT NO. 69

Tax: Federal and Provincial PIL		873,195.00
Assessment Interest		6,342.10
Total Assessment Liability		879,537.10

SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	876,668.00CR	876,668.00CR
Sub-Total		2,869.10
TAXATION YEAR BALANCE DUE **		

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.

Total tax assessed as per company estimate

**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%.

APPROVED
JUL 18 2005

002-0000-222-94-00 100,000.00
002-9100-777-60-45 6342.10
002-9100-781-61-08 3188.00
002-9100-781-61-10 12695.02
002-0000-222-94-00 4034.02
102869.10

Tax (Re)Assessment Enquiries:

Account Billing Enquiries & Change of Address Information:

PX5003

Detach and return this REMITTANCE FORM with your payment.

Ontario

Ministry of Fin
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No.
1800277

35
PX5005

NORTH BAY HYDRO DISTRIBUTION LIMITED
C/O ELIZABETH CHIRICO
74 COMMERCE COURT
PO BOX 3240
NORTH BAY ON
P1B 8Y5

Remittance Advice - Payment-in-Lieu (PIL

Electricity Ac 998
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 Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2004/01/01 **to** 2004/12/31

	Account No.	Reassessment Date (year, month, day)	Page
NORTH BAY HYDRO DISTRIBUTION LIMITED	**1800277**	2006/09/07	1 of 1

REASSESSMENT NO. 101 REPLACING ASSESSMENT DATED: 2005/06/27

Tax: Federal and Provincial PIL		714,441.00
Assessment Interest		1,363.27
Total Reassessment Liability		715,804.27

SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	879,552.56CR	
Small Balance Adjustment	0.10CR	
Sub-Total		879,552.66CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		163,748.39CR

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.

Subsequent year(s) losses applied.

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
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

02 PX5005

Appendix 29

2005 T2 Federal Tax Return

CLIENT 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).

nd 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, refer to the Guide under the heading "Before you start."

055 Do not use this area

Identification

Business number (BN) 001 88246 3128 RC 0001

"PILS"

Corporation's name

002 North Bay Hydro Distribution Limited

Has the corporation changed its name since the last time we were notified? 003 ☐ Yes ☒ No

If *Yes*, do you have a copy of the articles of amendment? 004 ☐ Yes ☐ No

Address of head office

Has the address changed since the last time we were notified? 010 ☐ Yes ☒ No

011 74 Commerce Court

012 P.O. Box 3240

City: 015 North Bay — Province, territory, or state: 016 ON

Country (other than Canada): 017 — Postal code/Zip code: 018 P1B 8Y5

Mailing address (if different from head office address)

Has the address changed since the last time we were notified? 020 ☐ Yes ☒ No

021 C/o

022 74 Commerce Court

023 P.O. Box 3240

City: 025 North Bay — Province, territory, or state: 026 ON

Country (other than Canada): 027 — Postal code/Zip code: 028 P1B 8Y5

Location of books and records

Has the location of books and records changed since the last time we were notified? 030 ☐ Yes ☒ No

031 74 Commerce Court

032 P.O. Box 3240

City: 035 North Bay — Province, territory, or state: 036 ON

Country (other than Canada): 037 — Postal code/Zip code: 038 P1B 8Y5

040 Type of corporation at end of 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 (specify, below)

If the type of corporation changed during the taxation year, provide the effective date of the change 043

To which taxation year does this return apply?

From 060 2005/01/01 to 061 2005/12/31

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 ☐ Yes ☒ No

If *Yes*, give the date control was acquired 065

Is the corporation a professional corporation that is a member of a partnership? 067 ☐ Yes ☒ No

Is this the first year of filing after:

Incorporation? 070 ☐ Yes ☒ No

Amalgamation? 071 ☐ Yes ☒ No

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 taxation year?

If *Yes*, complete and attach Schedule 24 072 ☐ Yes ☒ No

Is this the final taxation year before amalgamation? 076 ☐ Yes ☒ No

Is this the final return up to dissolution? 078 ☐ Yes ☒ No

Is the corporation a resident of Canada? 080 ☒ Yes ☐ 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 ☐ Yes ☒ No

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

Attachments - Continued from pag 2

		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
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

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? **282** Electricity Distribution

(Only complete if *Yes* was entered at line 281)

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 service provided, giving the approximate percentage of the total revenue that each product or service represents.	**284** Electricity Distribution	**285** 99.000	%
	286 Other	**287** 1.000	%
	288	**289**	%

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	(439,516)	A
Deduct: Charitable donations from Schedule 2	311		
Gifts to Canada or a province, or a territory from Schedule 2	312		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction from Schedule 43 *	325		
Non-capital losses of preceding taxation years from Schedule 4	331		
Net capital losses of preceding taxation years from Schedule 4	332		
Restricted farm losses of preceding taxation years from Schedule 4	333		
Farm losses of preceding taxation years from Schedule 4	334		
Limited partnership losses of preceding taxation 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")			C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360	0	
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)			Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)] **435** H

Amount H x (Number of days in the taxation year in 2003 / Number of days in the taxation year) = / 365 x 1% = I

Amount H x (Number of days in the taxation year in 2004 / Number of days in the taxation year) = / 365 x 2% = J

Amount H x (Number of days in the taxation year in 2005 / Number of days in the taxation year) = 365 / 365 x 3% = K

Amount H x (Number of days in the taxation year in 2006 / Number of days in the taxation year) = / 365 x 5% = L

Amount H x (Number of days in the taxation year after 2006 / Number of days in the taxation year) = / 365 x 7% = M

Resource deduction – total of amounts I, J, K, L , and M **438** N
(enter amount N 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 page 3 A

Amount Z from Part 9 of Schedule 27 x 100 / 7 = B

Amount QQ from Part 13 of Schedule 27 C

Taxable resource income from line 435 above D

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) E

Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less F

Aggregate investment income from line 440 of page 6 G

Amount used to calculate the accelerated tax reduction (amount m of page 4)

Subtotal ▶ H

Amount A minus amount H (if negative, enter "0") I

Amount I x (Number of days in the taxation year in 2003 / Number of days in the taxation year) = / 365 x 5% = J

Amount I x (Number of days in the taxation year after 2003 / Number of days in the taxation year) = 365 / 365 x 7% = K

General tax reduction for Canadian-controlled private corporations - total of amounts J and K L
(enter amount L on line 638 of page 7)

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation

Taxable income from line 360 on page 3 M

Amount Z from Part 9 of Schedule 27 x 100 / 7 = N

Amount QQ from Part 13 of Schedule 27 O

Taxable resource income from line 435 above P

Amount used to calculate the credit union deduction (amount E in Part 3 of 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 taxation year in 2003 / Number of days in the taxation year) = x 5% = T

Amount S x (Number of days in the taxation year after 2003 / Number of days in the taxation year) = x 7% = U

General tax reduction - total of amounts T and U V
(enter amount V on line 639 of page 7)

Part I tax

Base amount of Part I tax - 38% 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			1
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page 3			2
Investment corporation deduction from line 620 below			3
Federal logging tax credit from line 640 below			4
Federal qualifying environment trust tax credit from line 648 below			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 the least:			
28% of taxable income from line 360 on page 3	a		
28% of taxed capital gains	b		6
Part I tax otherwise payable (line A **plus** line C and D **minus** line F)	c		
Total of lines 2 to 6			7
Net amount (line 1 minus line 7)			8

Corporate surtax - 4% of the amount on line 8 — **600** B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 — **602** C

Calculation for the refundable tax on Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6			i
Taxable income from line 360 on page 3			
Deduct:			
Amount on line 400, 405, 410, or 425 of page 4, whichever is the least			
Net amount		▶	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) — E

Deduct:

Small business deduction from line 430 on page 4			9
Federal tax abatement	**608**		
Manufacturing and processing profits deduction from amount BB or amount RR of 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**		
Accelerated tax reduction from amount n of page 4	**637**		
Resource deduction from line 438 of page 5			10
General tax reduction for CCPCs from amount L on page 5	**638**		
General tax reduction from amount V on page 5	**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		▶	F

Part I tax payable – Line E **minus** line F (enter amount G on line 700 of page 8) — 0 G

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES — Schedule 1

- 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.

Net income (loss) after taxes and extraordinary items per financial statements			A	4,093,485 ✓
Add:				
Provision for income taxes - current	101	(15,997) ✓		
Provision for income taxes - deferred	102			
Interest and penalties on taxes	103			
Amortization of tangible assets	104	2,141,531 ✓		
Amortization of natural resource assets	105			
Amortization of intangible assets	106			
Recapture of capital cost allowance - Schedule 8	107			
Gain on sale of eligible capital property - Schedule 10	108			
Income/loss for tax purposes - joint ventures/partnerships	109			
Loss in equity of subsidiaries and affiliates	110			
Loss on disposal of assets	111			
Charitable donations - Schedule 2	112			
Taxable capital gains - Schedule 6	113			
Political donations	114			
Holdbacks	115			
Deferred and prepaid expenses	116			
Depreciation in inventory - end of year	117			
Scientific research expenditures deducted per financial statements	118			
Capitalized interest	119			
Non-deductible club dues and fees	120			
Non-deductible meals and entertainment expenses 26,704 X 50%	121	13,352 ✓		
Non-deductible automobile expenses	122			
Non-deductible life insurance premiums	123			
Non-deductible company pension plans	124			
Tax reserves deducted in prior year - Schedule 13	125	1,196,920 ✓		
Reserves from financial statements - balance at the end of the year	126	5,018,878 ✓		
Soft costs on construction and renovation of buildings	127			
Total of fields 201 to 294	199			
Total of fields 101 to 199	500	8,354,684	▶	8,354,684
Deduct:				
Gain on disposal of assets per financial statements	401	31,000 ✓		
Dividends not taxable under Section 83 - Schedule 3	402			
Capital cost allowance - Schedule 8	403	1,948,899 ✓		
Terminal loss - Schedule 8	404			
Cumulative eligible capital deduction - Schedule 10	405			
Allowable business investment loss - Schedule 6	406			
Foreign non-business tax deduction under subsection 20(12)	407			
Holdbacks	408			
Deferred and prepaid expenses	409			
Depreciation in inventory - end of prior year	410			
Scientific research expenses claimed in year - Schedule 32	411			
Tax reserves claimed in current year - Schedule 13	413	1,231,239 ✓		
Reserves from financial statements - balance at the beginning of the year	414	5,772,196 ✓		
Patronage dividends - Schedule 16	416			
Contributions to deferred income plans - Schedule 15	417			
Total of fields 300 to 394	499	3,904,351		
Total of fields 401 to 499	510	12,887,685	▶	12,387,685
Net income (loss) for income tax purposes (enter on line 300 of the T2 return)				(439,516)

reg. assets deducted for tax but capitalized for accounting

Add:		
Accounts payable and accruals for cash basis - closing	201	
Accounts receivable and prepaid for cash basis - opening	202	
Accrual inventory - opening	203	
Accrued dividends - prior year	204	
Book loss on joint ventures/partnerships	205	
Capital items expensed	206	
All crown charges, royalties, rentals, etc.	207	
Debt issue expense	208	
Deemed dividend income	209	

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Deductible crown charges		343	
Depletion - Schedule 12		344	
Foreign exploration and development and foreign resource expenses - Schedule 12		345	
Resource allowance		346	
Other deductions:			
700 Tax deductible regulartory assets capitalized for accounting		**390**	3,904,351
701		**391**	
702		**392**	
703		**393**	
704			
Other deductions		**394**	
	Total of fields 300 to 394 (Enter this amount at line 499)		3,904,351

Part 2 -- Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200		
Capital losses transferred on an amalgamation or the windup of a subsidiary corporation	205		
Current-year capital loss (from Schedule 6 calculation)	210		
Add:			
Allowable business investment loss expired as a non-capital loss	x 4/3	220	
		Subtotal	
Deduct:			
Amount applied against current-year capital gain (see Note 1)	225		
Section 80 - Adjustments for forgiven amounts	240		
Other adjustments	250		
Deduct - Request to carry back capital loss to: (see Note 2)			
First preceding taxation year	951		
Second preceding taxation year	952		
Third preceding taxation year	953		
Capital losses - Closing balance		280	

Note 1
On line 332 of the T2 return, enter the amount from line 225 multiplied by 50%.

Note 2
Enter on lines 225, 951, 952, or 953, whichever applies, 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 is applied.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year			
Deduct: Farm loss expired after 10 taxation years	300		
Farm losses at beginning of taxation year	302		
Add: Farm losses transfered on an amalgamation or the windup of a subsidiary corporation	305		
Current-year farm loss	310		
Deduct:			
Amount applied against taxable income (enter on line 334 of T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
Section 80 - Adjustments for forgiven amounts	340		
Other adjustments	350		
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921		
Second preceding taxation year to reduce taxable income	922		
Third preceding taxation year to reduce taxable income	923		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933		
Farm losses - Closing balance		380	

Corp tion loss continuity and applicatio

Part 6 – Analysis of balance of losses by year of origin

Year of origin	Non-capital losses *	Farm losses	Restricted farm losses	Listed personal property losses
1995/12/31				
1996/12/31				
1997/12/31				
1998/12/31				
1999/12/31				
2000/12/31				
2001/12/31				
2002/12/31				
2003/12/31				
2004/12/31				
2005/12/31				
Total				

* The carryforward period for non-capital losses arising in a taxation year ending after March 22, 2004, is changed from 7 to 10 taxation years.

Part 7 – Limited partnership losses

Current-year limited partnership losses

1	2	3	4	5	6	7
Partnership identifier **600**	Fiscal period ending **602**	Corporation's share of limited partnership loss **604**	Corporation's at risk amount **606**	Corp's share of partnership ITC, farming losses and resource expenses **608**	Column 4 - 5 If negative, enter "0"	Current-year limited partnership losses Column 3 - 6 **620**
					Total (enter this amount on line 222 of Schedule 1)	

Limited partnership losses from prior taxation years that may applied in the current year

1	2	3	4	5	6	7
Partnership identifier **630**	Fiscal period ending **632**	Limited partnership losses at end of preceding taxation year **634**	Corporation's at risk amount **636**	Corp's share of partnership ITC, business or property losses and resource expenses **638**	Column 4 - 5 if negative, enter "0"	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6 **650**

Continuity of limited partnership losses that can be carried forward to future taxation years

Partnership identifier **660**	Losses at end of preceding taxation year **662**	Losses transferred from amalgamation or windup of subsidiary **664**	Current year limited partnership losses (from column 620) **670**	Limited partnership losses applied (cannot exceed 650) **675**	Limited partnership losses closing balance (662+664+670-675) **680**
				Total (enter this amount on line 335 of the T2 return)	

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RELATED AND ASSOCIATED CORPORATIONS

Schedule 9

This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name **100**	Country (if not Canada) **200**	Business # (Canadian corporation only) **300**	Code note 1 **400**	Common shares		Preferred shares		Book value of capital stock **700**
				# owned **500**	% owned **550**	# owned **600**	% owned **650**	
North Bay Hydro Holdings Limited		89999 9999 RC 0001	1					
North Bay Hydro Services Inc		86450 3511 RC 0001	3					

Note 1 : Enter the code number of the relationship that applies: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

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Schedule 23

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.

Allocation of the business limit

Date filed (for departmental use only) **025** _____

Enter the calendar year to which the agreement applies **050** 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 Association code 300
1	North Bay Hydro Distribution Limited	88246 3128 RC 0001	1
2	North Bay Hydro Holdings Limited	89999 9999 RC 0001	1
3	North Bay Hydro Services Inc	86450 3511 RC 0001	1

Allocate business limit using: ☒ % ☐ $

	Taxation year		4 Business limit for the year (before allocation) $	Allocating business limit		
				5 Percentage of the business limit (%)	6 Business limit allocated $	7 Gross Part I.3 tax for business limit reduction
	Start	End		**350**	**400**	
1	2005/01/01	2005/12/31	300,000	100.000	300,000	
2	2005/01/01	2005/12/31	300,000			
3	2005/01/01	2005/12/31	300,000			
TOTALS				100.000	A 300,000	

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box. $ 300,000

BALANCE SHEET INFORMATION

Schedule 100

Assets	Code	Current year	Prior year
Cash and deposits	1000	8,568,329	8,699,710
Accounts Receivable	1060	3,988,109	4,265,442
Taxes receivable	1066	896,685	
Holdbacks receivable	1068	8,176,930	7,715,915
Inventories	1120	668,324	594,353
Notes receivable	1243	1,332,950	1,332,950
Prepaid expenses	1484	202,486	283,298
Land	1600	397,730	397,730
Buildings	1680	2,213,238	2,206,007
Accumulated amortization of buildings	1681	(1,041,292)	(970,225)
Machinery, equipment, furniture and fixtures	1740	271,043	269,316
Accumulated amortization of machinery, equipment, furniture and fixtures	1741	(250,747)	(241,492)
Tools and dies	1744	1,062,235	1,034,132
Accumulated amortization of tools and dies	1745	(936,692)	(910,368)
Computer equipment / software	1774	2,231,689	2,072,403
Accumulated amortization of computer equipment / software	1775	(1,693,601)	(1,570,563)
Transportation equipment	1783	1,701,192	1,855,542
Accumulated amortization of transportation equipment	1784	(1,391,873)	(1,654,843)
Other machinery and equipment	1785	59,555,757	57,335,529
Accumulated amortization of other machinery and equipment	1786	(32,280,171)	(30,413,165)
Accumulated amortization of intangible assets	2011	347,266	260,195
Total intangible capital assets	2178	(2,184,501)	(1,801,621)
Long term investments	2300	2,000,000	2,018,325
Other long term assets	2420	3,904,351	803,133
Other deferred items / charges	2424	6,361	6,361
Total assets	2599	57,745,798	53,588,064

Liabilities	Code	Current year	Prior year
Bank overdraft	2600		
Amounts payable and accrued liabilities	2620	8,644,383	7,221,586
Taxes payable	2680		204,034
Current portion of long term liability	2920	133,216	156,112
Deposits received	2961	910,289	891,844
Reserve for guarantees, warranties or indemnities	2964	3,787,639	4,575,276
Due to shareholder(s) / director(s)	3260	19,511,601	19,511,601
Due to related parties	3300	121,548	483,994
Total liabilities	3499	33,108,676	33,044,427

Equity	Code	Current year	Prior year
Common shares	3500	19,511,601	19,511,601
Retained earnings / deficit	3600	5,125,521	1,032,036
Total equity	3620	24,637,122	20,543,637
Total liabilities and equity	3640	57,745,798	53,588,064

Retained earnings	Code	Current year	Prior year
Retained earnings/deficit-start	3660	1,032,036	611,899
Net income / loss	3680	4,093,485	420,137
Total retained earnings	3849	5,125,521	1,032,036

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NOTES CHECKLIST

Schedule 141

- 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	☒ Yes	☐ No
Is the accounting practitioner connected* with the corporation?	097	☐ Yes	☒ No

* 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 ☒
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	☐ Yes	☒ No

Part 4 – Other information

Were notes to the financial statements prepared?	101	☒ Yes	☐ No
If *Yes*, complete lines 102 to 107 below:			
Are any values presented at other than cost?	102	☒ Yes	☐ No
Has there been a change in accounting policies since the last return?	103	☐ Yes	☒ No
Are subsequent events mentioned in the notes?	104	☐ Yes	☒ No
Is re-evaluation of asset information mentioned in the notes?	105	☐ Yes	☒ No
Is contingent liability mentioned in the notes?	106	☒ Yes	☐ No
Is information regarding commitments mentioned in the notes?	107	☐ Yes	☒ No
Does the corporation have investments in joint venture(s) or partnership(s)?	108	☐ Yes	☒ No
If *Yes*, complete line 109 below:			
Are you filing financial statements of the joint venture(s) or partnership(s)?	109	☐ Yes	☐ No

Part 3 – Cancellation of consent to release of information to a representative

Client's name: North Bay Hydro Distribution Limited Business Number: 882463128

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 consent apply to all years. ☐ OR

I request that this consent apply only to the following years:

1. All year-ends up to:
2. All year-ends beginning in: and all years after that.
3. The following year-ends only:

Part 5 – Signature

Print your name Elizabeth Chirico Title Manager, Finance

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here ▶ Date 2006/05/16

Summary

Tax Summary

Corporation name North Bay Hydro Distribution Limited

Tax year ending 2005/12/31

Taxable income

t income for tax purposes		(439,516)
Charitable donations and gifts	-	
Taxable dividends	-	
Losses of prior years	-	
Other adjustments	±	
Taxable income	=	

Part I tax

38% of taxable income		
Surtax	+	
Refundable tax on CCPC investment income	+	
Active business income		
Small business deduction	-	
Federal tax abatement	-	
Manufacturing and processing deduction	-	
Additional deduction - credit unions	-	
Foreign tax credits	-	
Resource deduction	-	
Political contribution tax credit	-	
Investment tax credit	-	
Other deductions and credits	-	
Part I tax	=	

Tax payable

Part I tax		
Part I.3 tax (large corporations tax)	+	
Taxable dividends received		
Part IV tax	+	
Other federal tax payable	+	
Subtotal	=	
Provincial and territorial tax (except QC,ON,AB)	+	
Provincial tax on large corporations (NB,NS)	+	
Tax payable	+	
Tax instalments paid	-	
Investment tax credit refund	-	
Taxable dividends paid		
Dividend refund	-	
Other refundable credits	-	
Balance owing (refund) on federal return	=	
Provincial income tax (ON,AB,QC)		163,100
Capital and other provincial taxes	+	115,686
Tax instalments and credits	-	1,000,000
Other provincial taxes	=	(721,214)
Total balance owing (refund)		(721,214)

