

Exhibit 3
1562 DEFERRED PILS

Exhibit 3

Tab 1 of 2

1562 Deferred PILs

1 1562 Deferred PILs

2

3

Attachment 1 of 2

Updated SIMPILs Models

Disposition of Balance Recorded in Account 1562 D

Distributor	Hydro 2000 Inc.
OEB File Number	EB-2011-
Filing Year	2001

Deferred PILs

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro 2000 Inc.			Colour Code	
4	Reporting period: 2001			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		0%	
22		LCT		0%	
23					
24	Accounting Year End		Date	31-Dec-01	
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)			732,727	
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			62,758	
42					
43	1999 return from RUD Sheet #7				0
44					
45	Total Incremental revenue			62,758	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			3,487	3,487
48	Amount allowed in 2002				0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	Total Regulatory Income				3,487
55					
56	Equity			366,364	
57					
58	Return at target ROE			36,197	
59					
60	Debt			366,364	
61					
62	Deemed interest amount in 100% of MARR			26,561	
63					
64	Phase-in of interest - Year 1 (2001)			1,476	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			1,476	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			1,476	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			26,561	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance K-C	Variance Explanation		
3	TAX CALCULATIONS (TAXCALC)						Version 2009.1	
4	("Wires-only" business - see Tab TAXREC)							
5		0						
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2001							
8							Column Brought From TAXREC	
9	Days in reporting period:	365	days					
10	Total days in the calendar year:	365	days					
11								
12			\$		\$		\$	
13								
14	II) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	3,487		-32,461		-28,974	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	9,646		-678		8,968	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			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"				0		0	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	4,326		3,682		8,008	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	1,476		-1,476		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			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"				1,471		1,471	
49								
50	TAXABLE INCOME/ (LOSS)		7,331		-36,816	Before loss C/F	-29,485	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		0.0000%		19.12%	
54								
55	REGULATORY INCOME TAX		1,402		-1,402	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		1,402		-1,402	Actual	0	
61								
62								
63	III) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	732,727		32,296		765,023	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		0		32,296		0	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0	Overpaid	0	
73								
74	Federal Large Corporations Tax							
75	Base	18	732,727		32,296		765,023	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		32,296		0	
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)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance K-C	Variance Explanation		
3	TAX CALCULATIONS (TAXCALC)						Version 2009.1	
4	("Wires-only" business - see Tab TAXREC)							
5		0						
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2001							
8							Column Brought From TAXREC \$	
9	Days in reporting period:	365	days					
10	Total days in the calendar year:	365	days					
11								
12			\$		\$			
13								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross-up (exclude surtax)		19.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	1,733			Actual 2001	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2001	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			Actual 2001	0	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION	25	1,733			Actual 2002	0	
96								
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			
121								
122	Income Tax Rate (including surtax) from 2001 Utility's tax return			x	19.12%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				18.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
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)			=	7,331			
137								
138	REVISED CORPORATE INCOME TAX RATE (including Surtax)			x	19.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	1,402			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	1,402			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	1,402			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance	Variance		
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation		
4	("Wires-only" business - see Tab TAXREC)							
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2001							
8							Column Brought	
9	Days in reporting period:	365	days				From	
10	Total days in the calendar year:	365	days				TAXREC	
11							\$	
12			\$		\$			
13								
150	Ontario Capital Tax							
151	Base		=		732,727			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39		-		5,000,000			
153	Revised deemed taxable capital		=		-4,267,273			
154								
155	Rate - Tab Tax Rates cell C54		x		0.3000%			
156			=		0			
157	Revised Ontario Capital Tax		=		0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)		-		0			
159	Regulatory Ontario Capital Tax Variance		=		0			
160								
161	Federal LCT							
162	Base		=		732,727			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40		-		10,000,000			
164	Revised Federal LCT		=		-9,267,273			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51		x		0.2250%			
167			=		0			
168	Gross Amount		=		0			
169	Less: Federal surtax		-		0			
170	Revised Net LCT		=		0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)		-		0			
173	Regulatory Federal LCT Variance		=		0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)		=		18.00%			
176								
177	Income Tax (grossed-up)		+		0			
178	LCT (grossed-up)		+		0			
179	Ontario Capital Tax		+		0			
180			=		0			
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT		=		0			
182								
183	TRUE-UP VARIANCE (from cell I130)		+		0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)		=		0			
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)		=		26,561			
194	Interest phased-in (Cell C36)		=		1,476			
195								
196	Variance due to phase-in of debt component of MARR in rates		=		25,086			
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)		=		0			
202	Total deemed interest (REGINFO CELL D61)		=		26,561			
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		=		25,086			
209								
210								
211								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2001					
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 :		916	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires 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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	524,074		524,074	
32	Distribution Revenue	+			0	
33	Other Income	+	5,137		5,137	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	501,807		501,807	
40	Administration	-	46,328		46,328	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	1,082		1,082	
43	Amortization	-	8,968		8,968	
44	Ontario Capital Tax	-			0	
45	Reg Assets	-			0	
46	Municipal property taxes	-			0	
47	Federal LCT	-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-28,974	0	-28,974	
51	Less: Interest expense for accounting purposes	-			0	
52	Provision for payments in lieu of income taxes	-			0	
53	Net Income (loss)	=	-28,974	0	-28,974	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)</i>					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	8,968	0	8,968	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		0	0	0	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	Subtotal		8,968	0	8,968	
71						
72	Other Additions: (Please explain the nature of the additions)					

	A	B	C	D	E	F
1	PILs TAXES	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	
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	=	8,968	0	8,968	
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	-	7,946		7,946	
98	Cumulative eligible capital deduction	-	62		62	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		1,471	0	1,471	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	9,479	0	9,479	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	9,479	0	9,479	
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	=	-29,485	0	-29,485	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-29,485	0	-29,485	
140						

	A	B	C	D	E	F
1	PILs TAXES	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	
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	
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	+			0	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	0	0	0	
161						
162						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2001					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	OPEB				0	
60	Regulatory Reserves				0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						
65						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2001					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2001					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-			0	
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	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					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2001					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
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		-			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	-	1,471		1,471	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	1,471	0	1,471	

	A	B	C	D	E	F
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
74						
75						

	A	B	C	D	E	F	G
1	PILs TAXES						
2	Corporate Tax Rates						Version 2009.1
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Hydro 2000 Inc.						
5	Reporting period: 2001						
6							
7							Table 1
8	Rates Used in 2001 RAM PILs Applications for 2002						
9	Income Range		0 to 200,000		200,001 to 700,000	>700,000	
10	RAM 2002						
11		Year					
12	Income Tax Rate						
13	Proxy Tax Year	2002					
14	Federal (Includes surtax)		13.12%		26.12%	26.12%	
15	and Ontario blended		6.00%		6.00%	12.50%	
16	Blended rate		19.12%		34.12%	38.62%	
17							
18	Capital Tax Rate		0.300%				
19	LCT rate		0.225%				
20	Surtax		1.12%				
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000				
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing						
24							
25							Table 2
26	Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2002						
27	Income Range		0 to 200,000		200,001 to 700,000	>700,000	
28	Expected Rates						
29		Year					
30	Income Tax Rate						
31	Current year	2001					
32	Federal (Includes surtax)	2001	13.12%		26.12%	26.12%	
33	Ontario	2001	6.00%		6.00%	12.50%	
34	Blended rate	2001	19.12%		32.12%	38.62%	
35							
36	Capital Tax Rate	2001	0.300%				
37	LCT rate	2001	0.225%				
38	Surtax	2001	1.12%				
39	Ontario Capital Tax Exemption *** 2001	MAX \$5MM	5,000,000				
40	Federal Large Corporations Tax Exemption *** 2001	MAX \$10MM	10,000,000				
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.						
42							
43							Table 3
44	Input Information from Utility's Actual 2001 Tax Returns						
45	Income Range		0 to 200,000		200,001 to 700,000	>700,000	
46							
47		Year					
48	Income Tax Rate						
49	Current year	2001					
50	Federal (Includes surtax)		13.12%		28.12%	28.12%	
51	Ontario		6.00%		6.00%	12.50%	
52	Blended rate		19.12%		34.12%	40.62%	
53							
54	Capital Tax Rate		0.300%				
55	LCT rate		0.225%				
56	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5MM	5,000,000				
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000				
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36						
60							
61							
62							

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	PILs TAXES															
2	Analysis of PILs Tax Account 1562:															
3	Utility Name: Hydro 2000 Inc.															
4	Reporting period: 2001															
5	Sign Convention: + for increase; - for decrease															
6																
7																
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006			
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006			Total
10																
11	Opening balance:	=	0		1,744		1,744		1,744		1,744		1,744		0	
12	Board-approved PILs tax proxy from Decisions (1)	+/-	1,733												1,733	
14	True-up Variance Adjustment Q4, 2001 (2)	+/-	0												0	
16	True-up Variance Adjustment (3)	+/-	0												0	
18	Deferral Account Variance Adjustment Q4, 2001 (4)	+/-	0												0	
20	Deferral Account Variance Adjustment (5)	+/-	0												0	
22	Adjustments to reported prior years' variances (6)	+/-	0												0	
23	Carrying charges (7)	+/-	11												11	
25	PILs billed to (collected from) customers (8)	-	0												0	
26																
27	Ending balance: # 1562		1,744		1,744		1,744		1,744		1,744		1,744		1,744	
28																
29																
30																
31	Uncollected PILs															
32																
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.															
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.															
35																
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: 3															
37																
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.															
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.															
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.															
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.															
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.															
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.															
44	(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.															
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.															
46																
47	(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															
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.															
49																
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.															
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.															
52																
53	(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															
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.															
55																
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.															
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.															
58																
59	(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.															
60																
61	(7) Carrying charges are calculated on a simple interest basis.															
62																
63	(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															
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the															
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.															
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.															
67																
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied															
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;															
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.															
71																
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,															
73	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.															
74																
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,															
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used															
77	to calculate the recovery for the period January 1 to March 31, 2005.															
78																
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes															
80	will have to include amounts from 1562 and from 1590.															
81																
82																

1
2
3
4
5
6
7
8
9
10
11
12
14
16
18
20
22
23
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
72
73
75
76
77
78
79
80
81
82

Disposition of Balance Recorded in Account 1562 Deferred F

Distributor	Hydro 2000 Inc.
OEB File Number	EB-2011-
Filing Year	2002

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro 2000 Inc.			Colour Code	
4	Reporting period: 2002			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		0%	
22		LCT		0%	
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)			732,727	
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			62,758	
42					
43	1999 return from RUD Sheet #7				0
44					
45	Total Incremental revenue			62,758	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			20,919	20,919
48	Amount allowed in 2002			20,919	20,919
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				41,838
55					
56	Equity			366,364	
57					
58	Return at target ROE			36,197	
59					
60	Debt			366,364	
61					
62	Deemed interest amount in 100% of MARR			26,561	
63					
64	Phase-in of interest - Year 1 (2001)			8,854	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			17,707	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			17,707	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			26,561	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	41,838		170,249		212,087	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	38,582		-1,950		36,632	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	27,529		-9,176		18,353	
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"				28,263		28,263	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	29,395		11,632		41,027	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	17,707		-17,707		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			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"				225,660		225,660	
49								
50	TAXABLE INCOME/ (LOSS)		60,847		-32,199	Before loss C/F	28,648	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		0.0000%		19.12%	
54								
55	REGULATORY INCOME TAX		11,634		-11,634	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		11,634		-11,634	Actual	0	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	732,727		4,252		736,979	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		0		4,252		0	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0	Overpaid	0	
73								
74	Federal Large Corporations Tax							
75	Base	18	732,727		4,252		736,979	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		4,252		0	
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)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13			\$		\$		\$	
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		19.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	14,384			Actual 2002	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2002	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			Actual 2002	0	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	14,384			Actual 2002	0	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-9,176			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-9,176			
121								
122	Income Tax Rate (including surtax) from 2002 Utility's tax return			x	19.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-1,754			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-1,754			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				18.00%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				-2,140			
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)			=	60,847			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	19.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	11,634			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	11,634			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	11,634			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2002							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12					\$	\$	TAXREC	
13							\$	
150	Ontario Capital Tax							
151	Base			=	732,727			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	-4,267,273			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				732,727			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-9,267,273			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
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)			+	-2,140			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-2,140			
186	<i>(Deferral Account Variance + True-up Variance)</i>							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				26,561			
194	Interest phased-in (Cell C36)				17,707			
195								
196	Variance due to phase-in of debt component of MARR in rates				8,854			
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)				0			
202	Total deemed interest (REGINFO CELL D61)				26,561			
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				8,854			
209								
210								
211								

	A	B	C	D	E
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
4		0	Return		
5					Version 2009.1
6	Section A: Identification:				
7	Utility Name: Hydro 2000 Inc.				
8	Reporting period: 2002				
9	Taxation Year's start date:				
10	Taxation Year's end date:				
11	Number of days in taxation year:		365	days	
12					
13	Please enter the Materiality Level :		916	< - enter materiality level	
14	(0.25% x Rate Base x CER)	Y/N	Y		
15	(0.25% x Net Assets)	Y/N	N		
16	Or other measure (please provide the basis of the amount)	Y/N	N		
17	Does the utility carry on non-wires 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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>				
24	<i>The actual categories of the income statements should be used.</i>				
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>				
26					
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>				
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>				
29					
30	Income:				
31	Energy Sales	+	2,124,914		2,124,914
32	Distribution Revenue	+			0
33	Other Income	+	25,600		25,600
34	Miscellaneous income	+			0
35		+			0
36	Revenue should be entered above this line				
37					
38	Costs and Expenses:				
39	Cost of energy purchased	-	1,725,399		1,725,399
40	Administration	-	153,716		153,716
41	Customer billing and collecting	-			0
42	Operations and maintenance	-	4,327		4,327
43	Amortization	-	36,632		36,632
44	Ontario Capital Tax	-			0
45	Amortization Transition Costs	-	18,353		18,353
46	Depreciation of Incorporation fees	-	0		0
47		-			0
48		-			0
49					
50	Net Income Before Interest & Income Taxes EBIT	=	212,087	0	212,087
51	Less: Interest expense for accounting purposes	-			0
52	Provision for payments in lieu of income taxes	-	45,913		45,913
53	Net Income (loss)	=	166,174	0	166,174
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	+	45,913	0	45,913
60	Federal large corporation tax	+			0
61	Depreciation & Amortization	+	36,632	0	36,632
62	Employee benefit plans-accrued, not paid	+		0	0
63	Tax reserves - beginning of year	+	0	0	0
64	Reserves from financial statements- end of year	+	0	0	0
65	Regulatory adjustments on which true-up may apply (see A66)	+	18,353		18,353

	A	B	C	D	E
1	PILs TAXES	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
66	Items on which true-up does not apply "TAXREC 3"		28,263	0	28,263
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		129,161	0	129,161
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
77		+			0
78		+			0
79		+			0
80	Total Other Additions	=	0	0	0
81					
82	Total Additions	=	129,161	0	129,161
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	-	40,788		40,788
98	Cumulative eligible capital deduction	-	239		239
99	Employee benefit plans-paid amounts	-			0
100	Items capitalized for regulatory purposes	-			0
101	Regulatory adjustments :	-			0
102	CCA	-			0
103	other deductions	-			0
104	Tax reserves - end of year	-	0	0	0
105	Reserves from financial statements- beginning of year	-	0	0	0
106	Contributions to deferred income plans	-			0
107	Contributions to pension plans	-			0
108	Items on which true-up does not apply "TAXREC 3"		225,660	0	225,660
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	=	266,687	0	266,687
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	=	266,687	0	266,687
123					
124	Recap Material Deductions:				
125			0	0	0
126			0	0	0

	A	B	C	D	E
1	PILs TAXES	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
127			0	0	0
128			0	0	0
129			0	0	0
130	<i>Total Other Deductions exceed materiality level</i>		0	0	0
131	Other Deductions less than materiality level		0	0	0
132	Total Other Deductions		0	0	0
133					
134	TAXABLE INCOME	=	28,648	0	28,648
135	DEDUCT:				
136	Non-capital loss applied <i>positive number</i>	-	28,648		28,648
137	Net capital loss applied <i>positive number</i>	-			0
138					0
139	NET TAXABLE INCOME	=	0	0	0
140					
141	FROM ACTUAL TAX RETURNS				
142	Net Federal Income Tax <i>(Must agree with tax return)</i>	+	0		0
143	Net Ontario Income Tax <i>(Must agree with tax return)</i>	+	0		0
144	Subtotal	=	0	0	0
145	Less: Miscellaneous tax credits <i>(Must agree with tax returns)</i>	-	0		0
146	Total Income Tax	=	0	0	0
147					
148	FROM ACTUAL TAX RETURNS				
149	Net Federal Income Tax Rate <i>(Must agree with tax return)</i>		13.12%		13.12%
150	Net Ontario Income Tax Rate <i>(Must agree with tax return)</i>		6.00%		6.00%
151	Blended Income Tax Rate		19.12%	*****	19.12%
152					
153	Section F: Income and Capital Taxes				
154					
155	RECAP				
156	Total Income Taxes	+	0	0	0
157	Ontario Capital Tax	+			0
158	Federal Large Corporations Tax	+			0
159					
160	Total income and capital taxes	=	0	0	0

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2002					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
52	End of Year:					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59					0	
60					0	
61					0	
62	Insert line above this line					
63	Total (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
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		0	
38		+	0		0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-	0			
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	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					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2002					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	Ontario capital tax adjustments	+			0	
41	Changes in Regulatory Asset balances	+	28,263		28,263	
42		+	0		0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	28,263	0	28,263	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-	225,660		225,660	
67		-	0		0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	

	A	B	C	D	E	F
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
73	<u>Total Deductions on which true-up does not apply</u>	=	225,660	0	225,660	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates					Version 2009.1				
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro 2000 Inc.									
5	Reporting period: 2002									
6										
7										
8	Table 1									
9	Rates Used in 2002 RAM PILs Applications for 2002									
10	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
11	RAM 2002	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax)		13.12%		26.12%		26.12%			
15	and Ontario blended		6.00%		6.00%		12.50%			
16	Blended rate		19.12%		34.12%		38.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing									
23										
24										
25	Table 2									
26	Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002									
27	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2002								
31	Federal (Includes surtax)	2002	13.12%		26.12%		26.12%			
32	Ontario	2002	6.00%		6.00%		12.50%			
33	Blended rate	2002	19.12%		32.12%		38.62%			
34										
35										
36	Capital Tax Rate	2002	0.300%							
37	LCT rate	2002	0.225%							
38	Surtax	2002	1.12%							
39	Ontario Capital Tax Exemption *** 2002	MAX \$5MM	5,000,000							
40	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM	10,000,000							
41	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
42										
43	Table 3									
44	Input Information from Utility's Actual 2002 Tax Returns									
45	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
46		Year								
47	Income Tax Rate									
48	Current year	2002								
49	Federal (Includes surtax)		13.12%		26.12%		26.12%			
50	Ontario		6.00%		6.00%		12.50%			
51	Blended rate		19.12%		32.12%		38.62%			
52										
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.225%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$5MM	5,000,000							
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Hydro 2000 Inc.														
4	Reporting period: 2002														
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		1,744		-528		-528		-528		-528		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	1,733		14,384								0		16,117
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
16	True-up Variance Adjustment (3)	+/-			-2,140										-2,140
18	Deferral Account Variance Adjustment Q4, 2001 (4)	+/-	0												0
20	Deferral Account Variance Adjustment (5)	+/-			0										0
22	Adjustments to reported prior years' variances (6)	+/-													0
23	Carrying charges (7)	+/-	11		91										102
25	PILs billed to (collected from) customers (8)	-	0		-14,607										-14,607
26															
27	Ending balance: # 1562		1,744		-528		-528		-528		-528		-528		-528
28															
29															
30															
31	Uncollected PILs														
32															
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: 3														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(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.														
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
46															
47	(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														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(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														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(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.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(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														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	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.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														
81															
82															

Disposition of Balance Recorded in Account 1562 Deferred F

Distributor	Hydro 2000 Inc.
OEB File Number	EB-2011-
Filing Year	2003

	A	B	C	D	E
1	PILs TAXES				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro 2000 Inc.			Colour Code	
4	Reporting period: 2003			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		0%	
22		LCT		0%	
23					
24	Accounting Year End		Date	31-Dec-03	
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)			732,727	
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			62,758	
42					
43	1999 return from RUD Sheet #7				0
44					
45	Total Incremental revenue			62,758	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			20,919	20,919
48	Amount allowed in 2002			20,919	20,919
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				41,838
55					
56	Equity			366,364	
57					
58	Return at target ROE			36,197	
59					
60	Debt			366,364	
61					
62	Deemed interest amount in 100% of MARR			26,561	
63					
64	Phase-in of interest - Year 1 (2001)			8,854	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			17,707	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			17,707	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			26,561	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2003							
8								Column
9	Days in reporting period:	365	days					Brought
10	Total days in the calendar year:	365	days					From
11								TAXREC
12			\$		\$			\$
13								
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	41,838		90,068		131,906	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	38,582		-3,085		35,497	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	27,529		-4,999		22,530	
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"				28,402		28,402	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	29,395		9,365		38,760	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	17,707		-17,707		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			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"				67,971		67,971	
49								
50	TAXABLE INCOME/ (LOSS)		60,847		50,757	Before loss C/F	111,604	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		-0.5007%		18.62%	
54								
55	REGULATORY INCOME TAX		11,634		8,990	Actual	20,624	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		11,634		8,990	Actual	20,624	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	732,727		159,409		892,136	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		0		159,409		0	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0	Overpaid	0	
73								
74	Federal Large Corporations Tax							
75	Base	18	732,727		159,409		892,136	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		159,409		0	
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)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2003							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		19.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	14,384			Actual 2003	20,624	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2003	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			Actual 2003	0	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	14,384			Actual 2003	20,624	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-4,999			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-4,999			
121								
122	Income Tax Rate (including surtax) from 2003 Utility's tax return			x	18.62%			
123								
124	Income Tax Effect on True-up adjustments			=	-931			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-931			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				-1,128			
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)			=	60,847			
137								
138	REVISED CORPORATE INCOME TAX RATE (including Surtax)			x	18.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	11,330			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	11,330			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	11,634			
147								
148	Regulatory Income Tax Variance			=	-304			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2003							
8								
9	Days in reporting period:	365	days				Column	
10	Total days in the calendar year:	365	days				Brought	
11							From	
12							TAXREC	
13							\$	
150	Ontario Capital Tax							
151	Base			=	732,727			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	-4,267,273			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				732,727			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-9,267,273			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176								
177	Income Tax (grossed-up)			+	-369			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-369			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	-1,128			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-1,497			
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)				26,561			
194	Interest phased-in (Cell C36)				17,707			
195								
196	Variance due to phase-in of debt component of MARR in rates				8,854			
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)				0			
202	Total deemed interest (REGINFO CELL D61)				26,561			
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				8,854			
209								
210								

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2003					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		916	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires 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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	2,053,402		2,053,402	
32	Distribution Revenue	+			0	
33	Other Income	+	43,235		43,235	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	1,727,125		1,727,125	
40	Administration	-	171,265		171,265	
41	Customer billing and collecting	-	0		0	
42	Operations and maintenance	-	8,314		8,314	
43	Amortization	-	35,497		35,497	
44	Ontario Capital Tax	-			0	
45	amortization of transition costs	-	22,530		22,530	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	131,906	0	131,906	
51	Less: Interest expense for accounting purposes	-			0	
52	Provision for payments in lieu of income taxes	-	7,686		7,686	
53	Net Income (loss)	=	124,220	0	124,220	
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	+	7,686	0	7,686	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	35,497	0	35,497	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+	22,530		22,530	
66	Items on which true-up does not apply "TAXREC 3"		28,402	0	28,402	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		94,115	0	94,115	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					

	A	B	C	D	E	F
1	PILs TAXES	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	
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	94,115	0	94,115	
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	-	38,538		38,538	
98	Cumulative eligible capital deduction	-	222		222	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		67,971	0	67,971	
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	=	106,731	0	106,731	
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	=	106,731	0	106,731	
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	=	111,604	0	111,604	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	837		837	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	110,767	0	110,767	
140						

	A	B	C	D	E	F
1	PILs TAXES	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	
141	FROM ACTUAL TAX RETURNS					
142	Net Federal Income Tax (Must agree with tax return)	+	14,532		14,532	
143	Net Ontario Income Tax (Must agree with tax return)	+	6,092		6,092	
144	Subtotal	=	20,624	0	20,624	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	Total Income Tax	=	20,624	0	20,624	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		13.12%		13.12%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		5.50%		5.50%	Divide Ontario
151	Blended Income Tax Rate		18.62%	*****	18.62%	
152						
153	Section F: Income and Capital Taxes					
154						
155	RECAP					
156	Total Income Taxes	+	20,624	0	20,624	
157	Ontario Capital Tax	+			0	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	20,624	0	20,624	
161						
162						

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2003					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49	Other - Please describe				0	
50					0	
51	Total (carry forward to the TAXREC worksheet)		0	0	0	
52						
53	End of Year:					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	Total (carry forward to the TAXREC worksheet)		0	0	0	
65						
66						

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
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		0	
42		+	0		0	
43		+	0		0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
12						
13						
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-			0	
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96		-			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						
123						
124						

	A	B	C	D	E	F
1						
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2003					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	Donations - amount per books	+			0	
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	+	28,402		28,402	
42		+	0		0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	28,402	0	28,402	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-	67,971		67,971	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-	0		0	
70		-	0		0	
71		-	0		0	
72		-			0	

	A	B	C	D	E	F
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
73	<u>Total Deductions on which true-up does not apply</u>	=	67,971	0	67,971	
74						

	A	B	C	D	E	F	G
1	PILs TAXES						
2	Corporate Tax Rates					Version 2009.1	
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Hydro 2000 Inc.						
5	Reporting period: 2003						
6							
7							
8	Rates Used in 2002 RAM PILs Applications for 2002					Table 1	
9	Income Range		0 to 200,000		200,001 to 700,000		>700,000
10	RAM 2002						
11		Year					
12	Income Tax Rate						
13	Proxy Tax Year	2002					
14	Federal (Includes surtax)		13.12%		26.12%		26.12%
15	and Ontario blended		6.00%		6.00%		12.50%
16	Blended rate		19.12%		34.12%		38.62%
17							
18	Capital Tax Rate		0.300%				
19	LCT rate		0.225%				
20	Surtax		1.12%				
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000				
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing						
24							
25							
26	Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003					Table 2	
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1128000
28	Expected Rates						
29		Year					
30	Income Tax Rate						
31	Current year	2003					
32	Federal (Includes surtax)		13.12%	22.12%	22.12%		24.12%
33	Ontario		5.50%	5.50%	9.75%		12.50%
34	Blended rate		18.62%	27.62%	31.87%		36.62%
35							
36	Capital Tax Rate		0.300%				
37	LCT rate		0.225%				
38	Surtax		1.12%				
39	Ontario Capital Tax Exemption *** 2003	MAX \$5MM	5,000,000				
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	10,000,000				
41	*** Allocation of exemptions must comply with the Board's instructions regarding regulated activities.						
42							
43							
44	Input Information from Utility's Actual 2003 Tax Returns					Table 3	
45	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1128000
46							
47		Year					
48	Income Tax Rate						
49	Current year	2003					
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		24.12%
51	Ontario		5.50%	5.50%	9.75%		12.50%
52	Blended rate		18.62%	27.62%	31.87%		36.62%
53							
54	Capital Tax Rate		0.300%				
55	LCT rate		0.225%				
56	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5.0MM	5,000,000				
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000				
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36						
60							

	A	B	C	D	E	F	G	H	I	J	K
1	PILs TAXES										
2	Analysis of PILs Tax Account 1562:										
3	Utility Name: Hydro 2000 Inc.										
4	Reporting period: 2003										
5											
6											
7											
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005
10											
11	Opening balance:	=	0		1,744		-528		-3,900		-3,900
12	Board-approved PILs tax proxy from Decisions (1)	+/-	1,733		14,384		16,117				
14	True-up Variance Adjustment Q4, 2001 (2)	+/-									
16	True-up Variance Adjustment (3)	+/-			-2,140		-1,128				
18	Deferral Account Variance Adjustment Q4, 2001 (4)	+/-									
20	Deferral Account Variance Adjustment (5)	+/-					-369				
22	Adjustments to reported prior years' variances (6)	+/-									
23	Carrying charges (7)	+/-	11		91		-153				
25	PILs billed to (collected from) customers (8)	-									
26											
27	Ending balance: # 1562		1,744		-528		-3,900		-3,900		-3,900
28											
29											
30											
31	Uncollected PILs										
32											
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.										
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.										
35											
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: 3										
37											
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.										
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.										
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.										
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.										
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.										
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.										
44	(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.										
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.										
46											
47	(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										
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.										
49											
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.										
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.										
52											
53	(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										
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.										
55											
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.										
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.										
58											
59	(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.										
60											
61	(7) Carrying charges are calculated on a simple interest basis.										
62											
63	(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										
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the										
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.										
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.										
67											
68	(ii) Collections should equal: (a) the actual volumes/ load (kW/hs, kW/s, Kva) for the period (including net unbilled at period end), multiplied										
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;										
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.										
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,										
73	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.										
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,										
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used										
77	to calculate the recovery for the period January 1 to March 31, 2005.										
78											
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes										
80	will have to include amounts from 1562 and from 1590.										
81											

	L	M	N	O
1				
2				
3				Version 2009.1
4				0
5				
6				
7				
8		01/01/2006		
9		30/04/2006		Total
10				
11		-3,900		0
12				32,234
14				0
16				-3,268
18				0
20				-369
22				0
23				-51
25				-32,446
26				
27		<u>-3,900</u>		<u>-3,900</u>
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50				
51				
52				
53				
54				
55				
56				
57				
58				
59				
60				
61				
62				
63				
64				
65				
66				
67				
68				
69				
70				
72				
73				
75				
76				
77				
78				
79				
80				
81				

Disposition of Balance Recorded in Account 1562 D

Distributor	Hydro 2000 Inc.
OEB File Number	EB-2011-
Filing Year	2004

Deferred PILs

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro 2000 Inc.			Colour Code	
4	Reporting period: 2004			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	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		0.0000%	
22		LCT		0.0000%	
23					
24	Accounting Year End		Date	31-Dec-04	
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)			732,727	
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			62,758	
42					
43	1999 return from RUD Sheet #7				0
44					
45	Total Incremental revenue			62,758	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			20,919	20,919
48	Amount allowed in 2002			20,919	20,919
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				41,838
55					
56	Equity			366,364	
57					
58	Return at target ROE			36,197	
59					
60	Debt			366,364	
61					
62	Deemed interest amount in 100% of MARR			26,561	
63					
64	Phase-in of interest - Year 1 (2001)			8,854	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			17,707	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			17,707	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			26,561	
71					
72					
73					

	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	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2004							
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	41,838		86,501		128,339	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	38,582		-1,765		36,817	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	27,529		-27,529		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"				47,884		47,884	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	29,395		2,986		32,381	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	17,707		-17,707		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			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"				421,151		421,151	
49								
50	TAXABLE INCOME/ (LOSS)		60,847		-301,339	Before loss C/F	-240,492	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	19.12%		-19.1200%		0.00%	
54								
55	REGULATORY INCOME TAX		11,634		-11,634	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		11,634		-11,634	Actual	0	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	732,727		44,903		777,630	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		0		44,903		0	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0	Overpaid	0	
73								
74	Federal Large Corporations Tax							
75	Base	18	732,727		44,903		777,630	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		40,000,000		50,000,000	
77	Taxable Capital		0		40,044,903		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	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	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2004							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12					\$	\$	\$	
13								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		19.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	14,384			Actual 2004	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2004	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			Actual 2004	0	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	14,384			Actual 2004	0	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-27,529			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-27,529			
121								
122	Income Tax Rate (including surtax) from 2004 Utility's tax return			x	18.62%			
123								
124	Income Tax Effect on True-up adjustments			=	-5,126			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-5,126			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				-6,213			
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)			=	60,847			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	18.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	11,330			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	11,330			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	11,634			
147								
148	Regulatory Income Tax Variance			=	-304			
149								

	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	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2004							
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			=	732,727			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	-4,267,273			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				732,727			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-49,267,273			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176								
177	Income Tax (grossed-up)			+	-369			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-369			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	-6,213			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-6,582			
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)				26,561			
194	Interest phased-in (Cell C36)				17,707			
195								
196	Variance due to phase-in of debt component of MARR in rates				8,854			
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)				0			
202	Total deemed interest (REGINFO CELL D61)				26,561			
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				8,854			
209								
210								

	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	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2004					
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 :		916	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires 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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	2,089,780		2,089,780	
32	Distribution Revenue	+			0	
33	Other Income	+	39,890		39,890	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	1,782,528		1,782,528	
40	Administration	-	174,516		174,516	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-	7,470		7,470	
43	Amortization	-	36,817		36,817	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	128,339	0	128,339	
51	Less: Interest expense for accounting purposes	-			0	
52	Provision for payments in lieu of income taxes	-	24,668		24,668	
53	Net Income (loss)	=	103,671	0	103,671	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)</i>					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	24,668	0	24,668	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	36,817	0	36,817	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		47,884	0	47,884	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		109,369	0	109,369	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					

	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	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+	0		0	
78		+	0		0	
79		+	0		0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	109,369	0	109,369	
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	-	32,174		32,174	
98	Cumulative eligible capital deduction	-	207		207	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	Items on which true-up does not apply "TAXREC 3"		421,151	0	421,151	
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	=	453,532	0	453,532	
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	=	453,532	0	453,532	
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	=	-240,492	0	-240,492	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	-129,725		-129,725	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-110,767	0	-110,767	
140						

	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	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
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%		0.00%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	Divide Ontario
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	+			0	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	0	0	0	
161						
162						

	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	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2004					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49	Other - Please describe				0	
50					0	
51	Total (carry forward to the TAXREC worksheet)		0	0	0	
52						
53	End of Year:					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	Total (carry forward to the TAXREC worksheet)		0	0	0	
65						
66						
67						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2004					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
12						
13						
77			0	0	0	
78						
79	Total Material additions		0	0	0	
80	Other additions less than materiality level		0	0	0	
81	Total Additions		0	0	0	
82						
83	Deduct:					
84	Gain on disposal of assets per f/s	-			0	
85	Dividends not taxable under section 83	-			0	
86	Terminal loss from Schedule 8	-			0	
87	Depreciation in inventory, end of prior year	-			0	
88	Scientific research expenses claimed in year from Form T661	-			0	
89	Bad debts	-			0	
90	Book income of joint venture or partnership	-			0	
91	Equity in income from subsidiary or affiliates	-			0	
92	Contributions to a qualifying environment trust	-			0	
93	Other income from financial statements	-			0	
94		-			0	
95		-			0	
96		-			0	
97	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
98		-			0	
99		-			0	
100		-			0	
101		-			0	
102	Total Deductions	=	0	0	0	
103						
104	Recap of Material Deductions:					
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			0	0	0	
120			0	0	0	
121			0	0	0	
122	Total Deductions exceed materiality level		0	0	0	
123	Other deductions less than materiality level		0	0	0	
124	Total Deductions		0	0	0	
125						
126						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2004					
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	+	47,884		47,884	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	47,884	0	47,884	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-	421,151		421,151	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	

	A	B	C	D	E	F
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
73	<u>Total Deductions on which true-up does not apply</u>	=	421,151	0	421,151	
74						
75						
76						

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381						
2	Corporate Tax Rates						
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Hydro 2000 Inc.						
5	Reporting period: 2004						
6							
7							
8	Table 1						
9	Rates Used in 2002 RAM PILs Applications for 2002						
9	Income Range		0 to 200,000		200,001 to 700,000		>700,000
10	RAM 2002						
11		Year					
12	Income Tax Rate						
13	Proxy Tax Year	2002					
14	Federal (Includes surtax)		13.12%		26.12%		26.12%
15	and Ontario blended		6.00%		6.00%		12.50%
16	Blended rate		19.12%		34.12%		38.62%
17							
18	Capital Tax Rate		0.300%				
19	LCT rate		0.225%				
20	Surtax		1.12%				
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000				
23	**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing						
24							
25	Table 2						
26	Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004						
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000
28	Expected Rates						
29		Year					
30	Income Tax Rate						
31	Current year	2004					
32	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%
33	Ontario		5.50%	5.50%	9.75%		14.00%
34	Blended rate		18.62%	27.62%	31.87%		36.12%
35							
36	Capital Tax Rate		0.300%				
37	LCT rate		0.200%				
38	Surtax		1.12%				
39	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	5,000,000				
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	50,000,000				
41	*** Allocation of exemptions must comply with the Board's instructions regarding regulated activities.						
42							
43	Table 3						
44	Input Information from Utility's Actual 2004 Tax Returns						
45	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000
46							
47		Year					
48	Income Tax Rate						
49	Current year	2004					
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%
51	Ontario		5.50%	5.50%	9.75%		14.00%
52	Blended rate		18.62%	27.62%	31.87%		36.12%
53							
54	Capital Tax Rate		0.300%				
55	LCT rate		0.200%				
56	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5MM	5,000,000				
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000				
59	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36						
60							
61							