Provincial tax

	% Provincial allocation	Taxable income	Income tax	Capital and other provincial taxes	Tax instalments and credits	Net provincial tax
Newfoundland						
ince Edward Island						
Nova Scotia						
New Brunswick						
Manitoba						
Saskatchewan						
British Columbia						
Yukon Territory						
Northwest Territories						
Nunavut						
	Schedule 5 provincial tax payable					
Ontario	100.0000	(439,516)	163,100	115,686	1,000,000	(721,214)
Alberta						
Québec						
		Totals	163,100	115,686	1,000,000	(721,214)

Loss continuity

	Current year carry back	Carryforward end of year
Capital		
Non-capital	439,516	
Farm		
Restricted farm		
Limited partnership		
Listed personal property		

Other carryforwards

Capital dividend account	
Refundable dividend tax on hand (net of dividend refund)	
Unused Part 1.3 tax credit	
Unused surtax credits	
Foreign business tax credits	
Donations and gifts	
Investment tax credits	
Ontario CMT losses	
Ontario CMT credit	163,100

Related and Associated Corporations Summary

		Corporation #1	Corporation #2	Corporation #3	Total
Corporation name		North Bay Hydro Distribution Limited	North Bay Hydro Holdings Limited	North Bay Hydro Services Inc	
Business number		88246 3128 RC 0001	89999 9999 RC 0001	86450 3511 RC 0001	
Taxation year end		2005/12/31	2005/12/31	2005/12/31	
Federal					
Schedule 9	# of common shares owned				
	% of common shares owned				
	# of preferred shares owned				
	% of preferred shares owned				
	Book value of capital stock				
Schedule 23	Business limit (before allocation)	300,000	300,000	300,000	900,000
	% of the business limit	100.000			100.000
	Allocation of the business limit	300,000			300,000
Schedule 49	Allocation of SR&ED expenditure limit				
Capital tax					
Schedule 36	Allocation of capital deduction	48,000,000		2,000,000	50,000,000
Schedule 39	Allocation of capital deduction	200,000,000			200,000,000
Schedule 343	Allocation of capital deduction	5,000,000			5,000,000
Schedule 362	Allocation of capital deduction	5,000,000			5,000,000
Alberta					
AT1 Schedule 1	% of business limit	100.000			100.000
	Allocation of the base amount	200,000			200,000
AT1 Schedule 6	Allocation of Crown royalty shelter	2,000,000			2,000,000
Ontario					
OMinimum	Total assets	56,849,113	19,586,175	2,010,386	78,445,674
	Total revenue	11,699,573		908,398	12,607,971
OSurtax	Taxable income			158,188	158,188
CT21	Taxable capital	45,773,731	74,474	1,756,138	47,604,343
Schedule 591	Allocation of net deduction				
OITC	Allocation of OITC expenditure limit				
Québec					
CO-1137.E	% of the $1,000,000 deduction	100.0000			100.0000
	Paid-up capital				
CO-737.18.18	Paid-up capital				
CO-1138.1	Allocation of farming and fishing deduction				
RD-1029.7	Assets				
RD-1029.7.8	Allocation of SR&ED expenditure limit	2,000,000			2,000,000
CO-771.1.3.V	% of the business limit	100.000			100
	Allocation of the business limit				
Manitoba					
MCT1	Allocation of capital deduction	5,000,000			5,000,000
British Columbia					
Schedule F	Net paid-up capital				
	BC paid-up capital				

Appendix 30

2005 CT23 Provincial Tax Return

Ontario

Ministry of Finance

Corporations Tax Br.
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2004/ 2005

CT23 Corporations Tax and Annual Return

For taxation years commencing after December 31, 2002

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)

This form 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. 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 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.

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* ☒ Yes ☐ No **Page 1 of 20**

Ministry Use

Corporation's Legal Name *(including punctuation)*
North Bay Hydro Distribution Limited

Ontario Corporations Tax Account No. (MOF)
1800277

Mailing address
74 Commerce Court
P.O. Box 3240

City	Province	Country	Postal code
North Bay	ON	CA	P1B 8Y5

This Return covers the Taxation Year
Start 2005/01/01
End 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

Registered/Head Office Address
74 Commerce Court
P.O. Box 3240

City	Province	Country	Postal code
North Bay	ON	CA	P1B 8Y5

Ontario Corporation No. (MCBS) 1390858

Location of Books and Records
74 Commerce Court
P.O. Box 3240

City	Province	Country	Postal code
North Bay	ON	CA	P1B 8Y5

Canada Customs and Revenue Agency Business No.
882463128RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
Elizabeth Chirico	(705) 474-8100	( ) -

Jurisdiction Incorporated

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

City	Province	Country	Postal code

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced
Ceased
☒ *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 check ☑ 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
Elizabeth Chirico

Title: D ☐ Director O ☐ Officer P ☒ Other individual 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.

Taxation Year End

Exempt From Filing (EFF) Corporations Tax Return Declaration

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)

This EFF Declaration must be filed for each taxation year that the corporation is exempt from filing and must be filed within 6 months after the corporation's taxation year end.

Criteria for exempt from filing status:

a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year;
b) had no Ontario taxable income for the taxation year (subject to the provisions in Note 2 below);
c) had no Ontario Corporations Tax payable for the taxation year;
d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the *Income Tax Act* (Canada));
e) has provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and
f) is **not** subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose total assets exceed $5 million or whose total revenues exceed $10 million for the taxation year).

Note 1: Filing of this declaration and the Annual Return does not constitute the filing of a Corporations Tax Return under section 75 of the *Corporations Tax Act*.

Note 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements:

- If a corporation has a loss in the current taxation year that is to be carried back and applied to a previous taxation year(s), regardless of whether the loss is the same as for federal purposes or not, a CT23 tax return is required for the current taxation year. The corporation must also provide information indicating that the loss is to be carried back and specify the year and the amount of loss to be carried back to each taxation year.
- If a corporation has a prior year loss, that is not the same for both federal and Ontario purposes and the corporation is applying a loss carryforward from the prior year to the current year, a CT23 tax return is required for the current taxation year, and if not previously filed, a CT23 tax return for the prior taxation year in which the loss was incurred is also required. Although a tax return for the loss year is not required where the loss is not being applied, the Corporations Tax Branch will accept the filing of a tax return for a loss year at the time the loss is incurred.
- If a corporation has a prior year loss, that is the same for both federal and Ontario purposes, but in the current taxation year the corporation is applying a different amount of loss for Ontario than the loss amount being applied for federal income tax purposes, the corporation is required to file a CT23 tax return for the current taxation year only.

The following 3 items MUST be completed for EFF declarations only. In cases where the Annual Return, which includes page 1, is **also** being filed, completion of these fields is **not** required.

1. Corporation's Mailing Address

City Province Country Postal code

2. Ontario Corporation No. (MCBS)

3. Canada Customs and Revenue Agency Business No.
RC

I, _____ declare that:

The above corporation meets **all** of the exempt from filing criteria (a) through (f) above for the taxation year and therefore qualifies under the *Corporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Signature	Title/Relationship to Corporation	Telephone number ( ) -	Date

Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.

If you check "Yes" to ALL of the following criteria, you are eligible to file the CT23 Short-Form Corporation Tax Return. To obtain a copy, contact the Ministry Information Centre at the numbers listed on page 2 of the Guide.

Yes	No		Yes	No	
☒	☐	(a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. Indicate Share Capital with full voting rights owned by Canadian Residents (nearest whole percentage) 0 %	☐	☒	(d) The corporation's taxation year ends on or after January 1, 2001, and its gross revenue and total assets are each $1,500,000 or less and the corporation is not a financial institution; or The corporation's taxation year commences after September 30, 2001, and its gross revenue and total assets are each $3,000,000 or less and the corporation is not a financial institution.
☒	☐	(b) The corporation's taxable income for the taxation year is $200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. (*Refer to Guide*)	☒	☐	(e) The corporation is **not** claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax Credit (CETC), Graduate Transitions Tax Credit (GTTC) or Apprenticeship Training Tax Credit (ATTC).
☐	☒	(c) The corporation is **not** a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.	☒	☐	(f) The corporation's Ontario allocation factor is 100%.

Note: Family Farm or Fishing corporations that have a taxation year ending on or after January 1, 2000 and that are **not** subject to the Corporate Minimum Tax, may also use the **CT23 Short-Form Corporations Tax Return** if the corporation checks "Yes" to a), b), c), e) and f) above.

CT23 Corporations T x Return

Identification continued (for CT23 filers only)

Type of Corporation - Please check (✓) 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 %) 0 %

[2]
- 1 [ ] Family Farm Corporation s.1(2)
- 2 [ ] Family Fishing Corporation s.1(2)
- 3 [ ] Mortgage Investment Corp 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 Corp 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 subsidary 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.)

Ontario Employer Health Tax Account No.
(Use Head Office No.)

Specify major business activity
Electricity Distribution

Please check (✓) box(es) if applicable:

- [ ] First Year of Filing
- [ ] Amended Return
- [ ] Taxation Year End has changed - Canada Customs and Revenue Agency 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: _____

Was the corporation inactive throughout the taxation year?		Yes [ ]	No [X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?		Yes [X]	No [ ]
Are you requesting a refund due to:	the Carry-back of a Loss?	Yes [X]	No [ ]
	an Overpayment?	Yes [X]	No [ ]
	a Specified Refundable Tax Credit?	Yes [ ]	No [X]
Are you a Member of a Partnership or a Joint Venture?		Yes [ ]	No [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).

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	From 690	±	(439,516)
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	-	
Net capital losses (page 16) From 715 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	=	(439,516)
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	=	

Taxable Income

					Number of days in Taxation Year					
					Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days			
From 10 (or 20)	X 30	100.0000 %	X 12.5 %	X 33		÷ 73	365	=	29	+
		Ontario Allocation			Days after Dec. 31, 2003		Total Days			
From 10 (or 20)	X 30	100.0000 %	X 14.0 %	X 34	365	+ 73	365	=	32	+
		Ontario Allocation								

Income Tax Payable (before deduction of tax credits) **29 + 32** — 40 =

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 year? (✓) ☐ Yes ☒ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	50		
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	51	+	
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	-	
	=	▶ 54	
Federal Business limit (line 410 of the T2 return) for the year before application of fed.s.125(5.1)	55	+	300,000

Ontario Business Limit Calculation

	Days after Dec. 31, 2002 and before Jan. 1, 2004					
320,000 X	31	÷ ** 365	=+	46		
	Days after Dec. 31, 2003					
400,000 X	34 365	÷ ** 365	=+	47	400,000	

Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated

Business limit for Ontario purposes **46 + 47** = 44 400,000 X 48 100.0000 % = 45 400,000

Income eligible for the IDSBC From 30 100.0000 % X 56 ____ = 60

***Ontario Allocation — 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

Income Tax *continued from Page 4*

Number of Days in Taxation Year

Calculation of IDSBC Rate	7.0 % X **31**	Days after Dec. 31, 2002 and before Jan. 1, 2004	÷ **73**	Total Days 365	= **89**	+	
	8.5 % X **34**	Days after Dec. 31, 2003 365	÷ **73**	Total Days 365	= **90**	+	8.5000
IDSBC Rate for Taxation Year **89 + 90**						**78** =	8.5000
Claim	From **60**		X From **78**	8.5000 %		**70** =	

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.

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**	+
If you are a member of an associated group (✓) **81** ☐ (Yes)			
Taxable income of associated corporations *(Attach schedule)*		**82**	+
Aggregate Taxable Income		**85**	=

Number of days in Taxation Year

320,000 X	**31** Days after Dec. 31, 2002 and before Jan. 1, 2004	÷	**73** Total Days 365	=	**115**	+		
400,000 X	**34** Days after Dec. 31, 2003 365	÷	**73** Total Days 365	=	**116**	+	400,000	
			115 + 116		=	400,000 ▶	**114**	- 400,000
(If negative, enter nil)							**86**	=

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	4.667% X **38**	Days after Dec. 31, 2002 365	÷ **73**	Total Days 365	=	**97**	+	4.6670
From **86**	X From **97**	4.6670 % =					**87**	=
From **87**	X From **60**		÷ From **114**	400,000			**88**	=

Surtax: Lesser of **70** or **88** **100** =

**** 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

Income Tax *continued from Page 5*

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** -		
Add: Adjustment for Surtax on Canadian-controlled private corporations			
From **100** + From **30** 100.0000 % (*Ontario Allocation) ÷ From **78** 8.5000 % = **121**			
Lesser of **56** or **121**			122 +
120 - 56 + 122			130 =
Taxable income	From **10** +	(439,516)	
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From **56** -		
Add: Adjustments for Surtax on Canadian-controlled private corporations	From **122** +		
Subtract: Taxable income **10** 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 =

Claim — **Number of Days in Taxation Year**

143 (Lesser of **130** or **142**) X From **30** 100.0000 % (*Ontario Allocation) X 1.5% X **33** (Days after Dec. 31, 2002 and before Jan. 1, 2004) ÷ **73** 365 (Total Days) = **154** +

143 (Lesser of **130** or **142**) X From **30** 100.0000 % (*Ontario Allocation) X 2.0% X **34** 365 (Days after Dec. 31, 2003) ÷ **73** 365 (Total Days) = **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 =

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 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** **194**
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.
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** +

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 **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** =

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)

Total Assets of the corporation	**240** +	56,849,113		
Total Revenue of the corporation			**241** +	11,699,573

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 (✓) **242** [X] (Yes)

Total Assets of associated corporations *(Attach schedule)*	**243** +	21,596,561		
Total Revenue of associated corporations *(Attach schedule)*			**244** +	908,398
Aggregate Total Assets	**249** =	78,445,674		
Aggregate Total Revenue			**250** =	12,607,971

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**	4,077,488	X From **30**	100.0000 %	X 4%	**276** =	163,100
		If negative, enter zero		Ontario Allocation			
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*						**277** =	
Subtract: Income Tax						From **190** -	
Net CMT Payable (if negative, enter Nil on page 17.)						**280** =	163,100

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**	163,100	

Application of CMT Credit Carryovers

A.	Income Tax (before deduction of specified credits)			From **190** +		
	Gross CMT Payable	From **276** +	163,100			
	Subtract: Foreign Tax Credit for CMT purposes	From **277** -				
	If **276 - 277** is negative, enter NIL in **290**	=	163,100 ▶	**290** -	163,100	
	Income Tax eligible for CMT Credit			**300** =		
B.	Income Tax (after deduction of specified credits)			From **230** +		
	Subtract: CMT credit used to reduce income taxes			**310** =		
	Income Tax			**320** =		

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.

Capital Tax *(Refer to Guide and Int.B. 3011R)*

If your corporation is a Financial Institution (s.b8(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(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. 3012R and 3015R)	**350**	+	19,511,601
Retained earnings (if deficit, deduct) (Int.B. 3012R)	**351**	±	5,125,521
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012R)	**352**	+	
Loans and advances *(Attach schedule)*(Int.B. 3013R)	**353**	+	20,555,106
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**	+	
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**	+	5,668,027
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017R)	**362**	+	
Subtotal	**370**	=	50,860,255
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012R)	**371**	-	3,904,351
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**	=	46,955,904
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	**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**	=	46,955,904

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**	+	1,332,950
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	**406**	+	
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	**407**	+	
Total Eligible Investments	**410**	=	1,332,950

continued on Page 10

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015R)

Total Assets per balance sheet	420	+	56,849,113
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	=	56,849,113
Amounts in **360** and **361** (if deducted from assets)	440	+	
Subtract: Amounts in **371**, **372** and **381**	441	-	3,904,351
Subtract: Appraisal surplus if booked	442	-	
Add or Subtract: Other adjustments (specify on an attached schedule)	443	±	
Total Assets	450	=	52,944,762

Investment Allowance (410 ÷ 450) X 390 — **Not to exceed 410**	460	=	1,182,173
Taxable Capital 390 - 460	470	=	45,773,731

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation	11,699,573			
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue *(Attach schedule)*				
Aggregate of Gross Revenue	11,699,573	480		11,699,573
Total Assets (as adjusted)	From	430		56,849,113

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: *This version (2004/2005) of the CT23 may only be used for a taxation year that commenced after December 31, 2002. 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 below, 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 2004/2005 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

Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year

5,000,000	X	**35** Days before Jan. 1, 2005	÷	**73** Total Days	365	= **500** +	
7,500,000	X	**36** Days after Dec. 31, 2004 and before Jan.1, 2006	365 ÷	**73** Total Days	365	= **501** +	7,500,000
10,000,000	X	**37** Days after Dec. 31, 2005 and before Jan.1, 2007	÷	**73** Total Days	365	= **502** +	
				Taxable Capital Deduction (TCD)	**500 + 501 + 502**	**503** =	7,500,000

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 to 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 0.3% x **555** 365 (365 if leap year) / Days in taxation year — *If floating taxation year, refer to Guide.* = **523** + _____ *Transfer to **543** on page 12 and complete the return from that point*

continued on Page 11

Capital Tax Calculation *conti d from Page 10*

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** (✓ 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** (✓ 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.

Calculation Do **not** complete this calculation if ss.69(2.1) election is filed

Taxable Capital form **470** on page 10	From **470** +	45,773,731	

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

Taxable Capital of associated corporations *(Attach schedule)*	**531** +	1,830,612	
Aggregate Taxable Capital **470 + 531**	**540** =	47,604,343	

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 on page 12, 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 on page 12.

From **470** 45,773,731 ÷ From **540** 47,604,343 X From **503** 7,500,000 **541** = 7,211,590

*Transfer to **542** in Section E on page 12*

Ss.69(2.1) Election Filed

☐ **591** (✓ if applicable) **Election filed.** *Attach a copy of Schedule 591 with this CT23 Return.*
Proceed to **Section F** on page 12.

continued on Page 12

Capital Tax Calculation *continued from Page 11*

SECTION E

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 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**	45,773,731										
- **542**	7,211,590										
= **471**	38,562,141	x	From **30**	100.0000 %	x	0.3%	x	Days in the taxation year **555** 365 *365 (366 if leap year)	= **523** +	Total Capital Tax for the taxation year 115,686	
			Ontario Allocation							*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**		X From **30**	100.0000	x 0.3%	= **561** +	
		Ontario Allocation				

- Capital tax deduction from **995** relating to **your corporation's** Capital Tax deduction, on Schedule 591 From **995** **562** =

Capital Tax	**562**	X	Days in taxation year **555** 365 *365 (366 if leap year)	= **563** +		
					*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**	115,686
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	**546**	
Capital Tax **543 - 546** *(amount cannot be negative)*	**550**	115,686
		Transfer to Page 17

continued on Page 13

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 0.6% x From **30** _____ % x **555** _____ ÷ *365 = **569** + _____
Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1 — Ontario Allocation — Days in taxation year (366 if leap year)

570 _____ x **571** _____ x From **30** _____ % x **555** _____ ÷ *365 = **574** + _____
Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount — Capital Tax Rate *(Refer to Guide)* — Ontario Allocation — Days in taxation year (366 if leap year)

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)? (✓) ☐ 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

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**	± (439,516)	
			Transfer to Page 15

Add:

Federal capital cost allowance	**601**	+ 1,948,899	
Federal cumulative eligible capital deduction	**602**	+	
Ontario taxable capital gain	**603**	+	
Federal non-allowable reserves. Balance beginning of year	**604**	+ 5,772,196	
Federal allowable reserves. Balance end of year	**605**	+ 1,231,239	
Ontario non-allowable reserves. Balance end of year	**606**	+ 5,018,878	
Ontario allowable reserves. Balance beginning of year	**607**	+ 1,196,920	
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

	Days after Dec. 31, 2002 and before Jan. 1, 2004	Total Days		
612 _____ X 5/12.5 X **33** _____ ÷ **73** 365	= **633** +			

	Days after Dec. 31, 2003	Total Days		
612 _____ X 5/14.0 X **34** 365 ÷ **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**	+		
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		= 15,168,132	**640**	15,168,132
				Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under **675**)	**650**	+ 1,948,899	
Ontario cumulative eligible capital deduction	**651**	+	
Federal taxable capital gain	**652**	+	
Ontario non-allowable reserves. Balance beginning of year	**653**	+ 5,772,196	
Ontario allowable reserves. Balance end of year	**654**	+ 1,231,239	
Federal non-allowable reserves. Balance end of year	**655**	+ 5,018,878	
Federal allowable reserves. Balance beginning of year	**656**	+ 1,196,920	
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**	15,168,132	
		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 Schedule 1	From 600	±	(439,516)
Total of Additions on page 14	From 640	=	15,168,132
Sub Total of deductions on page 14	From 681	=	15,168,132

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:

From **662** x 100/ **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/ **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/ **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/ **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/ **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**	+	
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		= 15,168,132 **680**	15,168,132

Net income (loss) for Ontario Purposes 600 + 640 - 680 **690** = (439,516)

Transfer to Page 4

Continuity of Losses Carried Forward

	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** 439,516	**711**	**721**	**731**	**741**	**751**
Losses from predecessor corporations (3)	**702**	**712**	**722**	**732**		**752**
Subtotal	**703** 439,516	**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 Pg 17 439,516	**716** (2) To Pg 17	**726** (2) To Pg 17	**736** (2) To Pg 17	**746**	
Subtotal	**707** 439,516	**717**	**727**	**737**	**747**	**757**
Balance at End of Year	**709** (8)	**719**	**729**	**739**	**749**	**759**

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800 9th preceeding taxation year 1996/12/31	**817** (6)	**860** (6)		**850**	**870**
801 8th preceeding taxation year 1997/12/31	**818** (6)	**861** (6)		**851**	**871**
802 7th preceeding taxation year 1998/12/31	**819** (6)	**862** (6)		**852**	**872**
803 6th preceeding taxation year 1999/12/31	**820**	**830**	**840**	**853**	**873**
804 5th preceeding taxation year 2000/12/31	**821**	**831**	**841**	**854**	**874**
805 4th preceeding taxation year 2001/12/31	**822**	**832**	**842**	**855**	**875**
806 3rd preceeding taxation year 2002/12/31	**823**	**833**	**843**	**856**	**876**
807 2nd preceeding taxation year 2003/12/31	**824**	**834**	**844**	**857**	**877**
808 1st preceeding 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**

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) Include 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 amounts 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 carryback adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Minister 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 Corporation's Account No. (MOF)	Taxation Year Ending	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss			910 439,516	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	913 439,516	923	933	943
Total loss to be carried back			From **706** 439,516	From **716**	From **726**	From **736**
Balance of loss available for carry-forward			919	929	939	949

Summary

Income Tax	From **230** or	320 +	
Corporate Minimum Tax	From	280 +	163,100
Capital Tax	From	550 +	115,686
Premium Tax	From	590 +	
Total Tax Payable		950 =	278,786
Subtract: Payments		960 -	1,000,000
Capital Gains Refund (s.48)		965 -	
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*		985 -	
Specified Tax Credits *(Refer to Guide)*		955 -	
Balance		970 =	(721,214)
If payment due	Enclosed *	990	
If overpayment: Refund *(Refer to Guide)*		975 =	721,214
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 the 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
Elizabeth Chirico

Title
Manager, Finance

Full Residence Address

City

Province	Country	Postal Code

Signature	Date
	2006/05/16

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

Ontario

Ministry of Finance

Corporations Tax Br
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corp ate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	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 ±	4,093,485
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	2101 +	15,997			
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 on dividends declared and paid, under fed.s.191.1(1) x 3 =	2109 +				
Subtotal		=	15,997	2110 -	15,997
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	2111 +				
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		=		2116 +	

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.s.13(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 -			
Subtotal (Additions)	=			2129 +
Subtotal (Subtractions)		=		2130 -
Other adjustments				2131 ±
Subtotal ± 2100 - 2110 + 2116 + 2129 - 2130 ± 2131				2132 = 4,077,488
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 = 4,077,488
Deduct: CMT losses: pre-1994 Loss	From 2210 +			
CMT losses: other eligible losses	2211 +			
	=			2135 -
CMT Base				2136 = 4,077,488

Transfer to CMT Base on page 8 of the CT23 or Page 6 of the CT8

Corporate Minimum Tax (CMT)

Part 2: Continuity of CMT Losses Carried Forward

CMT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
1995/12/31							Expired
1996/12/31							
1997/12/31							
1998/12/31							
1999/12/31							
2000/12/31							
2001/12/31							
2002/12/31							
2003/12/31							
2004/12/31							
2005/12/31							
Totals							

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 (✓) **2205** ☐ Yes Wind-up (✓) **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 acquisitions 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 **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)	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240 1996/12/31	**2260**	**2280**
2241 1997/12/31	**2261**	**2281**
2242 1998/12/31	**2262**	**2282**
2243 1999/12/31	**2263**	**2283**
2244 2000/12/31	**2264**	**2284**
2245 2001/12/31	**2265**	**2285**
2246 2002/12/31	**2266**	**2286**
2247 2003/12/31	**2267**	**2287**
2248 2004/12/31	**2268**	**2288**
2249 2005/12/31	**2269**	**2289**
Totals	**2270**	**2290**

The sum of amounts 2270 + 2290 must equal amount in 2214.

Corporate Minimum Tax (CMT)

Part 4: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
1995/12/31							
1996/12/31							
1997/12/31							
1998/12/31							
1999/12/31							
2000/12/31							
2001/12/31							
2002/12/31							
2003/12/31							
2004/12/31							
2005/12/31				163,100			163,100
Totals				163,100			163,100

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** + 163,100

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** = 163,100 ▶ **2310** + 163,100

CMT Credit Carryovers from predecessor corporations Note (3) **2325** +

Amalgamation (✓) **2315** ☐ Yes Wind-up (✓) **2320** ☐ Yes

Subtotal 2301 + 2310 + 2325 **2330** + 163,100

Adjustments *(Attach schedule)* **2332** ±

CMT Credit Carryover available 2330 ± 2332 **2333** = 163,100

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** = 163,100

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 the sum of **2370** + **2390**.

Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

Year of Origin (oldest year first)	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340 1996/12/31	**2360**	**2380**
2341 1997/12/31	**2361**	**2281**
2342 1998/12/31	**2362**	**2382**
2343 1999/12/31	**2363**	**2383**
2344 2000/12/31	**2364**	**2384**
2345 2001/12/31	**2365**	**2385**
2346 2002/12/31	**2366**	**2386**
2347 2003/12/31	**2367**	**2387**
2348 2004/12/31	**2368**	**2388**
2349 2005/12/31	**2369** 163,100	**2389**
Totals	**2370** 163,100	**2390**

The sum of amounts 2370 + 2390 must equal the amount in 2336.

OS4
Schedule 4

Ontari loss continuity

Part 1 - Non-capital loss

Determination of current-year non-capital loss

Net income (loss) for Ontario tax purposes		(439,516)
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter a positive amount)		
Taxable dividends deductible under ITA sections 112, 113 or subsection 138(6)		
Amount of Part VI.1 tax deductible		
	Subtotal - if positive, enter "0"	(439,516)
Deduct: (increase a loss)		
ITA Section 110.5 and/or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions		
Add: (decrease a loss)	Subtotal	(439,516)
Current-year farm loss		
Current-year non-capital loss (if positive, enter "0")		(439,516)

Continuity of non-capital losses and request for a carryback

Non-capital loss at end of preceding taxation year		
Deduct: Non-capital loss expired	-	
Non-capital losses at beginning of taxation year	=	
Add: Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation		+
Current-year non-capital loss (from calculation above)	439,516	
Deduct - Request to carry back non-capital loss to:		
First preceding taxation year to reduce taxable income	439,516	
Second preceding taxation year to reduce taxable income		
Third preceding taxation year to reduce taxable income		
	439,516	
Current-year non-capital loss net of carryback		+
	Subtotal	=
Deduct:		
Amount applied against taxable income (enter on line 704 of the CT23)		
Section 80 - adjustments for forgiven amounts		
Other adjustments		
		-
Non-capital losses - Closing balance		=

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

		Gross amount
Capital losses at end of preceding taxation year		
Capital losses transferred on an amalgamation or the windup of a subsidiary corporation		+
Current-year capital loss		+
	Subtotal	=
Add:		
Allowable business investment loss expired as a non-capital loss	X 4/3	+
	Subtotal	=
Deduct:		
Amount applied against current year capital gain		-
Section 80 adjustments for forgiven amounts		-
Other adjustments		-
	Subtotal	=

Deduct - Request to carry back capital loss to:

	Loss applied		Inclusion rate		Total
First preceding taxation year		÷	50.0000 %	=	
Second preceding taxation year		÷	%	=	
Third preceding taxation year		÷	%	=	
			Subtotal		

		-
Capital losses - Closing balance		=

OS4
Schedule 4

Ontario loss continuity

Part 3 - Farm loss

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		
Deduct: Farm loss expired after 10 taxation years	-	
Farm losses at beginning of taxation year	=	
Add: Farm losses transfered on an amalgamation or the windup of a subsidiary corporation		+
Current-year farm loss		
Deduct - Request to carry back farm loss to:		
First preceding taxation year to reduce taxable income		
Second preceding taxation year to reduce taxable income		
Third preceding taxation year to reduce taxable income		
Subtotal		
Current-year farm loss net of carryback		+
Subtotal		=
Deduct:		
Amount applied against taxable income (enter on line 724 of the CT23)		
Section 80 - Adjustments for forgiven amounts		
Other adjustments		
		-
Farm losses - Closing balance		=

Part 4 - Restricted farm loss

Current-year restricted farm loss

Total losses for the year from farming business			A
Minus the deductible farm loss:			
$2,500 plus B or C, whichever is less			
(Amount A above – $2,500) divided by 2	B		
Maximum	C	6,250	
Deductible farm loss			-
Current-year restricted farm loss			

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year		
Deduct: Restricted farm loss expired after 10 taxation years	-	
Restricted farm losses at beginning of taxation year	=	
Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation		+
Current-year restricted farm loss		
Deduct – Request to carry back restricted farm loss to:		
First preceding taxation year to reduce farming income		
Second preceding taxation year to reduce farming income		
Third preceding taxation year to reduce farming income		
Current-year restricted farm loss net of carryback		+
Deduct:		
Amount applied against taxable income (enter on line 734 of the CT23)		
Section 80 – Adjustments for forgiven amounts		
Other adjustments		
		-
Restricted farm losses - Closing balance		=

OS4
Schedule 4

Ontari loss continuity

Part 5 - Listed personal property loss

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			
Deduct: Listed personal property losses expired after seven taxation years			
Listed personal property losses at beginning of taxation year			
Current-year listed personal property loss			
Deduct – Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains			
Second preceding taxation year to reduce listed personal property gains			
Third preceding taxation year to reduce listed personal property gains			
Listed personal property losses net of carryback			+
		Subtotal	=
Deduct:			
Amount applied against listed personal property gain			-
Other adjustments			-
Limited personal property losses - Closing balance			=

Part 6 – Analysis of balance of losses by year of origin

Year of origin	Non-capital losses *	Farm losses	Restricted farm losses	Listed personal property losses
1995/12/31				
1996/12/31				
1997/12/31				
1998/12/31				
1999/12/31				
2000/12/31				
2001/12/31				
2002/12/31				
2003/12/31				
2004/12/31				
2005/12/31				
Total				

* The carryforward period for non-capital losses arising in a taxation year ending after March 22, 2004, is changed from 7 to 10 taxation years.

Part 7 - Continuity of limited partnership losses

Partnership identifier	Losses at end of preceding taxation year	Losses transferred from amalgamation or windup of subsidiary	Current-year limited partnership loss	Limited partnership losses applied	Limited partnership losses closing balance
Total (enter this amount on line 754 of the CT23)					

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Capital Cost Allowance
Schedule 8

ONTARIO CAPITAL COST ALLOWANCE

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2005/12/31

Is the corporation electing under regulation 1101(5q)? **101** 1 Yes ☐ 2 No ☒

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year	3 Cost of acquisitions during the the year See note 1 below	4 Net adjustments	5 Proceeds of dispositions during the year	6 Ontario undepreciated capital cost (col 2 + 3 or col 2 - 4 - 5)	7 50% rule See note 2 below	8 Reduced undepreciated capital cost (col 6 - 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (col 8 x 9 or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (col 6 - 12)
1	40,165,555	1,884,362			42,049,917	942,181	41,107,736	4			1,644,309	40,405,608
8	232,736				232,736		232,736	20			46,547	18[illegible]9
10	333,879	234,214		31,000	537,093	101,607	435,486	30			130,646	406,447
10	80,201				80,201		80,201	30			24,060	56,141
1	1,535,684	7,230			1,542,914	3,615	1,539,299	4			61,572	1,481,342
45	10,883	146,230			157,113	73,115	83,998	45			37,799	119,314
12	2,870				2,870		2,870	100			2,870	
12		2,192			2,192	1,096	1,096	100			1,096	1,096
Totals	42,361,808	2,274,228		31,000		1,121,614	43,483,422				1,948,899	42,656,137

Enter in box **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

Ministry of Finance
Corporations Tax [illegible]
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Continuity of Reserves
Schedule 13

Corporation's Legal Name	Ontario Corporations Tax Account No.	Taxation Year End
North Bay Hydro Distribution Limited	(MOF) 1800277	2005/12/31

For use by corporations 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	Ontario balance at the end of the year
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	Ontario balance at the end of the year
Reserve for doubtful debts	148,964		187,734
Reserve for undelivered goods and services not rendered	1,047,956		1,043,505
Reserve for prepaid rent			
Reserve for December 31, 1995 income			
Reserve for refundable containers			
Reserve for unpaid amounts			
Other tax reserves			
Totals	D 1,196,920	E	F 1,231,239

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 and transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Employee Future Benefit	4,575,276				3,787,639
Reserve for doubtful debt	148,964				187,734
Reserve for undelivered goods and services not	1,047,956				1,043,505
Totals	5,772,196				5,018,878

*Enter in box **653** of the CT23*

*Enter in box **606** of the CT23*

Ontario

Ministry of Finance

Corporations Tax Br
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
North Bay Hydro Distribution Limited	1800277	2005/12/31

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
North Bay Hydro Holdings Limited		2005/12/31	74,474
North Bay Hydro Services Inc		2005/12/31	1,756,138
		Aggregate of taxable capital	1,830,612

Transfer to **540** of the CT23

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
North Bay Hydro Distribution Limited	1800277	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)

Current Customer Deposits	133,216
Long-term Customer Deposits	910,289
Payable to Corporation of City of North Bay	19,511,601
Total	20,555,106

*Transfer to **353** on the CT23*

Ontario Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Paid-Up Capital: Other Reserves

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2005/12/31

Description of Reserves NOT ALLOWED as a Deduction for Income Tax	Balance Beginning of the Year	Add	Deduct	Transfer on Amalgamation or Wind-up of Subsidiary	Balance at the End of the Year
Reserve for employee future benefits per f/s	4,575,276		787,637		3,787,639
Excess of UCC over Book Value	1,169,575	710,813			1,880,388
				Total	5,668,027

*Transfer to **361** on the CT23*

Ontario
Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax - Associated Corporation

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
North Bay Hydro Distribution Limited	1800277	2005/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
North Bay Hydro Holdings Limited		2005/12/31	19,586,175	
North Bay Hydro Services Inc		2005/12/31	2,010,386	908,398
		Totals	21,596,561	908,398
			*Transfer to **249** of the CT23*	*Transfer to **250** of the CT23*

OConsent

Ontari Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. **Note: This authorization is valid until the client or authorized signing person cancels it in writing. Please complete a separate form for each representative.**

The purpose of this form is:
☒ **To authorize** a third party representative or ☐ **To cancel** a third party representative

1. Client identification

Name
North Bay Hydro Distribution Limited

Ontario Corporations Tax Account Number 1800277

2. Authorized third party identification

Authorized individuals' name

Address Phone number ( ) -

Authorized firm's name
BDO Dunwoody LLP

Address Phone number
142 Main Street West North Bay, Ontario P1B 2T5 (705) 495-2000

3. Details of authorization

Indicate the period for which authorization or cancellation applies:

All years ☒

OR

Specific years _____ _____

_____ _____

OR

All years prior to _____

4. Authorized signature (client or authorized signing officer)

Elizabeth Chirico (705) 474-8100 2006/05/16
Name Telephone number Date signed

_____ Manager, Finance
Signature of client or authorized signing officer Position, office or rank

Ontario

Ministry of Finance

Corporations Tax h
PO Box 642
33 King Street West
Oshawa ON L1H 8T1

CT23 - Certification Form Diskette Filing

Return I.D. # *(Ministry Use Only)*

Corporations Tax Account Number
1800277

Please check appropriate boxes if applicable:

- ☐ First year of filing
- ☐ Amended return
- ☐ Taxation year end has changed (approval by CCRA required)
- ☐ Exempt from filing
- ☐ Final taxation year up to Dissolution
- ☐ Final taxation year before Amalgamation
- ☐ Floating Fiscal year end
- ☐ Subject to CMT
- ☐ Change of Control fed.s.249(4)

Date Control was acquired:

Date of incorporation

Return for taxation year
Start 2005/01/01
End 2005/12/31

CCRA Business No.
882463128RC0001

Jurisdiction Incorporated

Corporation's legal name and mailing address
North Bay Hydro Distribution Limited
Care of

Change of information? Yes ☐ No ☒

Address
74 Commerce Court
P.O. Box 3240

City	Province	Country	Postal code
North Bay	ON	CA	P1B 8Y5

Transmitter Details

Transmitter number	A0008058
Transmitter name	BDO Dunwoody LLp
Name of person to contact	David Richardson
Telephone number	(705) 495-2000
Facsimile number	(705) 495-2001
Transmitter Address	PO Box 20001, c/o 111 Main North Bay, Ontario P1B 9N1

Disk Reference Number

Aggregate of Total Revenue	**210**	12,607,971
Aggregate of Total Assets	**209**	78,445,674
Taxable Income (Non-capital Loss)	**10**	(439,516)
Total Tax Payable	**950**	278,786
Payments:	**990**	1,000,000
Enclosed:		
Apply to: Year		
Apply Amount:		

975 Refund: Yes ☒ No ☐
If Yes, Due to:
- Loss Carryback: Yes ☒ No ☐
- Overpayment: Yes ☒ No ☐
- Refundable tax credit Yes ☐ No ☒

Certification

I am an authorized signing officer of the Corporation. I certify that this Return, including all schedules and statements filed with or as part of this 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
Elizabeth Chirico

Title
Manager, Finance

Full Residence address

City

Province	Country	Postal code

Signature

Phone Number	Date
(705) 474-8100	2006/05/16

ProFile Version 2004.4.0 Approval code 060E

Prepared without audit based on information provided by the taxpayer.

Payment Advice

Corporations Tax Account Number	1800277
Date of Incorporation	
Corporation Name	
North Bay Hydro Distribution Limited	

Enter the amount of payment and indicate taxation year.

Taxation Year End	Payment amount
	$
2005/12/31	$
Total Payment	$

Submit your cheque (drawn on a Canadian financial institution) or money order in Canadian Funds, payable to: The Minister of Finance

Send to: Ontario Ministry of Finance
Corporations Tax Branch
P.O. Box 642
33 King Street West
Oshawa ON L1H 8T1

Incomplete information will result in a delay processing an assessment.

Prepared without audit based on information provided by the taxpayer.

Appendix 31

2005 Notice of Assessments

Canada Revenue Agency | Agence du revenu du Canada

Shawinigan-Sud QC G9N 7S6

Date of mailing
July 4, 2006

Business Number
88246 3128 RC0001

Taxation year-end
December 31, 2005

NORTH BAY HYDRO DISTRIBUTION
LIMITED
PO BOX 3240
NORTH BAY ON P1B 8Y5

000038

CORPORATION NOTICE OF ASSESSMENT

RESULTS

This notice explains the results of our assessment of the T2 Corporation Income Tax Return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment :	$	0.00
Result of reassessment for reporting period ending December 31, 2004 :	$	0.00
Prior balance:	$	0.00
Total balance:	$	0.00

Please refer to the Summary and Explanation for additional information.

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

Remittance Advice - Payment-in-Lieu (PIL

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Account No.
1800277

35
PX5003

NORTH BAY HYDRO DISTRIBUTION LIMITED
C/O ELIZABETH CHIRICO
74 COMMERCE COURT
PO BOX 3240
NORTH BAY ON
P1B 8Y5

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2005 1231

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 2005/01/01 to 2005/12/31

	Account No.	Assessment Date (year, month, day)	Page
NORTH BAY HYDRO DISTRIBUTION LIMITED	**1800277**	2006/06/13	1 of 1

ASSESSMENT NO. 95

Tax: Federal and Provincial PIL		278,786.00
Assessment Interest		15,910.90CR
Total Assessment Liability		262,875.10

SUMMARY OF 2005/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	1,000,015.55CR	
Sub-Total		1,000,015.55CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		737,140.45CR

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.

Total tax assessed as per company estimate

Tax (Re)Assessment Enquiries:

Account Billing Enquiries & Change of Address Information:

5003

RETURN PERIOD END	ONTARIO STATUTE BARRED DTE	Ass Dte
2005-12-31	2010-06-13	2006-06-13
2004-12-31	2009-06-27	2005-06-27
2003-12-31	2008-08-13	2004-08-13
2002-12-31	2007-07-18	2003-07-18
2001-12-31	2006-10-08	2002-10-08

The statute barred date is determined as being 4 years from the date of the ***ORIGINAL NOTICE OF ASSESSMENT.***

If ***LCB'S*** were in effect, an additional 3 years would be added to the date.