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Hydro 2000 Inc.														Version 2009.1
4	Reporting period: 2004														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		1,744		-528		-3,900		-10,102		-10,102		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	1,733		14,384		16,117		14,817						47,051
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
16	True-up Variance Adjustment (3)	+/-			-2,140		-1,128		-6,213						-9,481
18	Deferral Account Variance Adjustment Q4, 2001 (4)														0
20	Deferral Account Variance Adjustment (5)	+/-					-369		-369						-738
22	Adjustments to reported prior years' variances (6)	+/-													0
23	Carrying charges (7)	+/-	11		91		-153		-547						-598
25	PILs billed to (collected from) customers (8)	-	0		-14,607		-17,839		-13,890						-46,336
26															
27	Ending balance: # 1562		1,744		-528		-3,900		-10,102		-10,102		-10,102		-10,102
28															
29															
30															
31	Uncollected PILs														
32															
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
37	3														
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(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.														
45	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
46															
47	(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														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(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														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(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.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(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														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	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.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														

Disposition of Balance Recorded in Account 1562 Deferred F

Distributor	Hydro 2000 Inc.
OEB File Number	EB-2011-
Filing Year	2005

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Hydro 2000 Inc.			Colour Code	
4	Reporting period: 2005			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		0.0000%	
22		LCT		0.0000%	
23					
24	Accounting Year End		Date	31-Dec-05	
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)			732,727	
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			62,758	
42					
43	1999 return from RUD Sheet #7				0
44					
45	Total Incremental revenue			62,758	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			20,919	20,919
48	Amount allowed in 2002			20,919	20,919
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)				0
50					0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				
52	Other Board-approved changes to MARR or incremental revenue			20,919	20,919
53	Permanent Changes to Base Rate (e.g. LPP 5% to 1.5%)				5,877
54	Total Regulatory Income				68,634
55					
56	Equity			366,363	
57					
58	Return at target ROE			36,197	
59					
60	Debt			366,363	
61					
62	Deemed interest amount in 100% of MARR			26,561	
63					
64	Phase-in of interest - Year 1 (2001)			8,854	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			17,707	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			17,707	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			26,561	
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	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2005							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	I) CORPORATE INCOME TAXES							
15								
16	Regulatory Net Income REGINFO E53	1	68,634		-79,625		-10,991	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	Additions:							
20	Depreciation & Amortization	2	38,582		1,574		40,156	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			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"				130,935		130,935	
31								
32	Deductions: Input positive numbers							
33	Capital Cost Allowance and CEC	7	29,395		4,213		33,608	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	26,561		-26,561		0	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12	10,350		-4,184		6,166	
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"				77,675		77,675	
49								
50	TAXABLE INCOME/ (LOSS)		40,910		1,741	Before loss C/F	42,651	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	18.62%		-18.6200%		0.00%	
54								
55	REGULATORY INCOME TAX		7,617		-7,617	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	Total Regulatory Income Tax		7,617		-7,617	Actual	0	
61								
62								
63	II) CAPITAL TAXES							
64								
65	Ontario							
66	Base	15	732,727		-732,727			
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		0		7,500,000	
68	Taxable Capital		0		-732,727		0	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0	Overpaid	0	
73								
74	Federal Large Corporations Tax							
75	Base	18	732,727		-732,727			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		0		50,000,000	
77	Taxable Capital		0		-732,727		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0250%		0.2000%	
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		0		0	
83								
84	Net LCT		0		0		0	
85								

	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	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2005							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
86	III) INCLUSION IN RATES							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		18.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	9,360			Actual 2005	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2005	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			Actual 2005	0	
93								
94								
95	Total PILs for Rate Adjustment -- MUST AGREE WITH 2002	25	9,360			Actual 2005	0	
96	RAM DECISION							
97								
98								
99	IV) FUTURE TRUE-UPS							
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101	In Additions:							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			-4,184			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	4,184			
121								
122	Income Tax Rate (including surtax) from 2005 Utility's tax return			x	18.62%			
123								
124	Income Tax Effect on True-up adjustments			=	779			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				779			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131								
132	TRUE-UP VARIANCE ADJUSTMENT				944			
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)			=	40,910			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	18.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	7,617			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	7,617			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	7,617			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	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	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Hydro 2000 Inc.							
7	Reporting period: 2005							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
150	Ontario Capital Tax							
151	Base			=	732,727			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	-6,767,273			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base				732,727			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-49,267,273			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176								
177	Income Tax (grossed-up)			+	0			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	944			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	944			
186	<i>(Deferral Account Variance + True-up Variance)</i>							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				26,561			
194	Interest phased-in (Cell C36)				17,707			
195								
196	Variance due to phase-in of debt component of MARR in rates				8,854			
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)				0			
202	Total deemed interest (REGINFO CELL D61)				26,561			
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				8,854			
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	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
6	Section A: Identification:					
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2005					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		916	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires 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	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	Income:					
31	Energy Sales	+	2,223,607		2,223,607	
32	Distribution Revenue	+			0	
33	Other Income	+			0	
34	Miscellaneous income	+	57,589		57,589	
35		+			0	
36	Revenue should be entered above this line					
37						
38	Costs and Expenses:					
39	Cost of energy purchased	-	1,931,698		1,931,698	
40	Administration	-	37,228		37,228	
41	Customer billing and collecting	-	174,828		174,828	
42	Operations and maintenance	-	108,277		108,277	
43	Amortization	-	40,156		40,156	
44	Ontario Capital Tax	-			0	
45	Reg Assets	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	Net Income Before Interest & Income Taxes EBIT	=	-10,991	0	-10,991	
51	Less: Interest expense for accounting purposes	-			0	
52	Provision for payments in lieu of income taxes	-	-2,025		-2,025	
53	Net Income (loss)	=	-8,966	0	-8,966	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)</i>					
55						
56	Section C: Reconciliation of accounting income to taxable income					
57	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	-2,025	0	-2,025	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	40,156	0	40,156	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	Items on which true-up does not apply "TAXREC 3"		130,935	0	130,935	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		169,066	0	169,066	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					

	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	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	<i>Total Other Additions</i>	=	0	0	0	
81						
82	Total Additions	=	169,066	0	169,066	
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	<i>Total Other additions >materiality level</i>		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	-	33,416		33,416	
98	Cumulative eligible capital deduction	-	192		192	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	Items on which true-up does not apply "TAXREC 3"		77,675	0	77,675	
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	=	111,283	0	111,283	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	Charitable donations - tax basis	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117	<i>CDM program</i>	-	6,166		6,166	
118					0	
119		-			0	
120	<i>Total Other Deductions</i>	=	6,166	0	6,166	
121						
122	Total Deductions	=	117,449	0	117,449	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127	CDM program		6,166	0	6,166	
128			0	0	0	
129			0	0	0	
130	<i>Total Other Deductions exceed materiality level</i>		6,166	0	6,166	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		6,166	0	6,166	
133						
134	TAXABLE INCOME	=	42,651	0	42,651	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	42,651		42,651	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	0	0	0	
140						

	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	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
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%		0.00%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	Divide Ontario
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	+			0	
158	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	0	0	0	
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	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
7	Utility Name: Hydro 2000 Inc.					
8	Reporting period: 2005					
9						
10	TAX RESERVES					
11						
12	Beginning of Year:					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
24	End of Year:					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	FINANCIAL STATEMENT RESERVES					
39						
40	Beginning of Year:					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49	Other - Please describe				0	
50					0	
51	Total (carry forward to the TAXREC worksheet)		0	0	0	
52						
53	End of Year:					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	Total (carry forward to the TAXREC worksheet)		0	0	0	
65						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
12						
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
16	Add:					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	RATEPAYERS ONLY		Return			
6	Shareholder-only items should be shown on TAXREC 3				Version 2009.1	
7						
8	Utility Name: Hydro 2000 Inc.					
9	Reporting period: 2005					
10	Number of days in taxation year:		365			
11	Materiality Level:		916			
12						
13						
77			0	0	0	
78						
79	Total Material additions		0	0	0	
80	Other additions less than materiality level		0	0	0	
81	Total Additions		0	0	0	
82						
83	Deduct:					
84	Gain on disposal of assets per f/s	-			0	
85	Dividends not taxable under section 83	-			0	
86	Terminal loss from Schedule 8	-			0	
87	Depreciation in inventory, end of prior year	-			0	
88	Scientific research expenses claimed in year from Form T661	-			0	
89	Bad debts	-			0	
90	Book income of joint venture or partnership	-			0	
91	Equity in income from subsidiary or affiliates	-			0	
92	Contributions to a qualifying environment trust	-			0	
93	Other income from financial statements	-			0	
94		-			0	
95		-			0	
96		-			0	
97	Other deductions: (Please explain in detail the nature of the item)	-			0	
98		-			0	
99		-			0	
100		-			0	
101		-			0	
102	Total Deductions	=	0	0	0	
103						
104	Recap of Material Deductions:					
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			0	0	0	
120			0	0	0	
121			0	0	0	
122	Total Deductions exceed materiality level		0	0	0	
123	Other deductions less than materiality level		0	0	0	
124	Total Deductions		0	0	0	
125						

	A	B	C	D	E	F
1						
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F	Non-wires	Wires-only	
5	<u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u>		Corporate	Eliminations	Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
7		0	Return			
8	Utility Name: Hydro 2000 Inc.				Version 2009.1	
9						
10						
11	Reporting period: 2005					
12	Number of days in taxation year:		365			
13						
14						
15						
16	Section C: Reconciliation of accounting income to taxable income					
17	Add:					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			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	+	130,935		130,935	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Income from joint ventures or partnerships	+			0	
45		+			0	
46		+			0	
47	Total Additions on which true-up does not apply	=	130,935	0	130,935	
48						
49	Deduct:					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	Donations - amount deductible for tax purposes	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	Ontario capital tax adjustments to current or prior year	-			0	
65		-			0	
66	Changes in Regulatory Asset balances	-	77,675		77,675	
67		-	0		0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-	0		0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply	=	77,675	0	77,675	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Hydro 2000 Inc.									
5	Reporting period: 2005									
6										
7										
8	Version 2009.1									
9	Table 1									
10	Rates Used in 2005 RAM PILs Applications for 2005									
11	Income Range		0 to 400,000		400,001 to 1,128,000		>1128000			
12	RAM 2002	Year								
13	Income Tax Rate									
14	Proxy Tax Year	2005								
15	Federal (Includes surtax)		13.12%		17.75%		22.12%			
16	and Ontario blended		5.50%		9.75%		14.00%			
17	Blended rate		18.62%		27.50%		36.12%			
18	Capital Tax Rate		0.300%							
19	LCT rate		0.175%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$7.5MM	7,500,000							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	50,000,000							
23	**Exemption amounts must agree with the Board-approved 2005 RAM PILs filing									
24										
25	Table 2									
26	Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005									
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2005								
31	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
32	Ontario		5.50%	5.50%	9.75%		14.00%			
33	Blended rate		18.62%	27.62%	31.87%		36.12%			
34	Capital Tax Rate		0.300%							
35	LCT rate		0.225%							
36	Surtax		1.12%							
37	Ontario Capital Tax Exemption *** 2002	MAX \$7.5MM	7,500,000							
38	Federal Large Corporations Tax Exemption *** 2002	MAX \$50MM	50,000,000							
39	***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.									
40										
41	Table 3									
42	Input Information from Utility's Actual 2005 Tax Returns									
43	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
44	Income Tax Rate	Year								
45	Current year	2005								
46	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
47	Ontario		5.50%	5.50%	9.75%		14.00%			
48	Blended rate		18.62%	27.62%	31.87%		36.12%			
49	Capital Tax Rate		0.300%							
50	LCT rate		0.200%							
51	Surtax		1.12%							
52	Ontario Capital Tax Exemption *	MAX \$7.5MM	7,500,000							
53	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
54	* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36									
55										
56										
57										
58										
59										
60										
61										

	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: Hydro 2000 Inc.														Version 2009.1
4	Reporting period: 2005														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:	=			1,744		-528		-3,900		-10,102		-10,668		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-	1,733		14,384		16,117		14,817		10,616		3,120		60,787
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
16	True-up Variance Adjustment (3)	+/-			-2,140		-1,128		-6,213		944				-8,537
18	Deferral Account Variance Adjustment Q4, 2001 (4)														0
20	Deferral Account Variance Adjustment (5)	+/-					-369		-369		0				-738
22	Adjustments to reported prior years' variances (6)	+/-													0
23	Carrying charges (7)	+/-	11		91		-153		-547		-795		-202		-1,595
25	PILs billed to (collected from) customers (8)	-	0		-14,607		-17,839		-13,890		-11,331		-3,756		-61,423
26															
27	Ending balance: # 1562		1,744		-528		-3,900		-10,102		-10,668		-11,506		-11,506
28															
29															
30															
31	Uncollected PILs														
32															
33	NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: 3														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(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.														
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
46															
47	(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														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(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														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(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.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(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														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	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.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														
81															
82															

Attachment 2 of 2

Disposition 1562 Deferred PILs

Name of LDC: Hydro 2000 Inc.

OEB Licence Number: ED-2002-0542

Distributor Information

Applicant Name

Hydro 2000 Inc.

OEB Licence Number

ED-2002-0542



Name of LDC: Hydro 2000 Inc.

OEB Licence Number: ED-2002-0542

Table of Contents

Sheet Name	Purpose of Sheet
A1.1 Distributor Information	Enter LDC Data
A2.1 Table of Contents	Table of Contents
A3.1 Prescribed Interest Rates	Prescribed Interest Rates
A3.2 Annual Interest	Annual Interest
A4.1 PILs Tax Proxy	PILs Tax Proxy
B1.1 Rate Classes	Set Up Rate Classes
C1.1 2002 PILs Recovered	2002 PILs Recovered
C1.2 2003 PILs Recovered	2003 PILs Recovered
C1.3 Jan to Mar 2004 PILs Rec	Jan to Mar 2004 PILs Recovered
C1.4 Apr to Dec 2004 PILs Rec	Apr to Dec 2004 PILs Recovered
C1.5 Jan To Mar 2005 PILs Rec	Jan To Mar 2005 PILs Recovered
C1.6 Apr to Dec 2005 PILs Rec	Apr to Dec 2005 PILs Recovered
C1.7 Jan To Apr 2006 PILs Rec	Jan To Apr 2006 PILs Recovered
D1.1 Total PIL's Recovered	Total PIL's Recovered
D1.2 Total PIL's By Year	Total PIL's By Year
E1.1 Disp of 1562 Balance	Disposition of Balance Recorded in Account 1562 Deferred PILs
F1.1 Calc Carry Cost 2001	Calculate Carrying Cost 2001
F1.2 Calc Carry Cost 2002	Calculate Carrying Cost 2002
F1.3 Calc Carry Cost 2003	Calculate Carrying Cost 2003
F1.4 Calc Carry Cost 2004	Calculate Carrying Cost 2004
F1.5 Calc Carry Cost 2005	Calculate Carrying Cost 2005
F1.6 Calc Carry Cost 2006	Calculate Carrying Cost 2006
F1.7 Calc Carry Cost 2007	Calculate Carrying Cost 2007
F1.8 Calc Carry Cost 2008	Calculate Carrying Cost 2008
F1.9 Calc Carry Cost 2009	Calculate Carrying Cost 2009
F1.10 Calc Carry Cost 2010	Calculate Carrying Cost 2010
F1.11 Calc Carry Cost 2011	Calculate Carrying Cost 2011
F1.12 Calc Carry Cost 2012	Calculate Carrying Cost 2012
G1.1 Request for Disposition	Request for Disposition of 1562 Balance

Name of LDC: Hydro 2000 Inc.

OEB Licence Number: ED-2002-0542

Prescribed Interest Rates

Approved Deferral and Variance Accounts Prescribed Interest Rate (per the Bankers' Acceptances-3 months Plus 0.25 Spread)	
Q3 2001	7.25
Q2 2006	4.14
Q3 2006	4.59
Q4 2006	4.59
Q1 2007	4.59
Q2 2007	4.59
Q3 2007	4.59
Q4 2007	5.14
Q1 2008	5.14
Q2 2008	4.08
Q3 2008	3.35
Q4 2008	3.35
Q1 2009	2.45
Q2 2009	1.00
Q3 2009	0.55
Q4 2009	0.55
Q1 2010	0.55
Q2 2010	0.55
Q3 2010	0.89
Q4 2010	1.20
Q1 2011	1.47
Q2 2011	1.47
Q3 2011	1.47
Q4 2011	1.47
Q1 2012	1.47
Q2 2012	1.47

ate:

Name of LDC: Hydro 2000 Inc.

OEB Licence Number: ED-2002-0542

Annual Interest

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2001	0.00	0.00%	0.00%
February 28, 2001	0.00	0.00%	0.00%
March 31, 2001	0.00	0.00%	0.00%
April 30, 2001	0.00	0.00%	0.00%
May 31, 2001	0.00	0.00%	0.00%
June 30, 2001	0.00	0.00%	0.00%
July 31, 2001	0.00	0.00%	0.00%
August 31, 2001	0.00	0.00%	0.00%
September 30, 2001	0.00	0.00%	0.00%
October 31, 2001	7.25	0.62%	0.62%
November 30, 2001	7.25	0.60%	1.21%
December 31, 2001	7.25	0.62%	1.83%
Effective Annual Interest		1.83%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2002	7.25	0.62%	0.62%
February 28, 2002	7.25	0.56%	1.17%
March 31, 2002	7.25	0.62%	1.79%
April 30, 2002	7.25	0.60%	2.38%
May 31, 2002	7.25	0.62%	3.00%
June 30, 2002	7.25	0.60%	3.60%
July 31, 2002	7.25	0.62%	4.21%
August 31, 2002	7.25	0.62%	4.83%
September 30, 2002	7.25	0.60%	5.42%
October 31, 2002	7.25	0.62%	6.04%
November 30, 2002	7.25	0.60%	6.63%
December 31, 2002	7.25	0.62%	7.25%
Effective Annual Interest		7.25%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2003	7.25	0.62%	0.62%
February 28, 2003	7.25	0.56%	1.17%
March 31, 2003	7.25	0.62%	1.79%
April 30, 2003	7.25	0.60%	2.38%
May 31, 2003	7.25	0.62%	3.00%
June 30, 2003	7.25	0.60%	3.60%
July 31, 2003	7.25	0.62%	4.21%
August 31, 2003	7.25	0.62%	4.83%
September 30, 2003	7.25	0.60%	5.42%
October 31, 2003	7.25	0.62%	6.04%
November 30, 2003	7.25	0.60%	6.63%
December 31, 2003	7.25	0.62%	7.25%

Effective Annual Interest**7.25%**

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2004	7.25	0.62%	0.62%
February 29, 2004	7.25	0.58%	1.19%
March 31, 2004	7.25	0.62%	1.81%
April 30, 2004	7.25	0.60%	2.40%
May 31, 2004	7.25	0.62%	3.02%
June 30, 2004	7.25	0.60%	3.62%
July 31, 2004	7.25	0.62%	4.23%
August 31, 2004	7.25	0.62%	4.85%
September 30, 2004	7.25	0.60%	5.44%
October 31, 2004	7.25	0.62%	6.06%
November 30, 2004	7.25	0.60%	6.65%
December 31, 2004	7.25	0.62%	7.27%
Effective Annual Interest		7.27%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2005	7.25	0.62%	0.62%
February 28, 2005	7.25	0.56%	1.17%
March 31, 2005	7.25	0.62%	1.79%
April 30, 2005	7.25	0.60%	2.38%
May 31, 2005	7.25	0.62%	3.00%
June 30, 2005	7.25	0.60%	3.60%
July 31, 2005	7.25	0.62%	4.21%
August 31, 2005	7.25	0.62%	4.83%
September 30, 2005	7.25	0.60%	5.42%
October 31, 2005	7.25	0.62%	6.04%
November 30, 2005	7.25	0.60%	6.63%
December 31, 2005	7.25	0.62%	7.25%
Effective Annual Interest		7.25%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2006	7.25	0.62%	0.62%
February 28, 2006	7.25	0.56%	1.17%
March 31, 2006	7.25	0.62%	1.79%
April 30, 2006	4.14	0.34%	2.13%
May 31, 2006	4.14	0.35%	2.48%
June 30, 2006	4.14	0.34%	2.82%
July 31, 2006	4.59	0.39%	3.21%
August 31, 2006	4.59	0.39%	3.60%
September 30, 2006	4.59	0.38%	3.98%
October 31, 2006	4.59	0.39%	4.37%
November 30, 2006	4.59	0.38%	4.74%
December 31, 2006	4.59	0.39%	5.13%
Effective Annual Interest		5.13%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2007	4.59	0.39%	0.39%
February 28, 2007	4.59	0.35%	0.74%
March 31, 2007	4.59	0.39%	1.13%
April 30, 2007	4.59	0.38%	1.51%

May 31, 2007	4.59	0.39%	1.90%
June 30, 2007	4.59	0.38%	2.28%
July 31, 2007	4.59	0.39%	2.67%
August 31, 2007	4.59	0.39%	3.06%
September 30, 2007	4.59	0.38%	3.43%
October 31, 2007	5.14	0.44%	3.87%
November 30, 2007	5.14	0.42%	4.29%
December 31, 2007	5.14	0.44%	4.73%
Effective Annual Interest		4.73%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2008	5.14	0.44%	0.44%
February 29, 2008	5.14	0.41%	0.84%
March 31, 2008	5.14	0.44%	1.28%
April 30, 2008	4.08	0.34%	1.62%
May 31, 2008	4.08	0.35%	1.96%
June 30, 2008	4.08	0.34%	2.30%
July 31, 2008	3.35	0.28%	2.58%
August 31, 2008	3.35	0.28%	2.87%
September 30, 2008	3.35	0.28%	3.14%
October 31, 2008	3.35	0.28%	3.43%
November 30, 2008	3.35	0.28%	3.70%
December 31, 2008	3.35	0.28%	3.99%
Effective Annual Interest		3.99%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2009	2.45	0.21%	0.21%
February 28, 2009	2.45	0.19%	0.40%
March 31, 2009	2.45	0.21%	0.60%
April 30, 2009	1.00	0.08%	0.69%
May 31, 2009	1.00	0.08%	0.77%
June 30, 2009	1.00	0.08%	0.85%
July 31, 2009	0.55	0.05%	0.90%
August 31, 2009	0.55	0.05%	0.95%
September 30, 2009	0.55	0.05%	0.99%
October 31, 2009	0.55	0.05%	1.04%
November 30, 2009	0.55	0.05%	1.08%
December 31, 2009	0.55	0.05%	1.13%
Effective Annual Interest		1.13%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2010	0.55	0.05%	0.05%
February 28, 2010	0.55	0.04%	0.09%
March 31, 2010	0.55	0.05%	0.14%
April 30, 2010	0.55	0.05%	0.18%
May 31, 2010	0.55	0.05%	0.23%
June 30, 2010	0.55	0.05%	0.27%
July 31, 2010	0.89	0.08%	0.35%
August 31, 2010	0.89	0.08%	0.42%
September 30, 2010	0.89	0.07%	0.50%
October 31, 2010	1.20	0.10%	0.60%
November 30, 2010	1.20	0.10%	0.70%
December 31, 2010	1.20	0.10%	0.80%

Effective Annual Interest**0.80%**

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2011	1.47	0.12%	0.12%
February 28, 2011	1.47	0.11%	0.24%
March 31, 2011	1.47	0.12%	0.36%
April 30, 2011	1.47	0.12%	0.48%
May 31, 2011	1.47	0.12%	0.61%
June 30, 2011	1.47	0.12%	0.73%
July 31, 2011	1.47	0.12%	0.85%
August 31, 2011	1.47	0.12%	0.98%
September 30, 2011	1.47	0.12%	1.10%
October 31, 2011	1.47	0.12%	1.22%
November 30, 2011	1.47	0.12%	1.35%
December 31, 2011	1.47	0.12%	1.47%
Effective Annual Interest		1.47%	

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2012	1.47	0.12%	0.12%
February 29, 2012	1.47	0.12%	0.24%
March 31, 2012	1.47	0.12%	0.37%
April 30, 2012	1.47	0.12%	0.49%
May 31, 2012	0.00	0.00%	0.49%
June 30, 2012	0.00	0.00%	0.49%
July 31, 2012	0.00	0.00%	0.49%
August 31, 2012	0.00	0.00%	0.49%
September 30, 2012	0.00	0.00%	0.49%
October 31, 2012	0.00	0.00%	0.49%
November 30, 2012	0.00	0.00%	0.49%
December 31, 2012	0.00	0.00%	0.49%
Effective Annual Interest		0.49%	

Name of LDC: Hydro 2000 Inc.

OEB Licence Number: ED-2002-0542

PILs Tax Proxy

	Year	Amount
Board-approved PILs tax proxy from Decisions	2001	1,733
Board-approved PILs tax proxy from Decisions	2002	14,384
Board-approved PILs tax proxy from Decisions	2005	9,360

Name of LDC: Hydro 2000 Inc.
OEB Licence Number: ED-2002-0542

Rate Class Selection

Rate Group	Rate Class	Fixed Metric	Vol Metric
RES	Residential	Customer	kWh
GSLT50	General Service Less Than 50 kV	Customer	kWh
GSGT50	General Service 50 to 4,999 kW	Customer	kW
USL	Unmetered Scattered Load	Connection	kWh
Sen	Sentinel Lighting	Connection	kW
SL	Street Lighting	Connection	kW
NA	Rate Class 7	NA	NA
NA	Rate Class 8	NA	NA
NA	Rate Class 9	NA	NA
NA	Rate Class 10	NA	NA
NA	Rate Class 11	NA	NA
NA	Rate Class 12	NA	NA
NA	Rate Class 13	NA	NA
NA	Rate Class 14	NA	NA
NA	Rate Class 15	NA	NA
NA	Rate Class 16	NA	NA
NA	Rate Class 17	NA	NA
NA	Rate Class 18	NA	NA
NA	Rate Class 19	NA	NA
NA	Rate Class 20	NA	NA
NA	Rate Class 21	NA	NA
NA	Rate Class 22	NA	NA
NA	Rate Class 23	NA	NA
NA	Rate Class 24	NA	NA
NA	Rate Class 25	NA	NA

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

PILs Recovered February to Decemeber 2002

Rate Class	Fixed Metric	PILs Rate 2001 A	PILs Rate 2002 B	Total PILs Rate C = A + B	Monthly Service Charge	Cust/Conn Billed Feb to Dec 2002 D	PILs Recovered E = C * D * 11
Residential	Customer	0.000000	0.426083	0.426083	11.4300	940	4,406
General Service Less Than 50 kW	Customer	0.000000	0.591476	0.591476	16.61	149	969
General Service 50 to 4,999 kW	Customer	0.000000	16.308560	16.308560	146.28	11	1,973
Unmetered Scattered Load	Connection	0.000000	0.000000	0.000000	0.00	0	0
Sentinel Lighting	Connection	0.000000	0.000000	0.000000	0.00	0	0
Street Lighting	Connection	0.000000	0.119772	0.119772	0.71	347	457
						1,447	7,806

Rate Class	Vol Metric	PILs Rate 2001 A	PILs Rate 2002 B	Total PILs Rate C = A + B	Distribution Charge	kWh/kW Billed Feb to Dec 2002 D	PILs Recovered E = C * D
Residential	kWh	0.000000	0.000203	0.000203	0.0058	12,000,000	2,440
General Service Less Than 50 kW	kWh	0.000000	0.000271	0.000271	0.0076	4,800,000	1,299
General Service 50 to 4,999 kW	kW	0.000000	0.229601	0.229601	2.0153	10,585	2,430
Unmetered Scattered Load	kWh	0.000000	0.000000	0.000000	0.0000	0	0
Sentinel Lighting	kW	0.000000	0.000000	0.000000	0.0000	0	0
Street Lighting	kW	0.000000	0.778220	0.778220	4.6006	811	631
						16,811,396	6,801

14,607

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

PILs Recovered 2003

Rate Class	Fixed Metric	PILs Rate 2001 A	PILs Rate 2002 B	Total PILs Rate C = A + B	Monthly Service Charge	Cust/Conn Billed 2003 D	PILs Recovered E = C * D * 12
Residential	Customer	0.000000	0.426083	0.426083	11.4300	1,123	5,742
General Service Less Than 50 kW	Customer	0.000000	0.591476	0.591476	16.6100	156	1,107
General Service 50 to 4,999 kW	Customer	0.000000	16.308560	16.308560	146.2800	11	2,153
Unmetered Scattered Load	Connection	0.000000	0.000000	0.000000	0.0000	0	0
Sentinel Lighting	Connection	0.000000	0.000000	0.000000	0.0000	0	0
Street Lighting	Connection	0.000000	0.119772	0.119772	0.7100	351	504
						1,641	9,506

Rate Class	Vol Metric	PILs Rate 2001 A	PILs Rate 2002 B	Total PILs Rate C = A + B	Distribution Charge	kWh/kW Billed 2003 D	PILs Recovered E = C * D
Residential	kWh	0.000000	0.000203	0.000203	0.0058	15,460,530	3,144
General Service Less Than 50 kW	kWh	0.000000	0.000271	0.000271	0.0076	5,424,365	1,468
General Service 50 to 4,999 kW	kW	0.000000	0.229601	0.229601	2.0153	13,127	3,014
Unmetered Scattered Load	kWh	0.000000	0.000000	0.000000	0.0000	0	0
Sentinel Lighting	kW	0.000000	0.000000	0.000000	0.0000	0	0
Street Lighting	kW	0.000000	0.778220	0.778220	4.6006	907	706
						20,898,929	8,332

17,839

Name of LDC: Hydro 2000 Inc.
 OEB Licence Number: ED-2002-0542

PILs Recovered January to March 2004

Rate Class	Fixed Metric	PILs Rate 2001 A	PILs Rate 2002 B	Total PILs Rate C = A + B	Monthly Service Charge	Cust/Conn Billed Jan to Mar 2004 D	PILs Recovered E = C * D * 3
Residential	Customer	0.000000	0.426083	0.426083	11.4300	955	1,221
General Service Less Than 50 kW	Customer	0.000000	0.591476	0.591476	16.6100	156	277
General Service 50 to 4,999 kW	Customer	0.000000	16.308560	16.308560	146.2800	11	538
Unmetered Scattered Load	Connection	0.000000	0.000000	0.000000	0.0000	0	0
Sentinel Lighting	Connection	0.000000	0.000000	0.000000	0.0000	0	0
Street Lighting	Connection	0.000000	0.119772	0.119772	0.7100	351	126
						1,473	2,162

Rate Class	Vol Metric	PILs Rate 2001 A	PILs Rate 2002 B	Total PILs Rate C = A + B	Distribution Charge	kWh/kW Billed Jan To Mar 2004 D	PILs Recovered E = C * D
Residential	kWh	0.000000	0.000203	0.000203	0.0058	7,234,799	1,471
General Service Less Than 50 kW	kWh	0.000000	0.000271	0.000271	0.0076	2,324,012	629
General Service 50 to 4,999 kW	kW	0.000000	0.229601	0.229601	2.0153	4,918	1,129
Unmetered Scattered Load	kWh	0.000000	0.000000	0.000000	0.0000	0	0
Sentinel Lighting	kW	0.000000	0.000000	0.000000	0.0000	0	0
Street Lighting	kW	0.000000	0.778220	0.778220	4.6006	302	235
						9,564,031	3,465

5,626

Name of LDC: Hydro 2000 Inc.
 OEB Licence Number: ED-2002-0542

PILs Recovered April to December 2004

Rate Class	Fixed Metric	PILs Rate Apr to Dec 2004 A	Monthly Service Charge	Cust/Conn Billed Apr to Dec 2004 B	PILs Recovered C = A * B * 9
Residential	Customer	0.000000	0.0000	0	0
General Service Less Than 50 kW	Customer	0.000000	0.0000	0	0
General Service 50 to 4,999 kW	Customer	0.000000	0.0000	0	0
Unmetered Scattered Load	Connection	0.000000	0.0000	0	0
Sentinel Lighting	Connection	0.000000	0.0000	0	0
Street Lighting	Connection	0.000000	0.0000	0	0
				0	0

Rate Class	Vol Metric	PILs Rate Apr to Dec 2004 A	Distribution Charge	kWh/kW Billed Apr To Dec 2004 B	PILs Recovered C = A * B
Residential	kWh	0.000580	0.8300	8,753,305	5,077
General Service Less Than 50 kW	kWh	0.000560	0.9700	3,397,969	1,903
General Service 50 to 4,999 kW	kW	0.128800	1.4533	8,598	1,107
Unmetered Scattered Load	kWh	0.000000	0.0000	0	0
Sentinel Lighting	kW	0.000000	0.0000	0	0
Street Lighting	kW	0.291600	1.4576	605	176
				12,160,477	8,264
					8,264

Name of LDC: Hydro 2000 Inc.
 OEB Licence Number: ED-2002-0542

PILs Recovered January to March 2005

Rate Class	Fixed Metric	PILs Rate Jan To Mar 2005 A	Monthly Service Charge	Cust/Conn Billed Jan to Mar 2005 B	PILs Recovered C = A * B * 3
Residential	Customer	0.000000	0.0000	0	0
General Service Less Than 50 kW	Customer	0.000000	0.0000	0	0
General Service 50 to 4,999 kW	Customer	0.000000	0.0000	0	0
Unmetered Scattered Load	Connection	0.000000	0.0000	0	0
Sentinel Lighting	Connection	0.000000	0.0000	0	0
Street Lighting	Connection	0.000000	0.0000	0	0
				<u>0</u>	<u>0</u>

Rate Class	Vol Metric	PILs Rate Jan To Mar 2005 A	Distribution Charge	kWh/kW Billed Jan To Mar 2005 B	PILs Recovered C = A * B
Residential	kWh	0.000580	0.8300	6,907,754	4,006
General Service Less Than 50 kW	kWh	0.000560	0.9700	2,184,216	1,223
General Service 50 to 4,999 kW	kW	0.128800	1.4533	5,070	653
Unmetered Scattered Load	kWh	0.000000	0.0000	0	0
Sentinel Lighting	kW	0.000000	0.0000	0	0
Street Lighting	kW	0.291600	1.4576	302	88
				<u>9,097,342</u>	<u>5,971</u>
					<u>5,971</u>

Name of LDC: Hydro 2000 Inc.
 OEB Licence Number: ED-2002-0542

PILs Recovered April to December 2005

Rate Class	Fixed Metric	PILs Rate Apr to Dec 2005 A	Monthly Service Charge	Cust/Conn Billed Apr to Dec 2005 B	PILs Recovered C = A * B * 9
Residential	Customer	0.000000	0.0000	0	0
General Service Less Than 50 kW	Customer	0.000000	0.0000	0	0
General Service 50 to 4,999 kW	Customer	0.000000	0.0000	0	0
Unmetered Scattered Load	Connection	0.000000	0.0000	0	0
Sentinel Lighting	Connection	0.000000	0.0000	0	0
Street Lighting	Connection	0.000000	0.0000	0	0
				0	0

Rate Class	Vol Metric	PILs Rate Apr to Dec 2005 A	Distribution Charge	kWh/kW Billed Apr To Dec 2005 B	PILs Recovered C = A * B
Residential	kWh	0.000400	0.0113	8,963,657	3,585
General Service Less Than 50 kW	kWh	0.000300	0.0129	3,675,545	1,103
General Service 50 to 4,999 kW	kW	0.080000	3.4278	7,232	579
Unmetered Scattered Load	kWh	0.000000	0.0000	0	0
Sentinel Lighting	kW	0.000000	0.0000	0	0
Street Lighting	kW	0.153800	3.5502	606	93
				12,647,040	5,360
					5,360

Name of LDC: Hydro 2000 Inc.
 OEB Licence Number: ED-2002-0542

PILs Recovered January to April 2006

Rate Class	Fixed Metric	PILs Rate Jan To Apr 2006 A	Monthly Service Charge	Cust/Conn Billed Jan To Apr 2006 B	PILs Recovered C = A * B * 4
Residential	Customer	0.000000	0.0000	0	0
General Service Less Than 50 kW	Customer	0.000000	0.0000	0	0
General Service 50 to 4,999 kW	Customer	0.000000	0.0000	0	0
Unmetered Scattered Load	Connection	0.000000	0.0000	0	0
Sentinel Lighting	Connection	0.000000	0.0000	0	0
Street Lighting	Connection	0.000000	0.0000	0	0
				0	0

Rate Class	Vol Metric	PILs Rate Jan To Apr 2006 A	Distribution Charge	kWh/kW Billed Jan To Apr 2006 B	PILs Recovered C = A * B
Residential	kWh	0.000400	0.0113	6,728,819	2,692
General Service Less Than 50 kW	kWh	0.000300	0.0129	2,109,886	633
General Service 50 to 4,999 kW	kW	0.080000	3.4278	4,800	384
Unmetered Scattered Load	kWh	0.000000	0.0000	0	0
Sentinel Lighting	kW	0.000000	0.0000	0	0
Street Lighting	kW	0.153800	3.5502	309	47
				8,843,814	3,756
					3,756