Appendix 32

May 1, 2002 to February 29, 2004 PILS Recoveries

2002 Rate Year

Effective Date May 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	$ 12.84	$ 0.0081	$ 0.57	$ 0.0004	$ 0.72	$ 0.0005
General Service < 50 kW	$ 21.98	$ 0.0114	$ 0.97	$ 0.0005	$ 1.24	$ 0.0006
General Service 50 to 2,999 kW	$ 321.01	$ 1.7090	$ 14.29	$ 0.0748	$ 18.25	$ 0.0956
General Service 3,000 to 4,999 kW	$ 2,459.56	$ 0.5816	$ 108.60	$ 0.0255	$ 138.69	$ 0.0325
Sentinel Lights	$ 1.86	$ 4.7191	$ 0.08	$ 0.2085	$ 0.10	$ 0.2662
Street Lights	$ 0.45	$ 1.6855	$ 0.02	$ 0.0731	$ 0.03	$ 0.0934
Unmetered Loads	$ 21.98	$ 0.01	$ 0.97	$ 0.0005	$ 1.24	$ 0.0006

Customer Counts

	2002								2003												2004		
Rate Class	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	19,780	19,824	19,782	19,806	19,762	19,771	19,794	19,586	19,815	19,656	19,696	19,805	19,993	19,910	19,901	20,069	19,939	19,918	19,824	19,821	19,849	19,832	19,866
General Service < 50 kW	2,575	2,567	2,557	2,530	2,553	2,555	2,554	2,526	2,560	2,544	2,562	2,586	2,595	2,569	2,552	2,550	2,570	2,580	2,567	2,584	2,588	2,579	2,585
General Service 50 to 2,999 kW	259	256	257	257	256	256	256	252	254	254	254	253	254	254	253	254	251	251	250	250	253	252	253
General Service 3,000 to 4,999 kW	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Sentinel Lights	579	579	579	579	579	579	579	579	641	641	641	641	641	641	641	641	641	641	641	641	577	577	577
Street Lights	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,277	5,459	5,459	5,459
Unmetered Loads (included in GS < 50)	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21	21

Billing Determinants

	2002								2003												2004		
Rate Class	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	14,531,723	13,273,773	14,105,628	13,945,697	13,128,505	15,708,352	18,999,346	22,277,548	25,686,048	23,518,471	21,700,800	16,673,075	13,691,580	12,890,443	13,744,482	13,369,044	12,815,744	15,520,510	18,341,516	22,941,959	27,177,282	22,688,406	20,136,737
General Service < 50 kW	6,876,827	6,782,581	7,320,876	7,249,086	6,738,391	6,871,914	7,567,328	7,979,005	8,999,349	8,402,058	8,423,517	7,095,745	6,730,303	6,744,685	7,071,074	6,788,014	6,407,168	6,858,339	7,392,497	8,297,024	9,400,499	8,497,178	8,030,801
General Service 50 to 2,999 kW	52,738	47,336	39,968	48,006	60,586	57,308	51,492	46,467	56,251	51,448	53,126	47,982	48,053	46,169	48,673	46,031	49,908	49,031	47,814	49,328	54,864	49,348	50,314
General Service 3,000 to 4,999 kW	9,336	9,361	9,314	9,237	9,221	9,461	8,436	8,572	9,028	8,724	8,372	8,900	9,228	8,828	9,084	9,453	8,709	8,947	8,862	9,050	8,754	8,902	9,305
Sentinel Lights	125	125	125	125	125	125	125	125	126	126	138	128	127	138	136	133	135	144	138	139	141	135	151
Street Lights	734	734	734	734	734	734	734	734	800	800	800	800	800	800	800	800	800	800	800	800	802	802	802
Unmetered Loads (2002 in GS < 50)	33,608	32,524	32,524	32,524	31,475	33,573	33,540	31,508	32,524	32,524	24,936	24,810	25,816	30,202	33,839	32,524	32,524	34,692	32,388	31,540	32,524	30,426	34,657

Calculated PILS Revenue

	2002								2003												2004		
Rate Class	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	18,611	36,265	36,882	36,784	36,068	38,160	40,845	43,222	46,267	44,313	42,898	38,983	36,820	36,066	36,744	36,657	36,043	38,198	40,353	44,061	47,514	43,870	20,928
General Service < 50 kW	6,761	13,397	13,989	13,847	13,315	13,472	14,263	14,671	15,910	15,194	15,258	13,796	13,399	13,358	13,693	13,365	12,975	13,512	14,093	15,162	16,430	15,379	7,430
General Service 50 to 2,999 kW	8,707	16,396	15,173	16,542	18,654	18,095	17,104	16,118	17,850	17,031	17,318	16,408	16,453	16,132	16,526	16,108	16,671	16,522	16,282	16,540	17,581	16,608	8,403
General Service 3,000 to 4,999 kW	518	1,037	1,035	1,030	1,029	1,043	984	992	1,018	1,001	980	1,011	1,030	1,007	1,021	1,043	1,000	1,013	1,008	1,019	1,002	1,011	517
Sentinel Lights	84	167	167	167	167	167	167	167	179	179	185	180	180	185	184	183	184	188	185	186	174	172	90
Street Lights	181	361	361	361	361	361	361	361	372	372	372	372	372	372	372	372	372	372	372	372	381	381	190
Unmetered Loads (2002 in GS < 50)	42	83	83	83	82	85	85	82	83	83	75	75	76	81	85	83	83	86	83	82	83	81	43
Total	34,904	67,706	67,690	68,815	69,677	71,384	73,809	75,613	81,680	78,174	77,086	70,825	68,329	67,201	68,625	67,812	67,329	69,892	72,377	77,422	83,165	77,502	37,601

Appendix 33

March 1, 2004 to February 28, 2005 PILS Recoveries

2004 Rate Year

Effective Date	Mar. 1, 2004
Conclusion Date	Feb. 28, 2005

	Approved Rates		PILS Portion	
Rate Class	**Fixed**	**Variable**	**Fixed**	**Variable**
Residential	$ 12.84	$ 0.0081	$ -	$ 0.0012
General Service < 50 kW	$ 21.98	$ 0.0115	$ -	$ 0.0011
General Service 50 to 2,999 kW	$ 321.01	$ 1.9017	$ -	$ 0.1871
General Service 3,000 to 4,999 kW	$ 2,459.56	$ 1.0599	$ -	$ 0.0596
Sentinel Lights	$ 1.86	$ 2.8748	$ -	$ 2.7537
Street Lights	$ 0.45	$ 1.8641	$ -	$ 0.2496
Unmetered Loads	$ 21.98	$ 0.0115	$ -	$ 0.0011

Billing Determinants

	2004										2005		
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	20,136,737	16,387,560	14,084,662	12,499,883	13,555,646	13,354,143	12,984,887	15,138,740	18,232,098	24,569,771	26,626,043	21,860,787	21,038,360
General Service < 50 kW	8,030,801	6,988,103	6,854,432	6,535,796	6,953,559	6,876,086	6,553,007	6,967,265	7,507,816	8,823,908	9,534,786	8,405,688	8,500,614
General Service 50 to 2,999 kW	50,314	47,184	50,240	47,689	46,967	47,457	46,817	48,918	46,713	53,806	54,745	49,149	51,805
General Service 3,000 to 4,999 kW	9,305	9,092	9,078	9,344	9,192	9,224	9,136	9,400	9,164	8,724	10,568	10,408	10,040
Sentinel Lights	151	146	152	143	151	145	142	150	140	140	143	129	142
Street Lights	802	802	802	802	802	802	802	802	802	802	766	766	766
Unmetered Loads	34,657	32,561	34,451	30,559	33,683	34,346	30,557	31,411	30,553	32,131	34,109	26,546	31,749

Calculated PILS Revenue

	2004										2005		
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar
Residential	12,313	20,041	17,225	15,287	16,578	16,332	15,880	18,514	22,297	30,048	32,563	26,735	12,865
General Service < 50 kW	4,345	7,562	7,418	7,073	7,525	7,441	7,092	7,540	8,125	9,549	10,318	9,096	4,600
General Service 50 to 2,999 kW	4,706	8,827	9,399	8,922	8,787	8,878	8,758	9,152	8,739	10,066	10,242	9,195	4,846
General Service 3,000 to 4,999 kW	277	542	541	557	548	550	545	560	546	520	630	620	299
Sentinel Lights	207	403	418	394	416	398	390	412	385	386	392	356	196
Street Lights	100	200	200	200	200	200	200	200	200	200	191	191	96
Unmetered Loads	19	35	37	33	36	37	33	34	33	35	37	29	17
Total	21,968	37,611	35,238	32,466	34,090	33,837	32,898	36,412	40,326	50,804	54,373	46,223	22,918

Appendix 34

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	$ 13.63	$ 0.0115	$ -	$ 0.0036
General Service < 50 kW	$ 23.33	$ 0.0142	$ -	$ 0.0028
General Service 50 to 2,999 kW	$ 340.39	$ 2.1189	$ -	$ 0.5658
General Service 3,000 to 4,999 kW	$ 2,610.36	$ 0.3711	$ -	$ 0.1786
Sentinel Lights	$ 1.98	$ 6.9123	$ -	$ 1.9063
Street Lights	$ 0.48	$ 2.3334	$ -	$ 0.7767
Unmetered Loads	$ 23.33	$ 0.0142	$ -	$ 0.0028

Billing Determinants

	2005										2006				
Rate Class	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
Residential	21,038,360	15,731,556	13,918,873	14,017,504	15,530,891	14,300,538	13,199,153	15,095,170	18,751,377	23,739,103	24,054,275	21,457,927	20,845,038	15,567,332	13,825,814
General Service < 50 kW	8,500,614	7,024,701	6,880,419	7,045,603	7,487,687	7,111,276	6,533,852	6,783,273	7,384,524	8,591,737	8,813,261	8,085,350	8,299,145	6,941,470	6,943,879
General Service 50 to 2,999 kW	51,805	48,652	51,153	51,700	52,095	48,437	49,001	50,334	50,522	55,567	51,277	51,917	52,354	47,781	51,238
General Service 3,000 to 4,999 kW	10,040	10,008	8,776	8,696	7,976	8,480	8,208	9,048	8,824	8,648	8,456	8,748	8,780	8,088	8,808
Sentinel Lights	142	142	150	145	150	144	138	143	133	142	133	119	135	136	138
Street Lights	766	766	766	766	766	766	766	766	766	766	766	766	766	766	766
Unmetered Loads	31,749	31,795	30,834	30,801	31,700	29,903	30,737	29,839	30,801	32,668	28,934	29,739	31,863	29,808	31,795

Appendix 35

October 1, 2001 to December 31, 2001

Financial Statements

North Bay Hydro Distribution Ltd.
STATEMENT OF OPERATIONS AND EQUITY
For the 3 month period ended December 31, 2001

Energy revenue	
Residential	4,282,367
General	6,949,003
Street lighting	63,247
	11,294,617
Service revenue adjustment (Note 13)	565,939
Total revenue from the sale of energy	11,860,556
Power purchased	11,724,771
Gross margin on service revenue	135,785
Other operating revenue (Schedule)	55,075
	190,860
Operating and maintenance expense:	
Operating expense	43,037
Maintenance expense (Schedule)	(10,352)
Total operating and maintenance expense	32,685
Billing and collecting	241,646
Administrative and general expense (Schedule)	603,394
Depreciation (Note 8)	283,407
	1,161,132
Operating income	
Interest expense	7,146
Income from continuing operations before income taxes	(977,418)
Income taxes	
Income from continuing operations	
Income from discontinued operations, net of income taxes (Note 4)	41,754
Net income before extraordinary item	
Extraordinary item, net of income taxes (Note 14)	
Net income	(935,665)
Deficit, beginning of year	2,267,905
Net income	(935,665)
Equity, end of year	1,332,240

North Bay Hydro Distribution Ltd.
STATEMENT OF OPERATIONS AND EQUITY
For the 3 month period ended December 31, 2001

					Oct-Dec/01
	A	B	A + B = C	D	C - D = E
		KPMG Adj	01-Dec-31	01-Sep-30	Difference
Energy revenue					
Residential	18,029,506		18,029,506	13,747,139	4,282,367
General	27,233,252		27,233,252	20,284,249	6,949,003
Street lighting	243,789		243,789	180,542	63,247
	45,506,547	-	45,506,547	34,211,930	11,294,617
Service revenue adjustment (Note 13)	(317,829)		(317,829)	(883,768)	565,939
Total revenue from the sale of energy	45,188,718	-	45,188,718	33,328,162	11,860,556
Power purchased	39,086,880		39,086,880	27,362,109	11,724,771
Gross margin on service revenue	6,101,838	-	6,101,838	5,966,053	135,785
Other operating revenue (Schedule)	1,924,993	(561,060)	1,363,933	1,308,858	55,075
	8,026,831	(561,060)	7,465,771	7,274,911	190,860
Operating and maintenance expense:					
Operating expense	165,900		165,900	122,863	43,037
Maintenance expense (Schedule)	1,319,511	(141,983)	1,177,528	1,187,880	(10,352)
Total operating and maintenance expense	1,485,411	(141,983)	1,343,428	1,310,743	32,685
Billing and collecting	901,089		901,089	659,443	241,646
Administrative and general expense (Schedule)	1,556,255	222,703	1,778,958	1,175,564	603,394
Depreciation (Note 8)	2,457,774	(334,367)	2,123,407	1,840,000	283,407
	6,400,529	(253,647)	6,146,882	4,985,750	1,161,132
Operating income	1,626,302	(307,413)	1,318,889		
Interest expense	46,990		46,990	39,844	7,146
Income from continuing operations before income taxes	1,579,312	(307,413)	1,271,899	2,249,317	(977,418)
Income taxes	58,122		58,122		
Income from continuing operations	1,521,190	(307,413)	1,213,777		
Income from discontinued operations, net of income taxes (Note 4)		167,014	167,014		41,754
Net income before extraordinary item	1,521,190	(140,399)	1,380,791		
Extraordinary item, net of income taxes (Note 14)	181,411		181,411		
Net income	1,702,601	(140,399)	1,562,202		(935,665)
Deficit, beginning of year	(229,962)		(229,962)		2,267,905
Net income	1,702,601	(140,399)	1,562,202		(935,665)
Equity, end of year	1,472,639	(140,399)	1,332,240		1,332,240

North Bay Hydro
Fixed Assets
December 31, 2001

	Tax Cost						
	Dec-00 FMV	Jan-Sept/01 Additions	Total to Sept/01	Oct-Dec/01 Additions	Disposals	Ending Balance	
Electrical Distribution Assets:							
Land	650,000	0	650,000			650,000	
Buildings	439,780	0	439,780	0		439,780	Class 1
Substation Equipment	2,217,965	142,682	2,360,647	72,901	(39,900)	2,393,648	Class 1
Poles, Towers and Fixtures	8,990,058	424,202	9,414,260	102,591		9,516,851	Class 1
Overhead Condutor and Devices	7,453,221	315,979	7,769,200	116,891		7,886,091	Class 1
Underground Conduit & Conduction	3,100,468	49,594	3,150,062	63,519		3,213,581	Class 1
Distribution Transformers	10,095,842	241,818	10,337,660	147,603		10,485,263	Class 1
Services	6,179,839	290,144	6,469,983	120,884		6,590,867	Class 1
Distribution Meters	1,417,696	16,078	1,433,774	40,738		1,474,512	Class 1
Total electrical distribution assets:	40,544,869	1,480,497	42,025,366	665,127	(39,900)	42,650,593	
General Assets:							
Land	517,000	0	517,000			517,000	
Buildings	938,397	0	938,397	700		939,097	Class 1/NR
Office equipment	125,749	576	126,325	0		126,325	Class 8
Computer equipment	64,058	3,627	67,685	6,663		74,348	Class 10
Computer software	490,912	529	491,441	1,383		492,824	Class 12
Transportation Equipment	837,988	28,634	866,622	58	(2,250)	864,430	Class 10
Small Tools and Misc Equip	178,035	3,780	181,815	7,075		188,890	Class 8
Rental Hot Water Equip	[redacted]	166,563	695,311	65,250	0	760,561	Class 1/NR
Load Management Controls (for hot water	107,153	800	107,953	0		107,953	Class 1/NR
Sentinel Light Equipment (for street light	[redacted]	2,744	155,836	3,882	0	159,718	Class 1/NR
System Supervisory Equipment - SCADA*	969,685	45,994	1,015,679	139,583		1,155,262	Class 1/NR
Total general assets:	4,910,817	253,247	5,164,064	224,594	(2,250)	5,386,408	
Contributions in aid of construction:		(432,617)	(432,617)	(113,123)		(545,740)	Class 1
	45,455,686	1,301,127	46,756,813	776,598	(42,150)	47,491,261	
Construction in progress**							
Qualifying transition costs	514,950	94,846	609,796	112,518	0	722,314	Class 1/NR
Total	45,970,636	1,395,973	47,366,609	889,116	(42,150)	48,213,575	

Per Doug all assets available for use at year end (w/p S)
** Costs incurred to prepare for privatization in May/2002.* Directs the flow of power.

Summary - CCA Schedule
Additions

Land	1,167,000
Class 1	45,339,658
Class 1 - ~~not available for~~ non-rate regulated	3,844,905
Class 8	315,215
Class 10 - computer	74,348
Class 10- transportation	866,680
Class 12	492,824
	48,255,725
Less: Land	(1,167,000)
	47,088,725
Disposals	
Class 1	39,900
Class 10 -transportation	2,250
	42,150
	47,046,575

A + B = 48,255,725
A * B

DNCI 4127121

	FMV at Sept 30, 2001	Jan 1 to Sept 30 2001 Additions	December 31, 2000 FMV	December 31, 2000 NBV	Diff
Electrical Distribution Assets					
Land	650,000		650,000	307,477	342,523
Buildings	439,780		439,780	609,090	(169,310)
Substation Equipment	2,360,647	142,682	2,217,965	4,223,837	(2,005,872)
Poles, Towers and Fixtures	9,414,260	424,202	8,990,058	6,089,019	2,901,039
Overhead Conductors and Devices	7,769,200	315,979	7,453,221	4,542,305	2,910,916
Underground Conduit and Conductors	3,150,062	49,594	3,100,468	2,875,980	224,488
Distribution Transformers	10,337,660	241,818	10,095,842	4,992,206	5,103,636
Services	6,469,983	290,144	6,179,839	3,155,501	3,024,338
Distribution Meters	1,433,774	16,078	1,417,696	1,260,940	156,756
Total Electrical Distribution Assets	42,025,367	1,480,497 V-3	40,544,870	28,056,355	12,488,515
General Assets					
Land	517,000		517,000	203,557	313,443
Buildings	938,397		938,397	2,171,053	(1,232,656)
Office Equipment	126,325	576	125,749	97,804	27,945
Computer Equipment	559,126	4,156	554,970	428,165	126,806
Transportation Equipment	866,622	28,634	837,988	603,591	234,397
Small Tools and Misc. Equipment	181,815	3,780	178,035	173,908	4,127
Rental Water Heater Equipment	695,311	166,563	528,748	671,959	(143,211)
Load Management Controls	107,953	800	107,153	238,671	(131,518)
Sentinel Light Equipment	155,836	2,744	153,092	173,553	(20,461)
SCADA and Fibre	1,015,679	45,994	969,685	1,094,357	(124,672)
Total General Assets	5,164,064	253,247 V-3	4,910,817	5,856,618	(945,801)
				0	
Contributions In Aid of Construction	0			(645,639)	645,639
	47,189,431	1,733,744	45,455,687	33,267,334	12,188,353
				0	
Qualifying Transition Costs	609,796	94,846 V-3	514,950	514,950	0
Total Fixed Assets	47,799,227	1,828,590	45,970,637 V-3A	33,782,284	12,188,353

Increase in value of assets 36.08%

Re Write Goodwill

Per Aces valuation

V-3

V-3-3

	Jan to Sept	Jan to Dec	Oct to Dec
9330 Contr Capital-Substn Equipmt	-		
9330 Contributed Capital-Poles	57,981.00	59,996.71	2,015.71
9330 Contr Capital- OH Conductor	26,823.00	49,522.38	22,699.38
9330 Cont Capital UG Conduit	39,599.00	45,758.95	6,159.95
9330 Contr Capital UG Conductor	38,099.00	45,075.40	6,976.40
9330 Cont Capital-OH Transformers	34,938.00	40,360.92	5,422.92
9330 Cont Capital-UG Transformers	94,348.00	105,429.21	11,081.21
9330 Cont Capital-OH Services	- 960.00	4,265.83	5,225.83
9330 Contributed Capital-Meters	6,000.00	7,650.00	1,650.00
9330 Cont Capital Fibre Optic OH	-	25,000.00	25,000.00
9330 Cont Capital-Fibre Optic UG	-	500.00	500.00
9330 Cont Capital-UG Services	135,789.00	162,180.16	26,391.16
	432,617.00	545,739.56	113,122.56

V-3

V-3

	2000	2001	2001 adds
Contr Capital-Substn Equipmt			
Contributed Capital-Poles	176,621.82	236,618.53	59,996.71
Contr Capital- OH Conductor	132,110.87	181,633.25	49,522.38
Cont Capital UG Conduit	54,865.08	100,624.03	45,758.95
Contr Capital UG Conductor	58,948.53	104,023.93	45,075.40
Cont Capital-OH Transformers	29,320.25	69,681.17	40,360.92
Cont Capital-UG Transformers	83,187.73	188,616.94	105,429.21
Cont Capital-OH Services	39,523.66	43,789.49	4,265.83
Contributed Capital-Meters	4,750.00	12,400.00	7,650.00
Cont Capital Fibre Optic OH		25,000.00	25,000.00
Cont Capital-Fibre Optic UG		500.00	500.00
Cont Capital-UG Services	83,388.80	245,568.96	162,180.16
	662,716.74	1,208,456.30	545,739.56

Appendix 36

2002 Financial Statements

Financial Statements of

NORTH BAY HYDRO DISTRIBUTION LIMITED

Year ended December 31, 2002

KPMG LLP
Chartered Accountants
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AUDITORS' REPORT

To the Directors of North Bay Hydro Distribution Limited

We have audited the balance sheet of North Bay Hydro Distribution Limited as at December 31, 2002 and the statements of operations and retained earnings (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles prescribed by the Ontario Energy Board and disclosed in the Significant Accounting Policies note to the financial statements.

KPMG LLP

Chartered Accountants

North Bay, Canada
April 15, 2003

KPMG LLP, a Canadian limited liability partnership is the Canadian member of KPMG International, a Swiss nonoperating association.

North Bay Hydro Distribution Limited
Balance sheet
December 31, 2002, with comparative figures for 2001

	2002	2001
ASSETS		
Current assets		
Cash and short-term investments	$ 2,479,932	$ 9,679,695
Accounts receivable (note 4)	5,056,607	1,766,728
Unbilled revenue	6,329,433	4,526,266
Prepaid expenses	192,175	-
Inventory	509,166	559,932
Total current assets	14,567,313	16,532,621
Corporate commercial paper, at cost plus accrued interest (note 5)	2,084,589	-
Property, plant and equipment (note 6)		
Electrical distribution assets	54,838,938	53,466,219
General assets	9,233,408	13,415,867
Qualifying transition costs (note 7)	-	722,314
	64,072,346	67,604,400
Accumulated depreciation	(32,632,159)	(33,057,209)
	31,440,187	34,547,191
Contributions in aid of construction	(1,293,513)	(1,142,345)
Total property, plant and equipment	30,146,674	33,404,846
Deferred charges	6,361	6,361
Note receivable from North Bay Hydro Services Inc. (note 8)	1,332,950	-
TOTAL ASSETS	$ 48,137,887	$ 49,943,828

North Bay Hydro Distribution Limited
Balance sheet
December 31, 2002, with comparative figures for 2001

		2002		2001
Current liabilities				
Accounts payable and accrued liabilities (note 9)	$	5,954,168	$	5,773,930
Payable to North Bay Hydro Services Inc.		169,767		-
Current portion of long-term debt		-		72,700
Current portion of long-term customer deposits		18,882		35,619
Total current liabilities		6,142,817		5,882,249
Long-term liabilities				
Long-term customer deposits		1,288,468		967,092
Payable to Corporation of the City of North Bay (note 10)		19,511,601		19,511,601
Employee future benefits (note 11)		3,353,026		2,739,045
Total long-term liabilities		24,153,095		23,217,738
Shareholder's equity				
Capital stock (note 12)		19,511,601		19,511,601
Retained earnings (deficit)		(1,669,626)		1,332,240
Total shareholder's equity		17,841,975		20,843,841
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	$	48,137,887	$	49,943,828

Discontinued operations (note 13)
Contingent liabilities (note 14)
Related party transactions (note 15)

See accompanying notes to financial statements.

On behalf of the board:

_____ Director

_____ Director

North Bay Hydro Distribution Limited
Statement Of Earnings and Retained Earnings (Deficit)
Year ended December 31, 2002, with comparative figures for 2001

		2002		2001
Service revenue				
Residential	$	7,402,368	$	17,886,483
General		9,852,875		27,058,446
Street and sentinel lighting		140,403		243,789
Total revenue from the sale of energy		17,395,646		45,188,718
Power purchased		15,740,000		39,086,880
Gross margin on service revenue to April 30, 2002		1,655,646		6,101,838
Distribution revenue beginning May 1, 2002		5,393,033		-
Other operating revenue		979,120		1,363,933
		8,027,799		7,465,771
Operating expenses				
Operating and engineering expenses		2,057,605		1,152,607
Administrative and general expenses		3,153,580		2,505,592
Depreciation and amortization on continuing operations		2,266,176		2,314,228
		7,477,361		5,972,427
Operating Income		550,438		1,493,344
Property taxes		165,000		174,455
Interest		987,800		46,990
Income (loss) before other items, discontinued operations, extraordinary item and payment in lieu of taxes		(602,362)		1,271,899
Other items				
Write off of retail settlement variance accounts		1,020,344		-
Write off of transition costs		722,314		-
Loss on write down of building to fair market value		540,755		-
Income (loss) before discontinued operations, extraordinary item and payment in lieu of taxes		(2,885,775)		1,271,899
Income from discontinued operations (note 13)		77,538		167,014
Income (loss) before extraordinary item and payment in lieu of taxes		(2,808,237)		1,438,913
Extraordinary item (note 16)		-		181,411
Income (loss) before payment in lieu of taxes		(2,808,237)		1,620,324
Payment in lieu of taxes		193,629		58,122
Net income (loss) for the year	$	(3,001,866)	$	1,562,202

Retained earnings (deficit), beginning of year		1,332,240		(229,962)
Net income (loss) for the year		(3,001,866)		1,562,202
Retained earnings (deficit), end of year	$	(1,669,626)	$	1,332,240

See accompanying notes to financial statements.

North Bay Hydro Distribution Limited
Statement of Cash Flows
Year ended December 31, 2002, with comparative figures for 2001

	2002	2001
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net income (loss) for the year	$ (3,001,866)	$ 1,562,202
Adjustments for:		
Items not involving cash:		
Depreciation and amortization (net of amortization of contributions in aid of construction)	2,266,176	2,314,228
Gain on sale of property, plant and equipment	-	(28,218)
Loss on write-down of building	540,755	-
Write-off of transition costs	722,314	-
Accrual for employee future benefits	779,474	230,286
Income from discontinued operations	(77,538)	(167,014)
Change in non-cash operating working capital:		
Decrease (increase) in accounts receivable	(3,289,879)	203,798
Decrease (increase) in unbilled revenue	(1,803,167)	317,829
Increase in prepaid expenses	(192,175)	-
Decrease in inventory	50,766	87,366
Increase (decrease) in accounts payable and accrued liabilities	180,236	(241,330)
Increase in payable to North Bay Hydro Services Inc.	169,767	-
Cash from continuing operations	(3,655,137)	4,279,147
Cash from discontinued operations[1]	77,538	501,381
Cash provided by (used in) operating activities	(3,577,599)	4,780,528
INVESTMENT ACTIVITIES		
Increase in corporate commercial paper	(2,084,589)	-
Purchase of property, plant and equipment	(1,835,771)	(2,830,828)
Proceeds on sale of property, plant and equipment	-	42,150
Proceeds on transfer of assets to North Bay Hydro Services Inc.	1,332,950	-
Increase in loan receivable from North Bay Hydro Services Inc.	(1,332,950)	-
Cash used in investment activities	(3,920,360)	(2,788,678)
FINANCING ACTIVITIES		
Contributions received in aid of construction	231,750	545,739
Increase in customer deposits	304,639	157,797
Principal reduction of employee future benefits liability	(165,493)	(139,948)
Repayment of long-term debt	(72,700)	(202,400)
Cash provided by financing activities	298,196	361,188
Net increase (decrease) in cash and cash equivalents	(7,199,763)	2,353,038
Cash and cash equivalents, beginning of year	9,679,695	7,326,657
Cash and cash equivalents, end of year	$ 2,479,932	$ 9,679,695

Cash and cash equivalents exclude corporate commercial paper.

See accompanying notes to financial statements.

[1] Derived as follows:

Net income from discontinued operations	$ 77,538	$ 167,014
Adjustment for:		
Depreciation	-	334,367
	$ 77,538	$ 501,381

1. GENERAL

The Company is incorporated under the laws of Ontario and its principal business activity is to supply electricity to the residents of the City of North Bay.

2. INDUSTRY RESTRUCTURING

The Ontario government enacted the Energy Competition Act, 1998 to introduce competition to the Ontario Energy Market effective May 1, 2002. Under the terms of this legislation, the Ontario Energy Board (the "OEB") regulates the industry participants by issuing licenses for the right to generate, transmit, distribute or retail electricity. These licenses require compliance with established market rules.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and policies as set forth in the Accounting Procedures Manual issued by the Ontario Energy Board under the authority of the Ontario Energy Board Act, 1998.

Revenue recognition

The Company records service revenue on the basis of regular meter readings and estimates of customer usage since the last meter reading date to the end of the fiscal year.

Investments

Investments are valued at the lower of cost and net realizable value.

Inventory

Inventory is valued at the lower of cost, determined by the weighted average method, and replacement cost.

Pension plans

The Company makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of all full-time members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on their length of service and rates of pay.

There were no contributions to OMERS for 2002 (2001 - nil). Beginning August 1, 1998 premium payments were temporarily suspended by OMERS. The premium holiday ended January 1, 2003.

Property, plant and equipment

Property, plant and equipment are stated at cost and include direct material, labour and overhead costs that are considered applicable to construction. Depreciation is calculated on a straight-line basis over the following number of years:

Buildings	30 - 50 years
Substation equipment	30 years
Distribution system	25 years
Rolling stock:	
Automobiles	4 years
Service vehicles	5 years
Line vehicles	8 years
Computer software and hardware	5 years
Water heater contol equipment	6 - 10 years
System control equipment	15 years
Office equipment and tools	10 - 15 years

The cost and accumulated depreciation of assets disposed of are relieved from the respective accounts and any gain or loss is reflected in operations.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions in aid of construction

Contributions in aid of construction are treated as a reduction of capital spending and are amortized at the same rates as the assets to which they relate.

Employee future benefits

The Company accrues its obligations under employee benefit plans as the employees render the services necessary to earn employee future benefits.

The Company has adopted the following policies:

The cost of retirement benefits earned by employees is actuarially determined using the projected benefit method pro rated on service and management's best estimate of expected plan performance, salary escalation, retirement ages and expected health care costs.

For the purpose of calculating expected return on plan assets, those assets are valued at fair value.

Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of the amendment.

The Company uses the corridor method to amortize actuarial gains or losses (such as changes in actuarial assumptions and experience gains and losses). Under the corridor method, amortization is recorded only if the accumulated net actuarial gains or losses exceed 10% of the greater of the accrued benefit obligation and the value of the plan assets.

When a restructuring of a benefit plan gives rise to both a curtailment and a settlement of obligations, the curtailment is accounted for prior to the settlement.

Corporate income and capital taxes

Under the Electricity Act, 1998, the Company is required to make payments in lieu of corporate income taxes to the Ontario Electric Financial Corporation ("OEFC"), commencing October 1, 2001. These payments are calculated in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Corporations Tax Act (Ontario) as modified by the Electricity Act, 1998, and related regulations.

For its business subject to rate regulation, the Company provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax bases of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be included in the rates approved by the OEB and recovered from the customers of the Company at that time.

As at December 31, 2002, future tax assets, based on substantively enacted income tax rates, have not been recorded in the amount of $5,914,000 (2001 - $5,218,330 rate regulated and $140,420 non-rate regulated.)

Use of Estimates

The preparation of the financial statements in conformity with accounting principles as described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

4. ACCOUNTS RECEIVABLE

	2002	2001
Electrical Energy	$ 4,517,198	$ 1,589,963
Street Lighting	55,193	57,347
Sundry	541,115	152,302
	5,113,506	1,799,612
Allowance for doubtful accounts	(56,899)	(32,884)
Total	$ 5,056,607	$ 1,766,728

5. INVESTMENTS SUBJECT TO RESTRICTIONS

The Company has provided the Toronto-Dominion Bank with investments with a value of $2,084,589 as security for a Letter of Credit provided to the Independent Market Operator to secure its hydro purchase obligations (see note 14b).

6. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	2002 Net book value	2001 Net book value
Electrical distribution assets				
Land	$ 311,179	-	$ 311,179	$ 307,477
Buildings	767,946	185,766	582,180	595,635
Substation equipment	6,316,246	2,081,091	4,235,155	4,233,950
Poles, towers & fixtures	12,735,968	6,658,753	6,077,215	6,228,667
Overhead conductor and devices	9,620,465	4,917,263	4,703,202	4,685,697
Underground conduit and conductor	5,240,821	2,553,637	2,687,184	2,803,872
Distribution transformers	10,635,750	5,603,409	5,032,341	5,095,924
Services	6,262,729	2,854,125	3,408,604	3,358,945
Distribution meters	2,947,834	1,730,570	1,217,264	1,240,719
Total electrical distribution assets	54,838,938	26,584,614	28,254,324	28,550,886
General assets				
Land	199,855	-	199,855	203,557
Buildings	2,387,873	640,179	1,747,694	2,072,613
Office equipment	545,227	510,800	34,427	59,987
Computer equipment	1,583,022	1,470,658	112,364	211,719
Transportation equipment	2,043,999	1,672,561	371,438	426,150
Small tools and miscellaneous equipment	962,725	853,612	109,113	192,909
Rental water heater equipment	-	-	-	631,593
Load management controls	569,082	504,317	64,765	152,117
Sentinel light equipment	-	-	-	150,589
System supervisory equipment	941,625	395,418	546,207	1,172,757
Total general assets	9,233,408	6,047,545	3,185,863	5,273,991
	64,072,346	32,632,159	31,440,187	33,824,877
Contributions in aid of construction	1,414,706	121,193	1,293,513	1,142,345
	62,657,640	32,510,966	30,146,674	32,682,532
Construction in progress				
Qualifying transition costs	-	-	-	722,314
Total	$ 62,657,640	$ 32,510,966	$ 30,146,674	$ 33,404,846

7. QUALIFYING TRANSITION COSTS

Previously deferred capital and operating costs of $722,314, incurred in respect of the transition to the competitive markets, have been written-off subsequent to market opening on May 1, 2002 (see note 2).

8. RECEIVABLE FROM NORTH BAY HYDRO SERVICES INC.

The note receivable from North Bay Hydro Services Inc. bears interest at 5% per year, commencing February 16, 2002, and has no fixed terms of repayment.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2002	2001
Power	$ 3,253,439	$ 4,254,336
Sundry	2,700,729	1,519,594
Total	$ 5,954,168	$ 5,773,930

10. PAYABLE TO CORPORATION OF THE CITY OF NORTH BAY

The balance payable to the Corporation of the City of North Bay bears interest at 5% per year, and is payable upon twelve month's written notice.

11. EMPLOYEE FUTURE BENEFITS

The Company has a defined benefit life insurance and health care plan covering substantially all unionized employees and most retirees.

Information about the Company's defined benefit life insurance and health care plan is as follows:

	2002	2001
Accrued benefit liability, beginning of year	$ 2,739,045	$ 2,648,707
Expense for the year	779,474	230,286
Benefits paid during the year	(165,493)	(139,948)
	3,353,026	2,739,045
Fair value of plan assets	-	-
Accrued benefit liability, end of year	3,353,026	2,739,045
Unamortized net actuarial loss	2,523,130	-
Projected accrued benefit obligation, end of year	$ 5,876,156	$ 2,739,045

The terms of the plan were amended during the year to provide drug coverage after age 65 for those employees retiring after November 1, 1993 and prior to October 18, 2002, and to eliminate benefits for non-unionized employees retiring subsequent to January 8, 2002. The effect of these amendments was an increase in the accrued benefit obligation of approximately $1,245,000.

The main actuarial assumptions employed for the valuations are as follows:

(A) General Inflation

Future general inflation levels, as measured by changes in the Consumer Price Index ("CPI"), were assumed at 2.2% in 2002 and thereafter.

(B) Interest (Discount) Rate

The obligation as at December 31, 2002, of the present value of future liabilities and the expense for the year ended December 31, 2002, were determined using annual discount rates of 6.0% and 5.5%, respectively. The discount rate for 2002 corresponds to the assumed CPI rate plus an assumed real rate of return of 3.3%

(C) Salary Levels

Future general salary and wage levels were assumed to increase at 3.5% per annum for the determination of the benefit obligation at December 31, 2002 and at 2.0% per annum for the determination of the benefit obligation at December 31, 2001.

11. EMPLOYEE FUTURE BENEFITS (CONTINUED)

(D) Medical Costs

Medical costs were assumed to increase at the CPI rate plus a further increase of 7.8% in 2002 and 2003, and graded down by 1% per year until to 3.8% in 2008 and thereafter.

(E) Dental Costs

Dental costs were assumed to increase at the CPI rate plus a further increase of 2.3% in 2002 and thereafter.

12. SHARE CAPITAL

	2002	2001
Authorized:		
Unlimited Common shares		
Issued:		
1,001 Common shares	$ 19,511,601	$ 19,511,601

13. DISCONTINUED OPERATIONS

On February 16, 2002, the Company disposed of the assets, at their carrying value, and business operations of its sentinel lights, water heater tanks, and fibre optic cable divisions to a newly incorporated related company, North Bay Hydro Services Inc. ("Services"). Services is a wholly-owned subsidiary of the Company's parent company. As consideration for the sale of these assets, the Company received a note receivable in the amount of $1,332,950 (see note 8).

Balance sheet balances applicable to discontinued operations as at February 16, 2002 and December 31, 2001 are as follows:

	Sentinel lights	Water heater tanks	Fibre optic cable	2002 Total	2001 Total
Cost of assets	$ 505,643	$ 1,951,498	$ 677,660	$ 3,134,801	$ 3,134,800
Accumulated depreciation	(355,054)	(1,319,904)	(103,093)	(1,778,051)	(1,778,050)
	150,589	631,594	574,567	1,356,750	1,356,750
Contributions in aid of construction	-	-	(25,500)	(25,500)	(25,500)
Accumulated amortization	-	-	1,700	1,700	1,700
	-	-	(23,800)	(23,800)	(23,800)
Net book value	$ 150,589	$ 631,594	$ 550,767	$ 1,332,950	$ 1,332,950

Revenue and expenses from January 1, 2002 to February 16, 2002 are as follows:

	Sentinel lights	Water heater tanks	Fibre optic cable	2002 Total	2001 Total
Revenue	$ 9,126	$ 60,341	$ 24,661	$ 94,128	$ 643,364
Expenses					
Maintenance and administrative expenses	3,184	12,770	636	16,590	141,983
Depreciation and amortization	-	-	-	-	334,367
Total expenses	3,184	12,770	636	16,590	476,350
Income from discontinued operations	$ 5,942	$ 47,571	$ 24,025	$ 77,538	$ 167,014

14. CONTINGENT LIABILITIES

a) A class action suit claiming $500 million in restitutionary payments plus interest was served on Toronto Hydro-Electric Commission on November 18, 1998. The action was initiated against Toronto Hydro-Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1981.

The claim is that the payment penalties of 5% on overdue accounts is illegal under Section 347(1)(b) of the Criminal Code.

The EDA is undertaking the defense of the class action. At this time it is not possible to quantify the effect, if any on the financial statements of the Company.

b) As security for its power purchase obligations to the Independent Market Operator ("IMO"), the Company has provided the IMO with an irrevocable letter of credit in the amount of $3,400,000. The letter of credit is secured by an assignment of short term investments in the amount of $2,084,589 (see note 5) and an indemnification agreement.

15. RELATED PARTY TRANSACTIONS

The Company provides electricity and services to the principal shareholder of its parent company, the Corporation of the City of North Bay (the "City"). A summary of the amounts charged by the Company to the City is as follows:

	2002	2001
Electrical energy	$ 807,265	$ 806,238
Street light energy	263,635	243,980
Contruction activity	19,002	53,863
Street light maintenance	78,421	21,761

At December 31, 2002, accounts payable and accrued liabilites include $256,112 due to the City (2001 - $98) and accounts receivable include $75,947 due from the City (2001 - $75,624).

Electrial energy is sold to the City at the same prices and terms as other electricity customers consuming equivalent amounts of electricity. Streetlight maintenance services are provided at rates determined in relation to other service providers. Other construction services are provided at cost.

The Company provides administrative services to an affilliated company, North Bay Hydro Services Inc. Administrative fees charged for 2002 were $68,236.

16. EXTRAORDINARY ITEM

In 1997, the Electricity Distributors Association ("EDA") member utilities launched a class action lawsuit against Ontario Hydro. The Company received $181,411 in 2001 in settlement of the claim.

17. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(A) Fair value

The carrying value of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities, payable to North Bay Hydro Services Inc. and customer deposits approximate their fair value because of the short-term nature of these investments.

(B) Credit risk

Financial assets held by the Company expose it to credit risk. As at December 31, 2002 there were no significant concentrations of credit risk with respect to any class of financial assets. Investments include term deposits and temporary investments. These temporary investments are of a short-term nature with a financial institution with established credit ratings.

The company earns its revenue from a broad base of customers located principally in North Bay. No single customer would account for revenue or an accounts receivable balance in excess of 10% of the respective reported balances.

18. COMPARATIVE FIGURES

Certain 2001 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2002.

Appendix 37

2003 Financial Statements

Financial Statements of

NORTH BAY HYDRO DISTRIBUTION LIMITED

Year ended December 31, 2003

KPMG LLP
Chartered Accountants
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AUDITORS' REPORT

To the Shareholder of North Bay Hydro Distribution Limited

We have audited the balance sheet of North Bay Hydro Distribution Limited as at December 31, 2003 and the statements of earnings, retained earnings (deficit) and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP
Chartered Accountants

North Bay, Canada
March 30, 2004

KPMG LLP, a Canadian limited liability partnership is the Canadian member firm of KPMG International, a Swiss cooperative.

North Bay Hydro Distribution Limited
Balance sheet
December 31, 2003, with comparative figures for 2002

		2003		2002
ASSETS				
Current assets				
Cash and short-term investments	$	6,116,699	$	2,479,932
Accounts receivable (note 4)		4,903,939		5,056,607
Unbilled revenue		6,981,362		6,329,433
Prepaid expenses		223,740		192,175
Inventory		546,236		509,166
Total current assets		18,771,976		14,567,313
Corporate commercial paper, at cost plus accrued interest (note 5)		2,083,333		2,084,589
Property, plant and equipment (note 6)				
Electrical distribution assets		56,136,163		54,838,938
General assets		7,428,614		8,046,608
Assets held for sale		1,188,863		1,186,800
		64,753,640		64,072,346
Accumulated depreciation		(33,955,527)		(32,632,159)
		30,798,113		31,440,187
Contributions in aid of construction		(1,482,686)		(1,293,513)
Total property, plant and equipment		29,315,427		30,146,674
Deferred charges		6,361		6,361
Receivable from North Bay Hydro Services Inc. (note 7)		1,332,950		1,332,950
TOTAL ASSETS	$	51,510,047	$	48,137,887

North Bay Hydro Distribution Limited
Balance sheet
December 31, 2003, with comparative figures for 2002

		2003		2002
Current liabilities				
Accounts payable and accrued liabilities (note 8)	$	5,672,029	$	5,954,168
Payments in lieu of taxes		335,954	$	-
Payable to North Bay Hydro Services Inc.		304,358		169,767
Current portion of long-term customer deposits		412,866		18,882
Total current liabilities		6,725,207		6,142,817
Long-term liabilities				
Customer deposits		994,561		1,288,468
Payable to Corporation of the City of North Bay (note 9)		19,511,601		19,511,601
Employee future benefits (note 10)		3,969,199		3,353,026
Total long-term liabilities		24,475,361		24,153,095
Regulatory liabilities (note 11)		185,979		-
Shareholder's equity				
Capital stock (note 12)		19,511,601		19,511,601
Retained earnings (deficit)		611,899		(1,669,626)
Total shareholder's equity		20,123,500		17,841,975
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	$	51,510,047	$	48,137,887

Discontinued operations (note 13)
Contingent liabilities (note 14)
Related party transactions (note 15)

See accompanying notes to financial statements.