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Total PIL's Recoverd

Rate Class	Fixed Metric	PILs Recovered Feb to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Mar 2004	PILs Recovered Apr to Dec 2004	PILs Recovered Jan to Mar 2005	PILs Recovered Apr to Dec 2005	PILs Recovered Jan to Apr 2006	PILs Recovered Total
Residential	Customer	4,406	5,742	1,221	0	0	0	0	11,368
General Service Less Than 50 kW	Customer	969	1,107	277	0	0	0	0	2,353
General Service 50 to 4,999 kW	Customer	1,973	2,153	538	0	0	0	0	4,664
Unmetered Scattered Load	Connection	0	0	0	0	0	0	0	0
Sentinel Lighting	Connection	0	0	0	0	0	0	0	0
Street Lighting	Connection	457	504	126	0	0	0	0	1,088
		7,806	9,506	2,162	0	0	0	0	19,474

Rate Class	Vol Metric	PILs Recovered Feb to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Mar 2004	PILs Recovered Apr to Dec 2004	PILs Recovered Jan to Mar 2005	PILs Recovered Apr to Dec 2005	PILs Recovered Jan to Apr 2006	PILs Recovered Total
Residential	kWh	2,440	3,144	1,471	5,077	4,006	3,585	2,692	22,416
General Service Less Than 50 kW	kWh	1,299	1,468	629	1,903	1,223	1,103	633	8,258
General Service 50 to 4,999 kW	kW	2,430	3,014	1,129	1,107	653	579	384	9,296
Unmetered Scattered Load	kWh	0	0	0	0	0	0	0	0
Sentinel Lighting	kW	0	0	0	0	0	0	0	0
Street Lighting	kW	631	706	235	176	88	93	47	1,977
		6,801	8,332	3,465	8,264	5,971	5,360	3,756	41,948

Rate Class		PILs Recovered Feb to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Mar 2004	PILs Recovered Apr to Dec 2004	PILs Recovered Jan to Mar 2005	PILs Recovered Apr to Dec 2005	PILs Recovered Jan to Apr 2006	PILs Recovered Total
Residential		6,846	8,886	2,692	5,077	4,006	3,585	2,692	33,785
General Service Less Than 50 kW		2,269	2,575	906	1,903	1,223	1,103	633	10,612
General Service 50 to 4,999 kW		4,404	5,167	1,667	1,107	653	579	384	13,961
Unmetered Scattered Load		0	0	0	0	0	0	0	0
Sentinel Lighting		0	0	0	0	0	0	0	0
Street Lighting		1,089	1,210	361	176	88	93	47	3,065
		14,607	17,839	5,626	8,264	5,971	5,360	3,756	61,422

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Total PIL's Recoverd by Year

Rate Class	Fixed Metric	PILs Recovered Feb to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Dec 2004	PILs Recovered Jan to Dec 2005	PILs Recovered	PILs Recovered Total
Residential	Customer	4,406	5,742	1,221	0	0	11,368
General Service Less Than 50 kW	Customer	969	1,107	277	0	0	2,353
General Service 50 to 4,999 kW	Customer	1,973	2,153	538	0	0	4,664
Unmetered Scattered Load	Connection	0	0	0	0	0	0
Sentinel Lighting	Connection	0	0	0	0	0	0
Street Lighting	Connection	457	504	126	0	0	1,088
		7,806	9,506	2,162	0	0	19,474

Rate Class	Vol Metric	PILs Recovered Feb to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Dec 2004	PILs Recovered Jan to Dec 2005	PILs Recovered	PILs Recovered Total
Residential	kWh	2,440	3,144	6,548	7,592	2,692	22,416
General Service Less Than 50 kW	kWh	1,299	1,468	2,532	2,326	633	8,258
General Service 50 to 4,999 kW	kW	2,430	3,014	2,237	1,232	384	9,296
Unmetered Scattered Load	kWh	0	0	0	0	0	0
Sentinel Lighting	kW	0	0	0	0	0	0
Street Lighting	kW	631	706	411	181	47	1,977
		6,801	8,332	11,728	11,331	3,756	41,948

Rate Class		PILs Recovered Feb to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Mar 2004	PILs Recovered Apr to Dec 2004	PILs Recovered	PILs Recovered Total
Residential		6,846	8,886	7,769	7,592	2,692	33,785
General Service Less Than 50 kW		2,269	2,575	2,809	2,326	633	10,612
General Service 50 to 4,999 kW		4,404	5,167	2,775	1,232	384	13,961
Unmetered Scattered Load		0	0	0	0	0	0
Sentinel Lighting		0	0	0	0	0	0
Street Lighting		1,089	1,210	538	181	47	3,065
		14,607	17,839	13,890	11,331	3,756	61,422

Name of LDC: Hydro 2000 Inc.
 OEB Licence Number: ED-2002-0542

Disposition of Balance Recorded in Account 1562 Deferred PILs

Year start:	01/10/2001	01/01/2002	01/01/2003	01/01/2004	01/01/2005	01/01/2006	01/05/2006	01/01/2007	01/01/2008	01/01/2009	01/01/2010	01/01/2011	01/01/2012
Year end:	31/12/2001	31/12/2002	31/12/2003	31/12/2004	31/12/2005	30/04/2006	31/12/2006	31/12/2007	31/12/2008	31/12/2009	31/12/2010	31/12/2011	30/04/2012
Principal Opening balance: # 1562	= 0	1,733	-630	-3,848	-9,503	-9,274	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Board-approved PILs tax proxy from	+/- 1,733	14,384	16,117	14,817	10,616	3,120							
True-up Variance Adjustment Q4, 2001 ⁽²⁾	+/- 0						0	0	0	0	0	0	0
True-up Variance Adjustment ⁽³⁾	+/-	-2,140	-1,128	-6,213	944		0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001 ⁽⁴⁾	+/- 0						0	0	0	0	0	0	0
Deferral Account Variance Adjustment ⁽⁵⁾	+/-		-369	-369			0	0	0	0	0	0	0
Adjustments to reported prior years ⁶	+/-						0	0	0	0	0	0	0
PILs collected from customers - Proxy ⁽⁸⁾	- 0	-14,607	-17,839	-13,890	-11,331	-3,756	0	0	0	0	0	0	0
Principal Ending balance: # 1562	1,733	-630	-3,848	-9,503	-9,274	-9,910							
Principal Opening balance: # 1562	0	11	101	-52	-599	-1,394	-1,596	-1,894	-2,362	-2,758	-2,870	-2,949	-3,094
Carrying charges ⁽⁷⁾	+/- 11	91	-153	-547	-795	-202	-298	-469	-395	-112	-79	-146	-48
Principal Ending balance: # 1562	11	101	-52	-599	-1,394	-1,596	-1,894	-2,362	-2,758	-2,870	-2,949	-3,094	-3,143

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: Method #3

- (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. Per APH entries began October 1, 2001.
 (ii) If the Board approved different amounts, input the Board-approved amounts in cells C12 and E12.
 (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 (vi) Column M - In 2006, the prorated 2005 PILs tax proxy will be used for the period from January 1, 2006 to April 30, 2006.
- (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I133, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be true'd up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I133, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I182, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be true'd up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I182, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
- (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
- (7) Carrying charges are calculated on a simple interest basis.
- (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class. Input negative number for collections.
 (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
 In 2006, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period January 1 to April 30, 2006.

Name of LDC: Hydro 2000 Inc.
OEB Licence Number: ED-2002-0542

Calculate Carrying Cost 2001

Month	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	Total
Prescribed Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.25%	7.25%	7.25%	
Monthly Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.62%	0.60%	0.62%	
Principal Opening balance: # 1562	=	0	0	0	0	0	0	0	0	0	578	1,155	0
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	578	578	578	1,733
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		0	0	0	0	0	0	0	0	578	1,155	1,733	1,733
Interest on Opening Balance		0	0	0	0	0	0	0	0	0	3	7	11
Cummulative Interest This Year		0	0	0	0	0	0	0	0	0	3	11	
Cummulative Interest Life to Date		0	0	0	0	0	0	0	0	0	3	11	

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2002

Month	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Total	
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%		
Monthly Interest	0.62%	0.56%	0.62%	0.60%	0.62%	0.60%	0.62%	0.62%	0.60%	0.62%	0.60%	0.62%		
Principal Opening balance: # 1562	=	1,733	2,753	2,446	2,138	1,831	1,523	1,215	908	600	293	-15	-322	1,733
Board-approved PILs tax proxy from Decisions(1)	+/-	1,199	1,199	1,199	1,199	1,199	1,199	1,199	1,199	1,199	1,199	1,199	1,199	14,384
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	-178	-178	-178	-178	-178	-178	-178	-178	-178	-178	-178	-178	-2,140
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	-1,328	-1,328	-1,328	-1,328	-1,328	-1,328	-1,328	-1,328	-1,328	-1,328	-1,328	-14,607
Principal Ending balance: # 1562		2,753	2,446	2,138	1,831	1,523	1,215	908	600	293	-15	-322	-630	-630
Interest on Opening Balance		11	15	15	13	11	9	7	6	4	2	-0	-2	91
Cummulative Interest This Year		11	26	41	54	65	74	82	87	91	93	93	91	
Cummulative Interest Life to Date		21	37	52	64	76	85	92	98	101	103	103	101	

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2003

Month	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Total	
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%		
Monthly Interest	0.62%	0.56%	0.62%	0.60%	0.62%	0.60%	0.62%	0.62%	0.60%	0.62%	0.60%	0.62%		
Principal Opening balance: # 1562	=	-630	-898	-1,166	-1,435	-1,703	-1,971	-2,239	-2,507	-2,776	-3,044	-3,312	-3,580	-630
Board-approved PILs tax proxy from Decisions(1)	+/-	1,343	1,343	1,343	1,343	1,343	1,343	1,343	1,343	1,343	1,343	1,343	1,343	16,117
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	-94	-94	-94	-94	-94	-94	-94	-94	-94	-94	-94	-94	-1,128
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	-31	-31	-31	-31	-31	-31	-31	-31	-31	-31	-31	-31	-369
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	-1,487	-1,487	-1,487	-1,487	-1,487	-1,487	-1,487	-1,487	-1,487	-1,487	-1,487	-1,487	-17,839
Principal Ending balance: # 1562		-898	-1,166	-1,435	-1,703	-1,971	-2,239	-2,507	-2,776	-3,044	-3,312	-3,580	-3,848	-3,848
Interest on Opening Balance		-4	-5	-7	-9	-10	-12	-14	-15	-17	-19	-20	-22	-153
Cummulative Interest This Year		-4	-9	-16	-25	-35	-47	-61	-76	-93	-111	-131	-153	
Cummulative Interest Life to Date		97	92	85	76	66	54	40	25	8	-10	-30	-52	

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2004

Month	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total	
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%		
Monthly Interest	0.62%	0.58%	0.62%	0.60%	0.62%	0.60%	0.62%	0.62%	0.60%	0.62%	0.60%	0.62%		
Principal Opening balance: # 1562	=	-3,848	-5,038	-6,227	-7,416	-7,648	-7,880	-8,112	-8,344	-8,576	-8,808	-9,039	-9,271	-3,848
Board-approved PILs tax proxy from Decisions(1)	+/-	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	1,235	14,817
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	-518	-518	-518	-518	-518	-518	-518	-518	-518	-518	-518	-518	-6,213
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	-31	-31	-31	-31	-31	-31	-31	-31	-31	-31	-31	-31	-369
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	-1,875	-1,875	-1,875	-918	-918	-918	-918	-918	-918	-918	-918	-918	-13,890
Principal Ending balance: # 1562		-5,038	-6,227	-7,416	-7,648	-7,880	-8,112	-8,344	-8,576	-8,808	-9,039	-9,271	-9,503	-9,503
Interest on Opening Balance		-24	-29	-38	-44	-47	-47	-50	-51	-51	-54	-54	-57	-547
Cumulative Interest This Year		-24	-53	-91	-135	-182	-229	-279	-331	-382	-436	-490	-547	
Cumulative Interest Life to Date		-76	-105	-143	-187	-234	-281	-331	-383	-434	-488	-542	-599	

Name of LDC: Hydro 2000 Inc.
OEB Licence Number: ED-2002-0542

Calculate Carrying Cost 2005

Month	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Total	
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%		
Monthly Interest	0.62%	0.56%	0.62%	0.60%	0.62%	0.60%	0.62%	0.62%	0.60%	0.62%	0.60%	0.62%		
Principal Opening balance: # 1562	=	-9,503	-10,530	-11,557	-12,584	-12,216	-11,848	-11,481	-11,113	-10,745	-10,377	-10,009	-9,642	-9,503
Board-approved PILs tax proxy from Decisions(1)	+/-	885	885	885	885	885	885	885	885	885	885	885	885	10,616
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	79	79	79	79	79	79	79	79	79	79	79	79	944
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	-1,990	-1,990	-1,990	-596	-596	-596	-596	-596	-596	-596	-596	-596	-11,331
Principal Ending balance: # 1562		-10,530	-11,557	-12,584	-12,216	-11,848	-11,481	-11,113	-10,745	-10,377	-10,009	-9,642	-9,274	-9,274
Interest on Opening Balance		-59	-59	-71	-75	-75	-71	-71	-68	-64	-64	-60	-59	-795
Cummulative Interest This Year		-59	-117	-188	-263	-338	-409	-480	-548	-612	-676	-736	-795	
Cummulative Interest Life to Date		-657	-716	-787	-862	-937	-1,008	-1,079	-1,147	-1,211	-1,275	-1,335	-1,394	

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2006

Month	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Total
Prescribed Rate	7.25%	7.25%	7.25%	4.14%	4.14%	4.14%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	
Monthly Interest	0.62%	0.56%	0.62%	0.34%	0.35%	0.34%	0.39%	0.39%	0.38%	0.39%	0.38%	0.39%	
Principal Opening balance: # 1562	=	-9,274	-9,433	-9,592	-9,751	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,274
Board-approved PILs tax proxy from Decisions(1)	+/-	780	780	780	780	0	0	0	0	0	0	0	3,120
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	-939	-939	-939	-939	0	0	0	0	0	0	0	-3,756
Principal Ending balance: # 1562		-9,433	-9,592	-9,751	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Interest on Opening Balance		-57	-52	-59	-33	-35	-34	-39	-39	-37	-39	-37	-39
Cummulative Interest This Year		-57	-110	-169	-202	-237	-270	-309	-348	-385	-424	-461	-500
Cummulative Interest Life to Date		-1,451	-1,504	-1,563	-1,596	-1,631	-1,664	-1,703	-1,742	-1,779	-1,818	-1,855	-1,894

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2007

Month	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Total
Prescribed Rate	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	5.14%	5.14%	5.14%	
Monthly Interest	0.39%	0.35%	0.39%	0.38%	0.39%	0.38%	0.39%	0.39%	0.38%	0.44%	0.42%	0.44%	
Principal Opening balance: # 1562	=	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Interest on Opening Balance		-39	-35	-39	-37	-39	-37	-39	-37	-43	-42	-43	-469
Cummulative Interest This Year		-39	-74	-112	-150	-188	-226	-264	-303	-340	-383	-425	-469
Cummulative Interest Life to Date		-1,932	-1,967	-2,006	-2,043	-2,082	-2,119	-2,158	-2,197	-2,234	-2,277	-2,319	-2,362

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2008

Month	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Total
Prescribed Rate	5.14%	5.14%	5.14%	4.08%	4.08%	4.08%	3.35%	3.35%	3.35%	3.35%	3.35%	3.35%	
Monthly Interest	0.44%	0.41%	0.44%	0.34%	0.35%	0.34%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	
Principal Opening balance: # 1562	=	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Interest on Opening Balance		-43	-40	-43	-33	-34	-33	-28	-28	-27	-28	-27	-28
Cummulative Interest This Year		-43	-84	-127	-160	-195	-228	-256	-284	-311	-340	-367	-395
Cummulative Interest Life to Date		-2,406	-2,446	-2,489	-2,523	-2,557	-2,590	-2,618	-2,647	-2,674	-2,702	-2,729	-2,758

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2009

Month	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Total
Prescribed Rate	2.45%	2.45%	2.45%	1.00%	1.00%	1.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	
Monthly Interest	0.21%	0.19%	0.21%	0.08%	0.08%	0.08%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	
Principal Opening balance: # 1562	=	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Interest on Opening Balance		-21	-19	-21	-8	-8	-8	-5	-5	-4	-5	-4	-5
Cummulative Interest This Year		-21	-39	-60	-68	-76	-85	-89	-94	-98	-103	-107	-112
Cummulative Interest Life to Date		-2,778	-2,797	-2,817	-2,826	-2,834	-2,842	-2,847	-2,851	-2,856	-2,860	-2,865	-2,870

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2010

Month	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Total
Prescribed Rate	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.89%	0.89%	0.89%	1.20%	1.20%	1.20%	
Monthly Interest	0.05%	0.04%	0.05%	0.05%	0.05%	0.05%	0.08%	0.08%	0.07%	0.10%	0.10%	0.10%	
Principal Opening balance: # 1562	=	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Interest on Opening Balance		-5	-4	-5	-4	-5	-4	-7	-7	-7	-10	-10	-10
Cummulative Interest This Year		-5	-9	-13	-18	-23	-27	-35	-42	-49	-59	-69	-79
Cummulative Interest Life to Date		-2,874	-2,878	-2,883	-2,887	-2,892	-2,897	-2,904	-2,912	-2,919	-2,929	-2,939	-2,949

Name of LDC: **Hydro 2000 Inc.**
 OEB Licence Number: **ED-2002-0542**

Calculate Carrying Cost 2011

Month	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Total
Prescribed Rate	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	
Monthly Interest	0.12%	0.11%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	
Principal Opening balance: # 1562	=	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910	-9,910
Interest on Opening Balance		-12	-11	-12	-12	-12	-12	-12	-12	-12	-12	-12	-146
Cummulative Interest This Year		-12	-24	-36	-48	-60	-72	-85	-97	-109	-121	-133	-146
Cummulative Interest Life to Date		-2,961	-2,972	-2,985	-2,997	-3,009	-3,021	-3,033	-3,046	-3,058	-3,070	-3,082	-3,094



ED Disposition 1562 Balance release 1.0 © Elenchus Research Associates

Name of LDC: Hydro 2000 Inc.

OEB Licence Number: ED-2002-0542

Request for Disposition of 1562 Balance

Principal as of April 30, 2012	-9,910
Interest as of April 30, 2012	-3,143
Amount Requested for Disposition of 1562 Balance	<u>-13,053</u>

Exhibit 3

Tab 2 of 2

Historical Data

1 **Historical Data**

2

3

Appendix 1 of 5

OEB Board Decisions



Commission de l'Energie
de l'Ontario
C.P. 2319
26e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numero sans frais: 1-888-632-6273

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

BY PRIORITY POST

March 4, 2002

Russ Beaulieu

~~Mr. Benoit Larmarche~~

Secretary-Manager
Hydro 2000 Inc.
265, St-Phillippe Street
P.O. Box 370
Affred, ON
K0B 1A0

Rearche

Dear Mr. Larmarche:

Re: Hydro 2000 Inc.
March 2002 LDC Rate Adjustments
Board File No. RP-2002-0022/EB-2002-0031

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,

[Handwritten signature]

Peter H. O'Dell

Assistant Board Secretary

Encl.

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

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

the second of three installments of the utility's incremental Market Adjusted Revenue Requirement (MARR), \$20,919. 1/3

41838 2/2

- the 2001 deferred Payments in Lieu of Taxes (PILs), \$1,733.
- the 2002 Payments in Lieu of Taxes (PILs), \$14,384.

Import
Future
Paye

an interim transition cost recovery, \$27,528.



a change in the Applicant's late payment penalty and a provision for the revenue losses incurred by this change, \$5,876.

5

Transition cost
\$107,652.00

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

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

Board Findings

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

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

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

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

Persons have received an opportunity to make their concerns known to the Board through the published Notice which invited written submissions on the applications. The Board notes that a written hearing is a public process in which all documents received by the Board are available to the public. The Board further notes that most of the issues raised by the submissions of the persons requesting an oral hearing are outside of the scope of the Board's jurisdiction in this proceeding. For example, some persons raised issues of privatization of electricity services and limitations in international trade agreements on the ability

of the government to make changes to Ontario's electricity system in the future. These are not relevant to the Board's duty in this proceeding to approve just and reasonable rates for an individual distributor regulated by the Board.

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

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

THE BOARD ORDERS THAT:

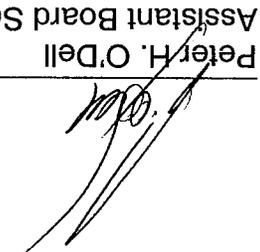
- 1) The rates set out in Appendix "A" of this Order are approved effective March 1, 2002.

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

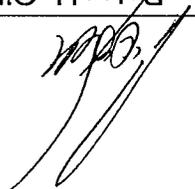
DATED at Toronto, March 4, 2002.

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary



ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

March 4, 2002

RP-2002-0022
EB-2002-0031

Appendix "A"

HYDRO 2000 INC.
Schedule of Rates and Charges
Effective March 1, 2002

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) including New Year's 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)	\$10.81
Distribution Volumetric Rate	(per kWh)	\$0.0055
Cost of Power Rate	(per kWh)	\$0.07875

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.74
Distribution Volumetric Rate	(per kWh)	\$0.0072
Cost of Power Rate	(per kWh)	\$0.07635

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$122.26
Distribution Volumetric Rate	(per kWh)	\$1.6771
Cost of Power Demand Rate	(per kW)	\$6.6219
Cost of Power Energy Rate	(per kWh)	\$0.05435

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.53
Distribution Volumetric Rate	(per kW)	\$3.4545
Cost of Power Demand Rate	(per kW)	\$26.2694

UN-METERED SCATTERED LOAD

Un-metered scattered loads will be billed as General Service > 50kW

Monthly Service Charge	(per month)	\$15.74
Distribution Volumetric Rate	(per kWh)	\$0.0072
Cost of Power Rate	(per kWh)	\$0.07635

SPECIFIC SERVICE CHARGES

**HYDRO 2000 INC.
 Schedule of Rates and Charges - Page 2
 Effective March 1, 2002**

RP-2002-0022
 EB-2002-0031

\$ 8.80	New Account Setup
\$ 8.80	Change of Occupancy
\$ 10.00	Arrear's Certificate
1.50% (per month)	Late Payment Charge
19.56% (per annum)	Returned Cheque
\$ 9.00	Collection of Account Charge
\$ 8.80	Disconnect/Reconnect Charges (non payment of account)
\$ 20.00	At Meter - During Regular Hours
\$ 50.00	At Meter - After Hours

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



March 12, 2004

Rene Beaulne
Manager
Hydro 2000 Inc.
265 St-Philippe Street
P.O. Box 370
Alfred ON
K0B 1A0

Dear Mr. Beaulne:

**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,

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record



RP-2004-0021
EB-2004-0007

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 Hydro 2000 Inc.
for an order or orders approving or fixing just and reasonable
rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On January 15, 2004 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

The Applicant filed an application for such adjustment. Notice of the proceeding was published on February 5, 2004 in major newspapers in the province.

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 12, 2004

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Secretary

Interim Rates
Hydro 2000 Inc.
Schedule of Changed Distribution Rates and Charges

RP-2004-0021
EB-2004-0007

Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.81
Distribution Volumetric Rate	(per kWh)	\$0.0083

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.74
Distribution Volumetric Rate	(per kWh)	\$0.0097

GENERAL SERVICE > 50 KW

Monthly Service Charge	(per month)	\$122.26
Distribution Volumetric Rate	(per kW)	\$1.4533

STREET LIGHTING

Monthly Service Charge	(per connection)	\$0.53
Distribution Volumetric Rate	(per kW)	\$1.4776

UNMETERED SCATTERED LOADS

Unmetered scattered loads will be billed as General Service <50 kW

Monthly Service Charge	(per month)	\$15.74
Distribution Volumetric Rate	(per kWh)	\$0.0097



RP-2005-0013
EB-2005-0002

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 **Hydro
2000 Inc.** for an order or orders approving or fixing
just and reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

In November 2003 the Ontario government announced that it would permit local distribution companies to apply to the Board for the next installment of their allowable return on equity beginning March 1, 2005. The Government also indicated that the Board's approval would be conditional on a financial commitment to reinvest in conservation and demand management initiatives, an amount equal to one year's incremental returns.

Also in November 2003, the Government announced, in conjunction with the introduction of Bill 4, the *Ontario Energy Board Amendment Act, (Electricity Pricing), 2003*, that electricity distributors could start recovering Regulatory Assets in their rates, beginning March 1, 2004, over a four year period.

In February and March, 2004, the Board approved the applications of distributors to recover 25% of their December 31, 2002 Regulatory Asset balances (or additional amounts for rate stability) in their distribution rates on an interim basis effective March 1, 2004 and implemented on April 1, 2004.

On December 20, 2004 the Board issued filing guidelines to all electricity distribution utilities for the April 1, 2005 distribution rate adjustments. The guidelines allowed the applicants to recover three types of costs. These costs concern (i) the rate recovery of the third tranche of the allowable return on equity (Market Adjusted Revenue Requirement or "MARR"), (ii) the 2005 proxy allowance for payments in lieu of taxes ("PILs") and (iii) a second installment of the recovery of Regulatory Assets.

A generic Notice of the proceeding was published on January 25, 2005 in major newspapers in the province, which provided a 14 day period for submissions from interested parties. On February 4, 2005, the Board issued Procedural Order No. 1, providing for an extension for submissions until February 16, 2005 and also providing for reply submissions from applicants and other parties.

The Applicant filed an application for adjustments to their rates for the following amounts:

MARR: \$ 25,010

2005 PILs Proxy: \$ 9,360

Regulatory Assets Second Tranche: \$ 142,509

The Applicant also applied for recovery of amounts and/or items outside of the guidelines. Specifically, the Applicant requested a MARR amount that was not consistent with the Applicant's approved Conservation and Demand Management plan. However, the PILs proxy was calculated on the lower, approved Conservation and Demand Management plan amount of \$20,919.

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.

At this time, the Board will approve only the portion of the application that conforms to the guidelines as the generic notice published informed customers and the public of only the changes contemplated in the guidelines. The Applicant may wish to apply for other specific changes to rates in a separate application.

The Board has adjusted the MARR recovery to conform with the Applicant's approved Conservation and Demand Management plan. The Board notes that the PILs proxy does not change as it was submitted on the basis of the approved C&DM amount. The resulting approved amounts are:

MARR: \$ 20,919

2005 PILs Proxy: \$ 9,360

Regulatory Assets Second Tranche: \$ 142,509

Subject to these adjustments, 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 22, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0002

March 22, 2005

ONTARIO ENERGY BOARD

Hydro 2000 Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2005
Implementation Date: April 1, 2005

RP-2005-0013
EB-2005-0002

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.48
Distribution Volumetric Rate	(per kWh)	\$0.0112

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.35
Distribution Volumetric Rate	(per kWh)	\$0.0128

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$84.78
Distribution Volumetric Rate	(per kW)	\$3.4099

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$0.23
Distribution Volumetric Rate	(per kW)	\$3.5274

Unmetered Scattered Loads

Billed at General Service < 50 kW rates

Monthly Service Charge	(per month)	\$15.35
Distribution Volumetric Rate	(per kWh)	\$0.0128

The rates on this schedule include an interim recovery of Regulatory Assets.

Appendix 2 of 5

Original Board Approved SIMPILS

	A	B	C	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Utility Name			Amount
5	Reporting period			
6				
7	BACKGROUND			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	Y
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	N
14				
15	Accounting Year End		Date	31-Dec-01
16				
17	MARR NO TAX CALCULATIONS			
18	SHEET #7 FINAL RUD MODEL DATA			
19	(FROM 1999 FINANCIAL STATEMENTS)			
20	USE BOARD-APPROVED AMOUNTS			
21				
22	Rate base (wires-only)			732,727
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			62,758
33				
34	1999 return from RUD Sheet #7			0
35				
36	Total Incremental revenue			62,758
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			20,919
40	Amount allowed in 2002, Year 2			20,919
41	Amount allowed in 2003, Year 3			20,919
42				
43	Equity			366,364
44				
45	Return at target ROE			36,197
46				
47	Debt			366,364
48				
49	Deemed interest amount in EBIT			26,561
50				
51	Phase-in of interest - Year 1			8,854
52	$((D34+D39)/D32)*D49$			
53	Phase-in of interest - Year 2			17,707
54	$((D34+D39+D40)/D32)*D49$			
55	Phase-in of interest - Year 3 (D49)			26,561
56				

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
7	Utility Name: HYDRO 2000 INC.					
8	Reporting period: DECEMBER 31, 2001					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	I) CORPORATE INCOME TAXES					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1	48,108		48,108	
16	Other Income	2	5,137		5,137	
17	Expenses					
18	Administration	3	-41,862		-41,862	
19	Distribution	4	-1,082		-1,082	
20	Operations and Maintenance	5			0	
21	Depreciation and Amortization	6	-9,354		-9,354	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	Net Income Before Interest & Income Taxes EBIT	10	947	0	947	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		9,354	0	9,354	2C
30	Federal Large Corporation Tax		0	0	0	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			9,354	0	9,354	
37	<i>Other Additions:</i> (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				0	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			Return			note
5						#
6						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	<i>Other Additions:</i>				0	7C
83					0	
84	<i>Total Other Additions</i>		0	0	0	7C
85						
86	Total Additions		9,354	0	9,354	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance		-7,996		-7,996	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		-5,937		-5,937	12C
94	Other deductions "Material" Item #1				0	13C
95	Other deductions "Material" Item #2				0	13C
96			-13,933	0	-13,933	
97	<i>Other deductions: (From T2 S1)</i>					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets				0	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction				0	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				0	13C
122	Charitable donations - tax basis				0	13C
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	13C
125	Ecological gifts				0	13C
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
127	Non-capital losses-preceding years				0	13C
128	Net-capital losses- preceding years				0	13C
129	Limited partnership losses- preceding years				0	13C
130	<i>Other deductions:</i>				0	13C
131					0	
132					0	
133	<i>Total Other Deductions</i>		0	0	0	13C
134						
135	Total Deductions		-13,933	0	-13,933	
136						
137						
138	TAXABLE INCOME		-3,632	0	-3,632	
139						
140						
141						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
142						
143						
144	ONTARIO CAPITAL TAX					
145						
146	PAID-UP CAPITAL					
147						
148	Paid-up capital stock		308,735		308,735	
149	Retained earnings (if deficit, deduct)		48,591		48,591	
150	Capital and other surplus excluding				0	
151	appraisal surplus				0	
152	Loans and advances		431,805		431,805	
153	Bank loans				0	
154	Bankers acceptances				0	
155	Bonds and debentures payable				0	
156	Mortgages payable				0	
157	Lien notes payable				0	
158	Deferred credits				0	
159	Contingent, investment, inventory and				0	
160	similar reserves				0	
161	Other reserves not allowed as deductions				0	
162	Share of partnership(s), joint venture(s)				0	
163	paid-up capital				0	
164	Sub-total		789,131	0	789,131	
165	Subtract:					
166	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked				0	
168	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	Total (Net) Paid-up Capital		789,131	0	789,131	
172						
173	ELIGIBLE INVESTMENTS					
174						
175	Bonds, lien notes, interest coupons				0	
176	Mortgages due from other corporations				0	
177	Shares in other corporations				0	
178	Loans and advances to unrelated corporations				0	
179	Eligible loans and advances to related				0	
180	corporations				0	
181	Share of partnership(s) or joint venture(s)				0	
182	eligible investments				0	
183						
184	Total Eligible Investments		0	0	0	
185						
186						

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
187						
188	TOTAL ASSETS					
189						
190	Total assets per balance sheet		1,182,581		1,182,581	
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		1,182,581	0	1,182,581	
199						
200	Add: (if deducted from assets)					
201	Contingent, investment, inventory and				0	
202	similar reserves				0	
203	Other reserves not allowed as deductions				0	
204	Subtract:				0	
205	Amounts deducted for income tax				0	
206	purposes in excess of amounts booked				0	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
209	Subtract: Appraisal surplus if booked				0	
210	Add or subtract: Other adjustments		1	1	2	
211						
212	Total Assets		1,182,582	1	1,182,583	
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		789,131	0	789,131	
222	Subtract: Investment Allowance		0	0	0	
223					0	
224	Taxable Capital		789,131	0	789,131	
225						
226	Capital Tax Calculation					
227						
228	Taxable capital		789,131	0	789,131	16C
229						
230	Deduction from taxable capital up to \$5,000,000		-789,131		-789,131	17C
231						
232	Net Taxable Capital		0	0	0	
233						
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		365	365	365	
237	Divide days by 365		1.0000	1.0000	1.0000	
238						
239	Ontario Capital Tax		0	0	0	
240						

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

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
292						
293	TAXABLE CAPITAL					
294						
295	Capital for the year		0	0	0	
296						
297	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		0	0	0	19C
300						
301	Deduct: Capital Deduction \$10,000,000				0	20C
302						
303	Taxable Capital		0	0	0	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
307	Days in year		365	365	365	
308	Divide days by 365		1.0000	1.0000	1.0000	
309						
310	Gross Part I.3 Tax LCT		0	0	0	
311						
312	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
314	Federal Surtax = Taxable Income x Surtax Rate		-41	0	-41	
315						
316	Net Part I.3 Tax LCT Payable		41	0	41	
317	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						

	A	B	C	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Utility Name			Amount
5	Reporting period			
6				
7	BACKGROUND			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	Y
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	N
14				
15	Accounting Year End		Date	31-Dec-02
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)			732,727
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			62,758
33				
34	1999 return from RUD Sheet #7			0
35				
36	Total Incremental revenue			62,758
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			20,919
40	Amount allowed in 2002, Year 2			20,919
41	Amount allowed in 2003, Year 3			20,919
42				
43	Equity			366,364
44				
45	Return at target ROE			36,197
46				
47	Debt			366,364
48				
49	Deemed interest amount in EBIT			26,561
50				
51	Phase-in of interest - Year 1			8,854
52	$((D34+D39)/D32)*D49$			
53	Phase-in of interest - Year 2			17,707
54	$((D34+D39+D40)/D32)*D49$			
55	Phase-in of interest - Year 3 (D49)			26,561
56				

	A	B	C	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
7	Utility Name: HYDRO 2000 INC.					
8	Reporting period: DECEMBER 31, 2002					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	I) CORPORATE INCOME TAXES					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1			0	
16	Other Income	2			0	
17	Expenses					
18	Administration	3			0	
19	Distribution	4			0	
20	Operations and Maintenance	5			0	
21	Depreciation and Amortization	6			0	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	Net Income Before Interest & Income Taxes EBIT	10	0	0	0	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		0	0	0	2C
30	Federal Large Corporation Tax		0	0	0	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			0	0	0	
37	<i>Other Additions:</i> (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				0	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			Return			note
5						#
6						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	<i>Other Additions:</i>				0	7C
83					0	
84	<i>Total Other Additions</i>		0	0	0	7C
85						
86	Total Additions		0	0	0	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance				0	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			0	0	0	
97	<i>Other deductions: (From T2 S1)</i>					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets				0	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction				0	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C

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

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

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

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

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

REGULATORY INFORMATION (REGINFO)

Utility Name:	Hydro 200 Inc
File Number:	RP-2005-0013
	EB-2005-0002
Reporting period:	Jan. 1, 2005 to Dec. 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)	\$732,726.88
Common Equity Ratio (CER)	50.00%
1-CER	50.00%
Target Return On Equity (%)	9.88%
Debt rate	7.25%

			<u>Regulatory Income</u>
Market Adjusted Revenue Requirement	\$62,758		
1999 return from RUD Sheet #7	\$0		\$0
Total Incremental revenue	\$62,758		
	<i>Based on Board's Decision (RP-2000-0069)</i>	<i>Board-Approved Amounts</i>	
Amount allowed in 2001, Year 1	\$20,919	\$20,919	\$20,919
Amount allowed in 2002, Year 2	\$20,919	\$20,919	\$20,919
Amount allowed in 2003, Year 3	\$20,919	\$20,919	\$20,919
Permanent Changes to Base Rate (e.g. LPP 5% to 1.5%)	\$5,877		\$5,877
C&DM Capital Portion from "C&DM TAX FORECAST" worksheet	0%		
Total Regulatory Income			\$68,634

Equity	\$366,363
Return at target ROE	\$36,197
Debt	\$366,363
Deemed interest amount in EBIT	\$26,561

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC)		ITEM	Proxy Calculation	Comments
Utility Name: Hydro 200 Inc Reporting Period: Jan. 1, 2005 to Dec. 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365			\$	
Percentage used to determine the exemptions for capital tax and large corporations tax			100%	
II) CAPITAL TAXES				
<i>Ontario</i>				
Rate Base	15	\$732,727		
Less: Exemption	16	\$7,500,000		
Deemed Taxable Capital		\$0		
Rate (.3%)	17	0.3000%		
Net Amount (Taxable Capital x Rate)			\$0	
<i>Federal (LCT)</i>				
Base	18	\$732,727		
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		18.62%		
Income Tax (grossed-up)	22	\$9,360		
LCT (grossed-up)	23	\$0		
Ontario Capital Tax	24	\$0		
Total S. 93 PILs Rate Adjustment (Enter this amount in the 2005 RAM, Sheet #4, cell G14)		25	\$9,360	

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
<i>Income Tax Rate</i>	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: Hydro 200 Inc
 File Number: RP-2005-0013
 EB-2005-0002

	Jan - Dec 2005		Jan - Dec 2006		Jan - Sept 30 th 2007		Total	
	\$	%	\$	%	\$	%	\$	%
Capital		0%		0%			\$0	0%
Tax Deductible Expense	\$10,350	100%	\$14,660	100%			\$25,010	100%
Total	\$10,350	100%	\$14,660	100%	\$0	0%	\$25,010	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 deduction 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 3 of 5

Original Board Approved RAMs

SHEET 1 - 2001 OEB Approved Rate Schedule

V2

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER			
Date	28-Dec-01		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0045
MONTHLY SERVICE CHARGE (Per Customer)	\$8.76
COST OF POWER KWH RATE	\$0.0788

See section #1

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0045
MONTHLY SERVICE CHARGE (Per Customer)	\$8.76

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

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0059
MONTHLY SERVICE CHARGE (Per Customer)	\$12.84
COST OF POWER KWH RATE	\$0.0764

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0059
MONTHLY SERVICE CHARGE (Per Customer)	\$12.84

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

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.9572
MONTHLY SERVICE CHARGE (Per Customer)	\$70.92
COST OF POWER KW RATE	\$6.6219
COST OF POWER KWH RATE	\$0.0544

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE							
MONTHLY SERVICE CHARGE (Per Customer)							
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	

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE							
MONTHLY SERVICE CHARGE (Per Customer)							
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							
MONTHLY SERVICE CHARGE (Per Customer)							
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		
MONTHLY SERVICE CHARGE (Per Connection)		
COST OF POWER KW RATE		

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE		
MONTHLY SERVICE CHARGE (Per Connection)		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE		
MONTHLY SERVICE CHARGE (Per Connection)		
COST OF POWER KW RATE		

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE		\$0.0000
MONTHLY SERVICE CHARGE (Per Connection)		\$0.00
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

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		\$	8.80
Change of Occupancy		\$	8.80
Account History			
Administration Fee		\$	-
Current Year Data		\$	-
Each Additional Year Data		\$	-
Arrear's Certificate		\$	10.00
Late Payment			1.50%
Returned Cheque		\$	9.00
Collection of Account Charge		\$	8.80
Disconnect/Reconnect Charges (non payment of account)			
At Meter - During Regular Hours		\$	20.00
At Meter - After Hours		\$	50.00
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 2 - 2002 Rate Schedule including 2nd Year PBR Adjustment

NAME OF UTILITY HYDRO 2000 INC.
NAME OF CONTACT RENE BEAULNE
E- Mail Address aphydro@hawk.igs.net
VERSION NUMBER 0
Date 37253

LICENCE NUMBER ED-1999-0259
PHONE NUMBER 613-679-4093

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

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

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

or
98.90%
of current rates.