On behalf of the board:

_____ Director

_____ Director

North Bay Hydro Distribution Limited
Statement Of Earnings
Year ended December 31, 2003, with comparative figures for 2002

		2003		2002
Service revenue				
Residential	$	-	$	7,402,368
General		-		9,852,875
Street and sentinel lighting		-		140,403
Total revenue from the sale of energy		-		17,395,646
Power purchased		-		15,740,000
Gross margin on service revenue to April 30, 2002		-		1,655,646
Distribution revenue beginning May 1, 2002 (note 16)		8,902,384		5,393,033
Other operating revenue		1,092,838		979,120
		9,995,222		8,027,799
Operating expenses				
Operating and engineering expenses		2,810,403		2,057,605
Administrative and general expenses		2,278,817		3,153,580
Depreciation and amortization on continuing operations		2,099,875		2,266,176
		7,189,095		7,477,361
Operating Income		2,806,127		550,438
Property taxes		131,313		165,000
Interest		1,014,424		987,800
Income (loss) before other items, discontinued operations and payment in lieu of taxes		1,660,390		(602,362)
Other items				
Provision for (recovery of) regulatory assets		(1,020,344)		1,742,658
Write down of building to fair market value		-		540,755
Income (loss) before discontinued operations and payment in lieu of taxes		2,680,734		(2,885,775)
Income from discontinued operations		-		77,538
Income (loss) before payment in lieu of taxes		2,680,734		(2,808,237)
Payment in lieu of taxes		399,209		193,629
Net income (loss)	$	2,281,525	$	(3,001,866)

North Bay Hydro Distribution Limited
Statement of Retained Earnings (Deficit)
Year ended December 31, 2003, with comparative figures for 2002

Retained earnings (deficit), beginning of year	$	(1,669,626)	$	1,332,240
Net income (loss)		2,281,525		(3,001,866)
Retained earnings (deficit), end of year	$	611,899	$	(1,669,626)

See accompanying notes to financial statements.

North Bay Hydro Distribution Limited
Statement of Cash Flows
Year ended December 31, 2003, with comparative figures for 2002

	2003	2002
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net income (loss) for the year	$ 2,281,525	$ (3,001,866)
Adjustments for:		
Items not involving cash:		
Depreciation and amortization (net of amortization of contributions in aid of construction)	2,099,875	2,266,176
Write-down of building to fair market value	-	540,755
Provision for recovery of regulatory assets	(1,020,344)	-
Write-off of transition costs	-	722,314
Accrual for employee future benefits	798,215	779,474
Income from discontinued operations	-	(77,538)
Change in non-cash operating working capital:		
Decrease (increase) in accounts receivable	152,668	(3,289,879)
Increase in unbilled revenue	(651,929)	(1,803,167)
Increase in prepaid expenses	(31,565)	(192,175)
Decrease (increase) in inventory	(37,070)	50,766
Increase (decrease) in accounts payable and accrued liabilities	(282,139)	180,236
Increase in payments in lieu of taxes	335,954	-
Increase in payable to North Bay Hydro Services Inc.	134,591	169,767
Cash from continuing operations	3,779,781	(3,655,137)
Cash from discontinued operations	-	77,538
Cash provided by (used in) operating activities	3,779,781	(3,577,599)
INVESTING ACTIVITIES		
Decrease (increase) in corporate commercial paper	1,256	(2,084,589)
Purchase of property, plant and equipment	(1,540,966)	(1,835,771)
Proceeds on sale of property, plant and equipment	16,350	-
Proceeds on transfer of assets to North Bay Hydro Services Inc.	-	1,332,950
Increase in loan receivable from North Bay Hydro Services Inc.	-	(1,332,950)
Cash used in investment activities	(1,523,360)	(3,920,360)
FINANCING ACTIVITIES		
Contributions received in aid of construction	255,988	231,750
Increase in customer deposits	100,077	304,639
Decrease in regulatory assets	1,206,323	-
Principal reduction of employee future benefits liability	(182,042)	(165,493)
Repayment of long-term debt	-	(72,700)
Cash provided by financing activities	1,380,346	298,196
Net increase (decrease) in cash and short-term investments	3,636,767	(7,199,763)
Cash and short-term investments, beginning of year	2,479,932	9,679,695
Cash and short-term investments, end of year	$ 6,116,699	$ 2,479,932

Cash and short-term investments exclude corporate commercial paper.

See accompanying notes to financial statements.

1. GENERAL

The Company is incorporated under the laws of Ontario and its principal business activity is to supply electricity to the residents of the City of North Bay.

2. INDUSTRY RESTRUCTURING

The Ontario government enacted the Energy Competition Act, 1998 to introduce competition to the Ontario Energy Market effective May 1, 2002. Under the terms of this legislation, the Ontario Energy Board (the "OEB") regulates the industry participants by issuing licenses for the right to generate, transmit, distribute or retail electricity. These licenses require compliance with established market rules.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and policies as set forth in the Accounting Procedures Manual issued by the Ontario Energy Board under the authority of the Ontario Energy Board Act, 1998.

Revenue recognition

Distribution revenue is comprised of customer billings for distribution service charges. Customer billings for distribution service charges are recorded on the basis of regular meter readings and estimates of customer usage since the last meter reading date to the end of the fiscal year.

Inventory

Inventory is valued at the lower of cost, determined by the weighted average method, and replacement cost.

Pension plans

The Company makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of all full-time members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on their length of service and rates of pay.

The contributions to OMERS for 2003 was $43,057 (2002- nil). Beginning August 1, 1998 premium payments were temporarily suspended by OMERS. The premium holiday ended January 1, 2003.

Property, plant and equipment

Property, plant and equipment are stated at cost and include direct material, labour and overhead costs that are considered applicable to construction. Depreciation is calculated on a straight-line basis over the following number of years:

Buildings	30 - 50 years
Substation equipment	30 years
Distribution system	25 years
Rolling stock:	
Automobiles	4 years
Service vehicles	5 years
Line vehicles	8 years
Computer software and hardware	5 years
Water heater contol equipment	6 - 10 years
System control equipment	15 years
Office equipment and tools	10 - 15 years

The cost and accumulated depreciation of assets disposed of are relieved from the respective accounts and any gain or loss is reflected in operations.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contributions in aid of construction

Contributions in aid of construction are treated as a reduction of capital spending and are amortized at the same rates as the assets to which they relate.

Employee future benefits

The Company accrues its obligations under employee benefit plans as the employees render the services necessary to earn employee future benefits.

The Company has adopted the following policies:

The cost of retirement benefits earned by employees is actuarially determined using the projected benefit method pro rated on service and management's best estimate of expected plan performance, salary escalation, retirement ages and expected health care costs.

For the purpose of calculating expected return on plan assets, those assets are valued at fair value.

Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of the amendment.

The Company uses the corridor method to amortize actuarial gains or losses (such as changes in actuarial assumptions and experience gains and losses). Under the corridor method, amortization is recorded only if the accumulated net actuarial gains or losses exceed 10% of the greater of the accrued benefit obligation and the value of the plan assets.

When a restructuring of a benefit plan gives rise to both a curtailment and a settlement of obligations, the curtailment is accounted for prior to the settlement.

Payments in lieu of taxes

Under the Electricity Act, 1998, the Company is required to make payments in lieu of corporate income taxes to the Ontario Electric Financial Corporation ("OEFC"), commencing October 1, 2001. These payments are calculated in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Corporations Tax Act (Ontario) as modified by the Electricity Act, 1998, and related regulations.

The Company provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax bases of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be included in the rates approved by the OEB and recovered from the customers of the Company at that time.

As at December 31, 2003, future tax assets, based on substantively enacted income tax rates, have not been recorded in the amount of $4,498,000 (2002 - $5,914,000).

Measurement uncertainty

The preparation of the financial statements in conformity with accounting principles as described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates including changes as a result of future regulatory decisions.

Accounts receivable, unbilled revenue and regulatory assets are stated after evaluation of amounts expected to be collected and an appropriate allowance for doubtful accounts. Amounts recorded for depreciation and amortization of property, plant and equipment are based on estimates of useful service life.

4. ACCOUNTS RECEIVABLE

	2003	2002
Electrical energy	$ 4,469,198	$ 4,517,198
Street lighting	29,193	55,193
Sundry	505,305	541,115
	5,003,696	5,113,506
Allowance for doubtful accounts	(99,757)	(56,899)
Total	$ 4,903,939	$ 5,056,607

5. INVESTMENTS SUBJECT TO RESTRICTIONS

As security for the letter of credit provided to the Independent Market Operation (the "IMO") to secure its hydro purchase obligations (see note 14(b)), the Company has provided the Toronto-Dominion Bank with an assignment in the amount of $2,000,000 of investments with a value of $2,083,333 (2002 - $2,084,589).

6. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	2003 Net book value	2002 Net book value
Electrical distribution assets				
Land	$ 311,179	-	$ 311,179	$ 311,179
Buildings	767,946	199,221	568,725	582,180
Substation equipment	6,349,312	2,260,381	4,088,931	4,235,155
Poles, towers and fixtures	12,945,158	7,064,085	5,881,073	6,077,215
Overhead conductor and devices	9,800,851	5,226,761	4,574,090	4,703,203
Underground conduit and conductor	5,358,860	2,746,411	2,612,449	2,687,184
Distribution transformers	10,888,734	5,913,606	4,975,128	5,032,341
Services	6,737,297	3,091,411	3,645,886	3,408,604
Distribution meters	2,976,826	1,810,457	1,166,369	1,217,264
Total electrical distribution assets	56,136,163	28,312,333	27,823,830	28,254,325
General assets				
Land	86,551	-	86,551	102,901
Buildings	1,435,999	700,232	735,767	675,968
Office equipment	256,678	231,940	24,738	34,427
Computer equipment	1,106,482	1,006,101	100,381	112,364
Transportation equipment	2,028,223	1,784,997	243,226	371,437
Small tools and miscellaneous equipment	1,003,974	882,223	121,751	109,113
Load management controls	569,082	552,249	16,833	64,765
System supervisory equipment	941,625	458,200	483,425	546,207
Total general assets	7,428,614	5,615,942	1,812,672	2,017,182
Assets held for sale				
Land	96,954	-	96,954	96,954
Building	1,091,909	27,252	1,064,657	1,071,726
Total assets held for sale	1,188,863	27,252	1,161,611	1,168,680
	64,753,640	33,955,527	30,798,113	31,440,187
Contributions in aid of construction	1,670,695	188,009	1,482,686	1,293,513
Total	$ 63,082,945	$ 33,767,518	$ 29,315,427	$ 30,146,674

7. RECEIVABLE FROM NORTH BAY HYDRO SERVICES INC.

The note receivable from North Bay Hydro Services Inc. bears interest at 5% per year, commencing February 16, 2002, and has no fixed terms of repayment.

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2003	2002
Power	$ 2,390,653	$ 3,253,439
Sundry	3,281,376	2,700,729
Total	$ 5,672,029	$ 5,954,168

9. PAYABLE TO CORPORATION OF THE CITY OF NORTH BAY

The balance payable to the Corporation of the City of North Bay bears interest at 5% per year, and is payable upon twelve month's written notice.

10. EMPLOYEE FUTURE BENEFITS

The Company has a defined benefit life insurance and health care plan covering substantially all unionized employees and most retirees.

Information about the Company's defined benefit life insurance and health care plan is as follows:

	2003	2002
Accrued benefit liability, beginning of year	$ 3,353,026	$ 2,739,045
Expense for the year	798,215	779,474
Benefits paid during the year	(182,042)	(165,493)
	3,969,199	3,353,026
Fair value of plan assets	-	-
Accrued benefit liability, end of year	3,969,199	3,353,026
Unamortized net actuarial loss	2,200,544	2,523,130
Projected accrued benefit obligation, end of year	$ 6,169,743	$ 5,876,156

The terms of the plan were amended during the prior year to provide drug coverage after age 65 for those employees retiring after November 1, 1993 and prior to October 18, 2002, and to eliminate benefits for non-unionized employees retiring subsequent to January 8, 2002. The effect of these amendments was an increase in the accrued benefit obligation of approximately $1,245,000.

The main actuarial assumptions employed for the valuations are as follows:

(a) General Inflation

Future general inflation levels, as measured by changes in the Consumer Price Index ("CPI"), were assumed at 2.2% in 2002 and thereafter.

(b) Interest (Discount) Rate

The obligations at year end, the present value of future liabilities and the expense for the year ended December 31, 2003, were determined using an annual discount rate of 5.5%. The discount rate for 2003 corresponds to the assumed CPI rate plus an assumed real rate of return of 3.3% (2002 - 3.3%).

(c) Salary Levels

Future general salary and wage levels were assumed to increase at 3.5% per annum for the determination of the benefit obligation at December 31, 2003 and December 31, 2002.

10. EMPLOYEE FUTURE BENEFITS (CONTINUED)

(d) Medical Costs

In 2002 and 2003 medical costs were assumed to increase at the CPI rate plus a futher increase of 7.8%. In subsequent years, they are assumed to increase at the CPI rate plus 6.8% in 2004, 5.8% in 2005, 4.8% in 2006 and 3.8% in 2007 and thereafter.

(e) Dental Costs

Dental costs were assumed to increase at the CPI rate plus a further increase of 2.3% in 2002 and thereafter.

11. REGULATORY ASSETS (LIABILITIES)

Regulatory assets (liabilities) comprise of:

	2003	2002
Pre-market opening cost of power variances (net of allowances of $Nil, 2002 - $28,990)	$ 28,990	$ -
Post-market opening retail settlement variances (net of allowances of $Nil, 2002 - $955,832)	(491,954)	-
Carrying charges (net of allowances of $Nil, 2002 - $241,463)	241,463	-
Deferred payment in lieu of tax (net of allowances of $Nil, 2002 - $35,522)	35,522	-
Transition costs (net of allowance $722,314, 2002 - $722,314)	-	-
	$ (185,979)	$ -

Regulatory assets (liabilities) represent costs incurred by the Company for the purpose of supporting the deregulation of the electricity industry in Ontario. These amounts have been accumulated pursuant to regulation underlying the Electricity Act (the "EA") and deferred in anticipation of their future recovery in electricity distribution service charges.

The Company ceased recognizing interest income related to the retail settlement variance accounts as at December 31, 2002 for external reporting purposes. The Company intends to seek recovery of these interest amounts in future rate applications.

Transition costs represent specific incremental costs to the Company for systems and process changes to support the opening of the competitive electricity market in Ontario on May 1, 2002 ("Market Opening"). These costs were deferred pursuant to regulation underlying the EA and are subject to review and approval for recovery by the OEB.

Pre-market opening cost of power variances represent the excess of the cost of the commodity electricity to the Company over the amount billed to its customers prior to Market Opening.

Post-market opening retail settlement variances represent the amounts that have accumulated since Market Opening and comprise variances between amounts charged by the IMO for the operation of the wholesale electricity market and grid, various wholesale market settlement charges and transmission charges and the amounts billed to customers by the Company based on the OEB approved wholesale market service rate.

11. REGULATORY ASSETS (LIABILITIES) (CONTINUED)

In response to volatile and rising electricity prices in 2002, the Province of Ontario (the "Province") enacted *The Electricity Pricing, Conservation and Supply Act, 2002* (the "EPCSA"). Under the EPCSA, the electricity distribution rates charged by the Company were effectively frozen at their then current levels until 2006. The Company was able to apply to the Minister of Energy for rate increases or adjustments prior to 2006. However, it was anticipated that such increases or adjustments would be unlikely to be approved. Further, given the potential for additional legislation that would further limit the collectibility of these regulatory assets, the Company provided an allowance of $1,984,121 against these assets in 2002.

On November 25, 2003, the government of the Province introduced Bill 4, *The Ontario Energy Board Amendment Act, (Electricity pricing) 2003* that allowed local distribution companies to start recovering Regulatory assets in their rates beginning March 1, 2004 over a four year period. The Company has made an application to recover $1,261,807 in post-market opening retail settlement variances and related carrying charges. Accordingly, the allowance provided for in 2002 has been reduced to reflect the collectibility of these assets.

12. SHARE CAPITAL

	2003	2002
Authorized:		
Unlimited Common shares		
Issued:		
1,001 Common shares	$ 19,511,601	$ 19,511,601

13. DISCONTINUED OPERATIONS

On February 16, 2002, the Company disposed of the assets, at their carrying value, and business operations of its sentinel lights, water heater tanks, and fibre optic cable divisions to a newly incorporated related company, North Bay Hydro Services Inc. ("Services"). Services is a wholly-owned subsidiary of the Company's parent company. As consideration for the sale of these assets, the Company received a note receivable in the amount of $1,332,950.

14. CONTINGENT LIABILITIES

a) A class action suit claiming $500 million in restitutionary payments plus interest was served on Toronto Hydro-Electric Commission on November 18, 1998. The action was initiated against Toronto Hydro-Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1981.

The claim is that the payment penalties of 5% on overdue accounts is illegal under Section 347(1)(b) of the Criminal Code.

The Electrical Distributors Association (the "EDA") is undertaking the defense of the class action. At this time it is not possible to quantify the effect, if any on the financial statements of the Company.

b) As security for its power purchase obligations to the IMO, the Company has provided the IMO with an irrevocable letter of credit in the amount of $13,400,000 with an assignment in the amount of $2,000,000, of investments with a value of $2,083,333 (2002 - $2,084,589).

15. RELATED PARTY TRANSACTIONS

The Company provides electricity and services to the principal shareholder of its parent company, the Corporation of the City of North Bay (the "City"). A summary of the amounts charged by the Company to the City is as follows:

	2003	2002
Electrical energy	$ 803,085	$ 807,265
Street light energy	284,652	263,635
Contruction activity	161,220	19,002
Street light maintenance	134,747	78,421

At December 31, 2003, accounts payable and accrued liabilites include $204,370 due to the City (2002 - $256,112) and accounts receivable include $29,193 due from the City (2002 - $75,947).

Electrial energy is sold to the City at the same prices and terms as other electricity customers consuming equivalent amounts of electricity. Streetlight maintenance services are provided at rates determined in relation to other service providers. Other construction services are provided at cost.

The Company provides administrative services to an affilliated company, North Bay Hydro Services Inc. Administrative fees charged for 2003 were $52,324 (2002 - $68,236).

16. DISTRIBUTION REVENUE

	2003	2002
Customer billings for electricity and distribution service charges	57,936,687	28,324,175
Less: Pass through charges billed by the Company		
Electricty charges	(35,390,730)	(16,156,079)
Transmission and miscellaneous charges	(6,155,505)	(2,932,929)
Wholesale market service charges	(3,662,353)	(1,871,241)
Debt retirement charges	(3,825,715)	(1,970,893)
	$ 8,902,384	$ 5,393,033

17. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(a) Fair value

The carrying value of cash and short-term investments, accounts receivable, accounts payable and accrued liabilities, payable to North Bay Hydro Services Inc. and customer deposits approximate their fair value because of the short-term nature of these investments.

(b) Credit risk

Financial assets held by the Company expose it to credit risk. As at December 31, 2003 there were no significant concentrations of credit risk with respect to any class of financial assets. Investments include term deposits and temporary investments. These temporary investments are of a short-term nature with a financial institution with established credit ratings.

The company earns its revenue from a broad base of customers located principally in North Bay. No single customer would account for revenue or an accounts receivable balance in excess of 10% of the respective reported balances.

Appendix 38

2004 Financial Statements

Financial Statements of

NORTH BAY HYDRO DISTRIBUTION LIMITED

Year ended December 31, 2004

KPMG

KPMG LLP
Chartered Accountants
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925 Stockdale Road Suite 300
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Canada

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AUDITORS' REPORT

To the Shareholder of North Bay Hydro Distribution Limited

We have audited the balance sheet of North Bay Hydro Distribution Limited as at December 31, 2004 and the statements of earnings and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP
Chartered Accountants

North Bay, Canada
March 30, 2005

KPMG LLP, a Canadian limited liability partnership is the Canadian member firm of KPMG International, a Swiss cooperative.