RESIDENTIAL

AS DISCUSS IN HAWKESBURY MEETING

DISTRIBUTION KWH RATE \$0.004451
MONTHLY SERVICE CHARGE (Per Customer) \$8.6636
COST OF POWER KWH RATE \$0.0788

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.004451
MONTHLY SERVICE CHARGE (Per Customer) \$8.6636
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.005835
MONTHLY SERVICE CHARGE (Per Customer) \$12.6988
COST OF POWER KWH RATE \$0.07635

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE \$0.005835
MONTHLY SERVICE CHARGE (Per Customer) \$12.6988
COST OF POWER TIME OF USE RATES

	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$0.946671
MONTHLY SERVICE CHARGE (Per Customer) \$70.1399
COST OF POWER KW RATE \$6.6219
COST OF POWER KWH RATE \$0.0544

GENERAL SERVICE > 50 KW (TIME OF 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	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000	

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	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	
	\$0.00	\$0.00	\$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	
	\$/KW	\$/KW	\$/KWH	\$/KWH	\$/KWH	
	\$0.00	\$0.00	\$0.0000	\$0.0000	\$0.0000	

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.000000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.0000	
COST OF POWER KW RATE	\$0.0000	

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000		
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.2083	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.1879	
COST OF POWER KW RATE	\$26.2694	

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.0000	
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

SUMMER OFF-
PEAK
\$/KWH
\$0.0000

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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: **\$ 5,876.70** Cell G36 will be adjusted by this amount.

SEE APPENDIX #2

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates. **\$ 20,919.35**

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry) **\$ 20,919.35**

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment) **\$ 20,919.35**

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	-	13,421,539	933	\$144,303.59	66.71%	\$ 17,876.93
GENERAL SERVICE <50 KW CLASS	-	5,381,879	151	\$50,169.76	23.19%	\$ 6,215.24
GENERAL SERVICE >50 KW NON TIME OF USE	13,340	-	11	\$20,179.07	9.33%	\$ 2,499.87
GENERAL SERVICE >50 KW TIME OF USE	0	-	0	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	0	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	0	\$0.00	0.00%	\$ -
SENTINEL LIGHTS		-			#VALUE!	#VALUE!
STREET LIGHTING CLASS	853	-	341	\$1,646.79	0.76%	\$ 204.01
TOTALS				\$216,299.21	#VALUE!	#VALUE!
				Allocated Total for 2002 including adjustments at Cell B13 ==>		\$ 26,796.05

Residential Class

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.380	0.620	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	\$ 6,793.23	\$ 11,083.70	\$ 17,876.93
(B) RETAIL KWH	13,421,539		
(C) NUMBER OF CUSTOMERS		933	
(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)	\$0.000506		
(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)		\$0.9900	

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
	0.580	0.420	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	\$ 3,604.84	\$ 2,610.40	\$ 6,215.24
(B) RETAIL KWH	5,381,879		
(C) NUMBER OF CUSTOMERS		151	
(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)	\$0.000670		
(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)		\$1.4406	

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
	0.580	0.420	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above)	\$ 1,449.92	\$ 1,049.94	\$ 2,499.87
(B) RETAIL KW	13,340		
(C) NUMBER OF CUSTOMERS		11	
(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)	\$0.108690		
(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)		\$7.9541	

General Service >50kW Class 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
	0.000	1.000	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 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!	

Intermediate 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
	0.000	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 Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	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 Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	#VALUE!	#VALUE!	#VALUE!
(B) RETAIL KW			
(C) NUMBER OF CUSTOMERS (Connections)			

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #VALUE!
 (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)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #VALUE!
 (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)

Streetlighting Class

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.580	0.420	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above)	\$ 118.33	\$ 85.68	\$ 204.01
(B) RETAIL KW	853		
(C) NUMBER OF CUSTOMERS		341	
(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)	\$0.138718		
(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)		\$0.0209	

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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	\$0.0050
MONTHLY SERVICE CHARGE (Per Customer)	\$9.65
COST OF POWER KWH RATE	\$0.0788

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0050			
MONTHLY SERVICE CHARGE (Per Customer)	\$9.65			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0065
MONTHLY SERVICE CHARGE (Per Customer)	\$14.14
COST OF POWER KWH RATE	\$0.0764

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0065			
MONTHLY SERVICE CHARGE (Per Customer)	\$14.14			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.0554
MONTHLY SERVICE CHARGE (Per Customer)	\$78.09
COST OF POWER KW RATE	\$6.6219
COST OF POWER KWH RATE	\$0.0544

GENERAL SERVICE > 50 KW (TIME OF 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

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	#VALUE!
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#VALUE!	
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!	
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	\$/KW	\$/KW
	\$0.0000	\$0.0000

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.3470
MONTHLY SERVICE CHARGE (Per Connection)	\$0.21
COST OF POWER KW RATE	\$26.2694

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE \$0.1387

MONTHLY SERVICE CHARGE (Per Connection) \$0.02

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

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

This schedule shows the bill impacts using 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	<u>CURRENT 2001 BILL</u>				<u>2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)</u>					
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	\$	8.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.65	
DISTRIBUTION KWH	100	0.0045	\$	0.45	DISTRIBUTION KWH	100	0.00496	\$	0.50	
COST OF POWER KWH	100	0.0788	\$	7.88	COST OF POWER KWH	100	0.0788	\$	7.88	
CURRENT 2001 BILL			\$	17.09	Adjusted 2002 BILL		\$	18.02	\$ 0.94	5.5%
MONTHLY CONSUMPTION OF 250 kWh	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT	
	(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%	
MONTHLY SERVICE CHARGE	n/a	n/a	\$	8.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.65	
DISTRIBUTION KWH	250	0.0045	\$	1.13	DISTRIBUTION KWH	250	0.00496	\$	1.24	
COST OF POWER KWH	250	0.0788	\$	19.69	COST OF POWER KWH	250	0.0788	\$	19.69	
CURRENT 2001 BILL			\$	29.57	Adjusted 2002 BILL		\$	30.58	\$ 1.01	3.4%
MONTHLY CONSUMPTION OF 500 kWh	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT	
	(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%	
MONTHLY SERVICE CHARGE	n/a	n/a	\$	8.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.65	
DISTRIBUTION KWH	500	0.0045	\$	2.25	DISTRIBUTION KWH	500	0.00496	\$	2.48	
COST OF POWER KWH	500	0.0788	\$	39.38	COST OF POWER KWH	500	0.0788	\$	39.38	
CURRENT 2001 BILL			\$	50.39	Adjusted 2002 BILL		\$	51.51	\$ 1.12	2.2%
MONTHLY CONSUMPTION OF 750 kWh	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT	
	(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%	
MONTHLY SERVICE CHARGE	n/a	n/a	\$	8.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.65	
DISTRIBUTION KWH	750	0.0045	\$	3.38	DISTRIBUTION KWH	750	0.00496	\$	3.72	
COST OF POWER KWH	750	0.0788	\$	59.06	COST OF POWER KWH	750	0.0788	\$	59.06	
CURRENT 2001 BILL			\$	71.20	Adjusted 2002 BILL		\$	72.43	\$ 1.24	1.7%
MONTHLY CONSUMPTION OF 1000 kWh	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT	
	(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%	
MONTHLY SERVICE CHARGE	n/a	n/a	\$	8.76	MONTHLY SERVICE CHARGE	n/a	n/a	\$	9.65	
DISTRIBUTION KWH	1000	0.0045	\$	4.50	DISTRIBUTION KWH	1000	0.00496	\$	4.96	
COST OF POWER KWH	1000	0.0788	\$	78.75	COST OF POWER KWH	1000	0.0788	\$	78.75	
CURRENT 2001 BILL			\$	92.01	Adjusted 2002 BILL		\$	93.36	\$ 1.35	1.5%

**MONTHLY CONSUMPTION OF
1500 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 9.65	
KWH	1500	0.0045	\$ 6.75		KWH	1500	0.00496	\$ 7.43	
COST OF POWER KWH	1500	0.0788	\$ 118.13		COST OF POWER KWH	1500	0.0788	\$ 118.13	
CURRENT 2001 BILL			\$ 133.64	Adjusted 2002 BILL			\$ 135.21	\$ 1.58	1.2%

**MONTHLY CONSUMPTION OF
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 9.65	
KWH	2000	0.0045	\$ 9.00		KWH	2000	0.00496	\$ 9.91	
COST OF POWER KWH	2000	0.0788	\$ 157.50		COST OF POWER KWH	2000	0.0788	\$ 157.50	
CURRENT 2001 BILL			\$ 175.26	Adjusted 2002 BILL			\$ 177.07	\$ 1.81	1.0%

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 DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 14.14	
KWH	1000	0.0059	\$ 5.90		KWH	1000	0.00650	\$ 6.50	
COST OF POWER KWH	1000	0.0764	\$ 76.35		COST OF POWER KWH	1000	0.0764	\$ 76.35	
CURRENT 2001 BILL			\$ 95.09	Adjusted 2002 BILL			\$ 96.99	\$ 1.90	2.0%

**MONTHLY CONSUMPTION
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 14.14	
KWH	2000	0.0059	\$ 11.80		KWH	2000	0.00650	\$ 13.01	
COST OF POWER KWH	2000	0.0764	\$ 152.70		COST OF POWER KWH	2000	0.0764	\$ 152.70	
CURRENT 2001 BILL			\$ 177.34	Adjusted 2002 BILL			\$ 179.85	\$ 2.51	1.4%

**MONTHLY CONSUMPTION
5000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 14.14	
KWH	5000	0.0059	\$ 29.50		KWH	5000	0.00650	\$ 32.52	
COST OF POWER KWH	5000	0.0764	\$ 381.75		COST OF POWER KWH	5000	0.0764	\$ 381.75	
CURRENT 2001 BILL			\$ 424.09	Adjusted 2002 BILL			\$ 428.41	\$ 4.32	1.0%

**MONTHLY CONSUMPTION
10,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 14.14	
KWH	10000	0.0059	\$ 59.00		KWH	10000	0.00650	\$ 65.05	
COST OF POWER KWH	10000	0.0764	\$ 763.50		COST OF POWER KWH	10000	0.0764	\$ 763.50	
CURRENT 2001 BILL			\$ 835.34	Adjusted 2002 BILL			\$ 842.69	\$ 7.35	0.9%

**MONTHLY CONSUMPTION
20,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 14.14	
KWH	20000	0.0059	\$ 118.00		KWH	20000	0.00650	\$ 130.10	
COST OF POWER KWH	20000	0.0764	\$ 1527.00		COST OF POWER KWH	20000	0.0764	\$ 1527.00	

MONTHLY CONSUMPTION
1000kW, 400,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 78.09	
KW	1000	0.9572	\$ 957.20		KW	1000	1.05536	\$ 1,055.36	
COST OF POWER KW	1000	6.6219	\$ 6,621.90		COST OF POWER KW	1000	6.6219	\$ 6,621.90	
COST OF POWER KWH	#####	0.0544	\$ 21,740.00		COST OF POWER KWH	400,000	0.0544	\$ 21,740.00	
CURRENT 2001 BILL			\$ 29,390.02	Adjusted 2002 BILL			\$ 29,495.35	\$ 105.33	0.4%

MONTHLY CONSUMPTION
1000kW, 500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 78.09	
KW	1000	0.9572	\$ 957.20		KW	1000	1.05536	\$ 1,055.36	
COST OF POWER KW	1000	6.6219	\$ 6,621.90		COST OF POWER KW	1000	6.6219	\$ 6,621.90	
COST OF POWER KWH	#####	0.0544	\$ 27,175.00		COST OF POWER KWH	500,000	0.0544	\$ 27,175.00	
CURRENT 2001 BILL			\$ 34,825.02	Adjusted 2002 BILL			\$ 34,930.35	\$ 105.33	0.3%

MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 78.09	
KW	3000	0.9572	\$ 2,871.60		KW	3000	1.05536	\$ 3,166.08	
COST OF POWER KW	3000	6.6219	\$ 19,865.70		COST OF POWER KW	3000	6.6219	\$ 19,865.70	
COST OF POWER KWH	#####	0.0544	\$ 54,350.00		COST OF POWER KWH	#####	0.0544	\$ 54,350.00	
CURRENT 2001 BILL			\$ 77,158.22	Adjusted 2002 BILL			\$ 77,459.88	\$ 301.66	0.4%

MONTHLY CONSUMPTION
3,000kW, 1,500,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 78.09	
KW	3000	0.9572	\$ 2,871.60		KW	3000	1.05536	\$ 3,166.08	
COST OF POWER KW	3000	6.6219	\$ 19,865.70		COST OF POWER KW	3000	6.6219	\$ 19,865.70	
COST OF POWER KWH	#####	0.0544	\$ 81,525.00		COST OF POWER KWH	#####	0.0544	\$ 81,525.00	
CURRENT 2001 BILL			\$ 104,333.22	Adjusted 2002 BILL			\$ 104,634.88	\$ 301.66	0.3%

MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 78.09	
KW	4000	0.9572	\$ 3,828.80		KW	4000	1.05536	\$ 4,221.44	
COST OF POWER KW	4000	6.6219	\$ 26,487.60		COST OF POWER KW	4000	6.6219	\$ 26,487.60	
COST OF POWER KWH	#####	0.0544	\$ 65,220.00		COST OF POWER KWH	#####	0.0544	\$ 65,220.00	
CURRENT 2001 BILL			\$ 95,607.32	Adjusted 2002 BILL			\$ 96,007.14	\$ 399.82	0.4%

MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 78.09	
KW	4000	0.9572	\$ 3,828.80		KW	4000	1.05536	\$ 4,221.44	
COST OF POWER KW	4000	6.6219	\$ 26,487.60		COST OF POWER KW	4000	6.6219	\$ 26,487.60	
COST OF POWER KWH	#####	0.0544	\$ 97,830.00		COST OF POWER KWH	#####	0.0544	\$ 97,830.00	
CURRENT 2001 BILL			\$ 128,217.32	Adjusted 2002 BILL			\$ 128,617.14	\$ 399.82	0.3%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

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

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE \$/kWh		
COST OF POWER WINTER PEAK	20,000	0.0000	\$ -	
WINTER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE \$/kWh			
COST OF POWER WINTER PEAK	20,000	0.0000	\$ -		
WINTER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE \$/kWh		
COST OF POWER SUMMER PEAK	20,000	0.0000	\$ -	
SUMMER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE \$/kWh			
COST OF POWER SUMMER PEAK	20,000	0.0000	\$ -		
SUMMER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

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

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

WINTER

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

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

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 \$/kWh			
COST OF POWER SUMMER PEAK	600,000	0.0000	\$ -		
SUMMER OFF PEAK	600,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

LARGE USE

CURRENT 2001 BILL

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

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

WINTER

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					kW COST OF POWER				
Demand Charge	6000	0.0000	\$ -		Demand Charge	6000	0.0000	\$ -	
		RATE				RATE			
COST OF POWER kWh	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					kW COST OF POWER				
Demand Charge	6000	0.0000	\$ -		Demand Charge	6000	0.0000	\$ -	
		RATE				RATE			
COST OF POWER kWh	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 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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

Enter the Estimated Value for the 2001 PILs Defferal Account.

\$ 1,733.00

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

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2001 PILs Deferral Allocations
RESIDENTIAL CLASS	-	14,484,932	940	\$163,995.00	48.10%	\$ 833.54
GENERAL SERVICE <50 KW CLASS	-	5,395,489	149	\$53,269.00	15.62%	\$ 270.75
GENERAL SERVICE >50 KW NON TIME OF USE	11,771	-	10	\$98,575.00	28.91%	\$ 501.03
GENERAL SERVICE >50 KW TIME OF USE	0	-	0	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	0	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	0	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	0	-	-	\$0.00	0.00%	\$ -
STREET LIGHTING CLASS	885	-	347	\$25,121.00	7.37%	\$ 127.68
TOTALS				\$340,960.00	1.00	1,733.00
						\$ 1,733.00

SEE APPENDIX 3

Residential Class

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.380	0.620	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	\$ 316.74	\$ 516.79	\$ 833.54
(B) RETAIL KWH	14,484,932		
(C) NUMBER OF CUSTOMERS		940	
(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)	\$0.000022		
(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)		\$0.0458	

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
	0.580	0.420	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G27 above)	\$ 157.04	\$ 113.72	\$ 270.75
(B) RETAIL KWH	5,395,489		
(C) NUMBER OF CUSTOMERS		149	
(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)	\$0.000029		
(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)		\$0.0636	

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
	0.580	0.420	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G28 above)	\$ 290.60	\$ 210.43	\$ 501.03
(B) RETAIL KW	11,771		
(C) NUMBER OF CUSTOMERS		10	
(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)	\$0.024688		
(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)		\$1.7536	

General Service >50kW Class 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
	0.000	1.000	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 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!	

Intermediate Class

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

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

Large User Class

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.000	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 Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
 (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)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!
 (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)

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 TOTAL 2001 PILs Estimate REVENUE
	0.580	0.420	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above)	\$ 74.06	\$ 53.63	\$ 127.68
(B) RETAIL KW	885		
(C) NUMBER OF CUSTOMERS (Connections)		347	
(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)	\$0.083679		
(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)		\$0.0129	

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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	\$0.00498
MONTHLY SERVICE CHARGE (Per Customer)	\$9.69942
COST OF POWER KWH RATE	\$0.07875

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00498			
MONTHLY SERVICE CHARGE (Per Customer)	\$9.69942			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.00653
MONTHLY SERVICE CHARGE (Per Customer)	\$14.20298
COST OF POWER KWH RATE	\$0.076350

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00653			
MONTHLY SERVICE CHARGE (Per Customer)	\$14.20298			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.08005
MONTHLY SERVICE CHARGE (Per Customer)	\$79.84760
COST OF POWER KW RATE	\$6.621900
COST OF POWER KWH RATE	\$0.054350

GENERAL SERVICE > 50 KW (TIME OF 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	

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	#VALUE!
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#VALUE!		
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.43066
MONTHLY SERVICE CHARGE (Per Connection)	\$0.22173
COST OF POWER KW RATE	\$26.2694

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.22240		
MONTHLY SERVICE CHARGE (Per Connection)	\$0.03382		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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

Enter the Estimated Value for the 2002 PILs Proxy \$ 14,384.00

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

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

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 PILs Estimate Allocations
RESIDENTIAL CLASS	-	14,484,932	940	\$163,995.00	48.10%	\$ 6,918.42
GENERAL SERVICE <50 KW CLASS	-	5,395,489	149	\$53,269.00	15.62%	\$ 2,247.25
GENERAL SERVICE >50 KW NON TIME OF USE	11,771	-	10	\$98,575.00	28.91%	\$ 4,158.56
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	-	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	-	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	0	-	-	\$0.00	0.00%	\$ -
STREET LIGHTING CLASS	885	-	347	\$25,121.00	7.37%	\$ 1,059.77
TOTALS				\$340,960.00	1.00	14,384.00
						\$ 14,384.00

Residential Class

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.380	0.620	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	\$ 2,629.00	\$ 4,289.42	\$ 6,918.42
(B) RETAIL KWH	14,484,932		
(C) NUMBER OF CUSTOMERS		940	
(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)	\$0.000181		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$0.3803	

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
	0.580	0.420	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	\$ 1,303.40	\$ 943.84	\$ 2,247.25
(B) RETAIL KWH	5,395,489		
(C) NUMBER OF CUSTOMERS		149	
(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)	\$0.000242		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$0.5279	

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
	0.580	0.420	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	\$ 2,411.97	\$ 1,746.60	\$ 4,158.56
(B) RETAIL KW	11,771		
(C) NUMBER OF CUSTOMERS		10	
(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)	\$0.204913		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$14.5550	

General Service >50kW Class 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
	0.000	1.000	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 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 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

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 7 and 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 7 and 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 Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.000	1.000	100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	\$ -	\$ -	\$ -
(B) RETAIL KW		0	
(C) NUMBER OF CUSTOMERS		-	

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
 (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)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 #DIV/0!
 (this amount is added to the Service Charge shown on Sheet 7 and
 the total new Service Charge appears on the Rate Schedule on Sheet 9)

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 TOTAL 2002 PILs Estimate REVENUE
	0.580	0.420	100%
(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	\$ 614.67	\$ 445.10	\$ 1,059.77
(B) RETAIL KW	885		
(C) NUMBER OF CUSTOMERS (Connections)		347	
(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)	\$0.694541		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7 and the total new Service Charge appears on the Rate Schedule on Sheet 9)		\$0.1069	

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.00516
MONTHLY SERVICE CHARGE (Per Customer)	\$10.07969
COST OF POWER KWH RATE	\$0.07875

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00516			
MONTHLY SERVICE CHARGE (Per Customer)	\$10.07969			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.00678
MONTHLY SERVICE CHARGE (Per Customer)	\$14.73085
COST OF POWER KWH RATE	\$0.076350

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00678			
MONTHLY SERVICE CHARGE (Per Customer)	\$14.73085			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.28496
MONTHLY SERVICE CHARGE (Per Customer)	\$94.40256
COST OF POWER KW RATE	\$6.621900
COST OF POWER KWH RATE	\$0.054350

GENERAL SERVICE > 50 KW (TIME OF 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	

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	#VALUE!
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#VALUE!		
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.12520
MONTHLY SERVICE CHARGE (Per Connection)	\$0.32862
COST OF POWER KW RATE	\$26.2694

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.91694		
MONTHLY SERVICE CHARGE (Per Connection)	\$0.14071		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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		<u>CURRENT 2001 BILL</u>			<u>2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)</u>					
ENTER DESIRED CONSUMPTION LEVEL		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
100 kWh		(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76			n/a	n/a	\$ 10.08	
	KWH	100	0.0045	\$ 0.45			100	0.00516	\$ 0.52	
	COST OF POWER KWH	100	0.0788	\$ 7.88			100	0.0788	\$ 7.88	
	CURRENT 2001 BILL			\$ 17.09	Adjusted 2002 BILL			\$ 18.47	\$ 1.39	8.1%
	MONTHLY CONSUMPTION OF 250 kWh	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
		(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76			n/a	n/a	\$ 10.08	
	KWH	250	0.0045	\$ 1.13			250	0.00516	\$ 1.29	
	COST OF POWER KWH	250	0.0788	\$ 19.69			250	0.0788	\$ 19.69	
	CURRENT 2001 BILL			\$ 29.57	Adjusted 2002 BILL			\$ 31.06	\$ 1.48	5.0%
	MONTHLY CONSUMPTION OF 500 kWh	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
		(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76			n/a	n/a	\$ 10.08	
	KWH	500	0.0045	\$ 2.25			500	0.00516	\$ 2.58	
	COST OF POWER KWH	500	0.0788	\$ 39.38			500	0.0788	\$ 39.38	
	CURRENT 2001 BILL			\$ 50.39	Adjusted 2002 BILL			\$ 52.03	\$ 1.65	3.3%
	MONTHLY CONSUMPTION OF 750 kWh	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
		(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76			n/a	n/a	\$ 10.08	
	KWH	750	0.0045	\$ 3.38			750	0.00516	\$ 3.87	
	COST OF POWER KWH	750	0.0788	\$ 59.06			750	0.0788	\$ 59.06	
	CURRENT 2001 BILL			\$ 71.20	Adjusted 2002 BILL			\$ 73.01	\$ 1.81	2.5%
	MONTHLY CONSUMPTION OF 1000 kWh	KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
		(enter)	\$/KWH	\$			\$/KWH	\$	DOLLARS	%
	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76			n/a	n/a	\$ 10.08	
	KWH	1000	0.0045	\$ 4.50			1000	0.00516	\$ 5.16	
	COST OF POWER KWH	1000	0.0788	\$ 78.75			1000	0.0788	\$ 78.75	
	CURRENT 2001 BILL			\$ 92.01	Adjusted 2002 BILL			\$ 93.99	\$ 1.98	2.2%

**MONTHLY CONSUMPTION OF
1500 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76		n/a	n/a	\$ 10.08		
KWH	1500	0.0045	\$ 6.75		1500	0.00516	\$ 7.74		
COST OF POWER KWH	1500	0.0788	\$ 118.13		1500	0.0788	\$ 118.13		
CURRENT 2001 BILL			\$ 133.64	Adjusted 2002 BILL			\$ 135.94	\$ 2.31	1.7%

**MONTHLY CONSUMPTION OF
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76		n/a	n/a	\$ 10.08		
KWH	2000	0.0045	\$ 9.00		2000	0.00516	\$ 10.32		
COST OF POWER KWH	2000	0.0788	\$ 157.50		2000	0.0788	\$ 157.50		
CURRENT 2001 BILL			\$ 175.26	Adjusted 2002 BILL			\$ 177.90	\$ 2.64	1.5%

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 DISTRIBUTION	n/a	n/a	\$ 12.84		n/a	n/a	\$ 14.73		
KWH	1000	0.0059	\$ 5.90		1000	0.00678	\$ 6.78		
COST OF POWER KWH	1000	0.0764	\$ 76.35		1000	0.0764	\$ 76.35		
CURRENT 2001 BILL			\$ 95.09	Adjusted 2002 BILL			\$ 97.86	\$ 2.77	2.9%
2000 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		n/a	n/a	\$ 14.73		
KWH	2000	0.0059	\$ 11.80		2000	0.00678	\$ 13.55		
COST OF POWER KWH	2000	0.0764	\$ 152.70		2000	0.0764	\$ 152.70		
CURRENT 2001 BILL			\$ 177.34	Adjusted 2002 BILL			\$ 180.98	\$ 3.64	2.1%
5000 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		n/a	n/a	\$ 14.73		
KWH	5000	0.0059	\$ 29.50		5000	0.00678	\$ 33.88		
COST OF POWER KWH	5000	0.0764	\$ 381.75		5000	0.0764	\$ 381.75		
CURRENT 2001 BILL			\$ 424.09	Adjusted 2002 BILL			\$ 430.36	\$ 6.27	1.5%
10,000 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		n/a	n/a	\$ 14.73		
KWH	10000	0.0059	\$ 59.00		10000	0.00678	\$ 67.76		
COST OF POWER KWH	10000	0.0764	\$ 763.50		10000	0.0764	\$ 763.50		
CURRENT 2001 BILL			\$ 835.34	Adjusted 2002 BILL			\$ 845.99	\$ 10.65	1.3%
20,000 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		n/a	n/a	\$ 14.73		
KWH	10000	0.0059	\$ 59.00		10000	0.00678	\$ 67.76		
COST OF POWER KWH	10000	0.0764	\$ 763.50		10000	0.0764	\$ 763.50		
CURRENT 2001 BILL			\$ 835.34	Adjusted 2002 BILL			\$ 845.99	\$ 10.65	1.3%

MONTHLY SERVICE CHARGE	n/a	n/a	\$	12.84	MONTHLY SERVICE CHARGE	n/a	n/a	\$	14.73		
DISTRIBUTION KWH	20000	0.0059	\$	118.00	DISTRIBUTION KWH	20000	0.00678	\$	135.51		
COST OF POWER KWH	20000	0.0764	\$	1,527.00	COST OF POWER KWH	20000	0.0764	\$	1,527.00		
CURRENT 2001 BILL				\$ 1,657.84	Adjusted 2002 BILL				\$ 1,677.24	\$ 19.40	1.2%

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	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	94.40		
DISTRIBUTION KW	0	0.9572	\$	-	DISTRIBUTION KW	0	1.28496	\$	-		
COST OF POWER KW	0	6.6219	\$	-	COST OF POWER KW	0	6.6219	\$	-		
COST OF POWER KWH	0	0.0544	\$	-	COST OF POWER KWH	0	0.0544	\$	-		
CURRENT 2001 BILL				\$ 70.92	Adjusted 2002 BILL				\$ 94.40	\$ 23.48	33.1%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	94.40		
DISTRIBUTION KW	100	0.9572	\$	95.72	DISTRIBUTION KW	100	1.28496	\$	128.50		
COST OF POWER KW	100	6.6219	\$	662.19	COST OF POWER KW	100	6.6219	\$	662.19		
COST OF POWER KWH	30,000	0.0544	\$	1,630.50	COST OF POWER KWH	30,000	0.0544	\$	1,630.50		
CURRENT 2001 BILL				\$ 2,459.33	Adjusted 2002 BILL				\$ 2,515.59	\$ 56.26	2.3%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	94.40		
DISTRIBUTION KW	100	0.9572	\$	95.72	DISTRIBUTION KW	100	1.28496	\$	128.50		
COST OF POWER KW	100	6.6219	\$	662.19	COST OF POWER KW	100	6.6219	\$	662.19		
COST OF POWER KWH	40,000	0.0544	\$	2,174.00	COST OF POWER KWH	40,000	0.0544	\$	2,174.00		
CURRENT 2001 BILL				\$ 3,002.83	Adjusted 2002 BILL				\$ 3,059.09	\$ 56.26	1.9%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	94.40		
DISTRIBUTION KW	500	0.9572	\$	478.60	DISTRIBUTION KW	500	1.28496	\$	642.48		
COST OF POWER KW	500	6.6219	\$	3,310.95	COST OF POWER KW	500	6.6219	\$	3,310.95		
COST OF POWER KWH	100,000	0.0544	\$	5,435.00	COST OF POWER KWH	100,000	0.0544	\$	5,435.00		
CURRENT 2001 BILL				\$ 9,295.47	Adjusted 2002 BILL				\$ 9,482.83	\$ 187.36	2.0%
MONTHLY SERVICE CHARGE	n/a	n/a	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	94.40		
DISTRIBUTION KW	500	0.9572	\$	478.60	DISTRIBUTION KW	500	1.28496	\$	642.48		
COST OF POWER KW	500	6.6219	\$	3,310.95	COST OF POWER KW	500	6.6219	\$	3,310.95		
COST OF POWER KWH	250,000	0.0544	\$	13,587.50	COST OF POWER KWH	250,000	0.0544	\$	13,587.50		
CURRENT 2001 BILL				\$ 17,447.97	Adjusted 2002 BILL				\$ 17,635.33	\$ 187.36	1.1%

**MONTHLY CONSUMPTION
1000kW, 400,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 94.40		
KW	1000	0.9572	\$ 957.20		1000	1.28496	\$ 1,284.96		
COST OF POWER KW	1000	6.6219	\$ 6,621.90		1000	6.6219	\$ 6,621.90		
COST OF POWER KWH	400,000	0.0544	\$ 21,740.00		400,000	0.0544	\$ 21,740.00		
CURRENT 2001 BILL			\$ 29,390.02	Adjusted 2002 BILL			\$ 29,741.26	\$ 351.24	1.2%

**MONTHLY CONSUMPTION
1000kW, 500,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 94.40		
KW	1000	0.9572	\$ 957.20		1000	1.28496	\$ 1,284.96		
COST OF POWER KW	1000	6.6219	\$ 6,621.90		1000	6.6219	\$ 6,621.90		
COST OF POWER KWH	500,000	0.0544	\$ 27,175.00		500,000	0.0544	\$ 27,175.00		
CURRENT 2001 BILL			\$ 34,825.02	Adjusted 2002 BILL			\$ 35,176.26	\$ 351.24	1.0%

**MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 94.40		
KW	3000	0.9572	\$ 2,871.60		3000	1.28496	\$ 3,854.88		
COST OF POWER KW	3000	6.6219	\$ 19,865.70		3000	6.6219	\$ 19,865.70		
COST OF POWER KWH	1,000,000	0.0544	\$ 54,350.00		#####	0.0544	\$ 54,350.00		
CURRENT 2001 BILL			\$ 77,158.22	Adjusted 2002 BILL			\$ 78,164.99	\$ 1,006.77	1.3%

**MONTHLY CONSUMPTION
3,000kW, 1,500,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 94.40		
KW	3000	0.9572	\$ 2,871.60		3000	1.28496	\$ 3,854.88		
COST OF POWER KW	3000	6.6219	\$ 19,865.70		3000	6.6219	\$ 19,865.70		
COST OF POWER KWH	1,500,000	0.0544	\$ 81,525.00		#####	0.0544	\$ 81,525.00		
CURRENT 2001 BILL			\$ 104,333.22	Adjusted 2002 BILL			\$ 105,339.99	\$ 1,006.77	1.0%

**MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 94.40		
KW	4000	0.9572	\$ 3,828.80		4000	1.28496	\$ 5,139.85		
COST OF POWER KW	4000	6.6219	\$ 26,487.60		4000	6.6219	\$ 26,487.60		
COST OF POWER KWH	1,200,000	0.0544	\$ 65,220.00		#####	0.0544	\$ 65,220.00		
CURRENT 2001 BILL			\$ 95,607.32	Adjusted 2002 BILL			\$ 96,941.85	\$ 1,334.53	1.4%

**MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 94.40		
KW	4000	0.9572	\$ 3,828.80		4000	1.28496	\$ 5,139.85		
COST OF POWER KW	4000	6.6219	\$ 26,487.60		4000	6.6219	\$ 26,487.60		
COST OF POWER KWH	1,800,000	0.0544	\$ 97,830.00		#####	0.0544	\$ 97,830.00		
CURRENT 2001 BILL			\$ 128,217.32	Adjusted 2002 BILL			\$ 129,551.85	\$ 1,334.53	1.0%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

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

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER				WINTER					
	KW	RATE \$/kW	CHARGE \$		KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	0.0000	\$ -	DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER Demand Charge	100	0.0000	\$ -	kW COST OF POWER Demand Charge	100	0.0000	\$ -		
		RATE \$/kWh				RATE \$/kWh			
COST OF POWER WINTER PEAK	20,000	0.0000	\$ -	COST OF POWER WINTER PEAK	20,000	0.0000	\$ -		
WINTER OFF PEAK	20,000	0.0000	\$ -	WINTER OFF PEAK	20,000	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	100	0.0000	\$ -	DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER Demand Charge	100	0.0000	\$ -	kW COST OF POWER Demand Charge	100	0.0000	\$ -		
		RATE \$/kWh				RATE \$/kWh			
COST OF POWER SUMMER PEAK	20,000	0.0000	\$ -	COST OF POWER SUMMER PEAK	20,000	0.0000	\$ -		
SUMMER OFF PEAK	20,000	0.0000	\$ -	SUMMER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			\$ -	MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			\$ -	TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

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

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

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

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

LARGE USE

CURRENT 2001 BILL

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

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

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	6000	0.0000	\$ -	
DISTRIBUTION kW COST OF POWER				
Demand Charge	6000	0.0000	\$ -	
COST OF POWER	kWh	RATE \$/kWh		
WINTER PEAK	1,500,000	0.0000	\$ -	
WINTER OFF PEAK	1,500,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

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

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
DISTRIBUTION kW COST OF POWER					
Demand Charge	6000	0.0000	\$ -		
COST OF POWER	kWh	RATE \$/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 11 - Z-Factor Adder Calculation

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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	-	14,484,932	940	\$163,995.00	48.10%	\$ -
GENERAL SERVICE <50 KW CLASS	-	5,395,489	149	\$53,269.00	15.62%	\$ -
GENERAL SERVICE >50 KW NON TIME OF USE	11,771	-	10	\$98,575.00	28.91%	\$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0.00	0.00%	\$ -
INTERMEDIATE USE	0	-	-	\$0.00	0.00%	\$ -
LARGE USER CLASS	0	-	-	\$0.00	0.00%	\$ -
SENTINEL LIGHTS	0	-	-	\$0.00	0.00%	\$ -
STREET LIGHTING CLASS	885	-	347	\$25,121.00	7.37%	\$ -
TOTALS				\$340,960.00	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
	0.380	0.620	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	14,484,932		
(C) NUMBER OF CUSTOMERS		940	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9 and 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
	0.580	0.420	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KWH	5,395,489		
(C) NUMBER OF CUSTOMERS		149	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	\$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		\$0.0000	

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z- Factor Amount for Recovery
	0.580	0.420	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	11,771		
(C) NUMBER OF CUSTOMERS		10	
(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 Class 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
	0.000	1.000	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 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!	