North Bay Hydro Distribution Limited
Balance sheet
December 31, 2004 with comparative figures for 2003

		2004		2003
ASSETS				
Current assets				
Cash and short-term investments	$	8,699,710	$	6,116,699
Accounts receivable (note 4)		4,265,442		4,903,939
Unbilled revenue		7,715,915		6,981,362
Prepaid expenses		283,298		223,740
Inventory		594,353		546,236
Note receivable from North Bay Hydro Services Inc. (note 5)		1,332,950		1,332,950
Total current assets		22,891,668		20,104,926
Corporate commercial paper, at cost plus accrued interest (note 6)		2,018,325		2,083,333
Property, plant and equipment (note 7)				
Electrical distribution assets		57,845,572		56,136,163
General assets		7,325,087		8,617,477
		65,170,659		64,753,640
Accumulated depreciation		(35,760,656)		(33,955,527)
		29,410,003		30,798,113
Contributions in aid of construction		(1,541,426)		(1,482,686)
Total property, plant and equipment		27,868,577		29,315,427
Deferred charges		6,361		6,361
Regulatory assets (note 8)		803,133		-
TOTAL ASSETS	$	53,588,064	$	51,510,047
Current liabilities				
Accounts payable and accrued liabilities (note 9)	$	7,221,566	$	5,672,029
Payments in lieu of taxes		204,034		335,954
Payable to North Bay Hydro Services Inc.		483,994		304,358
Current portion of long-term customer deposits		156,112		412,866
Total current liabilities		8,065,706		6,725,207
Long-term liabilities				
Customer deposits		891,844		994,561
Payable to Corporation of the City of North Bay (note 10)		19,511,601		19,511,601
Employee future benefits (note 11)		4,575,276		3,969,199
Total long-term liabilities		24,978,721		24,475,361
Regulatory liabilities (note 8)		-		185,979
Shareholder's equity				
Capital stock (note 12)		19,511,601		19,511,601
Retained earnings		1,032,036		611,899
Total shareholder's equity		20,543,637		20,123,500
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY	$	53,588,064	$	51,510,047

Contingent Liabilities (note 13)

See accompanying notes to financial statements

On behalf of the board:

_____ Director

_____ Director

North Bay Hydro Distribution Limited
Statement Of Earnings and Retained Earnings
Year ended December 31, 2004, with comparative figures for 2003

	2004	2003
Revenue		
Distribution revenue (note 15)	$ 8,447,081	$ 8,902,384
Other operating revenue	1,303,716	1,092,838
	9,750,797	9,995,222
Operating expenses		
Operations	1,875,275	1,585,424
Finance	1,365,114	1,416,611
Engineering	936,382	1,068,942
Human Resources	463,781	450,888
Administration	374,995	476,355
Depreciation and amortization	2,003,607	2,099,875
	7,019,154	7,098,095
Operating Income	2,731,643	2,897,127
Interest	1,051,205	1,014,424
Capital tax	147,000	91,000
Property taxes	104,704	131,313
Income before other items and payment in lieu of taxes	1,428,734	1,660,390
Other items		
Provision for recovery of regulatory assets	-	(1,020,344)
Loss on disposal of land and building	144,597	-
Income before payment in lieu of taxes	1,284,137	2,680,734
Payment in lieu of taxes	864,000	399,209
Net income for the year	$ 420,137	$ 2,281,525
Retained earnings (deficit), beginning of the year	611,899	(1,669,626)
Net income for the year	420,137	2,281,525
Retained earnings, end of the eyar	$ 1,032,036	$ 611,899

See accompanying notes to financial statements

North Bay Hydro Distribution Limited
Statement of Cash Flows
Year ended December 31, 2004, with comparative figures for 2003

	2004	2003
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net income for the year	$ 420,137	$ 2,281,525
Adjustments for:		
Items not involving cash:		
Depreciation and amortization (net of amortization of contributions in aid of construction)	2,003,607	2,099,875
Net loss on sale of property, plant and equipment	135,485	-
Provision for recovery of regulatory assets	-	(1,020,344)
Accrual for employee future benefits	864,870	798,215
Change in non-cash operating working capital:		
Accounts receivable	638,497	152,668
Unbilled revenue	(734,553)	(651,929)
Prepaid expenses	(59,558)	(31,565)
Inventory	(48,117)	(37,070)
Accounts payable and accrued liabilities	1,549,538	(282,139)
Payments in lieu of taxes	(131,920)	335,954
Payable to North Bay Hydro Services Inc.	179,636	134,591
Cash provided by operating activities	4,817,622	3,779,781
INVESTING ACTIVITIES		
Decrease in corporate commercial paper	65,008	1,256
Purchase of property, plant and equipment	(1,839,271)	(1,540,966)
Proceeds on sale of property, plant and equipment	1,016,102	16,350
Cash used in investment activities	(758,161)	(1,523,360)
FINANCING ACTIVITIES		
Contributions received in aid of construction	130,926	255,988
Increase (decrease) in customer deposits	(359,471)	100,077
Decrease (increase) in regulatory assets/liabilities	(989,112)	1,206,323
Principal reduction of employee future benefits liability	(258,793)	(182,042)
Cash provided by financing activities	(1,476,450)	1,380,346
Net increase in cash and short-term investments	2,583,011	3,636,767
Cash and short term investments, beginning of year	6,116,699	2,479,932
Cash and short term investments, end of year	$ 8,699,710	$ 6,116,699

Cash and short term investments excludes corporate commercial paper.

See accompanying notes to financial statements.

1. GENERAL

The Company is incorporated under the laws of Ontario and its principal business activity is to supply electricity to the residents of the City of North Bay.

2. INDUSTRY RESTRUCTURING

The Ontario government enacted the Energy Competition Act, 1998 to introduce competition to the Ontario Energy Market effective May 1, 2002. Under the terms of this legislation, the Ontario Energy Board (the "OEB") regulates the industry participants by issuing licenses for the right to generate, transmit, distribute or retail electricity. These licenses require compliance with established market rules.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and policies as set forth in the Accounting Procedures Manual issued by the Ontario Energy Board under the authority of the Ontario Energy Board Act, 1998.

Revenue recognition

Distribution revenue is comprised of customer billings for distribution services charges. Customer billings for distribution service charges are recorded on the basis of regular meter readings and estimates of customer usage since the last meter reading date to the end of the fiscal year.
Revenue is recognized in the period of energy consumption.

Short term investments

Short term investments are valued at the lower of cost and net realizable value.

Inventory

Inventory is valued at the lower of cost, determined by the weighted average method, and replacement cost.

Pension plans

The Company makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of all full-time members of its staff. The plan is a defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on their length of service and rates of pay. The contribution to OMERS for 2004 was $122,016 (2003-$43,057).

Property, plant and equipment

Property, plant and equipment are stated at cost and include direct material, labour and overhead costs that are considered applicable to construction. Depreciation is calculated on a straight-line basis over the following number of years:

Buildings	30 - 50 years
Substation equipment	30 years
Distribution system	25 years
Rolling stock:	
Automobiles	4 years
Service vehicles	5 years
Line vehicles	8 years
Computer software and hardware	5 years
Water heater contol equipment	6 - 10 years
System control equipment	15 years
Office equipment and tools	10 - 15 years

The cost and accumulated depreciation of assets disposed of are relieved from the respective accounts and any gain or loss is reflected in operations.

Contributions in aid of construction

Contributions in aid of construction are treated as a reduction of capital spending and are amortized at the same rates as the assets to which they relate.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Employee future benefits

The Company accrues its obligations under employee benefit plans as the employees render the services necessary to earn employee future benefits.

The Company has adopted the following policies:

The cost of retirement benefits earned by employees is actuarially determined using the projected benefit method pro rated on service and management's best estimate of expected plan performance, salary escalation, retirement ages and expected health care costs.

For the purpose of calculating expected return on plan assets, those assets are valued at fair value.

Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of the amendment.

The Company uses the corridor method to amortize actuarial gains or losses (such as changes in actuarial assumptions and experience gains and losses). Under the corridor method, amortization is recorded only if the accumulated net actuarial gains or losses exceed 10% of the greater of the accrued benefit obligation and the value of the plan assets.

When a restructuring of a benefit plan gives rise to both a curtailment and a settlement of obligations, the curtailment is accounted for prior to the settlement.

Payments in lieu of taxes

Under the Electricity Act, 1998, the Company is required to make payments in lieu of corporate income taxes to the Ontario Electric Financial Corporation ("OEFC"), commencing October 1, 2001. These payments are calculated in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Corporations Tax Act (Ontario) as modified by the Electricity Act, 1998, and related regulations.

The Company provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax bases of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be included in the rates approved by the OEB and recovered from the customers of the Company at that time.

As at December 31, 2004, future tax assets and related payments in lieu of tax recoveries, have not been recorded in the amount of $7,031,000 (2003 - $6,830,000) and $201,000 (2003 - $251,000) respectively.

The temporary differences that give rise to significant portions of the unrecorded future tax assets at December 31, 2004 and 2003 are presented below:

	2004	2003
Property, plant and equipment - differences in net book value and undepreciated capital cost	$ 14,890,622	$ 14,681,637
Employee future benefits accrual deductible for accounting but not tax purposes	4,575,276	3,969,199
	$ 19,465,898	$ 18,650,836

Measurement uncertainty

The preparation of the financial statements in conformity with accounting principles as described above requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates including changes as a result of future regulatory decisions.

Accounts receivable, unbilled revenue, regulatory assets and liabilities are stated after evaluation of amounts expected to be collected and an appropriate allowance for doubtful accounts. Amounts recorded for depreciation and amortization of property, plant and equipment are based on estimates of useful service life.

4. ACCOUNTS RECEIVABLE

	2004	2003
Electrical Energy	$ 4,021,291	$ 4,469,198
Street Lighting	44,041	29,193
Sundry	349,074	505,305
	4,414,406	5,003,696
Allowance for doubtful accounts	(148,964)	(99,757)
Total	$ 4,265,442	$ 4,903,939

5. RECEIVABLE FROM NORTH BAY HYDRO SERVICES INC.

The note receivable from North Bay Hydro Services Inc. bears interest at 5% per year, and has no fixed terms of repayment.

6. INVESTMENTS SUBJECT TO RESTRICTIONS

As security for the letter of credit provided to the Independent Electricity System Operator (the "IESO") to secure its hydro purchase obligations (see note 13(b), the Company has provided TD Canada Trust with an assignment, in the amount of $2,000,000, of investments with a value of $2,018,325 (2003 $2,083,333).

7. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated depreciation	2004 Net book value	2003 Net book value
Electrical distribution assets				
Land	311,179		311,179	311,179
Buildings	767,946	212,676	555,270	568,725
Substation equipment	6,387,702	2,403,707	3,983,995	4,088,931
Poles, towers and fixtures	13,259,890	7,482,021	5,777,869	5,881,073
Overhead conductor and devices	10,233,940	5,553,562	4,680,378	4,574,090
Underground conduit and conductor	5,498,878	2,944,790	2,554,088	2,612,449
Distribution transformers	11,106,695	6,222,096	4,884,599	4,975,128
Services	7,197,926	3,347,133	3,850,793	3,645,886
Distribution meters	3,081,416	1,894,455	1,186,961	1,166,369
Total electrical distribution assets	57,845,572	30,060,440	27,785,132	27,823,830
General assets				
Land	86,551		86,551	86,551
Buildings	1,438,061	757,549	680,512	735,767
Office equipment	269,316	241,492	27,824	24,738
Computer equipment	1,130,778	1,049,581	81,197	100,381
Transportation equipment	1,855,542	1,654,843	200,699	243,226
Small tools and miscellaneous equipment	1,034,132	910,368	123,764	121,751
Load management controls	569,082	565,401	3,681	16,833
System supervisory equipment	941,625	520,982	420,643	483,425
Total general assets	7,325,087	5,700,216	1,624,871	1,812,672
Assets held for sale				
Land	-	-	-	96,954
Building	-	-	-	1,064,657
Total assets held for sale	-	-	-	1,161,611
	65,170,659	35,760,656	29,410,003	30,798,113
Contributions in aid of construction	1,801,621	260,195	1,541,426	1,482,686
Total	$ 63,369,038	$ 35,500,461	$ 27,868,577	$ 29,315,427

8. REGULATORY ASSETS AND LIABILITIES

Regulatory assets and liabilities are comprised of:

	2004	2003
Pre-market opening cost of power variances	28,990	28,990
Post-market opening retail settlement variances	8,771	(491,954)
Carrying charges	664,501	241,463
Deferred payments in lieu of taxes	100,871	35,522
	$ 803,133	$ (185,979)

Regulatory assets and liabilities represent costs incurred by the Company for the purpose of supporting the deregulation of the electricity industry in Ontario. These amounts have been accumulated pursuant to regulation underlying the Electricity Act (the "EA") and deferred in anticipation of their future recovery or repayment, respectively in electricity distribution service charges.

The Company did not recognize carrying charge income related to the retail settlement variance accounts for external reporting purposes in 2003. The Company applied for and received approval to recover carrying charges earned in 2003 and prior in its 2004 and 2005 rate applications. The Company also intends to seek recovery of carrying charge income earned in 2004 in future rate applications and, as a result, has recorded carrying charge income in the amount of $423,038 in 2004.

Pre-market opening cost of power variances represent the excess of the cost of the commodity electricity to the Company over the amount billed to its customers prior to Market Opening.

Post-market opening retail settlement variances represent the amounts that have accumulated since Market Opening and comprise variances between amounts charged by the IESO for the operation of the wholesale electricity market and grid, various wholesale market settlement charges and transmission charges and the amounts billed to customers by the Company based on the OEB approved wholesale market service rate.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2004	2003
Power	$ 4,736,042	$ 2,390,653
Sundry	2,485,524	3,281,376
Total	$ 7,221,566	$ 5,672,029

10. PAYABLE TO CORPORATION OF THE CITY OF NORTH BAY

The balance payable to the Corporation of the City of North Bay bears interest at 5% per year, and is payable upon twelve month's written notice.

11. EMPLOYEE FUTURE BENEFITS

The Company has a defined benefit life insurance and health care plan covering substantially all unionized employees and most retirees.

Information about the Company's defined benefit life insurance and health care plan is as follows:

		2004		2003
Accrued benefit liability, beginning of year	$	3,969,199	$	3,353,026
Expense for the year		864,870		798,215
Benefits paid during the year		(258,793)		(182,042)
		4,575,276		3,969,199
Fair value of plan assets		-		-
Accrued benefit liability, end of year		4,575,276		3,969,199
Unamortized net actuarial loss		2,084,741		2,200,544
Projected accrued benefit obligation, end of year	$	6,660,017	$	6,169,743

The unamortized net actuarial loss includes unamortized past service costs of $711,296 at December 31, 2004 ($889,120 - 2003).

The main actuarial assumptions employed for the valuations are as follows:

(A) General Inflation

Future general inflation levels, as measured by changes in the Consumer Price Index ("CPI"), were assumed at 2.2% in 2003 and thereafter.

(B) Interest (Discount) Rate

The obligation at year end, the present value of future liabilities and the expense for the year, were determined using a discount rate of 5.5%. The discount rate for 2004 corresponds to the assumed CPI rate plus an assumed real rate of return of 3.3% (2003 3.3%).

(C) Salary Levels

Future general salary and wage levels were assumed to increase at 3.5%.

(D) Medical Costs

Medical costs were assumed to increase 19% in 2004, 2.68% in 2005, 7.0% in 2006, 6.0% in 2007 and 5.0% thereafter.

(E) Dental Costs

Dental costs were assumed to increase at 3.8% in 2004, 5.9% in 2005 and 4.5% thereafter.

12. SHARE CAPITAL

		2004		2003
Authorized:				
Unlimited Common shares				
Issued:				
1,001 Common shares	$	19,511,601	$	19,511,601

13. CONTINGENT LIABILITIES

(A) A class action suit claiming $500 million in restitutionary payments plus interest was served on Toronto Hydro-Electric Commission on November 18, 1998. The action was initiated against Toronto Hydro-Electric Commission as the representative of the Defendant Class consisting of all muncipal electric utilities in Ontario which have charged late payments charges on overdue utility bills at any time after April 1981.

The claim is that the payment penalties of 5% on overdue accounts is illegal under Section 347(1)(b) of the Criminal Code.

The action has not yet been certified as either a plaintiff or defendant class action. At this time it is not possible to quantify the effect, if any on the financial statements of the Company.

(B) The Company has provided the IESO with a letter of credit in the amount of $3,400,000 to secure its power purchase obligations. The Company has provided TD Canada Trust with an assignment in the amount of $2,000,000, of investments with a value of $2,018,325 (2003 - $2,083,333) as security for this obligation (see note 6).

14. RELATED PARTY TRANSACTIONS

The Company provides electricity and services to the principal shareholder of its parent company, the Corporation of the City of North Bay (the "City"). A summary of the amounts charged by the Company to the City is as follows:

		2004		2003
Electrical energy	$	947,317	$	803,085
Street light energy		318,003		284,652
Contruction activity		23,624		161,220
Street light maintenance		82,671		134,747

At December 31, 2004, accounts payable and accrued liabilites include $12,759 due to the City (2003 - $204,370) and accounts receivable include $145,047 due from the City (2003 - $29,193).

Electrial energy is sold to the City at the same prices and terms as other electricity customers consuming equivalent amounts of electricity. Streetlight maintenance services are provided at rates determined in relation to other service providers. Other construction services are provided at cost.

The Company provides administrative services to an affilliated company, North Bay Hydro Services Inc.("Services"). Administrative fees charged for 2004 were $ 55,003 (2003 - $52,324).

15. DISTRIBUTION REVENUE

		2004		2003
Customer billings for electricity and distribution service charges	$	52,564,812	$	57,936,687
Less: Pass through charges billed by the Company				
Electricty charges		(30,422,368)		(35,390,730)
Transmission and miscellaneous charges		(6,007,509)		(6,155,505)
Wholesale market service charges		(3,041,749)		(3,662,353)
Debt retirement charges		(4,327,049)		(3,825,715)
Less: Regulatory asset recovery		(319,056)		-
Distribution revenue	$	8,447,081	$	8,902,384

16. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(A) Fair value

The carrying value of cash and short term investments, accounts receivable, corporate commercial paper, accounts payable and accrued liabilities, payable to Services and customer deposits approximate their fair value because of the short-term nature of these amounts.

It is management's estimate that the fair value of the Company's regulatory assets, regulatory liabilities and long term payable to the Corporation of the City of North Bay, are not materially different from their carrying value based on current rates for instruments with similar terms and maturities.

(B) Credit risk

Financial assets held by the Company expose it to credit risk. As at December 31, 2004 there were no significant concentrations of credit risk with respect to any class of financial assets. Investments include term deposits and temporary investments.These investments are of a short-term nature with a financial institution with established credit ratings.

The Company earns its revenue from a broad base of customers located principally in North Bay. No single customer would account for revenue or an accounts receivable balance in excess of 10% of the respective reported balances.

17. SUPPLEMENTAL CASH FLOW INFORMATION

	2004	2003
Cash paid during the year for:		
Interest	$ 1,019,909	$ 742,320
Payments in lieu of taxes	1,157,895	163,952
Cash received during the year for:		
Interest	214,238	190,331

18. COMPARATIVE FIGURES

Certain of the 2003 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2004.

Appendix 39

2005 Financial Statements



Driving growth

North Bay Hydro Distribution Limited

Financial Statements

For the year ended December 31, 2005

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North Bay Hydro Distribution Limited
Financial Statements
For the year ended December 31, 2005

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Auditors' Report

To the Shareholder of North Bay Hydro Distribution Limited

We have audited the balance sheet of North Bay Hydro Distribution Limited as at December 31, 2005 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody LLP
Chartered Accountants

North Bay, Ontario
March 28, 2006

BDO Dunwoody LLP *is a Limited Liability Partnership registered in Ontario*

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North Bay Hydro Distribution Limited
Balance Sheet

December 31	2005	2004 (Note 14)
Assets		
Current		
Cash and cash equivalents (Note 1)	$ 8,568,329	$ 8,718,035
Accounts receivable (Note 2)	3,988,109	4,265,442
Unbilled service revenue	8,176,930	7,715,915
Inventory	668,324	594,353
Prepaid expenses	202,486	283,298
Payments in lieu of taxes receivable	896,685	-
	22,500,863	21,577,043
Restricted cash and cash equivalents (Notes 1 and 3)	2,000,000	2,000,000
Note receivable from North Bay Hydro Services Inc (Note 4)	1,332,950	1,332,950
Property, plant and equipment (Note 5)	28,001,273	27,868,577
Other assets	6,361	6,361
Regulatory assets (Note 8)	3,904,351	803,133
	$ 57,745,798	$ 53,588,064
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities (Note 10)	$ 8,644,383	$ 7,221,566
Payments in lieu of taxes payable	-	204,034
Current portion of customer deposits	133,216	156,112
Payable to North Bay Hydro Services Inc	121,548	483,994
	8,899,147	8,065,706
Customer deposits	910,289	891,844
Employee future benefits (Note 12)	3,787,639	4,575,276
Payable to Corporation of the City of North Bay (Note 11)	19,511,601	19,511,601
	33,108,676	33,044,427
Contingencies (Note 14)		
Shareholder's equity		
Share capital (Note 7)	19,511,601	19,511,601
Retained earnings	5,125,521	1,032,036
	24,637,122	20,543,637
	$ 57,745,798	$ 53,588,064

On behalf of the Board:

Director

Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

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Driving growth

North Bay Hydro Distribution Limited
Statement of Operations and Retained Earnings

For the year ended December 31	2005	2004 (Note 14)
Revenue		
Distribution revenue (Note 15)	$ 10,149,515	$ 8,447,081
Other operating revenue	1,519,058	1,303,716
	11,668,573	9,750,797
Expenses		
Operations	1,785,278	1,875,275
Finance	1,143,285	1,365,114
Engineering	623,028	936,382
Human Resources	492,476	463,781
Administration	629,170	374,995
Amortization	2,141,531	2,003,607
	6,814,768	7,019,154
Income before items below	4,853,805	2,731,643
Interest expense	1,014,804	1,051,205
Capital tax expense	111,805	147,000
Property tax expense	78,516	104,704
Income before other items and payment in lieu of taxes	3,648,680	1,428,734
Other items		
Adjustment to allowance for recovery of regulatory assets	397,808	-
Gain (loss) on disposal of property, plant and equipment	31,000	(144,597)
Income before provision for payment in lieu of taxes	4,077,488	1,284,137
Provision for payment in lieu of taxes (Note 17)	(15,997)	864,000
Net income for the year	4,093,485	420,137
Retained earnings, beginning of year	1,032,036	611,899
Retained earnings, end of year	$ 5,125,521	$ 1,032,036

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

BDO

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North Bay Hydro Distribution Limited
Statement of Cash Flows

For the year ended December 31	2005	2004 (Note 14)
Cash provided by (used in)		
Operating activities		
Net income for the year	**$ 4,093,485**	$ 420,137
Items not involving cash		
Amortization of property, plant and equipment (net of amortization of contributions in aid of construction)	**2,141,531**	2,003,607
(Gain) loss on sale of property, plant and equipment	**(31,000)**	135,485
Accrual for employee future benefits	**239,697**	864,870
	6,443,713	3,424,099
Net change in non-cash working capital balances (Note 19)	**(217,183)**	1,393,523
	6,226,530	4,817,622
Investing activities		
Purchase of property, plant and equipment	**(2,657,108)**	(1,839,271)
Proceeds on sale of property, plant and equipment	**31,000**	1,016,102
	(2,626,108)	(823,169)
Financing activities		
Contributions received in aid of construction	**382,880**	130,926
Decrease in customer deposits	**(4,451)**	(359,471)
Increase in regulatory assets/liabilities	**(3,101,222)**	(989,112)
Principal reduction of employee future benefits liability	**(1,027,335)**	(258,793)
	(3,750,128)	(1,476,450)
(Decrease) increase in cash and cash equivalents during the year	**(149,706)**	2,518,003
Cash and cash equivalents, beginning of year	**10,718,035**	8,200,032
Cash and cash equivalents, end of year	**$ 10,568,329**	$ 10,718,035
Represented by		
Cash and cash equivalents (Note 1)	**$ 8,568,329**	$ 8,718,035
Restricted cash and cash equivalents (Notes 1 and 3)	**2,000,000**	2,000,000
	$ 10,568,329	$ 10,718,035

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

BDO

Driving growth

North Bay Hydro Distribution Limited
Summary of Significant Accounting Policies

December 31, 2005

Nature of Business

The company is incorporated under the laws of Ontario and its principal business activity is to supply electricity to the residents of the City of North Bay.