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
	0.000	1.000	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 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		#DIV/0!	

the total new Service Charge appears on the Rate Schedule on Sheet 12)

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
	0.580	0.420	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	\$ -	\$ -	\$ -
(B) RETAIL KW	885		
(C) NUMBER OF CUSTOMERS (Connections)		347	
(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 9 and 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	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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	\$0.00516
MONTHLY SERVICE CHARGE (Per Customer)	\$10.07969
COST OF POWER KWH RATE	\$0.07875

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00516			
MONTHLY SERVICE CHARGE (Per Customer)	\$10.07969			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.00678
MONTHLY SERVICE CHARGE (Per Customer)	\$14.73085
COST OF POWER KWH RATE	\$0.076350

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.00678			
MONTHLY SERVICE CHARGE (Per Customer)	\$14.73085			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.28496
MONTHLY SERVICE CHARGE (Per Customer)	\$94.40256
COST OF POWER KW RATE	\$6.621900
COST OF POWER KWH RATE	\$0.054350

GENERAL SERVICE > 50 KW (TIME OF 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	

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	#VALUE!
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#VALUE!		
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$2.12520
MONTHLY SERVICE CHARGE (Per Connection)	\$0.32862
COST OF POWER KW RATE	\$26.2694

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$0.91694		
MONTHLY SERVICE CHARGE (Per Connection)	\$0.14071		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	28-Dec-01		

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 | 6 Staff Adjustmen |
| 2 Customer Education Services | 7 Regulatory Cost |
| 3 Wholesale Market Requirements | 8 Taxes |
| 4 IMO Requirements | 9 Regulatory Requi |
| 5 Retailer/Customer Requirements | 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 shown. 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: **\$ 27,528.89**

Transition Cost Category	1	Allocation	2	Allocation	3	Allocation
Total	\$ 20,980.36		\$ -		\$ -	
RESIDENTIAL CLASS	\$ 10,091.14	48.10%	\$ -	0.00%	\$ -	0.00%
GENERAL SERVICE <50 KW CLASS	\$ 3,277.81	15.62%	\$ -	0.00%	\$ -	0.00%
GENERAL SERVICE >50 KW NON TIME OF USE	\$ 6,065.64	28.91%	\$ -	0.00%	\$ -	0.00%
GENERAL SERVICE >50 KW TIME OF USE	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
INTERMEDIATE USE	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
LARGE USER CLASS	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
SENTINEL LIGHTS	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
STREET LIGHTING CLASS	\$ 1,545.78	7.37%	\$ -	0.00%	\$ -	0.00%
TOTALS		100.00%		0.00%		0.00%

2001 Statistics by Class	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Transition Costs for Recovery
	kW				
RESIDENTIAL CLASS	-	14,484,932	940	\$163,995.00	48.10% \$ 13,240.85
GENERAL SERVICE <50 KW CLASS	-	5,395,489	149	\$53,269.00	15.62% \$ 4,300.90
GENERAL SERVICE >50 KW NON TIME OF USE	11,771	-	10	\$98,575.00	28.91% \$ 7,958.88
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	\$0.00	0.00% \$ -
INTERMEDIATE USE	0	-	-	\$0.00	0.00% \$ -
LARGE USER CLASS	0	-	-	\$0.00	0.00% \$ -
SENTINEL LIGHTS	0	-	-	\$0.00	0.00% \$ -
STREET LIGHTING CLASS	885	-	347	\$25,121.00	7.37% \$ 2,028.25
TOTALS				\$340,960.00	1.00 \$ 27,528.89
					\$ 27,528.89

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
0.380	0.620	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)	\$ 5,031.52	\$ 8,209.33 \$ 13,240.85

(B) RETAIL KWH	14,484,932	
(C) NUMBER OF CUSTOMERS		940
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000347	
(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)		\$0.7278

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
	0.580	0.420	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	\$ 2,494.52	\$ 1,806.38	\$ 4,300.90
(B) RETAIL KWH	5,395,489		
(C) NUMBER OF CUSTOMERS		149	
(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	\$0.000462		
(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)		\$1.0103	

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
	0.580	0.420	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	\$ 4,616.15	\$ 3,342.73	\$ 7,958.88
(B) RETAIL KW	11,771		
(C) NUMBER OF CUSTOMERS		10	
(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)	\$0.392173		
(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)		\$27.8561	

General Service >50kW Class 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
	0.000	1.000	100%
(A) ALLOCATED 2002 Transition Costs	\$ -	\$ -	\$ -

(Total in Cell G45 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!

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	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
-------------------------	------------------------	------------------------------------

Percentage	Percentage	
0.000	1.000	100%

(A) ALLOCATED 2002 Transition Costs (Total in Cell G48 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!	

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
0.580	0.420	100%

(A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above)	\$ 1,176.39	\$ 851.87	\$ 2,028.25
(B) RETAIL KW	885		
(C) NUMBER OF CUSTOMERS (Connections)		347	
(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)	\$1.329251		
(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)		\$0.2046	

**t Activities
s**

irements

in the 2001 Statistics Table below.

4	Allocation	5	Allocation	6	Allocation	7	Allocation	8	Allocation	9	Allocation	10
\$ -		\$ -		\$ -		\$ -		\$ -		\$ 6,548.53		\$ -
\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 3,149.71	48.10%	\$ -
\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 1,023.09	15.62%	\$ -
\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 1,893.25	28.91%	\$ -
\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -
\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 482.48	7.37%	\$ -
	0.00%		0.00%		0.00%		0.00%		0.00%		100.00%	

Allocation	Total
	\$ 27,528.89
0.00%	\$ 13,240.85
0.00%	\$ 4,300.90
0.00%	\$ 7,958.88
0.00%	\$ -
0.00%	\$ -
0.00%	\$ -
0.00%	\$ -
0.00%	\$ 2,028.25
0.00%	\$ 27,528.89

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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	\$0.0055
MONTHLY SERVICE CHARGE (Per Customer)	\$10.8075
COST OF POWER KWH RATE	\$0.0788

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0055			
MONTHLY SERVICE CHARGE (Per Customer)	\$10.8075			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0072
MONTHLY SERVICE CHARGE (Per Customer)	\$15.7411
COST OF POWER KWH RATE	\$0.076350

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0072			
MONTHLY SERVICE CHARGE (Per Customer)	\$15.7411			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	\$/KWH	\$/KWH	\$/KWH	\$/KWH
	\$0.0000	\$0.0000	\$0.0000	\$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.6771
MONTHLY SERVICE CHARGE (Per Customer)	\$122.2586
COST OF POWER KW RATE	\$6.621900
COST OF POWER KWH RATE	\$0.054350

GENERAL SERVICE > 50 KW (TIME OF 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	

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	#VALUE!
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!
COST OF POWER KW RATE	\$0.0000

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	#VALUE!		
MONTHLY SERVICE CHARGE (Per Connection)	#VALUE!		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.4545
MONTHLY SERVICE CHARGE (Per Connection)	\$0.5332
COST OF POWER KW RATE	\$26.2694

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$2.2462		
MONTHLY SERVICE CHARGE (Per Connection)	\$0.3453		
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	
	\$/KW	\$/KW	
	\$0.0000	\$0.0000	

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-1999-0259
NAME OF CONTACT	RENE BEAULNE	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	0		
Date	37253		

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	<u>CURRENT 2001 BILL</u>				<u>2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)</u>				
ENTER DESIRED CONSUMPTION LEVEL	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 10.81	
	100	0.0045	\$ 0.45			100	0.00551	\$ 0.55	
COST OF POWER KWH	100	0.0788	\$ 7.88		COST OF POWER KWH	100	0.0788	\$ 7.88	
CURRENT 2001 BILL			\$ 17.09		Adjusted 2002 BILL		\$ 19.23	\$ 2.15	12.6%
MONTHLY CONSUMPTION OF 250 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 10.81	
	250	0.0045	\$ 1.13			250	0.00551	\$ 1.38	
COST OF POWER KWH	250	0.0788	\$ 19.69		COST OF POWER KWH	250	0.0788	\$ 19.69	
CURRENT 2001 BILL			\$ 29.57		Adjusted 2002 BILL		\$ 31.87	\$ 2.30	7.8%
MONTHLY CONSUMPTION OF 500 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 10.81	
	500	0.0045	\$ 2.25			500	0.00551	\$ 2.75	
COST OF POWER KWH	500	0.0788	\$ 39.38		COST OF POWER KWH	500	0.0788	\$ 39.38	
CURRENT 2001 BILL			\$ 50.39		Adjusted 2002 BILL		\$ 52.94	\$ 2.55	5.1%
MONTHLY CONSUMPTION OF 750 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 10.81	
	750	0.0045	\$ 3.38			750	0.00551	\$ 4.13	
COST OF POWER KWH	750	0.0788	\$ 59.06		COST OF POWER KWH	750	0.0788	\$ 59.06	
CURRENT 2001 BILL			\$ 71.20		Adjusted 2002 BILL		\$ 74.00	\$ 2.80	3.9%
MONTHLY CONSUMPTION OF 1000 kWh									
MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION KWH	n/a	n/a	\$ 10.81	
	1000	0.0045	\$ 4.50			1000	0.00551	\$ 5.51	
COST OF POWER KWH	1000	0.0788	\$ 78.75		COST OF POWER KWH	1000	0.0788	\$ 78.75	
CURRENT 2001 BILL			\$ 92.01		Adjusted 2002 BILL		\$ 95.06	\$ 3.05	3.3%

**MONTHLY CONSUMPTION OF
1500 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 10.81	
KWH	1500	0.0045	\$ 6.75		KWH	1500	0.00551	\$ 8.26	
COST OF POWER KWH	1500	0.0788	\$ 118.13		COST OF POWER KWH	1500	0.0788	\$ 118.13	
CURRENT 2001 BILL			\$ 133.64	Adjusted 2002 BILL			\$ 137.19	\$ 3.56	2.7%

**MONTHLY CONSUMPTION OF
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 8.76		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 10.81	
KWH	2000	0.0045	\$ 9.00		KWH	2000	0.00551	\$ 11.01	
COST OF POWER KWH	2000	0.0788	\$ 157.50		COST OF POWER KWH	2000	0.0788	\$ 157.50	
CURRENT 2001 BILL			\$ 175.26	Adjusted 2002 BILL			\$ 179.32	\$ 4.06	2.3%

GENERAL SERVICE < 50 KW

CURRENT 2001 BILL

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

ENTER DESIRED CONSUMPTION LEVEL

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 15.74	
KWH	1000	0.0059	\$ 5.90		KWH	1000	0.00724	\$ 7.24	
COST OF POWER KWH	1000	0.0764	\$ 76.35		COST OF POWER KWH	1000	0.0764	\$ 76.35	
CURRENT 2001 BILL			\$ 95.09	Adjusted 2002 BILL			\$ 99.33	\$ 4.24	4.5%

**MONTHLY CONSUMPTION
2000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 15.74	
KWH	2000	0.0059	\$ 11.80		KWH	2000	0.00724	\$ 14.48	
COST OF POWER KWH	2000	0.0764	\$ 152.70		COST OF POWER KWH	2000	0.0764	\$ 152.70	
CURRENT 2001 BILL			\$ 177.34	Adjusted 2002 BILL			\$ 182.92	\$ 5.58	3.1%

**MONTHLY CONSUMPTION
5000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 15.74	
KWH	5000	0.0059	\$ 29.50		KWH	5000	0.00724	\$ 36.19	
COST OF POWER KWH	5000	0.0764	\$ 381.75		COST OF POWER KWH	5000	0.0764	\$ 381.75	
CURRENT 2001 BILL			\$ 424.09	Adjusted 2002 BILL			\$ 433.68	\$ 9.59	2.3%

**MONTHLY CONSUMPTION
10,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 15.74	
KWH	10000	0.0059	\$ 59.00		KWH	10000	0.00724	\$ 72.38	
COST OF POWER KWH	10000	0.0764	\$ 763.50		COST OF POWER KWH	10000	0.0764	\$ 763.50	
CURRENT 2001 BILL			\$ 835.34	Adjusted 2002 BILL			\$ 851.62	\$ 16.28	1.9%

**MONTHLY CONSUMPTION
20,000 kWh**

	KWH (enter)	RATE \$/KWH	CHARGE \$		KWH	RATE \$/KWH	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 12.84		MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 15.74	
KWH	20000	0.0059	\$ 118.00		KWH	20000	0.00724	\$ 144.80	
COST OF POWER KWH	20000	0.0764	\$ 1527.00		COST OF POWER KWH	20000	0.0764	\$ 1527.00	

MONTHLY SERVICE CHARGE	n/a	n/a	\$	12.84	MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.74
DISTRIBUTION KWH	20000	0.0059	\$	118.00	DISTRIBUTION KWH	20000	0.00724	\$	144.76
COST OF POWER KWH	20000	0.0764	\$	1,527.00	COST OF POWER KWH	20000	0.0764	\$	1,527.00
CURRENT 2001 BILL			\$	1,657.84	Adjusted 2002 BILL			\$	1,687.50
								\$	29.66
									1.8%

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	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	
DISTRIBUTION KW	0	0.9572	\$	-	DISTRIBUTION KW	0	1.67713	\$	-	
COST OF POWER KW	0	6.6219	\$	-	COST OF POWER KW	0	6.6219	\$	-	
COST OF POWER KWH	0	0.0544	\$	-	COST OF POWER KWH	0	0.0544	\$	-	
CURRENT 2001 BILL			\$	70.92	Adjusted 2002 BILL		\$	122.26	\$ 51.34	72.4%
MONTHLY CONSUMPTION 100kW, 30,000kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	
DISTRIBUTION KW	100	0.9572	\$	95.72	DISTRIBUTION KW	100	1.67713	\$	167.71	
COST OF POWER KW	100	6.6219	\$	662.19	COST OF POWER KW	100	6.6219	\$	662.19	
COST OF POWER KWH	30,000	0.0544	\$	1,630.50	COST OF POWER KWH	30,000	0.0544	\$	1,630.50	
CURRENT 2001 BILL			\$	2,459.33	Adjusted 2002 BILL		\$	2,582.66	\$ 123.33	5.0%
MONTHLY CONSUMPTION 100kW, 40,000kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	
DISTRIBUTION KW	100	0.9572	\$	95.72	DISTRIBUTION KW	100	1.67713	\$	167.71	
COST OF POWER KW	100	6.6219	\$	662.19	COST OF POWER KW	100	6.6219	\$	662.19	
COST OF POWER KWH	40,000	0.0544	\$	2,174.00	COST OF POWER KWH	40,000	0.0544	\$	2,174.00	
CURRENT 2001 BILL			\$	3,002.83	Adjusted 2002 BILL		\$	3,126.16	\$ 123.33	4.1%
MONTHLY CONSUMPTION 500kW, 100,000kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	
DISTRIBUTION KW	500	0.9572	\$	478.60	DISTRIBUTION KW	500	1.67713	\$	838.57	
COST OF POWER KW	500	6.6219	\$	3,310.95	COST OF POWER KW	500	6.6219	\$	3,310.95	
COST OF POWER KWH	100,000	0.0544	\$	5,435.00	COST OF POWER KWH	100,000	0.0544	\$	5,435.00	
CURRENT 2001 BILL			\$	9,295.47	Adjusted 2002 BILL		\$	9,706.78	\$ 411.31	4.4%
MONTHLY CONSUMPTION 500kW, 250,000kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$	70.92	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	
DISTRIBUTION KW	500	0.9572	\$	478.60	DISTRIBUTION KW	500	1.67713	\$	838.57	
COST OF POWER KW	500	6.6219	\$	3,310.95	COST OF POWER KW	500	6.6219	\$	3,310.95	
COST OF POWER KWH	250,000	0.0544	\$	13,587.50	COST OF POWER KWH	250,000	0.0544	\$	13,587.50	
CURRENT 2001 BILL			\$	17,447.97	Adjusted 2002 BILL		\$	17,859.28	\$ 411.31	2.4%

**MONTHLY CONSUMPTION
1000kW, 400,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 122.26		
KW	1000	0.9572	\$ 957.20		1000	1.67713	\$ 1,677.13		
COST OF POWER KW	1000	6.6219	\$ 6,621.90		1000	6.6219	\$ 6,621.90		
COST OF POWER KWH	400,000	0.0544	\$ 21,740.00		400,000	0.0544	\$ 21,740.00		
CURRENT 2001 BILL			\$ 29,390.02	Adjusted 2002 BILL			\$ 30,161.29	\$ 771.27	2.6%

**MONTHLY CONSUMPTION
1000kW, 500,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 122.26		
KW	1000	0.9572	\$ 957.20		1000	1.67713	\$ 1,677.13		
COST OF POWER KW	1000	6.6219	\$ 6,621.90		1000	6.6219	\$ 6,621.90		
COST OF POWER KWH	500,000	0.0544	\$ 27,175.00		500,000	0.0544	\$ 27,175.00		
CURRENT 2001 BILL			\$ 34,825.02	Adjusted 2002 BILL			\$ 35,596.29	\$ 771.27	2.2%

**MONTHLY CONSUMPTION
3,000kW, 1,000,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 122.26		
KW	3000	0.9572	\$ 2,871.60		3000	1.67713	\$ 5,031.40		
COST OF POWER KW	3000	6.6219	\$ 19,865.70		3000	6.6219	\$ 19,865.70		
COST OF POWER KWH	1,000,000	0.0544	\$ 54,350.00		#####	0.0544	\$ 54,350.00		
CURRENT 2001 BILL			\$ 77,158.22	Adjusted 2002 BILL			\$ 79,369.36	\$ 2,211.14	2.9%

**MONTHLY CONSUMPTION
3,000kW, 1,500,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 122.26		
KW	3000	0.9572	\$ 2,871.60		3000	1.67713	\$ 5,031.40		
COST OF POWER KW	3000	6.6219	\$ 19,865.70		3000	6.6219	\$ 19,865.70		
COST OF POWER KWH	1,500,000	0.0544	\$ 81,525.00		#####	0.0544	\$ 81,525.00		
CURRENT 2001 BILL			\$ 104,333.22	Adjusted 2002 BILL			\$ 106,544.36	\$ 2,211.14	2.1%

**MONTHLY CONSUMPTION
4,000kW, 1,200,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 122.26		
KW	4000	0.9572	\$ 3,828.80		4000	1.67713	\$ 6,708.54		
COST OF POWER KW	4000	6.6219	\$ 26,487.60		4000	6.6219	\$ 26,487.60		
COST OF POWER KWH	1,200,000	0.0544	\$ 65,220.00		#####	0.0544	\$ 65,220.00		
CURRENT 2001 BILL			\$ 95,607.32	Adjusted 2002 BILL			\$ 98,538.40	\$ 2,931.08	3.1%

**MONTHLY CONSUMPTION
4,000kW, 1,800,000kWh**

	KW (enter)	RATE \$/KW	CHARGE \$		KW	RATE \$/KW	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$ 70.92		n/a	n/a	\$ 122.26		
KW	4000	0.9572	\$ 3,828.80		4000	1.67713	\$ 6,708.54		
COST OF POWER KW	4000	6.6219	\$ 26,487.60		4000	6.6219	\$ 26,487.60		
COST OF POWER KWH	1,800,000	0.0544	\$ 97,830.00		#####	0.0544	\$ 97,830.00		
CURRENT 2001 BILL			\$ 128,217.32	Adjusted 2002 BILL			\$ 131,148.40	\$ 2,931.08	2.3%

GENERAL SERVICE >50 KW TIME OF USE

CURRENT 2001 BILL

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

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

WINTER

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE \$/kWh		
COST OF POWER WINTER PEAK	20,000	0.0000	\$ -	
WINTER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE \$/kWh			
COST OF POWER WINTER PEAK	20,000	0.0000	\$ -		
WINTER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

SUMMER

SUMMER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	100	0.0000	\$ -	
kW COST OF POWER				
Demand Charge	100	0.0000	\$ -	
		RATE \$/kWh		
COST OF POWER SUMMER PEAK	20,000	0.0000	\$ -	
SUMMER OFF PEAK	20,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	100	0.0000	\$ -		
		RATE \$/kWh			
COST OF POWER SUMMER PEAK	20,000	0.0000	\$ -		
SUMMER OFF PEAK	20,000	0.0000	\$ -		
MONTHLY SERVICE CHARGE			#DIV/0!		
TOTAL			#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE - INTERMEDIATE USE

CURRENT 2001 BILL

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

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

WINTER

WINTER

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

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	4000	#DIV/0!	#DIV/0!		
kW COST OF POWER					
Demand Charge	4000	0.0000	\$ -		
		RATE \$/kWh			
COST OF POWER 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

SUMMER

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

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

LARGE USE

CURRENT 2001 BILL

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

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

WINTER

	KW	RATE \$/kW	CHARGE \$	
DISTRIBUTION kW	6000	0.0000	\$ -	
DISTRIBUTION kW COST OF POWER				
Demand Charge	6000	0.0000	\$ -	
COST OF POWER	kWh	RATE \$/kWh		
WINTER PEAK	1,500,000	0.0000	\$ -	
WINTER OFF PEAK	1,500,000	0.0000	\$ -	
MONTHLY SERVICE CHARGE			\$ -	
TOTAL			\$ -	

WINTER

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

SUMMER

	KW	RATE \$/kW	CHARGE \$	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	6000	#DIV/0!	#DIV/0!		
DISTRIBUTION kW COST OF POWER					
Demand Charge	6000	0.0000	\$ -		
COST OF POWER	kWh	RATE \$/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!

Schedule of Rates and Charges

HYDRO 2000 INC.

Effective March 1, 2002

RP-2002-xxxx

EB-2002-xxxx

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto) Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.81
Distribution Volumetric Rate	(per kWh)	\$0.0055
Cost of Power Rate	(per kWh)	\$0.07875

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	\$10.81
Distribution Volumetric Rate	(per kWh)	\$0.0055
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

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.74
Distribution Volumetric Rate	(per kWh)	\$0.0072
Cost of Power Rate	(per kWh)	\$0.07635

GENERAL SERVICE < 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$15.74
Distribution Volumetric Rate	(per kWh)	\$0.0072
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

Schedule of Rates and Charges

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$122.26
Distribution Volumetric Rate	(per kW)	\$1.6771
Cost of Power Demand Rate	(per kW)	\$6.6219
Cost of Power Energy Rate	(per kWh)	\$0.05435

GENERAL SERVICE > 50 KW (Time of 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

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

Schedule of Rates and Charges

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	#VALUE!
Distribution Volumetric Rate	(per kW)	#VALUE!
Cost of Power Demand Rate	(per kW)	\$0.0000

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	#VALUE!
Distribution Volumetric Rate	(per kW)	#VALUE!
Cost of Power - Winter	(per kW)	\$0.0000
Cost of Power - Summer	(per kW)	\$0.0000

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$0.53
Distribution Volumetric Rate	(per kW)	\$3.4545
Cost of Power Demand Rate	(per kW)	\$26.2694

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	\$0.35
Distribution Volumetric Rate	(per kW)	\$2.2462
Cost of Power - Winter	(per kW)	\$0.0000
Cost of Power - Summer	(per kW)	\$0.0000

MISCELLANEOUS CHARGES

ADD 2002 OEB APPROVED MISCELLANEOUS CHARGES HERE

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

Schedule of Rates and Charges

Residential Service After Hours Visit to Connect New Service	\$	-
Diversity Adjustment Winter	\$	-
(discontinued at Mar Summer	\$	-

SHEET 1 - December 31, 2002 Regulatory Assets

V1

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

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

Description	Account Number	Applied-for Amount Balance as at Dec. 31, 2002
RSVA - Wholesale Market Service Charge	1580	\$1,666
RSVA - Retail Transmission Network Charge	1584	-\$3,784
RSVA - Retail Transmission Connection Charge	1586	-\$4,582
RSVA - Power	1588	\$1,054
Sub-Total		-\$5,647
RSVA - One-time Wholesale Market Service	1582	\$0
Other Regulatory Assets	1508	\$12,499
Retail Cost Variance Account - Retail	1518	\$0
Retail Cost Variance Account - STR	1548	\$0
Misc. Deferred Debits - incl. Rebate Cheques	1525	\$0
Deferred Payments in Lieu of Taxes	1562	\$0
PILs Contra Account	1563	\$0
Qualifying Transition Costs	1570	\$142,046
Pre-Market Opening Energy Variances Total	1571	\$147,575
Pre-Market Opening Energy Variances - 2001		\$0
Pre-Market Opening Energy Variances - 2002		\$147,575
Extra-Ordinary Event Losses	1572	\$0
Deferred Rate Impact Amounts	1574	\$0
Other Deferred Credits	2425	\$0
Total Applied-for Regulatory Assets	(a)	\$296,473
(1) Total of 4 RSVA Accounts	(b)	-\$5,647 Approved for 2004 Final Recovery
4 RSVA accounts as a percent of total: (b) / (a)		-1.9%
(2) 25 % of (a)	(c)	\$74,118

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)	\$74,118	Approved for Final 2004 Rate Recovery
Gross Up for Recovery over 11 months: Amount (c) x 12/11	\$80,856	Enter this amount on Sheet 3 (Therefore, entry on Sheet 5 is zero.)
Remaining Final Amount to be recovered in future periods (b) - (c)		-\$79,765 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)		\$74,118	Approved for 2004 Rate Recovery
Final 4 RSVA Amount as shown at (b)		-\$5,647	
Gross Up for Recovery over 11 months: Amount (b) x 12/11		<input type="text" value="-6,160"/>	Enter this amount on Sheet 3
Interim Amount to be recovered (c) - (b)	(d)	\$79,765	
Gross Up for Recovery over 11 months: Amount (d) x 12/11		<input type="text" value="87,016"/>	Enter this amount on Sheet 5
Total Final + Interim Amount for Recovery (b) + (d) (no gross up)		\$74,118	

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.

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

V1

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

Enter the values for your 2002 Base Rates as shown in your 2002 RA Model at Sheet 4.

This is the version of the model that was used to determine your current OEB approved rate schedule.

(This removes the impact of the recovery of Q4 2001 PILs, 2002 PILs, and any Z-factors or Interim Transition Cost approvals from Existing Rates).

You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0050

MONTHLY SERVICE CHARGE (Per Customer) \$9.65

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0065

MONTHLY SERVICE CHARGE (Per Customer) \$14.14

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.0554

MONTHLY SERVICE CHARGE (Per Customer) \$78.09

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE \$0.0000

MONTHLY SERVICE CHARGE (Per Customer) \$0.00

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 \$0.0000

MONTHLY SERVICE CHARGE (Per Connection) \$0.00

OR

SENTINEL LIGHTS (TIME OF USE)

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

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.3470
MONTHLY SERVICE CHARGE (Per Connection)	\$0.21

OR

STREET LIGHTING (TIME OF USE)

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

SPECIFIC SERVICE CHARGES

ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES BELOW.

Please enter these charges exactly as they are entered on your current approved rate schedule.

Please add your own specific charges as necessary.

New Account Setup	\$	8.80
Change of Occupancy	\$	8.80
Account History		
Administration Fee	\$	-
Current Year Data	\$	-
Each Additional Year Data	\$	-
Arrear's Certificate	\$	10.00
Late Payment		1.50%
Returned Cheque	\$	9.00
Collection of Account Charge	\$	8.80
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	\$	20.00
At Meter - After Hours	\$	50.00
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)		
(discontinued at Market Opening)	Winter	\$ -
	Summer	\$ -

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

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

Enter the Approved Regulatory Asset recovery from Sheet 1 at either cell D57 or D72. \$ (6,160.00)
 If the total of the 4 major RSVA related Regulatory Assets is less than 25% of the total Regulatory 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	-	14,810,717	955	\$205,341.54	57.8%	\$ (3,562.55)	
GENERAL SERVICE <50 KW CLASS	-	5,555,387	153	\$68,897.43	21.7%	\$ (1,336.28)	
GENERAL SERVICE >50 KW NON TIME OF USE	13,757	4,941,278	11	\$39,210.18	19.3%	\$ (1,188.57)	
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	\$0.00	0.0%	\$ -	
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -	
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -	
SENTINEL LIGHTS	0	0	0	\$0.00	0.0%	\$ -	
STREET LIGHTING CLASS	743	301,829	350	\$4,792.69	1.2%	\$ (72.60)	
TOTALS		25,609,211	1,469	\$318,241.85	1.00	\$ (6,160.00)	
		Allocated Total for 4 major RSVA accounts ==>					\$ (6,160.00)

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)	\$ (3,562.55)	\$ -	\$ (3,562.55)
(B) RETAIL kWh in 2002	14,810,717		
(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)	(\$0.000241)		

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	\$ (1,336.28)	\$ -	\$ (1,336.28)

(Total in Cell G23 above)

(B) RETAIL kWh in 2002 5,555,387

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) (\$0.000241)
(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)

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)	\$ (1,188.57)	\$ -	\$ (1,188.57)

(B) RETAIL KW in 2002 13,757

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (\$0.086397)
(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)

General Service >50kW Class 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 G25 above)	\$ -	\$ -	\$ -

(B) RETAIL KW in 2002 0

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
(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)

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) #DIV/0!
(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)

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)	\$ -	\$ -	\$ -
(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!		

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)	\$ (72.60)	\$ -	\$ (72.60)
(B) RETAIL KW in 2002		743	
(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)	(\$0.097714)		

Regulatory Assets

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0048
MONTHLY SERVICE CHARGE (Per Customer)	\$9.65

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	-\$0.0002
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0063
MONTHLY SERVICE CHARGE (Per Customer)	\$14.14

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$0.9690
MONTHLY SERVICE CHARGE (Per Customer)	\$78.09

GENERAL SERVICE > 50 KW (TIME OF USE)

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

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	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

OR

SENTINEL LIGHTS (TIME OF USE)

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

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.2493
MONTHLY SERVICE CHARGE (Per Connection)	\$0.21

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	-\$0.0977
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

SHEET 5 - Calculating Rate Increases using 2002 LDC Data and additional Interim Regulatory Assets

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

This schedule replicates the 2002 statistics from Sheet 3 which will be used to allocate interim approved Regulatory Asset amounts required to achieve the 25% threshold. (If the 4 major RSVA accounts do not total to 25% or more of total Regulatory 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. \$ 87,016.00

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2002 Interim Reg. Asset Allocations
RESIDENTIAL CLASS	-	14,810,717	955	\$205,341.54	64.5%	\$ 56,145.98
GENERAL SERVICE <50 KW CLASS	-	5,555,387	153	\$68,897.43	21.6%	\$ 18,838.44
GENERAL SERVICE >50 KW NON TIME OF USE	13,757	4,941,278	11	\$39,210.18	12.3%	\$ 10,721.13
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	\$0.00	0.0%	\$ -
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -
SENTINEL LIGHTS	0	0	0	\$0.00	0.0%	\$ -
STREET LIGHTING CLASS	743	301,829	350	\$4,792.69	1.5%	\$ 1,310.45
TOTALS		25,609,211	1,469	\$318,241.85	1.00	\$ 87,016.00
		Allocated Total for additional interim amounts ==>				\$ 87,016.00

Residential Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G22 above)	\$ 56,145.98	\$ -	\$ 56,145.98
(B) RETAIL kWh in 2002	14,810,717		
(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)	\$0.003791		

General Service <50kW Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery	\$ 18,838.44	\$ -	\$ 18,838.44

(Total in Cell G23 above)

(B) RETAIL kWh in 2002	5,555,387
(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)	\$0.003391

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G24 above)	\$ 10,721.13	\$ -	\$ 10,721.13
(B) RETAIL KW in 2002	13,757		
(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)	\$0.779322		

General Service >50kW Class TOU

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G25 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!		

Intermediate Class

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

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

Large User Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G27 above)	\$ -	\$ -	\$ -
(B) RETAIL KW in 2002		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		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!		

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)	\$ 1,310.45	\$ -	\$ 1,310.45
(B) RETAIL KW in 2002		743	
(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	\$1.763732		

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0086
MONTHLY SERVICE CHARGE (Per Customer)	\$9.65

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	\$0.0036
MONTHLY SERVICE CHARGE (Per Customer)	\$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0097
MONTHLY SERVICE CHARGE (Per Customer)	\$14.14

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.7483
MONTHLY SERVICE CHARGE (Per Customer)	\$78.09

GENERAL SERVICE > 50 KW (TIME OF USE)

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

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	#DIV/0!
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

OR

SENTINEL LIGHTS (TIME OF USE)

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

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.0130
MONTHLY SERVICE CHARGE (Per Connection)	\$0.21

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$1.6660
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

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

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

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

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

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

\$ 14,384.00

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2004 PILs Proxy Allocations
RESIDENTIAL CLASS	-	14,810,717	955	\$205,341.54	64.5%	\$ 9,281.09
GENERAL SERVICE <50 KW CLASS	-	5,555,387	153	\$68,897.43	21.6%	\$ 3,114.05
GENERAL SERVICE >50 KW NON TIME OF USE	13,757	4,941,278	11	\$39,210.18	12.3%	\$ 1,772.23
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	\$0.00	0.0%	\$ -
INTERMEDIATE USE	0	0	0	\$0.00	0.0%	\$ -
LARGE USER CLASS	0	0	0	\$0.00	0.0%	\$ -
SENTINEL LIGHTS	0	0	0	\$0.00	0.0%	\$ -
STREET LIGHTING CLASS	743	301,829	350	\$4,792.69	1.5%	\$ 216.62
TOTALS		25,609,211	1,469	\$318,241.85	1.00	\$ 14,384.00
		Allocated Total for additional interim amounts ==>				\$ 14,384.00

Residential Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G22 above)	\$ 9,281.09	\$ -	\$ 9,281.09
(B) RETAIL kWh in 2002	14,810,717		
(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)	\$0.000627		

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)	\$ 3,114.05	\$ -	\$ 3,114.05

(B) RETAIL kWh in 2002 5,555,387

(D) ADDITIONAL DISTRIBUTION KWH RATE (\$/KWH) (A)/(B) \$0.000561
 (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)

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G24 above)	\$ 1,772.23	\$ -	\$ 1,772.23

(B) RETAIL KW in 2002 13,757

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) \$0.128824
 (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)

General Service >50kW Class TOU

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G25 above)	\$ -	\$ -	\$ -

(B) RETAIL KW in 2002 0

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
 (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)

Intermediate 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 G26 above)	\$ -	\$ -	\$ -

(B) RETAIL KW in 2002 0

(D) ADDITIONAL DISTRIBUTION KW RATE (\$/KW) (A)/(B) #DIV/0!
 (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)

Large User 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 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)

\$ - \$ - \$ -

(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!