Basis of accounting

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and policies as set forth in the Accounting Procedures Manual issued by the Ontario Energy Board under the authority of the Ontario Energy Board Act, 1998.

Industry Restructuring

The Ontario government enacted the Energy Competition Act, 1998 to introduce competition to the Ontario Energy Market effective May 1, 2002. Under the terms of this legislation, the Ontario Energy Board (the "OEB") regulates the industry participants by issuing licenses for the right to generate, transmit, distribute or retail electricity. These licences require compliance with established market rules.

Financial Instruments

The company's financial instruments consist of cash, accounts receivable, short-term investments, accounts payable and amounts due to (from) related parties. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted with the exception of related party loans, the fair value of which is not determinable.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, bank balances and investments with maturities of three months or less. Investments are value at the lower of cost and net realizable value.

Inventory

Inventory is valued at the lower of cost, determined by the weighted average method, and replacement cost.

North Bay Hydro Distribution Limited
Summary of Significant Accounting Policies

December 31, 2005

Property, Plant and Equipment

Property, plant and equipment are stated at cost and include direct material, labour and overhead costs that are considered applicable to construction.

Amortization is recorded over the asset's estimated useful life as disclosed in Note 5.

The cost and accumulated amortization of assets disposed of are relieved from the respective accounts and any gain or loss is reflected in operations.

Contributions In Aid of Construction

Contributions in aid of construction are treated as a reduction of capital spending and are amortized at the same rates as the assets to which they relate.

Corporate Income and Capital Taxes

Under the Electricity Act, 1998, the corporation is required to make payments in lieu of corporate income taxes to Ontario Electricity Financial Corporation ("OEFC"), commencing October 1, 2001. These payments are calculated in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Corporation Tax Act (Ontario) as modified by the Electricity Act, 1998, and related regulations.

The corporation provides for payments in lieu of corporate income taxes using the taxes payable method. Under this method, no provisions are made for future income taxes as a result of temporary differences between the tax bases of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be included in the rates approved by the OEB and recovered from customers at that time.

Customer Deposits

Customer deposits are cash collections from customers to guarantee the payment of energy bills. Customer deposits includes interest credited to customers' deposit accounts, with interest expense recorded to offset this amount. Deposits expected to be refunded to customers within the next fiscal year are classified as a current liability.

North Bay Hydro Distribution Limited
Summary of Significant Accounting Policies

December 31, 2005

Pension Plans

The company accounts for its participation in the Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer public sector pension fund, as a defined contribution plan. Both participating employers and employees are required to make plan contributions based on participating employees' contributory earnings. The company recognizes the expense related to this plan as contributions are made.

Post-employment Benefits

Employee future benefits other than pension provided by the corporation include medical and insurance benefits. These benefit plans provide benefits to certain employees when they are no longer providing active service.

Standards issued by The Canadian Institute of Chartered Accountants with respect to accounting for employee future benefits require the corporation to accrue for its obligations under other employee benefit plans and related costs, net of plan assets.

The cost of post employment benefits offered to employees are actuarially determined using the projected benefit method, prorated on service and based on assumptions that reflect management's best estimate. Under this method, the projected post retirement benefit is deemed to be earned on pro rata basis over the years of service in the attribution period commencing at date of hire, and ending at the earliest age the employee could retire and qualify for benefits.

Past service costs from plan amendments are amortized on a straight line basis over the average remaining service period of the employees active at the date of the amendment.

The excess of the net actuarial gains (losses) over 10% of the accrued benefit obligation are amortized into expense on a straight line basis over the average remaining service period of active employees to full eligibility.

Revenue Recognition

Distribution revenue is comprised of customer billings for distribution service charges. Customer billings for distribution service charges are recorded on the basis of regular meter readings and estimates of customer usage since the last meter reading date to the end of the fiscal year.

North Bay Hydro Distribution Limited
Summary of Significant Accounting Policies

December 31, 2005

Measurement Uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Accounts receivable, unbilled revenue and regulatory assets are reported based on amounts expected to be recovered which reflect an appropriate allowance for unrecoverable amounts. Due to inherent uncertainty involved in making such estimates, actual results could differ from those estimates, including changes as a result of future decisions made by the OEB or the Minister of Energy. The financial statements have, in management's opinion, been properly prepared using careful judgment within reasonable limits of materiality and within the framework of the accounting policies.

North Bay Hydro Distribution Limited
Notes to Financial Statements

December 31, 2005

1. Cash and Cash Equivalents

Cash and cash equivalents and restricted cash and cash equivalents includes $7,011,757 (2004 - $8,809,412) in short-term investments with maturities of less than 90 days. These amounts are investments in fixed income assets bearing interest at effective rates between 2 and 3% per annum.

The company maintains cash and cash equivalents with it's financial institution in excess of federally insured limits and is therefore exposed to the credit risk from this concentration of cash and cash equivalents.

2. Accounts Receivable

	2005	2004
Electrical energy	$ 3,396,063	$ 4,021,291
Street lighting	74,841	44,041
Sundry	704,939	349,074
Allowance for doubtful accounts	(187,734)	(148,964)
	$ 3,988,109	$ 4,265,442

3. Investment Subject to Restrictions

As security for the letter of credit provided to the Independent Electricity System Operation ("IESO") to secure its hydro purchase obligations (see note 14b.), the company has provided it's financial institution with an assignment in the amount of $2,000,000 of it's short-term investments.

4. Note Receivable from North Bay Hydro Services Inc.

The note receivable from North Bay Hydro Services Inc. bears interest at 5% per year, and has no fixed terms of repayment.

North Bay Hydro Distribution Limited
Notes to Financial Statements

December 31, 2005

5. Property, Plant and Equipment

	Estimated useful life (yrs)	2005 Cost	2005 Accumulated Amortization	2004 Cost	2004 Accumulated Amortization
Electrical Distribution Assets					
Land		$ 311,179	$ -	$ 311,179	$ -
Buildings	30-50	767,946	226,131	767,946	212,676
Substation equipment	25-30	6,554,284	2,606,464	6,387,702	2,403,707
Poles, towers and fixtures	25	13,724,216	7,912,853	13,259,890	7,482,021
Overhead conductor and devices	25	10,712,854	5,895,480	10,233,940	5,553,562
Underground conduit and conductor	25	5,611,803	3,147,692	5,498,878	2,944,790
Distribution transformers	25	11,348,763	6,542,577	11,106,695	6,222,096
Overhead and underground services	25	7,697,383	3,621,885	7,197,926	3,347,133
Distribution meters	25	3,324,507	1,987,819	3,081,416	1,894,455
Total electrical distribution assets		60,052,935	31,940,901	57,845,572	30,060,440
General Assets					
Land		86,551	-	86,551	-
Buildings	30-50	1,445,292	815,161	1,438,061	757,549
Office equipment	10	271,043	250,747	269,316	241,492
Computer equipment	5	1,266,189	1,108,801	1,130,778	1,049,581
Transportation equipment	5-8	1,701,192	1,391,873	1,855,542	1,654,843
Small tools and miscellaneous equipment	10	1,062,235	936,692	1,034,132	910,368
Load management controls	6	581,947	565,401	569,082	565,401
System supervisory equipment	15	965,500	584,800	941,625	520,982
Total general assets		7,379,949	5,653,475	7,325,087	5,700,216
		67,432,884	37,594,376	65,170,659	35,760,656
Less: Contributions in aid of construction	25	2,184,501	347,266	1,801,621	260,195
		$ 65,248,383	$ 37,247,110	$ 63,369,038	$ 35,500,461
Net book value			$ 28,001,273		$ 27,868,577

6. Related Party Transactions

The company provides electricity and services to the principal shareholder of its parent company, the Corporation of the City of North Bay (the "City"). A summary of the amounts charged by the company to the City is as follows:

	2005	2004
Electrical energy	$ **952,728**	$ 947,317
Street light energy	**321,911**	318,003
Construction activity	**30,198**	23,624
Street light maintenance	**142,941**	82,671

At December 31, 2005, accounts payable and accrued liabilities include $70,594 due to the City (2004 - $12,759) and accounts receivable include $130,332 due from the City (2004 - $145,047). The company purchased goods and services from the City totaling $141,177 in 2005.

Electrical energy is sold to the City at the same prices and terms as other electricity customers consuming equivalent amounts of electricity. Streetlight maintenance services are provided at rates determined in relation to other service providers. Other construction services are provided at cost.

The company provides administrative services to an affiliated company, North Bay Hydro Services Inc. ("Services"). Administrative fees charged for 2005 were $53,762 (2004 - $55,003). In 2005 the corporation accrued $99,151 for the rental of fibre optic cable for the years 2002 through 2005. Thereafter annual fibre rental rates are $25,315. Pursuant to the OEB's decision and order with respect to joint use pole attachment rates the corporation accrued for joint use pole rental revenue from "Services" in the amount of $72,732 for the years 2002 through 2005. Thereafter annual joint use pole rental revenue will be accrued at a rate of $22.35 per attachment.

7. Share Capital

Authorized:

Unlimited Common shares

The issued share capital is as follows:

	2005	2004
1,001 Common shares	**$ 19,511,601**	$ 19,511,601

8. Regulatory Assets

The Corporation is subject to rate regulation on the sale of electricity to its consumers. Rates are set by the Ontario Energy Board (OEB) on an annual basis for the May 1 to April 30 period. The OEB is responsible for regulating transmission and distribution rates of electricity in the province of Ontario. The regulation and monitoring of Ontario's Energy Sector is completed by the OEB through the application of codes, rules and guidelines, the licensing of market participants, assisting firms with the management of regulatory requirements, monitoring and enforcing compliance and adjudication.

Regulatory assets represent costs incurred by the company for the purpose of supporting the deregulation of the electricity industry in Ontario. Regulatory assets represent future revenues associated with certain costs, incurred in the current period or in prior periods, that are expected to be recovered from customers in future periods through the rate-setting process. These amounts have been accumulated pursuant to regulation underlying the Electricity Act (the "EA") and deferred in anticipation of their future recovery in electricity distribution service charges. In the absence of rate regulation, the assets outlined below would be recognized in income in the period to which they relate. As a result, the net effect on income would be a reduction to net income for the period of $2,703,410 (2004 - $1,200,941).

All amounts deferred as regulatory assets are subject to approval by the OEB. As such, amounts subject to deferral could be altered by the regulators, at which time any resulting change would be reflected in the financial statements. Remaining recovery periods are those expected and the actual recovery or settlement periods could differ based on OEB approval. Due to previous, existing or expected future regulatory articles or decisions, the corporation has recorded the following amounts expected to be recovered by customers in future periods and as such regulatory assets are comprised of:

	Remaining recovery period (years)	2005	2004
Post-market opening retail settlement variances (i)	2-4	$ **2,125,564**	$ 308,107
Carrying charges (net of allowances of $Nil - 2004 - $397,808) (ii)	2-4	**1,571,888**	664,501
Deferred payments in lieu of taxes (iii)	2-4	**225,281**	100,871
Other regulatory assets (iv)	2-4	**217,835**	19,720
Retailer cost variances (v)	2-4	**33,815**	-
Pre-market opening cost of power variances (vi)	2	**28,990**	28,990
Regulatory asset recoveries (vii)		**(299,022)**	(319,056)
		$ **3,904,351**	$ 803,133

8. **Regulatory Assets** (continued)

i. Post-market opening retail settlement variances

Post-market opening retail settlement variances represent the amounts that have accumulated since Market Opening and comprise of variances between amounts charged by the Independent Electric Service Organization (IESO) for the operation of the wholesale electricity market and grid, various wholesale market settlement charges and transmission charges and the amounts billed to customers by the company based on the OEB approved wholesale market service rate.

ii. Carrying charges

Carrying charges are calculated monthly on the opening balance of the applicable variance account using a specific interest rate as outlined by the OEB. The company did not recognize carrying charge income related to the retail settlement variance accounts for external reporting purposes prior to December 31, 2003. The company applied for and received approval to recover carrying charges earned in 2003 and prior in its 2004 and 2005 rate applications. The company also intends to seek recovery of carrying charge income earned in 2004 and 2005 in future rate applications and, as a result, has recorded carrying charge income in the amount of $410,307 in 2005 ($423,038 in 2004).

iii. Deferred payments in lieu of taxes (PILs)

Deferred payments in lieu of taxes variance account tracks and records the variances that result from the differences between the OEB approved PILs amount and the amount of actual billings that relates to the recovery of PILs.

iv. Other regulatory assets

Other regulatory assets consist of OEB assessment differences and pension contribution amounts. In 2004 the OEB authorized entities to record the variance between the OEB annual cost assessment fees previously captured in 2001 rates and amounts charged in 2004 and subsequent years. Pension contribution amounts consist of cash pension costs associated with the OMERS pension plan for the 2005 year.

v. Retail cost variances

Retail cost variances were established to record the difference between the amount billed and the incremental costs of providing retail services and to record the difference between the amount billed in relation to a service transaction request and the incremental costs of providing the initial screening and actual processing services for the service transaction request.

8. **Regulatory Assets** (continued)

vi. Pre-market opening cost of power variances

Pre-market opening cost of power variances represent the excess of the cost of the commodity electricity to the company over the amount billed to its customers prior to Market Opening.

vii. Regulatory asset recoveries

Regulatory asset recoveries includes accounts to track information relating to wholesale market service charges, non-recurring wholesale market service charges, retail transmission network service charges and retail transmission connection service charges. These accounts detail the net difference between the amount paid in the month to the Independent Electricity System Operator (IESO) and the amount billed to customers for these particular charges.

For certain of the regulatory items identified above, the expected recovery or settlement period, or likelihood of recovery or settlement, is affected by risks and uncertainties relating to the ultimate authority of the regulator in determining the item's treatment for rate-setting purposes.

As prescribed by a regulatory article, income tax expense is recovered through customer rates based on the taxes payable method. Therefore, rates do not include the recovery of future income taxes related to temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. The corporation has not recognized future income taxes, as it is expected that when these amounts become payable, they will be recovered through future rate revenues. Generally accepted accounting principles require the recognition of future income tax assets and future income tax liabilities in the absence of rate regulation.

9. **Credit Facility**

The company has an authorized line of credit under a credit facility agreement with a Canadian chartered bank. The maximum draw permitted under this agreement is $1,000,000. At year end $NIL (2004 - $NIL) was used of this amount.

North Bay Hydro Distribution Limited
Notes to Financial Statements

December 31, 2005

10. Account Payable and Accrued Liabilities

	2005	2004
Power	$ 5,380,605	$ 4,736,041
Trade payables and accruals	2,110,020	1,494,793
Customer credit balances	825,033	1,003,180
Ontario price credit rebates	551,920	-
Net fixed price adjustment	(223,195)	(12,448)
	$ 8,644,383	$ 7,221,566

11. Payable to Corporation of the City of North Bay

The balance payable to the Corporation of the City of North Bay bears interest at 5% per year, and is payable upon twelve month's written notice.

12. Employee Future Benefits

The company has a defined benefit life insurance and health care plan covering substantially all unionized employees and most retirees. Information about the company's defined benefit life insurance and health care plan is as follows:

	2005	2004
Prepaid benefit liability, beginning of year	$ 4,575,276	$ 3,969,199
Expense for the year	239,697	864,870
Benefits paid during the year	(1,027,334)	(258,793)
Prepaid benefit liability, end of year	$ 3,787,639	$ 4,575,276
Fair value of plan assets	$ -	$ -
Prepaid benefit liability, end of year	$ 3,787,639	$ 4,575,276
Unamortized net actuarial losses	1,166,309	2,084,741
Projected accrued benefit obligation, end of year	$ 4,953,948	$ 6,660,017

12. Employee Future Benefits (continued)

The unamortized net actuarial loss includes past service costs of $533,472 (2004 - $711,296).

Included in wages and employee benefits is a net benefit expense as follows:

	2005	2004
Total service cost of the plan for the year	**$ 46,836**	$ 162,169
Interest on average liabilities	**242,148**	352,670
Amortization of net actuarial gains/losses	**17,513**	172,207
Amortization of past service costs	**177,824**	177,824
Settlement	**(244,624)**	-
	$ 239,697	$ 864,870

Actual payments during the year were $262,334 plus the settlement payments of $765,000.

Sensitivity Analysis

A one percentage point change in inflation trend rates would have the following effects for 2005:

	Increase	Decrease
Projected benefits obligation	$ 522,000	$ 437,000
Benefits expense	$ 324,000	$ 262,000

The main actuarial assumptions employed for the valuations are as follows:

Expected average remaining service life of active employees	9 years

a. General Inflation

Future general inflation levels, as measured by changes in the Consumer Price Index ("CPI"), were assumed at 2.0% per annum.

b. Interest (Discount) Rate

The obligation at year end, of the present value of future liabilities and the expense for the year ended, were determined using a discount rate of 5.0%. The discount rate for 2005 reflects the assumed long term yield on high quality bonds as at January 1, 2005.

12. Employee Future Benefits (continued)

c. Salary Levels

Future general salary and wage levels were assumed to increase at 3.1% based on expected CPI adjusted for productivity, merit and promotion as at January 1, 2005.

d. Medical Costs

Medical costs were assumed to increase 10% in 2005, 9.0% in 2006, 8.0% in 2007, 7.0% in 2008, 6.0% in 2009 and 5.0% thereafter.

e. Dental Costs

Dental costs were assumed to increase at 5.0% in 2005 and 5.0% thereafter.

13. Pension Agreements

The company makes contributions to the Ontario Municipal Employees Retirement System (OMERS), which is a multi employer plan, on behalf of all full-time members of its staff. The plan is a defined benefit plan which specifics the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

The amount contributed to OMERS for 2005 was $167,970 (2004 - $122,016).

14. Contingent Liabilities

a. A class action suit claiming $500 million in restitutionary payments plus interest was served on Toronto Hydro-Electric Commission on November 18, 1998. The action was initiated against Toronto Hydro-Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payments on overdue utility bills at any time after April 1981.

The claim is that the payment penalties of 5% on overdue accounts is illegal under Section 347(1)(b) of the Criminal Code.

The action has not yet been certified as either a plaintiff or defendant class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the company.

14. Contingent Liabilities (continued)

b. The company has a $3.4 million letter of credit with its bank provided to the Independent Electricity System Operator (the "IESO") to secure the company's hydro purchase obligations (see note 3). The company has provided it's financial institution with an assignment in the amount of $2,000,000 of it's investments as security for this obligation (see note 3). The fair value of these investments approximates their carrying value given the short-term maturity of these investments.

15. Distribution Revenue

	2005	2004
Customer billings for electricity and distribution service charges	**$ 65,300,848**	$ 52,564,812
Less: Pass through charges billed by the company for:		
Electricity charges	**(41,479,967)**	(30,422,368)
Network and connection	**(5,909,701)**	(6,007,509)
Wholesale market service charges	**(3,799,718)**	(3,041,749)
Debt retirement charges	**(3,981,981)**	(4,327,049)
Regulatory asset recovery	**20,034**	(319,056)
	$ 10,149,515	$ 8,447,081

16. Supplementary Cash Flow Information

Cash paid during the year for:

	2005	2004
Interest	**$ 1,014,804**	$ 1,019,909
Payments in lieu of taxes	**$ 1,204,034**	$ 1,157,895
Cash received during the year for:		
Interest	**$ 246,464**	$ 214,238

17. Income Taxes

a. Expense

Payments in lieu of corporate income taxes (PIL's), large corporation tax and capital taxes.

The company's income tax provision is calculated as follows:

	2005	2004
Income before provision for income taxes	$ 4,077,488	$ 1,284,137
Regulatory assets deducted for tax purposes	(3,904,351)	-
Net change in reserves	(821,596)	606,077
Capital cost allowance (greater than) less than amortization expense	192,632	73,480
Other items	12,992	(22,165)
(Gain) loss on disposal of assets	(31,000)	144,597
Income for tax purposes	(473,835)	2,086,126
Statutory Canadian federal and provincial tax rate	36 %	36 %
Provision for PIL's	(170,581)	751,005
Corporate minimum tax and other	154,584	112,995
Total provision	$ (15,997)	$ 864,000

b. Future Taxes

Future income taxes have not been recorded as they are expected to be reflected through future distribution revenues.

Significant components of the corporation's deductible (taxable) temporary differences at year end are as follows:

	2005	2004
Employee future benefits	$ 3,787,639	$ 4,575,276
Regulatory assets	(3,904,351)	-
Capital assets	15,052,594	14,890,961
	$ 14,935,882	$ 19,466,237

The company has not recognized the benefit of the above noted deductible temporary differences in its financial statements which is consistent with OEB accounting guidelines and Canadian generally accepted accounting principles for rate regulated entities.

18. Comparative Figures

The comparative figures were audited by another accounting firm. Certain of the 2004 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2005.

19. Net Change in Non-cash Working Capital Balances

The net change in non-cash working capital balances consists of:

	2005	2004
Accounts receivable	$ 277,333	$ 638,497
Unbilled revenue	(461,015)	(734,553)
Inventory	(73,971)	(48,117)
Prepaid expenses	80,812	(59,558)
Accounts payable and accrued liabilities	1,422,817	1,549,538
Payments in lieu of taxes	(1,100,719)	(131,920)
Payable to North Bay Hydro Services Inc	(362,440)	179,636
	$ (217,183)	$ 1,393,523