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)

\$ 216.62 \$ - \$ 216.62

(B) RETAIL KW in 2002

743

(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)

\$0.291550

SHEET 8 - 2004 Rates including Recovery of 2004 PILs

NAME OF UTILITY HYDRO 2000 INC.
NAME OF CONTACT RENE C. BEAULNE (BONE)
E- Mail Address aphydro@hawk.igs.net
VERSION NUMBER 1
Date 20-Jan-04

LICENCE NUMBER ED-2002-0542
PHONE NUMBER 613-679-4093

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

RESIDENTIAL

DISTRIBUTION KWH RATE \$0.0092
MONTHLY SERVICE CHARGE (Per Customer) \$9.65

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE \$0.0042
MONTHLY SERVICE CHARGE (Per Customer) \$0.00

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE \$0.0102
MONTHLY SERVICE CHARGE (Per Customer) \$14.14

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.8771
MONTHLY SERVICE CHARGE (Per Customer) \$78.09

GENERAL SERVICE > 50 KW (TIME OF USE)

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

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 #DIV/0!
MONTHLY SERVICE CHARGE (Per Connection) \$0.00

OR

SENTINEL LIGHTS (TIME OF USE)

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

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.3046
MONTHLY SERVICE CHARGE (Per Connection)	\$0.21

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	\$1.9576
MONTHLY SERVICE CHARGE (Per Connection)	\$0.00

SHEET 9 - Adjustment to Maintain the Current Service Charge Level

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

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

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

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Current Approved Fixed Charge
RESIDENTIAL CLASS	-	14,810,717	955	\$10.81
GENERAL SERVICE <50 KW CLASS	-	5,555,387	153	\$15.74
GENERAL SERVICE >50 KW NON TIME OF USE	13,757	4,941,278	11	\$122.26
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	\$0.00
INTERMEDIATE USE	0	0	0	\$0.00
LARGE USER CLASS	0	0	0	\$0.00
SENTINEL LIGHTS	0	0	0	\$0.00
STREET LIGHTING CLASS	743	301,829	350	\$0.53
TOTALS		25,609,211	1,469	

Residential Class

Revenue from Current Monthly Service Charge		\$123,883	
Revenue from Calculated Monthly Service Charge (Sheet 8)		\$110,589	
Difference		\$13,294	
Variable Rate Adjustment	\$/kWh	\$	0.0009
Adjusted Variable Rate	\$/kWh		\$ 0.0083

Residential Class (Time of Use)

Revenue from Current Monthly Service Charge		\$123,883	
Revenue from Calculated Monthly Service Charge (Sheet 8)		\$110,589	
Difference		\$13,294	
Variable Rate Adjustment	\$/kWh	\$	0.0009
Adjusted Variable Rate	\$/kWh		\$ 0.0033

General Service <50 kW Class

Revenue from Current Monthly Service Charge		\$28,899	
Revenue from Calculated Monthly Service Charge (Sheet 8)		\$25,961	
Difference		\$2,938	
Variable Rate Adjustment	\$/kWh	\$	0.0005
Adjusted Variable Rate	\$/kWh		\$ 0.0097

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

Revenue from Current Monthly Service Charge		\$16,138	
Revenue from Calculated Monthly Service Charge (Sheet 8)		\$10,308	
Difference		\$5,830	

Variable Rate Adjustment	\$/kW	\$	0.4238	
Adjusted Variable Rate	\$/kW			\$ 1.4533

General Service >50 kW Class (Time of Use)

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 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			\$0	
Revenue from Calculated Monthly Service Charge (Sheet 8)			\$0	
Difference			\$0	

Variable Rate Adjustment	\$/kW		#DIV/0!	
Adjusted Variable Rate	\$/kW			#DIV/0!

OR

Sentinal Lights (Time of Use)

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!

Streetlighting (Non Time of Use)

Revenue from Current Monthly Service Charge			\$2,239	
Revenue from Calculated Monthly Service Charge (Sheet 8)			\$882	
Difference			\$1,357	

Variable Rate Adjustment	\$/kW		1.8270	
Adjusted Variable Rate	\$/kW			\$ 1.4776

OR

Streetlighting (Time of Use)

Revenue from Current Monthly Service Charge			\$2,239	
Revenue from Calculated Monthly Service Charge (Sheet 8)			\$0	
Difference			\$2,239	

Variable Rate Adjustment	\$/kW		3.01	
--------------------------	-------	--	------	--

Adjusted Variable Rate

\$/kW

\$ (1.0565)

Hydro 200 Inc
Schedule of Distribution Rates and Charges
 Effective April 1, 2004 until February 28, 2005

RP-2004-0021
 EB-2004-0007

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

RESIDENTIAL

Monthly Service Charge	(per month)	\$10.81
Distribution Volumetric Rate	(per kWh)	\$0.0083

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	\$10.81
Distribution Volumetric Rate	(per kWh)	\$0.0033

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.74
Distribution Volumetric Rate	(per kWh)	\$0.0097

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$122.26
Distribution Volumetric Rate	(per kW)	\$1.4533

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	#DIV/0!

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!

Hydro 200 Inc
Schedule of Distribution Rates and Charges
 Effective April 1, 2004 until February 28, 2005
 (continued)

RP-2004-0021
 EB-2004-0007

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	#DIV/0!

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	\$0.00
Distribution Volumetric Rate	(per kW)	#DIV/0!

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$0.53
Distribution Volumetric Rate	(per kW)	\$1.4776

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	\$0.53
Distribution Volumetric Rate	(per kW)	-\$1.0565

SPECIFIC SERVICE CHARGES

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

New Account Setup	\$	8.80
Change of Occupancy	\$	8.80
Account History		
Administration Fee	\$	-
Current Year Data	\$	-
Each Additional Year Data	\$	-
Arrear's Certificate	\$	10.00
Late Payment		1.50%
Returned Cheque	\$	9.00
Collection of Account Charge	\$	8.80
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours	\$	20.00
At Meter - After Hours	\$	50.00
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	\$	-

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

(commodity price constant)

NAME OF UTILITY	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

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

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

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

RESIDENTIAL CLASS

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

CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)					
ENTER DESIRED CONSUMPTION LEVEL	kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
100 kWh	(enter)	\$/kWh	\$			\$/kWh	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		
DISTRIBUTION kWh	100	0.0055	\$ 0.55	DISTRIBUTION kWh	100	0.0083	\$ 0.83		
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			\$ 18.05	Adjusted 2004 BILL			\$ 18.33	\$ 0.28	1.5%
MONTHLY CONSUMPTION OF 250 kWh	(enter)	\$/kWh	\$			\$/kWh	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		
DISTRIBUTION kWh	250	0.0055	\$ 1.38	DISTRIBUTION kWh	250	0.0083	\$ 2.07		
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			\$ 28.91	Adjusted 2004 BILL			\$ 29.60	\$ 0.69	2.4%
MONTHLY CONSUMPTION OF 500 kWh	(enter)	\$/kWh	\$			\$/kWh	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		
DISTRIBUTION kWh	500	0.0055	\$ 2.75	DISTRIBUTION kWh	500	0.0083	\$ 4.14		
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			\$ 47.01	Adjusted 2004 BILL			\$ 48.40	\$ 1.39	3.0%
MONTHLY CONSUMPTION OF 750 kWh	(enter)	\$/kWh	\$			\$/kWh	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		
DISTRIBUTION kWh	750	0.0055	\$ 4.13	DISTRIBUTION kWh	750	0.0083	\$ 6.21		
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			\$ 65.11	Adjusted 2004 BILL			\$ 67.19	\$ 2.08	3.2%
MONTHLY CONSUMPTION OF 1000 kWh	(enter)	\$/kWh	\$			\$/kWh	\$	DOLLARS	%
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		
DISTRIBUTION kWh	1000	0.0055	\$ 5.50	DISTRIBUTION kWh	1000	0.0083	\$ 8.28		
OTHER CHARGES kWh	1000	0.0239	\$ 23.90	OTHER CHARGES kWh	1000	0.02390	\$ 23.90		
COST OF POWER kWh	1000	0.0430	\$ 43.00	COST OF POWER kWh	1000	0.0430	\$ 43.00		

CURRENT 2003 BILL \$ 83.21 Adjusted 2004 BILL \$ 85.99 \$ 2.78 3.3%

MONTHLY CONSUMPTION OF 1500 kWh

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	
DISTRIBUTION kWh	1500	0.0055	\$ 8.25		DISTRIBUTION kWh	1500	0.0083	\$ 12.42	
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 \$ 119.41 Adjusted 2004 BILL \$ 123.58 \$ 4.17 3.5%

MONTHLY CONSUMPTION OF 2000 kWh

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	
DISTRIBUTION kWh	2000	0.0055	\$ 11.00		DISTRIBUTION kWh	2000	0.0083	\$ 16.56	
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 \$ 155.61 Adjusted 2004 BILL \$ 161.17 \$ 5.56 3.6%

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 \$ 88.84 **2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)** \$ 91.32 \$ 2.48 2.8%

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	\$ 15.74		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74	
DISTRIBUTION kWh	1000	0.0072	\$ 7.20		DISTRIBUTION kWh	1000	0.0097	\$ 9.68	
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 \$ 88.84 Adjusted 2004 BILL \$ 91.32 \$ 2.48 2.8%

MONTHLY CONSUMPTION 2000 kWh

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74	
DISTRIBUTION kWh	2000	0.0072	\$ 14.40		DISTRIBUTION kWh	2000	0.0097	\$ 19.36	
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 \$ 161.94 Adjusted 2004 BILL \$ 166.90 \$ 4.96 3.1%

MONTHLY CONSUMPTION 5000 kWh

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74	
DISTRIBUTION kWh	5000	0.0072	\$ 36.00		DISTRIBUTION kWh	5000	0.0097	\$ 48.41	
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 \$ 381.24 Adjusted 2004 BILL \$ 393.65 \$ 12.41 3.3%

MONTHLY CONSUMPTION 10,000 kWh

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74	
DISTRIBUTION kWh	10000	0.0072	\$ 72.00		DISTRIBUTION kWh	10000	0.0097	\$ 96.82	
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				\$ 746.74	Adjusted 2004 BILL				\$ 771.56 \$ 24.82 3.3%

MONTHLY CONSUMPTION 15,000 kWh	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.74	MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.74
DISTRIBUTION kWh	15000	0.0072	\$	108.00	DISTRIBUTION kWh	15000	0.0097	\$	145.23
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				\$ 1,112.24	Adjusted 2004 BILL				\$ 1,149.47 \$ 37.23 3.3%

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.

ENTER DESIRED CONSUMPTION LEVEL	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)				
	kW/kWh (enter)	RATE \$/kW/kWh	CHARGE \$		kW/kWh	RATE \$/kW/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %

MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26
DISTRIBUTION kW	60	1.6771	\$	100.63	DISTRIBUTION kW	60	1.4533	\$	87.20
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				\$ 1,480.49	Adjusted 2004 BILL				\$ 1,467.06 \$ (13.43) -0.9%

MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26
DISTRIBUTION kW	100	1.6771	\$	167.71	DISTRIBUTION kW	100	1.4533	\$	145.33
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				\$ 3,408.97	Adjusted 2004 BILL				\$ 3,386.59 \$ (22.38) -0.7%

MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26
DISTRIBUTION kW	500	1.6771	\$	838.55	DISTRIBUTION kW	500	1.4533	\$	726.67
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				\$ 9,735.81	Adjusted 2004 BILL				\$ 9,623.93 \$ (111.88) -1.1%

MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26	MONTHLY SERVICE CHARGE	n/a	n/a	\$	122.26
DISTRIBUTION kW	1000	1.6771	\$	1,677.10	DISTRIBUTION kW	1000	1.4533	\$	1,453.33
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				\$ 32,989.36	Adjusted 2004 BILL				\$ 32,765.59 \$ (223.77) -0.7%

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 DISTRIBUTION	n/a	n/a	\$	122.26	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	122.26
kW	3000	1.6771	\$	5,031.30	kW	3000	1.4533	\$	4,360.00
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			\$	85,083.56	Adjusted 2004 BILL		\$	84,412.26	\$ (671.30) -0.8%

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 DISTRIBUTION	n/a	n/a	\$	122.26	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	122.26
kW	4000	1.6771	\$	6,708.40	kW	4000	1.45333	\$	5,813.33
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			\$	145,230.66	Adjusted 2004 BILL		\$	144,335.59	\$ (895.07) -0.6%

GENERAL SERVICE >50 KW TIME OF USE

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

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

ENTER DESIRED CONSUMPTION LEVEL

	kW/kWh (enter)	RATE \$kW/kWh	CHARGE \$		kW/kWh	RATE \$kW/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	0.00	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	-
kW	60	0.0000	\$	-	kW	60	#DIV/0!	#DIV/0!	
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			\$	1,275.83	Adjusted 2004 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 100kW, 40,000kWh	kW/kWh (enter)	RATE \$kW/kWh	CHARGE \$		kW/kWh	RATE \$kW/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	-
kW	100	0.0000	\$	-	kW	100	#DIV/0!	#DIV/0!	
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			\$	3,149.38	Adjusted 2004 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 500kW, 100,000kWh	kW/kWh (enter)	RATE \$kW/kWh	CHARGE \$		kW/kWh	RATE \$kW/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	-	MONTHLY SERVICE CHARGE DISTRIBUTION	n/a	n/a	\$	-
kW	500	0.0000	\$	-	kW	500	#DIV/0!	#DIV/0!	
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			\$	8,926.90	Adjusted 2004 BILL		#DIV/0!	#DIV/0!	#DIV/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	\$	-	MONTHLY SERVICE CHARGE	n/a	n/a	\$	-
DISTRIBUTION kW	1000	0.0000	\$	-	DISTRIBUTION kW	1000	#DIV/0!	#DIV/0!	
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			\$	31,493.80	Adjusted 2004 BILL		#DIV/0!	#DIV/0!	#DIV/0!

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh	kW/kWh (enter)	RATE \$kW/kWh	CHARGE \$		kW/kWh	RATE \$kW/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$	-	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 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	\$	-	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	1,800,000	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			\$	139,615.20	Adjusted 2004 BILL		#DIV/0!	#DIV/0!	#DIV/0!

GENERAL SERVICE INTERMEDIATE CLASS

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

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

ENTER DESIRED CONSUMPTION LEVEL

MONTHLY CONSUMPTION 3000kW, 800,000 kWh	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	\$	-
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	kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
---------------------	--------	------	--------	--	--------	------	--------	--------	--------

4000kW, 1,200,000kWh	(enter)	\$kW/kWh	\$		\$kW/kWh	\$	DOLLARS	%
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 %
6000kW, 2,800,000 kWh	n/a	n/a	\$	\$0.00	MONTHLY SERVICE CHARGE	n/a	n/a	\$ -	
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	HYDRO 2000 INC.	LICENCE NUMBER	ED-2002-0542
NAME OF CONTACT	RENE C. BEAULNE (BONE)	PHONE NUMBER	613-679-4093
E- Mail Address	aphydro@hawk.igs.net		
VERSION NUMBER	1		
Date	20-Jan-04		

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

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

RESIDENTIAL CLASS

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

NON-TIME OF USE **CURRENT 2003 BILL** **2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)**

ENTER DESIRED CONSUMPTION LEVEL	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
100 kWh									
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	
DISTRIBUTION kWh	100	0.0055	\$ 0.55		DISTRIBUTION kWh	100	0.0083	\$ 0.83	
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			\$ 18.05		Adjusted 2004 BILL		\$ 18.73	\$ 0.68	3.8%

MONTHLY CONSUMPTION OF 250 kWh	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	
DISTRIBUTION kWh	250	0.0055	\$ 1.38		DISTRIBUTION kWh	250	0.0083	\$ 2.07	
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			\$ 28.91		Adjusted 2004 BILL		\$ 30.60	\$ 1.69	5.9%

MONTHLY CONSUMPTION OF 500 kWh	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	
DISTRIBUTION kWh	500	0.0055	\$ 2.75		DISTRIBUTION kWh	500	0.0083	\$ 4.14	
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			\$ 47.01		Adjusted 2004 BILL		\$ 50.40	\$ 3.39	7.2%

MONTHLY CONSUMPTION OF 750 kWh	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	
DISTRIBUTION kWh	750	0.0055	\$ 4.13		DISTRIBUTION kWh	750	0.0083	\$ 6.21	
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			\$ 65.11		Adjusted 2004 BILL		\$ 70.19	\$ 5.08	7.8%

MONTHLY CONSUMPTION OF 1000 kWh	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 10.81	
DISTRIBUTION kWh	1000	0.0055	\$ 5.50		DISTRIBUTION kWh	1000	0.0083	\$ 8.30	
OTHER CHARGES kWh	1000	0.0239	\$ 23.90		OTHER CHARGES kWh	1000	0.0239	\$ 23.90	
COST OF POWER kWh	1000	0.0430	\$ 43.00		COST OF POWER kWh	1000	0.0470	\$ 47.00	
CURRENT 2003 BILL			\$ 83.21		Adjusted 2004 BILL		\$ 89.00	\$ 5.79	7.0%

MONTHLY SERVICE CHARGE	n/a	n/a	\$	10.81	MONTHLY SERVICE CHARGE	n/a	n/a	\$	10.81	
DISTRIBUTION kWh	1000	0.0055	\$	5.50	DISTRIBUTION kWh	1000	0.0083	\$	8.28	
OTHER CHARGES kWh	1000	0.0239	\$	23.90	OTHER CHARGES kWh	1000	0.02390	\$	23.90	
COST OF POWER kWh	1000	0.0430	\$	43.00	COST OF POWER kWh	750	0.0470	\$	35.25	
					COST OF POWER kWh	250	0.0550	\$	13.75	
CURRENT 2003 BILL				\$ 83.21	Adjusted 2004 BILL				\$ 91.99	\$ 8.78 10.6%

MONTHLY CONSUMPTION OF 1500 kWh

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %	
MONTHLY SERVICE CHARGE	n/a	n/a	\$	10.81	MONTHLY SERVICE CHARGE	n/a	n/a	\$	10.81	
DISTRIBUTION kWh	1500	0.0055	\$	8.25	DISTRIBUTION kWh	1500	0.0083	\$	12.42	
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				\$ 119.41	Adjusted 2004 BILL				\$ 135.58	\$ 16.17 13.5%

MONTHLY CONSUMPTION OF 2000 kWh

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %	
MONTHLY SERVICE CHARGE	n/a	n/a	\$	10.81	MONTHLY SERVICE CHARGE	n/a	n/a	\$	10.81	
DISTRIBUTION kWh	2000	0.0055	\$	11.00	DISTRIBUTION kWh	2000	0.0083	\$	16.56	
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				\$ 155.61	Adjusted 2004 BILL				\$ 179.17	\$ 23.56 15.1%

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.

MONTHLY CONSUMPTION OF	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)					
	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %	
MONTHLY CONSUMPTION OF 1000 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.74	MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.74	
DISTRIBUTION kWh	1000	0.0072	\$	7.20	DISTRIBUTION kWh	1000	0.00968	\$	9.68	
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				\$ 88.84	Adjusted 2004 BILL				\$ 97.32	\$ 8.48 9.5%
MONTHLY CONSUMPTION OF 2000 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.74	MONTHLY SERVICE CHARGE	n/a	n/a	\$	15.74	
DISTRIBUTION kWh	2000	0.0072	\$	14.40	DISTRIBUTION kWh	2000	0.0097	\$	19.36	
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				\$ 161.94	Adjusted 2004 BILL				\$ 184.90	\$ 22.96 14.2%

**MONTHLY CONSUMPTION OF
5000 kWh**

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74	
DISTRIBUTION kWh	5000	0.0072	\$ 36.00		DISTRIBUTION kWh	5000	0.0097	\$ 48.41	
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			\$ 381.24	Adjusted 2004 BILL	\$ 447.65			\$ 66.41	17.4%

**MONTHLY CONSUMPTION OF
10000 kWh**

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74	
DISTRIBUTION kWh	10000	0.0072	\$ 72.00		DISTRIBUTION kWh	10000	0.0097	\$ 96.82	
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			\$ 746.74	Adjusted 2004 BILL	\$ 885.56			\$ 138.82	18.6%

**MONTHLY CONSUMPTION OF
15000 kWh**

	kWh (enter)	RATE \$/kWh	CHARGE \$		kWh	RATE \$/kWh	CHARGE \$	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74		MONTHLY SERVICE CHARGE	n/a	n/a	\$ 15.74	
DISTRIBUTION kWh	15000	0.0072	\$ 108.00		DISTRIBUTION kWh	15000	0.0097	\$ 145.23	
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			\$ 1,112.24	Adjusted 2004 BILL	\$ 1,323.47			\$ 211.23	19.0%

2005 Rate Adjustment Model

Name of Utility: HYDRO 2000 inc.

License Number: ED-2002-0542

File Number: RP-2005-0013

EB-2005-0002

Name of Contact: RENE BEAULNE

E- Mail Address: aphydro@hawk.igs.net

Phone Number: 613-679-4093 Extension:

Date: January 9,2005

Version Number: **2005.V1.1**

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	HYDRO 2000 inc.	2005.V1.1
License Number:	ED-2002-0542	RP-2005-0013
Name of Contact:	RENE BEAULNE	EB-2005-0002
E- Mail Address:	aphydro@hawk.igs.net	
Phone Number:	613-679-4093	Extension:
Date:	January 9,2005	

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	\$0.0050
Monthly Service Charge (Per Customer)	\$9.65

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0065
Monthly Service Charge (Per Customer)	\$14.14

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$1.0554
Monthly Service Charge (Per Customer)	\$78.09

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

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

Monthly Service Charge (Per Connection)

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate

\$1.3470

Monthly Service Charge (Per Connection)

\$0.21

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate

Monthly Service Charge (Per Connection)

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Name of Utility: HYDRO 2000 inc.	2005.V1.1
License Number: ED-2002-0542	RP-2005-0013
Name of Contact: RENE BEAULNE	EB-2005-0002
E- Mail Address: aphydro@hawk.igs.net	
Phone Number: 613-679-4093	Extension:
Date: January 9,2005	

Enter the final MARR installment calculated in the 2001 RUD Model \$ 20,919.35

Have you applied for approval of your C&DM plan? yes

Enter the amount applied for your C&DM plan \$25,010.00

Has the C&DM application been approved? Approval not yet received

Enter the final MARR installment (based on Board-Approved C&DM plan or applied-for amount) \$ 25,010.00

Grossed-up MARR based on 14 months recovery over 13 months. \$ 26,933.85

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		13,421,539	933	\$144,304	66.71%	\$17,969
General Service < 50 KW Class		5,381,879	151	\$50,170	23.19%	\$6,247
General Service > 50 KW Non-Time of Use	13,340		11	\$20,179	9.33%	\$2,513
General Service > 50 KW Time of Use					0.00%	\$0
Intermediate Use					0.00%	\$0
Large Class User					0.00%	\$0
Sentinel Lights					0.00%	\$0
Street Lighting	853		341	\$1,647	0.76%	\$205
TOTALS	14,193	18,803,418	1,436	\$216,300	100.00%	\$26,934
				Grossed-up MARR Value =====>		\$26,934

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			\$17,969
(B) Fixed-Variable Split (%)	38.0%	62.0%	100%
(C) Re-Allocated MARR (\$)	\$6,828	\$11,141	\$17,969
(D) Number of kWh	13,421,539		
(E) Number of Customers		933	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0005		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.9951	

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			\$6,247
(B) Fixed-Variable Split (%)	58.0%	42.0%	100%
(C) Re-Allocated MARR (\$)	\$3,623	\$2,624	\$6,247
(D) Number of kWh	5,381,879		
(E) Number of Customers		151	
(F) Incremental Distribution kWh Rate (\$/kWh)	\$0.0007		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$1.4480	

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

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$2,513
(B) Fixed-Variable Split (%)	58.0%	42.0%	100%
(C) Re-Allocated MARR (\$)	\$1,457	\$1,055	\$2,513
(D) Number of kW	13,340		
(E) Number of Customers		11	
(F) Incremental Distribution kWh Rate (\$/kW)	\$0.1092		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$7.9950	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board- Approved MARR Recovery
(A) Allocated MARR			\$0
(B) Fixed-Variable Split (%)	58.0%	42.0%	100%
(C) Re-Allocated MARR (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0000	

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

	<u>Variable Charge Recovery</u>	<u>Service Charge Recovery</u>	<u>Total Board- Approved MARR Recovery</u>
(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

	<u>Variable Charge Recovery</u>	<u>Service Charge Recovery</u>	<u>Total Board- Approved MARR Recovery</u>
(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	

Street Lighting Class

	<u>Variable Charge Recovery</u>	<u>Service Charge Recovery</u>	<u>Total Board- Approved MARR Recovery</u>
(A) Allocated MARR			\$205
(B) Fixed-Variable Split (%)	58.0%	42.0%	100%
(C) Re-Allocated MARR (\$)	\$119	\$86	\$205
(D) Number of kW	853		
(E) Number of Customers		341	
(F) Incremental Distribution kW Rate (\$/kW)	\$0.1394		
(G) Incremental Monthly Service Charge (C)/(E)/12		\$0.0210	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Name of Utility:	HYDRO 2000 inc.	2005.V1.1
License Number:	ED-2002-0542	RP-2005-0013
Name of Contact:	RENE BEAULNE	EB-2005-0002
E- Mail Address:	aphydro@hawk.igs.net	
Phone Number:	613-679-4093	Extension:
Date:	January 9,2005	

Residential Class

DISTRIBUTION KWH RATE \$0.0055

MONTHLY SERVICE CHARGE (Per Customer) \$10.65

Residential Class (Time-of-Use)

DISTRIBUTION KWH RATE

MONTHLY SERVICE CHARGE (Per Customer)

General Service < 50 KW

DISTRIBUTION KWH RATE \$0.0072

MONTHLY SERVICE CHARGE (Per Customer) \$15.59

General Service > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE \$1.1646

MONTHLY SERVICE CHARGE (Per Customer) \$86.08

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Customer)

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

MONTHLY SERVICE CHARGE (Per Connection)

OR

Sentinel Lights (Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE \$1.4864

MONTHLY SERVICE CHARGE (Per Connection) \$0.23

OR

Street Lighting (Time of Use)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility: HYDRO 2000 inc.	2005.V1.1
License Number: ED-2002-0542	RP-2005-0013
Name of Contact: RENE BEAULNE	EB-2005-0002
E- Mail Address: aphydro@hawk.igs.net	
Phone Number: 613-679-4093	Extension:
Date: January 9,2005	

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 \$ 9,360.00

Distribution Revenue is used to allocate the 2005 PILs Proxy Amount to the rate classes.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2005 PILs Proxy Allocation
Residential Class		15,460,530	955	\$216,457	66.4%	\$6,218
General Service < 50 KW Class		5,424,365	156	\$67,942	20.9%	\$1,952
General Service > 50 KW Non-Time of Use	13,127	5,338,264	11	\$36,575	11.2%	\$1,051
General Service > 50 KW Time of Use					0.0%	\$0
Intermediate Use					0.0%	\$0
Large Class User					0.0%	\$0
Sentinel Lights					0.0%	\$0
Street Lighting	907	322,706	351	\$4,854	1.5%	\$139
TOTALS	14,034	26,545,865	1,473	\$325,828	1.00	\$9,360
				2005 PILs Proxy Amount =====>		\$9,360

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			\$6,218
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$6,218	\$0	\$6,218
(D) Number of kWh	15,460,530		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0004		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$1,952
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$1,952	\$0	\$1,952
(D) Number of kWh	5,424,365		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0004		

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			\$1,051
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$1,051	\$0	\$1,051
(D) Number of kW	13,127		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0800		

General Service > 50 kW Class (Time of Use)

	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		

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			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			\$139
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs (\$)	\$139	\$0	\$139
(D) Number of kW	907		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.1537		

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	HYDRO 2000 inc.	2005.V1.1
License Number:	ED-2002-0542	RP-2005-0013
Name of Contact:	RENE BEAULNE	EB-2005-0002
E- Mail Address:	aphydro@hawk.igs.net	
Phone Number:	613-679-4093	Extension:
Date:	January 9,2005	

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0059
MONTHLY SERVICE CHARGE (Per Customer)	\$10.65

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0075
MONTHLY SERVICE CHARGE (Per Customer)	\$15.59

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$1.2447
MONTHLY SERVICE CHARGE (Per Customer)	\$86.08

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

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

MONTHLY SERVICE CHARGE (Per Connection)

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$1.6402

MONTHLY SERVICE CHARGE (Per Connection) \$0.23

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 6 - December 31, 2003 Regulatory Assets

Name of Utility:	HYDRO 2000 inc.	2005.V1.1
License Number:	ED-2002-0542	RP-2005-0013
Name of Contact:	RENE BEAULNE	EB-2005-0002
E- Mail Address:	aphydro@hawk.igs.net	
Phone Number:	613-679-4093	Extension:
Date:	January 9,2005	

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	\$36,489
RSVA - One-time Wholesale Market Service	1582	\$2,657
RSVA - Retail Transmission Network Charge	1584	-\$23,776
RSVA - Retail Transmission Connection Charge	1586	\$158,859
RSVA - Power	1588	-\$8,016
Sub-Total for RSVA Accounts		\$166,213
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		-\$6,160
Adjusted 2005 Recovery Amount (RSVA Accounts)		\$172,373
Other Regulatory Assets	1508	\$12,499
Retail Cost Variance Account - Retail	1518	
Retail Cost Variance Account - STR	1548	
Misc. Deferred Debits - incl. Rebate Cheques	1525	\$5,701
Deferred Payments in Lieu of Taxes	1562	-\$40,977
<i>PILs Contra Account</i>	1563	\$40,977
Qualifying Transition Costs	1570	\$165,695
Pre-Market Opening Energy Variances Total	1571	\$158,274
Extra-Ordinary Event Losses	1572	
Deferred Rate Impact Amounts	1574	
Other Deferred Credits	2425	
Sub-Total for Non-RSVA Regulatory Asset Accounts		\$342,169
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		\$87,016
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		\$255,153
Total Adjusted Regulatory Assets		\$427,526
33% of Total Adjusted Regulatory Assets		\$142,508.72

SHEET 6 - December 31, 2003 Regulatory Assets

----- Please go to Section 1 -----

Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:

Total Adjusted Balance for RSVA Accounts	(a)	\$172,373
33% of Total Adjusted Regulatory Assets	(b)	\$142,509
Remaining Final Amount to be recovered in future periods (a) - (b)		<u>\$29,864</u>

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:

33% OF Total Adjusted Regulatory Assets	N/A
Total Adjusted Balance for RSVA Accounts	N/A
Amount to be collected from RSVA Accounts	N/A
Amount to be collected from Non-RSVA accounts	N/A

Rate Implementation

Check Box
YES or NO

Our utility is able to pro-rate the bill so that consumption before April 1 is at the old rates and post April 1 consumption is billed at the new rates.

YES

NO

Our utility is not able to pro-rate consumption and therefore our customers will not be charged the new rates until the completion of an entire billing cycle.

YES

NO

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Name of Utility: HYDRO 2000 inc.	2005.V1.1
License Number: ED-2002-0542	RP-2005-0013
Name of Contact: RENE BEAULNE	EB-2005-0002
E- Mail Address: aphydro@hawk.igs.net	
Phone Number: 613-679-4093	Extension:
Date: January 9,2005	

Approved Regulatory Asset Recovery from Sheet 4 (either from Section 1 or Section 2)

\$ 142,508.72

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	15,460,530	955	\$216,457	58.2%	\$82,998
General Service < 50 KW Class	0	5,424,365	156	\$67,942	20.4%	\$29,120
General Service > 50 KW Non-Time of Use	13,127	5,338,264	11	\$36,575	20.1%	\$28,658
General Service > 50 KW Time of Use	0	0	0	\$0	0.0%	\$0
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	0	0	0	\$0	0.0%	\$0
Sentinel Lights	0	0	0	\$0	0.0%	\$0
Street Lighting	907	322,706	351	\$4,854	1.2%	\$1,732
TOTALS		26,545,865	1,473	\$325,828.00	1.00	\$142,509
				Allocated Total for RSVA accounts =====>		\$142,509

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			\$82,998
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$82,998	\$0	\$82,998
(D) Number of kWh	15,460,530		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0054		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$29,120
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$29,120	\$0	\$29,120
(D) Number of kWh	5,424,365		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0054		

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			\$28,658
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$28,658	\$0	\$28,658
(D) Number of kW	13,127		
(E) Incremental Distribution kW Rate (\$/kW)	\$2.1831		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Large User Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	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			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$1,732
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$1,732	\$0	\$1,732
(D) Number of kW	907		
(E) Incremental Distribution kW Rate (\$/kW)	\$1.9100		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Name of Utility:	HYDRO 2000 inc.	2005.V1.1
License Number:	ED-2002-0542	RP-2005-0013
Name of Contact:	RENE BEAULNE	EB-2005-0002
E- Mail Address:	aphydro@hawk.igs.net	
Phone Number:	613-679-4093	Extension:
Date:	January 9,2005	

Approved Regulatory Asset Recovery from Non-RSVA Accounts (Sheet 4, Section 2) \$ -

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2002 Regulatory Asset RSVA Allocations
Residential Class	0	15,460,530	955	\$216,457	66.4%	\$0
General Service < 50 KW Class	0	5,424,365	156	\$67,942	20.9%	\$0
General Service > 50 KW Non-Time of Use	13,127	5,338,264	11	\$36,575	11.2%	\$0
General Service > 50 KW Time of Use	0	0	0	\$0	0.0%	\$0
Intermediate Use	0	0	0	\$0	0.0%	\$0
Large Class User	0	0	0	\$0	0.0%	\$0
Sentinel Lights	0	0	0	\$0	0.0%	\$0
Street Lighting	907	322,706	351	\$4,854	1.5%	\$0
TOTALS		26,545,865	1,473	\$325,828	1.00	\$0
				Allocated Total for Non-RSVA accounts =====>		\$0

Regulatory Assets will be recovered only in the distribution variable charge (\$/kWh or \$/kW).

Residential Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kWh	15,460,530		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kWh	5,424,365		
(E) Incremental Distribution kWh Rate (\$/kWh)	\$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

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

	<u>Variable Charge Recovery</u>	<u>Service Charge Recovery</u>	<u>2003 RSVA Allocation</u>
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	13,127		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

General Service > 50 kW Class (Time of Use)

	<u>Variable Charge Recovery</u>	<u>Service Charge Recovery</u>	<u>2003 RSVA Allocation</u>
(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		

Intermediate Class

	<u>Variable Charge Recovery</u>	<u>Service Charge Recovery</u>	<u>2003 RSVA Allocation</u>
(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

	<u>Variable Charge Recovery</u>	<u>Service Charge Recovery</u>	<u>2003 RSVA Allocation</u>
(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			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			\$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA (\$)	\$0	\$0	\$0
(D) Number of kW	907		
(E) Incremental Distribution kW Rate (\$/kW)	\$0.0000		

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Name of Utility:	HYDRO 2000 inc.	2005.V1.1
License Number:	ED-2002-0542	RP-2005-0013
Name of Contact:	RENE BEAULNE	EB-2005-0002
E- Mail Address:	aphydro@hawk.igs.net	
Phone Number:	613-679-4093	Extension:
Date:	January 9,2005	

RESIDENTIAL

DISTRIBUTION KWH RATE	\$0.0113
MONTHLY SERVICE CHARGE (Per Customer)	\$10.65

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	\$0.0129
MONTHLY SERVICE CHARGE (Per Customer)	\$15.59

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	\$3.4278
MONTHLY SERVICE CHARGE (Per Customer)	\$86.08

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	
MONTHLY SERVICE CHARGE (Per Customer)	

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

MONTHLY SERVICE CHARGE (Per Connection)

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE \$3.5502

MONTHLY SERVICE CHARGE (Per Connection) \$0.23

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE

MONTHLY SERVICE CHARGE (Per Connection)

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	HYDRO 2000 inc.	2005.V1.1
License Number:	ED-2002-0542	RP-2005-0013
Name of Contact:	RENE BEAULNE	EB-2005-0002
E- Mail Address:	aphydro@hawk.igs.net	
Phone Number:	613-679-4093	Extension:
Date:	January 9,2005	

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	

HYDRO 2000 inc.
RP-2005-0013 EB-2005-0002
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)	\$10.65
Distribution Volumetric Rate	(per kWh)	\$0.0113

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kWh)

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.59
Distribution Volumetric Rate	(per kWh)	\$0.0129

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$86.08
Distribution Volumetric Rate	(per kW)	\$3.4278

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

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)
Distribution Volumetric Rate	(per kW)

HYDRO 2000 inc.
RP-2005-0013 EB-2005-0002
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)
Distribution Volumetric Rate	(per kW)

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	\$0.23
Distribution Volumetric Rate	(per kW)	\$3.5502

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)
Distribution Volumetric Rate	(per kW)

SHEET 12 - Current Rates as of April 1, 2004

Name of Contact: RENE BEAULNE	2005.V1.1
License Number: ED-2002-0542	RP-2005-0013
Name of Contact: RENE BEAULNE	EB-2005-0002
E- Mail Address: ahydro@hawk.igs.net	
Phone Number: 613-679-4093 Extension:	
Date: January 9,2005	

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	\$0.0083
Monthly Service Charge (Per Customer)	\$10.81

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	
Monthly Service Charge (Per Customer)	

GENERAL SERVICE < 50 KW

Distribution kWh Rate	\$0.0097
Monthly Service Charge (Per Customer)	\$15.74

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	\$1.4533
Monthly Service Charge (Per Customer)	\$122.26

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SHEET 12 - Current Rates as of April 1, 2004

LARGE USE

Distribution KW Rate [REDACTED]

Monthly Service Charge (Per Customer) [REDACTED]

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate [REDACTED]

Monthly Service Charge (Per Customer) [REDACTED]

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate [REDACTED]

Monthly Service Charge (Per Customer) [REDACTED]

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate \$1.4776

Monthly Service Charge (Per Customer) \$0.53

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate [REDACTED]

Monthly Service Charge (Per Customer) [REDACTED]

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Name of Utility:	HYDRO 2000 inc.	2005.V1.0
License Number:	ED-2002-0542	RP-2005-0013
Name of Contact:	RENE BEAULNE	EB-2005-0002
E- Mail Address:	aphydro@hawk.igs.net	
Phone Number:	613-679-4093	Extension:
Date:	January 9,2005	

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	\$ 10.81		Monthly Service Charge	N/A	\$ 10.65		
	Distribution (kWh)	100	\$ 0.0083	\$ 0.83		Distribution (kWh)	100	\$ 0.0113	\$ 1.13	
			Sub-Total	\$ 11.64			Sub Total	\$ 11.77	\$ 0.13	1.14%
	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			\$ 18.73		Adjusted 2005 Bill		\$ 18.86	\$ 0.13	0.71%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
250										
	Monthly Service Charge	N/A	N/A	\$ 10.81		Monthly Service Charge	N/A	\$ 10.65		
	Distribution (kWh)	250	\$ 0.0083	\$ 2.08		Distribution (kWh)	250	\$ 0.0113	\$ 2.82	
			Sub-Total	\$ 12.89			Sub Total	\$ 13.46	\$ 0.58	4.50%
	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			\$ 30.61		Adjusted 2005 Bill		\$ 31.19	\$ 0.58	1.89%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
500										
	Monthly Service Charge	N/A	N/A	\$ 10.81		Monthly Service Charge	N/A	\$ 10.65		
	Distribution (kWh)	500	\$ 0.0083	\$ 4.15		Distribution (kWh)	500	\$ 0.0113	\$ 5.64	
			Sub-Total	\$ 14.96			Sub Total	\$ 16.28	\$ 1.32	8.86%
	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			\$ 50.41		Adjusted 2005 Bill		\$ 51.73	\$ 1.32	2.63%

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	\$ 10.81		Monthly Service Charge	N/A	\$ 10.65		
	Distribution (kWh)	750	\$0.0083	\$ 6.23		Distribution (kWh)	750	\$ 0.0113	\$ 8.46	
				Sub-Total \$ 17.04				Sub Total \$ 19.10	\$ 2.07	12.15%
	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			\$ 70.21		Adjusted 2005 Bill		\$ 72.28	\$ 2.07	2.95%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,000										
	Monthly Service Charge	N/A	N/A	\$ 10.81		Monthly Service Charge	N/A	\$ 10.65		
	Distribution (kWh)	1000	\$0.0083	\$ 8.30		Distribution (kWh)	1000	\$ 0.0113	\$ 11.28	
				Sub-Total \$ 19.11				Sub Total \$ 21.92	\$ 2.81	14.73%
	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			\$ 92.01		Adjusted 2005 Bill		\$ 94.82	\$ 2.81	3.06%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
1,500										
	Monthly Service Charge	N/A	N/A	\$ 10.81		Monthly Service Charge	N/A	\$ 10.65		
	Distribution (kWh)	1500	\$0.0083	\$ 12.45		Distribution (kWh)	1500	\$ 0.0113	\$ 16.92	
				Sub-Total \$ 23.26				Sub Total \$ 27.56	\$ 4.30	18.50%
	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			\$ 135.61		Adjusted 2005 Bill		\$ 139.91	\$ 4.30	3.17%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
2,000										
	Monthly Service Charge	N/A	N/A	\$ 10.81		Monthly Service Charge	N/A	\$ 10.65		
	Distribution (kWh)	2000	\$0.0083	\$ 16.60		Distribution (kWh)	2000	\$ 0.0113	\$ 22.56	
				Sub-Total \$ 27.41				Sub Total \$ 33.20	\$ 5.79	21.14%
	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			\$ 179.21		Adjusted 2005 Bill		\$ 185.00	\$ 5.79	3.23%

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	\$	15.74	Monthly Service Charge	N/A	N/A	\$	15.59			
	Distribution (kWh)	1000	\$ 0.0097	\$	9.70	Distribution (kWh)	1000	\$ 0.0129	\$	12.90			
			Sub-Total	\$	25.44			Sub Total	\$	28.49	\$	3.05	11.99%
	Other Charges (kWh)	1000	\$ 0.0229	\$	22.90	Other Charges (kWh)	1000	\$ 0.0229	\$	22.90			
	Cost of Power (kWh)	1000	\$ 0.0470	\$	47.00	Cost of Power (kWh)	1000	\$ 0.0470	\$	47.00			
	Current 2004 Bill		\$	95.34		Adjusted 2005 Bill		\$	98.39	\$	3.05	3.20%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)	kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)				
2,000													
	Monthly Service Charge	N/A	N/A	\$	15.74	Monthly Service Charge	N/A	N/A	\$	15.59			
	Distribution (kWh)	2000	\$ 0.0097	\$	19.40	Distribution (kWh)	2000	\$ 0.0129	\$	25.80			
			Sub-Total	\$	35.14			Sub Total	\$	41.39	\$	6.25	17.79%
	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		\$	184.94		Adjusted 2005 Bill		\$	191.19	\$	6.25	3.38%	

ENTER DESIRED CONSUMPTION LEVEL (kWh)	kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)				
5,000													
	Monthly Service Charge	N/A	N/A	\$	15.74	Monthly Service Charge	N/A	N/A	\$	15.59			
	Distribution (kWh)	5000	\$ 0.0097	\$	48.50	Distribution (kWh)	5000	\$ 0.0129	\$	64.51			
			Sub-Total	\$	64.24			Sub Total	\$	80.10	\$	15.86	24.68%
	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		\$	447.74		Adjusted 2005 Bill		\$	463.60	\$	15.86	3.54%	

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	\$ 15.74		N/A	N/A	\$ 15.59		
	Distribution (kWh)	10000	\$0.0097	\$ 97.00		10000	\$0.0129	\$ 129.01		
			Sub-Total	\$ 112.74			Sub Total	\$ 144.60	\$ 31.86	28.26%
	Other Charges (kWh)	10000	\$0.0229	\$ 229.00		10,000	\$0.0229	\$ 229.00		
	Cost of Power (kWh)	750	\$0.0470	\$ 35.25		750	\$0.0470	\$ 35.25		
	Cost of Power (kWh)	9,250	\$0.0550	\$ 508.75		9,250	\$0.0550	\$ 508.75		
	Current 2004 Bill			\$ 885.74		Adjusted 2005 Bill		\$ 917.60	\$ 31.86	3.60%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE \$/kWh	CHARGE (\$)		kWh	RATE \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
15,000										
	Monthly Service Charge	N/A	N/A	\$ 15.74		N/A	N/A	\$ 15.59		
	Distribution (kWh)	15000	\$0.0097	\$ 145.50		15000	\$0.0129	\$ 193.52		
			Sub-Total	\$ 161.24			Sub Total	\$ 209.11	\$ 47.87	29.69%
	Other Charges (kWh)	15000	\$0.0229	\$ 343.50		15,000	\$0.0229	\$ 343.50		
	Cost of Power (kWh)	750	\$0.0470	\$ 35.25		750	\$0.0470	\$ 35.25		
	Cost of Power (kWh)	14,250	\$0.0550	\$ 783.75		14,250	\$0.0550	\$ 783.75		
	Current 2004 Bill			\$ 1,323.74		Adjusted 2005 Bill		\$ 1,371.61	\$ 47.87	3.62%

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/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
60 kW										
	Monthly Service Charge	N/A	N/A	\$ 122.26		N/A	N/A	\$ 86.08		
	Distribution (kW)	60	\$1.4533	\$ 87.20		60	\$3.4278	\$ 205.67		
			Sub-Total	\$ 209.46			Sub Total	\$ 291.75	\$ 82.30	39.29%
	Other Charges (kW)	60	\$3.9100	\$ 234.60		60.00	\$3.9100	\$ 234.60		
	Other Charges (kWh)	15,000	\$0.0132	\$ 198.00		15,000	\$0.0132	\$ 198.00		
	Cost of Power (kWh)	15,000	\$0.0550	\$ 825.00		15,000	\$0.0550	\$ 825.00		
	Current 2004 Bill			\$ 1,467.06		Adjusted 2005 Bill		\$ 1,549.35	\$ 82.30	5.61%

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	\$ 122.26		Monthly Service Charge	N/A	\$ 86.08		
	kWh	Distribution (kW)	100	\$1.4533	\$ 145.33	Distribution (kW)	100	\$3.4278	\$ 342.78	
	40,000			Sub-Total	\$ 267.59			Sub Total	\$ 428.87	\$ 161.28 60.27%
		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		\$ 3,386.59		Adjusted 2005 Bill		\$ 3,547.87	\$ 161.28 4.76%	

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	\$ 122.26		Monthly Service Charge	N/A	\$ 86.08		
	kWh	Distribution (kW)	500	\$1.4533	\$ 726.65	Distribution (kW)	500	\$3.4278	\$ 1,713.91	
	100,000			Sub-Total	\$ 848.91			Sub Total	\$ 1,799.99	\$ 951.08 112.04%
		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		\$ 9,623.91		Adjusted 2005 Bill		\$ 10,574.99	\$ 951.08 9.88%	

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	\$ 122.26		Monthly Service Charge	N/A	\$ 86.08		
	kWh	Distribution (kW)	1,000	\$1.4533	\$ 1,453.30	Distribution (kW)	1000	3.4278	\$ 3,427.82	
	400,000			Sub-Total	\$ 1,575.56			Sub Total	\$ 3,513.90	\$ 1,938.34 123.03%
		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		\$ 32,765.56		Adjusted 2005 Bill		\$ 34,703.90	\$ 1,938.34 5.92%	

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	3,000	Monthly Service Charge	N/A	N/A	\$ 122.26	Monthly Service Charge	N/A	N/A	\$ 86.08	
kWh		Distribution (kW)	3,000	\$1.4533	\$ 4,359.90	Distribution (kW)	3000	3.4278	\$ 10,283.45	
	1,000,000			Sub-Total	\$ 4,482.16			Sub Total	\$ 10,369.53	\$ 5,887.37 131.35%
		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			\$ 84,412.16	Adjusted 2005 Bill			\$ 90,299.53	\$ 5,887.37 6.97%

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/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kw	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/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
kw	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/ 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	\$ -	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/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
4,000	Monthly Service Charge	N/A	N/A	\$ -		N/A	N/A			
	Distribution (kW)	4,000	\$0.0000	\$ -		4000		#VALUE!		
1,800,000			Sub-Total	\$ -			Sub Total	#VALUE!	#VALUE!	#VALUE!
	Other Charges (kW)	4,000	4.2138	\$ 16,855.20		4,000.00	4.2138	\$ 16,855.20		
	Other Charges (kWh)	1,800,000	0.0132	\$ 23,760.00		1,800,000	0.0132	\$ 23,760.00		
	Cost of Power (kWh)	1,800,000	0.0550	\$ 99,000.00		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			IMPACT (\$)	IMPACT (%)	
ENTER DESIRED CONSUMPTION LEVEL		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	\$ -		N/A	N/A			
	Distribution (kW)	6,000	\$0.0000	\$ -		6000		\$ -		
2,800,000			Sub-Total	\$ -			Sub Total	\$ -	\$ -	#DIV/0!
	Other Charges (kW)	6,000	0.0474	\$ 284.21		6,000.00	0.0474	\$ 284.21		
	Other Charges (kWh)	2,800,000	0.0132	\$ 36,960.00		2,800,000	0.0132	\$ 36,960.00		
	Cost of Power (kWh)	2,800,000	0.0550	\$ 154,000.00		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/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)		kW/ kWh	RATE \$/kW or \$/kWh	CHARGE (\$)	IMPACT (\$)	IMPACT (%)
15,000	Monthly Service Charge	N/A	N/A	\$ -		N/A	N/A			
	Distribution (kW)	15,000	\$0.0000	\$ -		15000		\$ -		
10,000,000			Sub-Total	\$ -			Sub Total	\$ -	\$ -	#DIV/0!
	Other Charges (kW)	15,000	0.0474	\$ 710.54		15,000.00	0.0474	\$ 710.54		
	Other Charges (kWh)	10,000,000	0.0132	\$ 132,000.00		10,000,000	0.0132	\$ 132,000.00		
	Cost of Power (kWh)	10,000,000	0.0550	\$ 550,000.00		10,000,000	0.0550	\$ 550,000.00		
	Current 2004 Bill			\$ 682,710.54		Adjusted 2005 Bill		\$ 682,710.54	\$ -	0.00%

Appendix 5 of 5

Financial Statements

*Financial Statements of
États financiers de*

HYDRO 2000 INC.

*December 31, 2001
31 décembre 2001*

Deloitte & Touche LLP
300 McGill Street
Hawkesbury, Ontario
K6A 1P8

Tel: (613) 632 4178
Fax: (613) 632 7703
www.deloitte.ca

Deloitte & Touche, s.r.l.
300, rue McGill
Hawkesbury, Ontario
K6A 1P8

Téléphone: (613) 632 4178
Télécopieur: (613) 632 7703
www.deloitte.ca

**Deloitte
& Touche**

Auditors' Report

To the Board of Directors of Hydro 2000 Inc.,
Shareholder, Inhabitants and Ratepayers of the
Corporation of the Township of Alfred-Plantagenet

We have audited the statements of earnings and retained earnings and cash flow of Hydro 2000 Inc. for the year ended December 31, 2001 and the balance sheet as at that date. These financial statements are the responsibility of the Corporation'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 statements presentation.

In our opinion, these financial statements present fairly, in all material respects, the results of operations and the changes in financial position of the Corporation for the year ended December 31, 2001 and its financial position as at that date in accordance with the Ontario Energy Board's accounting principles.

Rapport des vérificateurs

Au Conseil d'administration de Hydro 2000 Inc., à l'actionnaire, aux résidents et contribuables de la Corporation du Canton d'Alfred-Plantagenet

Nous avons vérifié les états des résultats et bénéfices non répartis et des flux de trésorerie de Hydro 2000 Inc. pour l'exercice terminé le 31 décembre 2001 et le bilan à cette date. La responsabilité de ces états financiers incombe à la direction de la Société. Notre responsabilité consiste à exprimer une opinion sur ces états financiers en nous fondant sur notre vérification.

Notre vérification a été effectuée conformément aux normes de vérification généralement reconnues du Canada. Ces normes exigent que la vérification soit planifiée et exécutée de manière à fournir l'assurance raisonnable que les états financiers sont exempts d'inexactitudes importantes. La vérification comprend le contrôle par sondages des éléments probants à l'appui des montants et des autres éléments d'information fournis dans les états financiers. Elle comprend également l'évaluation des principes comptables suivis et des estimations importantes faites par la direction, ainsi qu'une appréciation de la présentation d'ensemble des états financiers.

À notre avis, ces états financiers donnent, à tous les égards importants, une image fidèle de la situation financière de la Société au 31 décembre 2001 ainsi que des résultats de son exploitation et de ses flux de trésorerie pour l'exercice terminé à cette date selon les principes comptables de la Commission de l'énergie de l'Ontario.

Deloitte & Touche LLP / s.r.l.

Chartered Accountants

Comptables agréés

Hawkesbury, Ontario
February 25, 2002

Hawkesbury, Ontario
Le 25 février 2002

**Deloitte
Touche
Tohmatsu**

PAGE

Statement of Earnings and Retained Earnings	1	État des résultats et bénéfices non répartis
Balance Sheet	2	Bilan
Statement of Cash Flow	3	État des flux de trésorerie
Notes to Financial Statements	4 - 6	Notes complémentaires
Supplementary Financial Information – Schedule 1	7	Renseignements complémentaires – Annexe 1

HYDRO 2000 INC.
Statement of Earnings and
Retained Earnings
year ended ended December 31, 2001

HYDRO 2000 INC.
État des résultats et bénéfices
non répartis
exercice terminé le 31 décembre 2001

	<u>2001</u>	<u>2000</u>	
	(12 months/ mois)	(2 months/ mois)	
SERVICE REVENUE			REVENUS DE SERVICES
Residential	\$ 1 217 359	\$ 164 488	Résidentiel
General	762 047	110 817	Général
Street lighting	23 706	3 771	Éclairage des rues
	2 003 112	279 076	
Service revenue adjustment (note 3)	(38 643)	134 596	Ajustement des revenus de services (note 3)
	1 964 469	413 672	
COST OF POWER			COÛT DE L'ÉNERGIE
Power purchased - Ontario Power Generation Inc.	1 796 436	382 434	Achat de Ontario Power Generation Inc.
	1 796 436	382 434	
GROSS MARGIN ON SERVICE REVENUE	168 033	31 238	MARGE BRUTE SUR REVENUS DE SERVICES
LEGAL AWARD	8 970	-	JUGEMENT
OTHER OPERATING REVENUE	31 574	7 133	AUTRES PRODUITS
	208 577	38 371	
EXPENSES			DÉPENSES
Distribution	9 874	509	Distribution
General administration	146 944	26 701	Administration
Depreciation of capital assets	35 410	2 564	Amortissement des immobilisations corporelles
Depreciation of other assets	463	-	Amortissement des autres actifs
	192 691	29 774	
NET EARNINGS	15 886	8 597	BÉNÉFICE NET
RETAINED EARNINGS, BEGINNING OF YEAR	8 597	-	BÉNÉFICES NON RÉPARTIS AU DÉBUT DE L'EXERCICE
RETAINED EARNINGS, END OF YEAR	\$ 24 483	\$ 8 597	BÉNÉFICES NON RÉPARTIS À LA FIN DE L'EXERCICE

HYDRO 2000 INC.
Balance Sheet
as at December 31, 2001

HYDRO 2000 INC.
Bilan
au 31 décembre 2001

	2001	2000	
CURRENT ASSETS			ACTIF À COURT TERME
Cash	\$ 324 368	\$ 548 444	Encaisse
Accounts receivable (note 4)	16 540	22 888	Débiteurs (note 4)
Inventories	19 454	19 414	Stocks
Unbilled revenue	292 043	330 685	Revenus non facturés
Income taxes receivable	1 080	-	Impôts sur le revenu à recevoir
	653 485	921 431	
INCORPORATION FEES	4 119	3 318	FRAIS D'INCORPORATION
TRANSITION COSTS	107 652	-	FRAIS DE TRANSITION, au coût
CAPITAL ASSETS (note 5)	393 218	426 639	IMMOBILISATIONS CORPORELLES (note 5)
	\$ 1 158 474	\$ 1 351 388	
CURRENT LIABILITIES			PASSIF À COURT TERME
Accounts payable	\$ 288 458	\$ 269 195	Créditeurs
Other current liabilities	76 593	313 216	Autres frais courus
Current portion of customers' deposits	10 500	10 200	Tranche des dépôts de clients échéant à moins d'un an
	375 551	592 611	
NOTE PAYABLE (note 6)	431 805	431 805	BILLET À PAYER (note 6)
LONG-TERM CUSTOMERS' DEPOSIT	17 900	9 640	DÉPÔTS DE CLIENTS À LONG TERME
	825 256	1 034 056	
SHAREHOLDER'S EQUITY			CAPITAUX PROPRES
Share capital (note 7)	308 735	308 735	Capital-actions (note 7)
Retained earnings	24 483	8 597	Bénéfices non répartis
	333 218	317 332	
	\$ 1 158 474	\$ 1 351 388	

HYDRO 2000 INC.
Statement of Cash Flow
year ended ended December 31, 2001

HYDRO 2000 INC.
État des flux de trésorerie
exercice terminé le 31 décembre 2001

	<u>2001</u>		<u>2000</u>	
	(12 months/ mois)		(2 months/ mois)	
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES				RENTRÉES (SORTIES) NETTES D'ENCAISSE LIÉES AUX ACTIVITÉS SUIVANTES
OPERATING				EXPLOITATION
Net earnings	\$ 15 886	\$	8 597	Bénéfice net
Items not affecting cash				Éléments sans incidence sur l'encaisse
Amortization of incorporation fees	463		57	Amortissement des frais d'incorporation
Depreciation of capital assets	35 410		2 564	Amortissement des immobilisations corporelles
	51 759		11 218	
CHANGES IN NON-CASH OPERATING WORKING CAPITAL ITEMS	76 810		26 492	VARIATION DES ÉLÉMENTS HORS CAISSE DU FONDS DE ROULEMENT D'EXPLOITATION
	128 569		37 710	
FINANCING				FINANCEMENT
Note payable	-		431 805	Billet à payer
Issuance of Class "A" shares	-		308 735	Émission d'actions de classe "A"
Increase (decrease) of long-term customers' deposits	8 260		(8 800)	Augmentation (diminution) des dépôts de clients à long terme
Advance from shareholder	(250 000)		250 000	Avance de l'actionnaire
	(241 740)		981 740	
INVESTING				INVESTISSEMENT
Acquisition of net assets from the Alfred-Plantagenet Hydro Electric Commission	-		(467 631)	Acquisition des actifs nets de la Commission Hydro Électrique d'Alfred-Plantagenet
Acquisition of capital assets	(1 989)		-	Acquisition d'immobilisations corporelles
Incorporation fees	(1 264)		(3 375)	Frais d'incorporation
Transition costs	(107 652)		-	Frais de transition
	(110 905)		(471 006)	
NET CASH INFLOW (OUTFLOW)	(224 076)		548 444	AUGMENTATION (DIMINUTION) DE L'ENCAISSE
CASH POSITION, BEGINNING OF YEAR	548 444		-	SITUATION DE L'ENCAISSE AU DÉBUT DE L'EXERCICE
CASH POSITION, END OF YEAR	\$ 324 368	\$	548 444	SITUATION DE L'ENCAISSE À LA FIN DE L'EXERCICE
Supplementary information:				Information supplémentaire:
Interest paid	\$ 23 749	\$	-	Intérêts payés

1. DESCRIPTION OF BUSINESS

The Company is incorporated under the Ontario Business Corporations Act and is engaged in the distribution of electricity.

2. ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with accounting principles for electricity distributors as required by the Ontario Energy Board and set forth in the Accounting Procedures Handbook. The most significant of these accounting principles are:

INVENTORIES

Inventories are valued at the lower of average cost and replacement cost.

CAPITAL ASSETS AND DEPRECIATION

Capital assets are recorded at cost. Depreciation is calculated on the basis of the straight-line method with reference to estimated useful lives of the assets in accordance with Ontario Energy Board policy at the following terms:

	<u>Years</u>
Building	25
Distribution equipment	25
Office equipment	5 to 10

INCORPORATION FEES

Incorporation fees are accounted at cost and amortized using the straight-line method over a ten year period.

CUSTOMERS' DEPOSITS

Deposits are taken to guarantee the payment of power bills or contract performance.

TRANSITION COSTS

Transition costs are recorded at cost and are amortized when they are claimed in the rates adjustment with Ontario Energy Board.

3. SERVICE REVENUE ADJUSTMENT

This account includes adjustments to revenue due to the increase (or decrease) in unbilled revenue.

1. DESCRIPTION DE L'ENTREPRISE

La Société est constituée en vertu de la Loi sur les sociétés par action de l'Ontario et se spécialise dans la distribution de l'électricité.

2. PRINCIPES COMPTABLES

Les états financiers ont été préparés conformément aux principes comptables pour les distributeurs d'électricité tel que requis par la Commission de l'Énergie de l'Ontario et établis dans le "Accounting Procedures Handbook". Les principes comptables les plus significatifs sont:

STOCKS

Les stocks sont évalués au moins élevé du coût moyen et la valeur de remplacement.

IMMOBILISATIONS CORPORELLES ET AMORTISSEMENT

Les immobilisations corporelles sont comptabilisées au coût. L'amortissement est calculé selon la méthode de l'amortissement linéaire répartie sur la durée estimative de vie utile de l'immobilisation selon les politiques de la Commission de l'énergie de l'Ontario aux termes suivants:

	<u>Années</u>
Immeuble	
Équipement de distribution	
Équipement de bureau	

FRAIS D'INCORPORATION

Les frais d'incorporation sont comptabilisés au coût et amortis linéairement sur une période de dix ans.

DÉPÔTS DE CLIENTS À LONG TERME

Des dépôts sont pris en garantie de paiement de la facturation ou de contrat.

FRAIS DE TRANSITION

Les frais de transition sont comptabilisés au coût et sont amortis lorsqu'ils sont inclus dans les ajustements de taux soumis à la Commission de l'énergie de l'Ontario.

3. AJUSTEMENT DES REVENUS DE SERVICES

Ce compte inclut les ajustements aux revenus dû aux augmentations (ou diminutions) sur les revenus non facturés.

HYDRO 2000 INC.
Notes to Financial Statements

year ended December 31, 2001

HYDRO 2000 INC.
Notes complémentaires
exercice terminé
le 31 décembre 2001

4. ACCOUNTS RECEIVABLE

	<u>2001</u>	<u>2000</u>
Electrical energy	\$ 19 267	\$ 19 860
Other	2 288	5 990
	<u>21 555</u>	<u>25 850</u>
Allowance for doubtful account	(5 015)	(2 962)
	<u>\$ 16 540</u>	<u>\$ 22 888</u>

4. DÉBITEURS

Énergie électrique
Autres

Provision pour mauvaises créances

5. CAPITAL ASSETS

	<u>2001</u>		<u>2000</u>	
	Cost/Coût	Accumulated depreciation/ Amortissement accumulé	Net book value/ Valeur nette	Net book value/ Valeur nette
Distribution equipment	\$ 418 035	\$ 32 755	\$ 385 280	\$ 414 488
Office equipment	2 704	684	2 020	2 606
Computer equipment	10 453	4 535	5 918	9 545
	<u>\$ 431 192</u>	<u>\$ 37 974</u>	<u>\$ 393 218</u>	<u>\$ 426 639</u>

5. IMMOBILISATIONS CORPORELLES

Équipement de distribution
Équipement de bureau
Équipement informatique

6. NOTE PAYABLE

	<u>2001</u>	<u>2000</u>
Note payable to shareholder, 5.5% interest. The interest is payable on a bi-annual basis. Capital repayment was not required for the year ended December 31, 2001.	<u>\$ 431 805</u>	<u>\$ 431 805</u>

6. BILLET À PAYER

Billet à payer à l'actionnaire au taux de 5.5%. L'intérêt est payable semi-annuellement. Aucun remboursement du principal n'était requis pour l'exercice terminé le 31 décembre 2001.

7. SHARE CAPITAL

Authorized		
Unlimited number of Class "A" voting shares		
Unlimited number of Class "B" voting shares, non-participating		
Unlimited number of Class "C" non-voting shares, non-participating		
Issued		
1 Class "A" share	<u>\$ 308 735</u>	<u>\$ 308 735</u>

7. CAPITAL-ACTIONS

Autorisé
Nombre illimité d'actions de classe "A", votantes
Nombre illimité d'actions de classe "B", votantes, non participantes
Nombre illimité d'actions de classe "C", non votantes, non participantes

Émis
1 action de classe "A"

8. RELATED PARTY TRANSACTIONS

	<u>2001</u>	<u>2000</u>
	(12 months/ 12 mois)	(2 months/ 2 mois)
Interest paid to shareholder	\$ 23 749	\$ -
Rent paid to shareholder	7 200	1 000
	<u>\$ 30 949</u>	<u>\$ 1 000</u>

9. LOSS CARRIED FORWARD

The Corporation is subject to taxation since October 1, 2001. The Corporation incurred a loss of \$ 29 485 for tax purposes. The financial statements do not reflect potential tax reductions available through the application of losses carried forward against future years' earnings otherwise subject to taxation. Such losses will expire in 2008.

8. OPÉRATIONS ENTRE APPARENTÉS

Intérêts versés à l'actionnaire
Loyer versé à l'actionnaire

9. PERTE REPORTÉE POUR FINS FISCALES

La Société est sujette à l'impôt depuis le 1 octobre 2001. La Société a réalisé une perte de \$ 29 485 aux fins de l'impôt sur le revenu. L'avantage fiscal provenant du report de perte n'est pas inscrit aux états financiers. Cette perte susceptible de réduire le revenu imposable des exercices à venir et, conséquemment, les impôts futurs viennent à échéance dans l'année 2008.

SCHEDULE 1

ANNEXE 1

	Jan.-Sept. Janv.-Sept.	Oct.-Dec. Oct.-Déc.	12 months/ 12 mois	
SERVICE REVENUE				REVENUS DE SERVICES
Residential	\$ 976 872	\$ 240 487	\$ 1 217 359	Résidentiel
General	590 229	171 818	762 047	Général
Street lighting	17 462	6 244	23 706	Éclairage des rues
	1 584 563	418 549	2 003 112	
Service revenue adjustment (note 3)	(144 168)	105 525	(38 643)	Ajustement des revenus de services (note 3)
	1 440 395	524 074	1 964 469	
COST OF POWER				COÛT DE L'ÉNERGIE
Power purchased - Ontario Power Generation Inc.	1 294 629	501 807	1 796 436	Achat de Ontario Power Generation Inc.
GROSS MARGIN ON SERVICE REVENUE	145 766	22 267	168 033	MARGE BRUTE SUR REVENUS DE SERVICES
LEGAL AWARD	8 970	-	8 970	JUGEMENT
OTHER OPERATING REVENUE	26 437	5 137	31 574	AUTRES PRODUITS
	181 173	27 404	208 577	
EXPENSES				DÉPENSES
Distribution	8 792	1 082	9 874	Distribution
Administration	100 616	46 328	146 944	Administration
				Amortissement des immobilisations corporelles
Depreciation of capital assets	26 558	8 852	35 410	
Depreciation of other assets	347	116	463	Amortissement des autres actifs
	136 313	56 378	192 691	
NET EARNINGS (LOSS)	\$ 44 860	\$ (28 974)	\$ 15 886	BÉNÉFICE NET (PERTE)

Financial Statements of
Etats financiers de

HYDRO 2000 INC.

December 31, 2002
31 décembre 2002

Hawkesbury, Ontario
February 26, 2003

Hawkesbury, Ontario
Le 26 février 2003

Chartered Accountants

Comptables agréés

Deloitte + Touche LP/Inc.

In our opinion, these financial statements present fairly, in all material respects, the results of operations and the changes in financial position of the Corporation for the year ended December 31, 2002 and its financial position as at that date in accordance with the Ontario Energy Board's accounting principles.

À notre avis, ces états financiers donnent, à tous les égards importants, une image fidèle de la situation financière de la Société au 31 décembre 2002 ainsi que des résultats de son exploitation et de ses flux de trésorerie pour l'exercice terminé à cette date selon les principes comptables de la Commission de l'énergie de l'Ontario.

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 statements presentation.

Notre vérification a été effectuée conformément aux normes de vérification généralement reconnues du Canada. Ces normes exigent que la vérification soit planifiée et exécutée de manière à fournir l'assurance raisonnable que les états financiers sont exempts d'inexactitudes importantes. La vérification comprend le contrôle par sondages des éléments probants à l'appui des montants et des autres éléments d'information fournis dans les états financiers. Elle comprend également l'évaluation des principes comptables suivis et des estimations importantes faites par la direction, ainsi qu'une appréciation de la présentation d'ensemble des états financiers.

We have audited the statements of earnings and retained earnings and cash flow of Hydro 2000 Inc. for the year ended December 31, 2002 and the balance sheet as at that date. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Nous avons vérifié les états des résultats et bénéfices non répartis et des flux de trésorerie de Hydro 2000 Inc. pour l'exercice terminé le 31 décembre 2002 et le bilan à cette date. La responsabilité de ces états financiers incombe à la direction de la Société. Notre responsabilité consiste à exprimer une opinion sur ces états financiers en nous fondant sur notre vérification.

To the Board of Directors of Hydro 2000 Inc.,
Shareholder, Inhabitants and Ratepayers of the
Corporation of the Township of Alfred-Plantagenet

Au Conseil d'administration de Hydro 2000 Inc.,
l'actionnaire, aux résidents et contribuables de la
Corporation du Canton d'Alfred-Plantagenet

Auditors' Report

Rapport des vérificateurs

Deloitte & Touche LLP
300 McGill Street
Hawkesbury, Ontario
K6A 1P8
Tel: (613) 632 4178
Fax: (613) 632 7703
www.deloitte.ca

Deloitte & Touche, s.r.l.
300, rue McGill
Hawkesbury, Ontario
K6A 1P8
Téléphone: (613) 632 4178
Télécopieur: (613) 632 7703
www.deloitte.ca

<u>PAGE</u>	
Statement of Earnings and Retained Earnings	1
Balance Sheet	2
Statement of Cash Flow	3
Notes to Financial Statements	4 - 7
Notes Complémentaires	
Etat des résultats et bénéfices non répartis	
Bilan	
Etat des flux de trésorerie	

HYDRO 2000 INC.
 Statement of Earnings and
 Retained Earnings
 year ended December 31, 2002

exercice terminé le 31 décembre 2002

2002

2001

RESIDENTIAL	\$ 1 221 282	\$ 1 192 896	RESIDENTIEL	\$ 1 192 896
GENERAL	876 601	747 867	GÉNÉRAL	747 867
Street lighting	27 031	23 706	Éclairage des rues	23 706
COST OF POWER	2 124 914	1 964 469	COÛT DE L'ÉNERGIE	1 964 469
Power purchased - Hydro One	1 725 399	1 796 436	Achat de Hydro One	1 796 436
GROSS MARGIN ON SERVICE REVENUE	399 515	168 033	MARGE BRUTE SUR REVENUS DE SERVICES	168 033
LEGAL AWARD	-	8 970	JUGEMENT	8 970
OTHER OPERATING REVENUE	25 600	31 574	AUTRES PRODUITS	31 574
EXPENSES	425 115	208 577	DÉPENSES	208 577
Distribution	4 327	9 874	Distribution	9 874
General administration	153 716	146 944	Administration	146 944
Amortization of transition costs	18 353	-	Amortissement des frais de transition	-
Depreciation of capital assets	36 169	35 410	corporelles	35 410
Depreciation of incorporation fees	463	463	Amortissement des frais d'incorporation	463
EARNINGS BEFORE INCOME TAXES (note 11)	212 087	15 886	BÉNÉFICE AVANT IMPÔTS SUR LE REVENU (note 11)	15 886
Income taxes	5 477	-	Impôts sur le revenu	-
Current	5 477	-	Courant	-
Reduction due to prior years losses	(5 477)	-	Réduction due aux pertes des années antérieures	-
carried forward	45 913	-	réparties prospectivement	-
Future	45 913	-	Futurs	-
NET EARNINGS	166 174	15 886	BÉNÉFICE NET	15 886
RETAINED EARNINGS, BEGINNING OF YEAR	24 483	8 597	BÉNÉFICES NON RÉPARTIS AU DÉBUT DE L'EXERCICE	8 597
RETAINED EARNINGS, END OF YEAR	\$ 190 657	\$ 24 483	BÉNÉFICES NON RÉPARTIS À LA FIN DE L'EXERCICE	24 483

HYDRO 2000 INC.

Balance Sheet
as at December 31, 2002

HYDRO 2000 INC.

Bilan
au 31 décembre 2002

	2002	2001
CURRENT ASSETS		
Cash	\$ 165 904	\$ 324 368
Accounts receivable (note 3)	293 675	16 540
Inventories	19 454	19 454
Unbilled revenue	251 263	292 043
Income taxes recoverable	5 300	1 080
	<u>735 596</u>	<u>653 485</u>
INCORPORATION FEES	3 656	4 119
OTHER ASSETS (note 4)	296 473	107 652
CAPITAL ASSETS (note 5)	380 357	393 218
	<u>\$ 1 416 082</u>	<u>\$ 1 158 474</u>
CURRENT LIABILITIES		
Accounts payable	\$ 321 229	\$ 288 458
Other current liabilities	88 393	76 593
Current portion of customers' deposits	-	10 500
Current portion of note payable (note 7)	19 065	-
NOTE PAYABLE (note 7)	412 740	431 805
FUTURE INCOME TAXES	45 913	-
LONG-TERM CUSTOMERS' DEPOSIT	29 350	17 900
	<u>916 690</u>	<u>825 256</u>
SHAREHOLDERS' EQUITY		
Share capital (note 8)	308 735	308 735
Retained earnings	190 657	24 483
	<u>499 392</u>	<u>333 218</u>
	\$ 1 416 082	\$ 1 158 474
ACTIF À COURT TERME		
Encaisse	324 368	
Débiteurs (note 3)	16 540	
Stocks	19 454	
Revenus non facturés	292 043	
Impôts sur le revenu à recevoir	5 300	
	<u>735 596</u>	<u>653 485</u>
FRAIS D'INCORPORATION	3 656	4 119
AUTRES ACTIFS (note 4)	296 473	107 652
IMMOBILISATIONS CORPORELLES	380 357	393 218
	<u>\$ 1 416 082</u>	<u>\$ 1 158 474</u>

HYDRO 2000 INC.
Statement of Cash Flow
 Year ended ended December 31, 2002

HYDRO 2000 INC.
Etat des flux de trésorerie
 exercice terminé le 31 décembre 2002

	2002	2001
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES		
OPERATING		
Net earnings	\$ 166 174	\$ 15 886
Items not affecting cash	463	463
Amortization of incorporation fees	18 353	-
Amortization of transition costs	36 169	35 410
Depreciation of capital assets	45 913	-
Future income taxes	267 072	51 759
CHANGES IN NON-CASH OPERATING WORKING CAPITAL ITEMS	(206 504)	76 810
60 568	128 569	
FINANCING		
Increase of long-term customers' deposits	11 450	8 260
Advance from shareholder	-	(250 000)
Advance de l'actionnaire		
INVESTING		
Acquisition of capital assets	(23 308)	(1 989)
Incorporation fees	-	(1 264)
Increase on other assets	(207 174)	(107 652)
Augmentation des autres actifs		
Acquisition d'immobilisations corporelles		
Frais d'incorporation		
Augmentation des autres actifs		
NET CASH OUTFLOW	(158 464)	(224 076)
CASH POSITION, BEGINNING OF YEAR	324 368	548 444
SITUATION DE L'ENCAISSE AU DÉBUT DE L'EXERCICE		
CASH POSITION, END OF YEAR	\$ 165 904	\$ 324 368
SITUATION DE L'ENCAISSE À LA FIN DE L'EXERCICE		
Supplementary Information:		
Interest paid	\$ 23 479	\$ 23 749
Intérêts payés		
Income taxes paid	\$ 4 220	\$ 1 080
Impôts payés		

1. DESCRIPTION OF BUSINESS

The Company is incorporated under the Ontario Business Corporations Act and is engaged in the distribution of electricity.

1. DESCRIPTION DE L'ENTREPRISE

La Société est constituée en vertu de la Loi sur les sociétés par action de l'Ontario et se spécialise dans la distribution de l'électricité.

2. ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with accounting principles for electricity distributors as required by the Ontario Energy Board and set forth in the Accounting Procedures Handbook. The most significant of these accounting principles are:

2. PRINCIPES COMPTABLES

Les états financiers ont été préparés conformément aux principes comptables pour les distributeurs d'électricité tel que requis par la Commission de l'Énergie de l'Ontario et établis dans le "Accounting Procedures Handbook". Les principes comptables les plus significatifs sont:

INVENTORIES

Inventories are valued at the lower of average cost and replacement cost.

CAPITAL ASSETS AND DEPRECIATION

Capital assets are recorded at cost. Depreciation is calculated on the basis of the straight-line method with reference to estimated useful lives of the assets in accordance with Ontario Energy Board policy at the following terms:

Years	Building	Distribution equipment	Office equipment
25	25	25	5 to 10

Années	Immeuble	Équipement de distribution	Équipement de bureau
25	25	25	5 à 10

INCORPORATION FEES

Incorporation fees are accounted at cost and amortized using the straight-line method over a ten year period.

CUSTOMERS' DEPOSITS

Deposits are taken to guarantee the payment of power bills or contract performance.

TRANSITION COSTS

Transition costs are recorded at cost and are amortized when they are claimed in the rates adjustment with Ontario Energy Board.

FRAIS D'INCORPORATION

Les frais d'incorporation sont comptabilisés au coût et amortis linéairement sur une période de dix ans.

DÉPÔTS DE CLIENTS À LONG TERME

Des dépôts sont pris en garantie de paiement de la facturation ou de contrat.

FRAIS DE TRANSITION

Les frais de transition sont comptabilisés au coût et sont amortis lorsqu'ils sont inclus dans les ajustements de taux soumis à la Commission de l'énergie de l'Ontario.

3. ACCOUNTS RECEIVABLE

Electrical energy
Other
Allowance for doubtful
account

	2002	2001
Electrical energy	\$ 221 394	\$ 19 267
Autres	79 740	2 288
Provision pour mauvaises créances	301 134	21 555
	(7 459)	(5 015)
	\$ 293 675	\$ 16 540

3. DÉBITEURS

Provision pour mauvaises créances

4. OTHER ASSETS

Regulatory assets
Qualifying transition costs
Pre-market opening energy
variance
Retail settlement variance
account

Actifs réglementés	\$ 12 499	\$ -
Frais de transition	142 046	107 652
Écarts de prix avant ouverture du marché	147 575	-
Écarts de prix avec les détaillants	(5 647)	-
	\$ 296 473	\$ 107 652

4. AUTRES ACTIFS

5. CAPITAL ASSETS

Distribution equipment
Office equipment
Computer equipment

	2002		2001	
	Accumulated depreciation/Amortissement	Net book value/ Valeur nette	Net book value/ Valeur nette	Cost/Cout
Distribution equipment	\$ 64 723	\$ 376 402	\$ 385 280	\$ 441 125
Office equipment	1 292	1 630	2 020	2 922
Computer equipment	8 128	2 325	5 918	10 453
	\$ 74 143	\$ 380 357	\$ 393 218	\$ 454 500

5. IMMOBILISATIONS CORPORELLES

Équipement de distribution
Équipement de bureau
Équipement informatique

6. LINE OF CREDIT AND LETTER OF GUARANTEE

The Corporation has a line of credit with an authorized limit of \$ 100 000 and a balance of Nil at year-end. The interest rate is at prime plus 0.5%. The Corporation also has a letter of guarantee of \$ 500 000 in favour of Hydro One. The equipment secure those two accounts receivable and some instruments.

6. MARGE DE CRÉDIT ET LETTRE DE GARANTIE

La Société a une marge de crédit avec une limite autorisée de \$ 100 000 et un solde Nil à la fin de l'exercice. Le taux d'intérêt est le taux préférentiel plus 0.5%. La Société a aussi une lettre de garantie en faveur de l'Hydro One pour un montant de \$ 500 000. Ces deux instruments sont garantis par les comptes à recevoir et certains équipements.

7. NOTE PAYABLE

Note payable to shareholder, 5.5% interest, payable in semi-annual payments of \$ 21 169, including interest

Current portion

2002	\$ 431 805
2001	\$ 431 805
	19 065
	\$ 412 740
	\$ 431 805

Portion à court terme

Billet à payer à l'actionnaire au taux de 5.5%, en versements semi-annuels de \$ 21 169, incluant les intérêts

7. BILLET À PAYER

Les versements en capital à effectuer au cours des cinq prochains exercices sont les suivants: 2003 \$ 19 065; 2004, \$ 20 141; 2005, \$ 21 277; 2006, \$ 23 745 et 2007, \$ 25 084.

8. SHARE CAPITAL

Authorized
Unlimited number of Class "A" voting shares
Unlimited number of Class "B" voting shares, non-participating
Unlimited number of Class "C" non-voting shares, non-participating
Issued
1 Class "A" share

	\$ 308 735
	\$ 308 735

Émis

1 action de classe "A"

Autorisé
Nombre illimité d'actions de classe "A", votantes
Nombre illimité d'actions de classe "B", votantes, non participantes
Nombre illimité d'actions de classe "C", non-votantes, non participantes
Émis

8. CAPITAL-ACTIONS

9. RELATED PARTY TRANSACTIONS

Interest paid to shareholder
Rent paid to shareholder

\$ 23 749	7 200
\$ 23 749	7 200
\$ 30 949	\$ 30 949

Intérêts versés à l'actionnaire
Loyer versé à l'actionnaire

9. OPÉRATIONS ENTRE APPARENTÉS

10. LOSS CARRIED FORWARD

The Corporation is subject to taxation since October 1, 2001. The Corporation incurred a loss of \$ 837 for tax purposes. The financial statements do not reflect potential tax reductions available through the application of losses carried forward against future years' earnings otherwise subject to taxation. Such losses will expire in 2008.

La Société est soumise à l'impôt depuis le 1^{er} octobre 2001. La Société a réalisé une perte de \$ 837 aux fins de l'impôt sur le revenu. L'avantage fiscal provenant du report de perte n'est pas inscrit aux états financiers. Cette perte susceptible de réduire le revenu imposable des exercices à venir et, conséquemment, les impôts futurs, vient à échéance dans l'année 2008.

10. PERTE REPORTÉE POUR FINS FISCALES

11. EARNINGS BEFORE INCOME TAXES

Accounting principles for electricity distributors as required by the Ontario Energy Board and set forth in the Accounting Procedures Handbook allows for recording of cost incurred by the Corporation as other assets. These assets identified as variance account and transition costs are then amortized.

Variance account and transition cost would not qualify as assets under Canadian generally accepted accounting principles and accordingly under these principles, adjusted earnings would be the following:

Earnings before income taxes	\$ 212 087
Pre-market opening energy variances	(147 575)
Retail settlement variance account	5 647
Other regulatory assets	(2 482)
Expenses	(2 003)
Depreciation of capital assets	(40 147)
Qualifying transition costs	18 353
Expenses	(12 839)
Depreciation deducted from earnings	(3 293)
Depreciation of prepaid expenses	
Depreciation of capital assets	
Adjusted earnings before income taxes based on Canadian generally accepted accounting principles	\$ 27 748

11. BÉNÉFICE AVANT IMPÔTS SUR LE REVENU

Les principes comptables pour les distributeurs d'électricité tels que requis par la Commission de l'Énergie de l'Ontario et établis dans le "Accounting Procedures Handbook" permettent de comptabiliser certains coûts encourus par la Corporation comme autres actifs. Ces actifs sont identifiés comme écart de prix et frais de transition et sont ensuite amortis.

Ces écarts de prix et ces frais de transition ne pourraient pas être définis comme actifs en vertu des principes comptables généralement reconnus du Canada et en vertu de ces principes, le bénéfice ajusté serait le suivant :

Bénéfice avant impôts sur le revenu	\$ 212 087
Écarts de prix avant ouverture du marché	(147 575)
Écarts de prix avec les détaillants	5 647
Autres actifs réglementés	(2 482)
Dépenses	(2 003)
Amortissement des immobilisations corporelles	(40 147)
Frais de transition	18 353
Dépenses	(12 839)
Amortissement déduit du bénéfice	(3 293)
Amortissement des immobilisations corporelles	
d'avance	
Bénéfice avant impôts sur le revenu ajusté selon les principes comptables généralement reconnus du Canada	\$ 27 748

*Financial Statements of
États financiers de*

HYDRO 2000 INC.

*December 31, 2003
31 décembre 2003*

Auditors' Report

To the Directors of Hydro 2000 Inc.

We have audited the balance sheet of Hydro 2000 Inc. as at December 31, 2003 and the statements of earnings and retained earnings and cash flow for the year then ended. These financial statements have been prepared to comply with the guidelines issued by the Ontario Energy Board. The financial statements are the responsibility of the Corporation'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 Corporation as at December 31, 2003 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Directors of Hydro 2000 Inc. and the Ontario Energy Board and the Corporation of the Township of Alfred-Plantagenet, for the purpose of complying with the guidelines issued by the regulatory agency. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

Rapport des vérificateurs

Aux administrateurs de Hydro 2000 Inc.

Nous avons vérifié le bilan de Hydro 2000 Inc. au 31 décembre 2003 et les états des résultats, des bénéfices non répartis et des flux de trésorerie de l'exercice terminé à cette date. Ces états financiers ont été établis afin de respecter les exigences de la Commission de l'énergie de l'Ontario. La responsabilité de ces états financiers incombe à la direction de la Société. Notre responsabilité consiste à exprimer une opinion sur ces états financiers en nous fondant sur notre vérification.

Notre vérification a été effectuée conformément aux normes de vérification généralement reconnues du Canada. Ces normes exigent que la vérification soit planifiée et exécutée de manière à fournir l'assurance raisonnable que les états financiers sont exempts d'inexactitudes importantes. La vérification comprend le contrôle par sondages des éléments probants à l'appui des montants et des autres éléments d'information fournis dans les états financiers. Elle comprend également l'évaluation des principes comptables suivis et des estimations importantes faites par la direction, ainsi qu'une appréciation de la présentation d'ensemble des états financiers.

À notre avis, ces états financiers donnent, à tous les égards importants, une image fidèle de la situation financière de la Société au 31 décembre 2003 ainsi que des résultats de son exploitation et de ses flux de trésorerie pour l'exercice terminé à cette date selon les règles comptables décrites dans la note complémentaire 2.

Ces états financiers, qui n'ont pas été établis, et qui n'avaient pas à être établis, selon les principes comptables généralement reconnus du Canada, sont fournis uniquement à titre d'information et pour être utilisés par les administrateurs de Hydro 2000 Inc. ainsi que par la Commission de l'énergie de l'Ontario et la Corporation du Canton d'Alfred-Plantagenet afin de s'assurer du respect des règles établies par l'organisme de réglementation. Ces états financiers ne sont pas destinés à être utilisés, et ne doivent pas l'être, par des personnes autres que les utilisateurs déterminés, ni à aucune autre fin que la ou les fins auxquelles ils ont été établis.



Chartered Accountants

Hawkesbury, Ontario
February 24, 2004

Comptables agréés

Hawkesbury, Ontario
Le 24 février 2004

	<u>PAGE</u>	
Statement of Earnings and Retained Earnings	1	État des résultats et bénéfices non répartis
Balance Sheet	2	Bilan
Statement of Cash Flow	3	État des flux de trésorerie
Notes to Financial Statements	4 - 7	Notes complémentaires

HYDRO 2000 INC.
Statement of Earnings and
Retained Earnings
year ended ended December 31, 2003

HYDRO 2000 INC.
État des résultats et bénéfices
non répartis
exercice terminé le 31 décembre 2003

	<u>2003</u>	<u>2002</u>	
SERVICE REVENUE			REVENUS DE SERVICES
Residential	\$ 711 696	\$ 1 221 282	Résidentiel
General	1 318 873	876 601	Général
Street lighting	22 833	27 031	Éclairage des rues
	2 053 402	2 124 914	
COST OF POWER			COÛT DE L'ÉNERGIE
Power purchased - Hydro One	1 727 125	1 725 399	Achat de Hydro One
GROSS MARGIN ON SERVICE REVENUE	326 277	399 515	MARGE BRUTE SUR REVENUS DE SERVICES
OTHER OPERATING REVENUE	43 235	25 600	AUTRES PRODUITS
	369 512	425 115	
EXPENSES			DÉPENSES
Distribution	8 314	4 327	Distribution
General administration	171 265	153 716	Administration
Amortization of transition costs	22 530	18 353	Amortissement des frais de transition
			Amortissement des immobilisations corporelles
Depreciation of capital assets	35 034	36 169	
Depreciation of incorporation fees	463	463	Amortissement des frais d'incorporation
	237 606	213 028	
EARNINGS BEFORE INCOME TAXES (note 11)	131 906	212 087	BÉNÉFICE AVANT IMPÔTS SUR LE REVENU (note 11)
Income taxes			Impôts sur le revenu
Current	20 780	5 477	Courant
Reduction due to prior years losses carried forward	(156)	(5 477)	Réduction due aux pertes des années antérieures réparties prospectivement
Future	(12 938)	45 913	Futurs
	7 686	45 913	
NET EARNINGS	124 220	166 174	BÉNÉFICE NET
RETAINED EARNINGS, BEGINNING OF YEAR	190 657	24 483	BÉNÉFICES NON RÉPARTIS AU DÉBUT DE L'EXERCICE
RETAINED EARNINGS, END OF YEAR	\$ 314 877	\$ 190 657	BÉNÉFICES NON RÉPARTIS À LA FIN DE L'EXERCICE

HYDRO 2000 INC.
Balance Sheet
as at December 31, 2003

HYDRO 2000 INC.
Bilan
au 31 décembre 2003

	2003	2002	
CURRENT ASSETS			ACTIF À COURT TERME
Cash	\$ 309 353	\$ 165 904	Encaisse
Accounts receivable (note 3)	168 107	293 675	Débiteurs (note 3)
Inventories	19 214	19 454	Stocks
Unbilled revenue	343 763	251 263	Revenus non facturés
Income taxes recoverable	-	5 300	Impôts sur le revenu à recevoir
	840 437	735 596	
INCORPORATION FEES	3 193	3 656	FRAIS D'INCORPORATION
OTHER ASSETS (note 4)	302 844	296 473	AUTRES ACTIFS (note 4)
CAPITAL ASSETS (note 5)	352 521	380 357	IMMOBILISATIONS CORPORELLES (note 5)
	\$ 1 498 995	\$ 1 416 082	
CURRENT LIABILITIES			PASSIF À COURT TERME
Accounts payable	\$ 250 998	\$ 321 229	Créditeurs
Other current liabilities	138 864	88 393	Autres frais courus
Income taxes payable	2 514	-	Impôts sur le revenu à payer
Current portion of customers' deposits	37 386	-	Tranche des dépôts de clients échéant à moins d'un an
Current portion of note payable (note 7)	20 228	19 065	Tranche de billet à payer échéant à moins d'un an (note 7)
	449 990	428 687	
NOTE PAYABLE (note 7)	392 418	412 740	BILLET À PAYER (note 7)
FUTURE INCOME TAXES	32 975	45 913	IMPÔTS FUTURS
LONG-TERM CUSTOMERS' DEPOSIT	-	29 350	DÉPÔTS DE CLIENTS À LONG TERME
	875 383	916 690	
SHAREHOLDER'S EQUITY			CAPITAUX PROPRES
Share capital (note 8)	308 735	308 735	Capital-actions (note 8)
Retained earnings	314 877	190 657	Bénéfices non répartis
	623 612	499 392	
	\$ 1 498 995	\$ 1 416 082	

HYDRO 2000 INC.
Statement of Cash Flow
year ended ended December 31, 2003

HYDRO 2000 INC.
État des flux de trésorerie
exercice terminé le 31 décembre 2003

	<u>2003</u>	<u>2002</u>	
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES			RENTRÉES (SORTIES) NETTES D'ENCAISSE LIÉES AUX ACTIVITÉS SUIVANTES
OPERATING			EXPLOITATION
Net earnings	\$ 124 220	\$ 166 174	Bénéfice net
Items not affecting cash			Éléments sans incidence sur l'encaisse
Depreciation of incorporation fees	463	463	Amortissement des frais d'incorporation
Amortization of transition costs	22 530	18 353	Amortissement des frais de transition
Depreciation of capital assets	35 034	36 169	Amortissement des immobilisations corporelles
Future income taxes	(12 938)	45 913	Impôts futurs
	169 309	267 072	
CHANGES IN NON-CASH OPERATING WORKING CAPITAL ITEMS	58 748	(206 504)	VARIATION DES ÉLÉMENTS HORS CAISSE DU FONDS DE ROULEMENT D'EXPLOITATION
	228 057	60 568	
FINANCING			FINANCEMENT
Increase (decrease) of long-term customers' deposits	(29 350)	11 450	Augmentation (diminution) des dépôts de clients à long terme
Repayment of note payable	(19 159)	-	Remboursement du billet à payer
	(48 509)	11 450	
INVESTING			INVESTISSEMENT
Acquisition of capital assets	(7 198)	(23 308)	Acquisition d'immobilisations corporelles
Increase of other assets	(28 901)	(207 174)	Augmentation des autres actifs
	(36 099)	(230 482)	
NET CASH INFLOW (OUTFLOW)	143 449	(158 464)	AUGMENTATION (DIMINUTION) DE L'ENCAISSE
CASH POSITION, BEGINNING OF YEAR	165 904	324 368	SITUATION DE L'ENCAISSE AU DÉBUT DE L'EXERCICE
CASH POSITION, END OF YEAR	\$ 309 353	\$ 165 904	SITUATION DE L'ENCAISSE À LA FIN DE L'EXERCICE
Supplementary information:			Information supplémentaire:
Interest paid	\$ 23 489	\$ 23 749	Intérêts payés
Income taxes paid	\$ 12 810	\$ 4 220	Impôts payés

1. DESCRIPTION OF BUSINESS

The Company is incorporated under the Ontario Business Corporations Act and is engaged in the distribution of electricity.

2. ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with accounting principles for electricity distributors as required by the Ontario Energy Board and set forth in the Accounting Procedures Handbook. The most significant of these accounting principles are:

INVENTORIES

Inventories are valued at the lower of average cost and replacement cost.

CAPITAL ASSETS AND DEPRECIATION

Capital assets are recorded at cost. Depreciation is calculated on the basis of the straight-line method with reference to estimated useful lives of the assets in accordance with Ontario Energy Board policy at the following terms:

	<u>Years</u>
Distribution equipment	25
Office equipment	10
Computer equipment	5

INCORPORATION FEES

Incorporation fees are accounted at cost and amortized using the straight-line method over a ten year period.

CUSTOMERS' DEPOSITS

Deposits are taken to guarantee the payment of power bills or contract performance.

TRANSITION COSTS

Transition costs are recorded at cost and are amortized when they are claimed in the rates adjustment with Ontario Energy Board. Any disallowed costs will be expensed in the year that they are disallowed.

1. DESCRIPTION DE L'ENTREPRISE

La Société est constituée en vertu de la Loi sur les sociétés par actions de l'Ontario et se spécialise dans la distribution de l'électricité.

2. PRINCIPES COMPTABLES

Les états financiers ont été préparés conformément aux principes comptables pour les distributeurs d'électricité tel que requis par la Commission de l'Énergie de l'Ontario et établis dans le "Accounting Procedures Handbook". Les principes comptables les plus significatifs sont:

STOCKS

Les stocks sont évalués au moins élevé du coût moyen et la valeur de remplacement.

IMMOBILISATIONS CORPORELLES ET AMORTISSEMENT

Les immobilisations corporelles sont comptabilisées au coût. L'amortissement est calculé selon la méthode de l'amortissement linéaire répartie sur la durée estimative de vie utile de l'immobilisation selon les politiques de la Commission de l'énergie de l'Ontario aux termes suivants:

	<u>Années</u>
Équipement de distribution	25
Équipement de bureau	10
Équipement informatique	5

FRAIS D'INCORPORATION

Les frais d'incorporation sont comptabilisés au coût et amortis linéairement sur une période de dix ans.

DÉPÔTS DE CLIENTS À LONG TERME

Des dépôts sont pris en garantie de paiement de la facturation ou de contrat.

FRAIS DE TRANSITION

Les frais de transition sont comptabilisés au coût et sont amortis lorsqu'ils sont inclus dans les ajustements de taux soumis à la Commission de l'énergie de l'Ontario. Les frais refusés seront imputés aux résultats dans l'année où ils sont refusés.

2. ACCOUNTING POLICIES (following)

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

3. ACCOUNTS RECEIVABLE

	<u>2003</u>	<u>2002</u>
Electrical energy	\$ 109 647	\$ 221 394
Other	59 316	79 740
	168 963	301 134
Allowance for doubtful account	(856)	(7 459)
	\$ 168 107	\$ 293 675

4. OTHER ASSETS

Regulatory assets	\$ 12 499	\$ 12 499
Transition costs	165 640	142 046
Pre-market opening energy variance	158 274	147 575
Retail settlement variance account	(33 569)	(5 647)
	\$ 302 844	\$ 296 473

5. CAPITAL ASSETS

	<u>2003</u>		<u>2002</u>	
	Cost/Coût	Accumulated depreciation/ Amortissement accumulé	Net book value/ Valeur nette	Net book value/ Valeur nette
Distribution equipment	\$ 448 323	\$ 96 980	\$ 351 343	\$ 376 402
Office equipment	2 922	1 900	1 022	1 630
Computer equipment	10 453	10 297	156	2 325
	\$ 461 698	\$ 109 177	\$ 352 521	\$ 380 357

2. PRINCIPES COMPTABLES (suite)

UTILISATION D'ESTIMATIONS

Dans le cadre de la préparation des états financiers, la direction doit établir des estimations et des hypothèses qui ont une incidence sur les montants des actifs et des passifs présentés et sur la présentation des actifs et des passifs éventuels à la date des états financiers, ainsi que sur les montants des produits d'exploitation et des charges constatés au cours de la période visée par les états financiers. Les résultats réels pourraient varier par rapport à ces estimations.

3. DÉBITEURS

Énergie électrique	
Autres	
Provision pour mauvaises créances	

4. AUTRES ACTIFS

Actifs réglementés	
Frais de transition	
Écarts de prix avant ouverture du marché	
Écarts de prix avec les détaillants	

5. IMMOBILISATIONS CORPORELLES

Équipement de distribution	
Équipement de bureau	
Équipement informatique	

6. LINE OF CREDIT AND LETTER OF GUARANTEE

The Corporation has a line of credit with an authorized limit of \$ 100 000 and a balance of Nil at year-end. The interest rate is prime plus 0.5%. The Corporation also has a letter of guarantee of \$ 500 000 in favour of Hydro One. The accounts receivable and some equipment secure those two instruments.

7. NOTE PAYABLE

Note payable to shareholder, 5.5% interest, payable in semi-annual payments of \$ 21 324, including interest

Current portion

<u>2003</u>	<u>2002</u>
\$ 412 646	\$ 431 805
20 228	19 065
<u>\$ 392 418</u>	<u>\$ 412 740</u>

Principal repayments to be made during the next five years are as follows: 2004, \$ 20 228; 2005, \$ 21 356; 2006, \$ 22 546; 2007, \$ 23 803 and 2008, \$ 25 131.

8. SHARE CAPITAL

Authorized

Unlimited number of Class "A" voting shares
 Unlimited number of Class "B" voting shares, non-participating
 Unlimited number of Class "C" non-voting shares, non-participating

Issued

1 Class "A" share

\$ 308 735	\$ 308 735
-------------------	------------

9. RELATED PARTY TRANSACTIONS

Interest paid to shareholder
 Rent paid to shareholder

\$ 23 489	\$ 23 749
7 200	7 200
<u>\$ 30 689</u>	<u>\$ 30 949</u>

6. MARGE DE CRÉDIT ET LETTRE DE GARANTIE

La Société a une marge de crédit avec une limite autorisée de \$ 100 000 et un solde Nil à la fin de l'exercice. Le taux d'intérêt est le taux préférentiel plus 0.5%. La Société a aussi une lettre de garantie en faveur de Hydro One pour un montant de \$ 500 000. Ces deux instruments sont garantis par les comptes à recevoir et certains équipements.

7. BILLET À PAYER

Billet à payer à l'actionnaire au taux de 5.5%, en versements semi-annuels de \$ 21 324, incluant les intérêts

Portion à court terme

Les versements en capital à effectuer au cours des cinq prochains exercices sont les suivants: 2004 \$ 20 228; 2005, \$ 21 356; 2006, \$ 22 546, 2007, \$ 23 803 et 2008; \$ 25 131.

8. CAPITAL-ACTIONS

Autorisé

Nombre illimité d'actions de classe "A", votantes
 Nombre illimité d'actions de classe "B", votantes, non participantes
 Nombre illimité d'actions de classe "C", non-votantes, non participantes

Émis

1 action de classe "A"

9. OPÉRATIONS ENTRE APPARENTÉS

Intérêts versés à l'actionnaire
 Loyer versé à l'actionnaire

11. EARNINGS BEFORE INCOME TAXES

Accounting principles for electricity distributors as required by the Ontario Energy Board and set forth in the Accounting Procedures Handbook allows for recording of cost incurred by the Corporation as other assets. These assets identified as variance account and transition costs are then amortized.

Variance account and transition cost would not qualify as assets under Canadian generally accepted accounting principles and accordingly under these principles, adjusted earnings would be the following:

	<u>2003</u>	<u>2002</u>
Earnings before income taxes	\$ 131 906	\$ 212 087
Pre-market opening energy variances	(10 699)	(147 575)
Retail settlement variance account	27 922	5 647
Regulatory assets		
Expenses	-	(2 482)
Depreciation of capital assets	(2 003)	(2 003)
Qualifying transition costs		
Expenses	(37 534)	(40 147)
Depreciation deducted from earnings	22 530	18 353
Amortization of prepaid expenses	(19 258)	(12 839)
Depreciation of capital assets	(5 011)	(3 293)
Adjusted earnings before income taxes based on Canadian generally accepted accounting principles	\$ 107 853	\$ 27 748

11. BÉNÉFICE AVANT IMPÔTS SUR LE REVENU

Les principes comptables pour les distributeurs d'électricité tels que requis par la Commission de l'Énergie de l'Ontario et établis dans le "Accounting Procedures Handbook" permettent de comptabiliser certains coûts encourus par la Corporation comme autres actifs. Ces actifs sont identifiés comme écart de prix et frais de transition et sont ensuite amortis.

Ces écarts de prix et ces frais de transition ne pourraient pas être définis comme actifs en vertu des principes comptables généralement reconnus du Canada et en vertu de ces principes, le bénéfice ajusté serait le suivant :

Bénéfice avant impôts sur le revenu
Écarts de prix avant ouverture du marché
Écarts de prix avec les détaillants
Actifs réglementés
Dépenses
Amortissement des immobilisations corporelles
Frais de transition
Dépenses
Amortissement déduit du bénéfice
Amortissement des frais payés d'avance
Amortissement des immobilisations corporelles
Bénéfice avant impôts sur le revenu ajusté selon les principes comptables généralement reconnus du Canada

*Financial Statements of
États financiers de*

HYDRO 2000 INC.

*December 31, 2004
31 décembre 2004*

Auditors' Report

To the Directors of Hydro 2000 Inc.

We have audited the balance sheet of Hydro 2000 Inc. as at December 31, 2004 and the statements of earnings and retained earnings and cash flow for the year then ended. These financial statements have been prepared to comply with the guidelines issued by the Ontario Energy Board. The financial statements are the responsibility of the Corporation'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 Corporation as at December 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the Directors of Hydro 2000 Inc. and the Ontario Energy Board and the Corporation of the Township of Alfred-Plantagenet, for the purpose of complying with the guidelines issued by the regulatory agency. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

Rapport des vérificateurs

Aux administrateurs de Hydro 2000 Inc.

Nous avons vérifié le bilan de Hydro 2000 Inc. au 31 décembre 2004 et les états des résultats, des bénéfices non répartis et des flux de trésorerie de l'exercice terminé à cette date. Ces états financiers ont été établis afin de respecter les exigences de la Commission de l'énergie de l'Ontario. La responsabilité de ces états financiers incombe à la direction de la Société. Notre responsabilité consiste à exprimer une opinion sur ces états financiers en nous fondant sur notre vérification.

Notre vérification a été effectuée conformément aux normes de vérification généralement reconnues du Canada. Ces normes exigent que la vérification soit planifiée et exécutée de manière à fournir l'assurance raisonnable que les états financiers sont exempts d'inexactitudes importantes. La vérification comprend le contrôle par sondages des éléments probants à l'appui des montants et des autres éléments d'information fournis dans les états financiers. Elle comprend également l'évaluation des principes comptables suivis et des estimations importantes faites par la direction, ainsi qu'une appréciation de la présentation d'ensemble des états financiers.

À notre avis, ces états financiers donnent, à tous les égards importants, une image fidèle de la situation financière de la Société au 31 décembre 2004 ainsi que des résultats de son exploitation et de ses flux de trésorerie pour l'exercice terminé à cette date selon les règles comptables décrites dans la note complémentaire 2.

Ces états financiers, qui n'ont pas été établis, et qui n'avaient pas à être établis, selon les principes comptables généralement reconnus du Canada, sont fournis uniquement à titre d'information et pour être utilisés par les administrateurs de Hydro 2000 Inc. ainsi que par la Commission de l'énergie de l'Ontario et la Corporation du Canton d'Alfred-Plantagenet afin de s'assurer du respect des règles établies par l'organisme de réglementation. Ces états financiers ne sont pas destinés à être utilisés, et ne doivent pas l'être, par des personnes autres que les utilisateurs déterminés, ni à aucune autre fin que la ou les fins auxquelles ils ont été établis.

Deloitte & Touche LLP

Chartered Accountants

Hawkesbury, Ontario
March 4, 2005

Comptables agréés

Hawkesbury, Ontario
Le 4 mars 2005

HYDRO 2000 INC.
Financial Statements
December 31, 2004

HYDRO 2000 INC.
États financiers
31 décembre 2004

	<u>Page</u>	
Statement of Earnings and Retained Earnings	1	État des résultats et bénéfices non répartis
Balance Sheet	2	Bilan
Statement of Cash Flow	3	État des flux de trésorerie
Notes to Financial Statements	4 - 7	Notes complémentaires

HYDRO 2000 INC.
Statement of Earnings and
Retained Earnings
year ended ended December 31, 2004

HYDRO 2000 INC.
État des résultats et bénéfices
non répartis
exercice terminé le 31 décembre 2004

	<u>2004</u>	<u>2003</u>	
SERVICE REVENUE			REVENUS DE SERVICES
Residential	\$ 1 269 190	\$ 1 239 004	Résidentiel
General	795 590	789 368	Général
Street lighting	25 000	25 030	Éclairage des rues
	2 089 780	2 053 402	
COST OF POWER			COÛT DE L'ÉNERGIE
Power purchased - Hydro One	1 782 528	1 727 125	Achat de Hydro One
GROSS MARGIN ON SERVICE REVENUE	307 252	326 277	MARGE BRUTE SUR REVENUS DE SERVICES
OTHER OPERATING REVENUE	39 890	43 235	AUTRES PRODUITS
	347 142	369 512	
EXPENSES			DÉPENSES
Distribution	7 470	8 314	Distribution
General administration	174 516	171 265	Administration
Amortization of transition costs	-	22 530	Amortissement des frais de transition
Depreciation of capital assets	36 354	35 034	Amortissement des immobilisations corporelles
Depreciation of incorporation fees	463	463	Amortissement des frais d'incorporation
	218 803	237 606	
EARNINGS BEFORE INCOME TAXES (note 10)	128 339	131 906	BÉNÉFICE AVANT IMPÔTS SUR LE REVENU (note 10)
Income taxes			Impôts sur le revenu
Current (recovery)	(20 624)	20 780	Courant (recouvrement)
Reduction due to prior years losses carried forward	-	(156)	Réduction due aux pertes des années antérieures réparties prospectivement
Future	45 292	(12 938)	Futurs
	24 668	7 686	
NET EARNINGS	103 671	124 220	BÉNÉFICE NET
RETAINED EARNINGS, BEGINNING OF YEAR	314 877	190 657	BÉNÉFICES NON RÉPARTIS AU DÉBUT DE L'EXERCICE
RETAINED EARNINGS, END OF YEAR	\$ 418 548	\$ 314 877	BÉNÉFICES NON RÉPARTIS À LA FIN DE L'EXERCICE

HYDRO 2000 INC.
Balance Sheet
as at December 31, 2004

HYDRO 2000 INC.
Bilan
au 31 décembre 2004

	2004	2003	
CURRENT ASSETS			ACTIF À COURT TERME
Cash	\$ 378 371	\$ 309 353	Encaisse
Accounts receivable (note 3)	187 769	168 107	Débiteurs (note 3)
Inventories	15 606	19 214	Stocks
Unbilled revenue	376 042	343 763	Revenus non facturés
Income taxes recoverable	44 624	-	Impôts sur le revenu à recevoir
Prepaid expenses	4 444	-	Frais payés d'avance
	1 006 856	840 437	
INCORPORATION FEES	2 730	3 193	FRAIS D'INCORPORATION
OTHER ASSETS (note 4)	656 854	302 844	AUTRES ACTIFS (note 4)
CAPITAL ASSETS (note 5)	350 216	352 521	IMMOBILISATIONS CORPORELLES (note 5)
	\$ 2 016 656	\$ 1 498 995	
CURRENT LIABILITIES			PASSIF À COURT TERME
Accounts payable	\$ 298 126	\$ 250 998	Créditeurs
Other current liabilities	169 263	138 864	Autres frais courus
Income taxes payable	-	2 514	Impôts sur le revenu à payer
Current portion of note payable (note 7)	21 356	20 228	Tranche de billet à payer échéant à moins d'un an (note 7)
Current portion of other long-term liabilities (note 8)	52 158	37 386	Tranche des autres passifs à long terme échéant à moins d'un an (note 8)
	540 903	449 990	
NOTE PAYABLE (note 7)	371 062	392 418	BILLET À PAYER (note 7)
FUTURE INCOME TAXES	78 267	32 975	IMPÔTS FUTURS
OTHER LONG-TERM LIABILITIES (note 8)	299 141	-	AUTRES PASSIFS À LONG TERME (note 8)
	1 289 373	875 383	
SHAREHOLDER'S EQUITY			CAPITAUX PROPRES
Share capital (note 9)	308 735	308 735	Capital-actions (note 9)
Retained earnings	418 548	314 877	Bénéfices non répartis
	727 283	623 612	
	\$ 2 016 656	\$ 1 498 995	

HYDRO 2000 INC.
Statement of Cash Flow
year ended ended December 31, 2004

HYDRO 2000 INC.
État des flux de trésorerie
exercice terminé le 31 décembre 2004

	<u>2004</u>	<u>2003</u>	
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES			RENTRÉES (SORTIES) NETTES D'ENCAISSE LIÉES AUX ACTIVITÉS SUIVANTES
OPERATING			EXPLOITATION
Net earnings	\$ 103 671	\$ 124 220	Bénéfice net
Items not affecting cash			Éléments sans incidence sur l'encaisse
Depreciation of incorporation fees	463	463	Amortissement des frais d'incorporation
Amortization of transition costs	-	22 530	Amortissement des frais de transition
Depreciation of capital assets	36 354	35 034	Amortissement des immobilisations corporelles
Future income taxes	45 292	(12 938)	Impôts futurs
	185 780	169 309	
CHANGES IN NON-CASH OPERATING WORKING CAPITAL ITEMS	159 384	58 748	VARIATION DES ÉLÉMENTS HORS CAISSE DU FONDS DE ROULEMENT D'EXPLOITATION
	345 164	228 057	
FINANCING			FINANCEMENT
Increase (decrease) of long-term customers' deposits	5 011	(29 350)	Augmentation (diminution) des dépôts de clients à long terme
Repayment of note payable	(20 228)	(19 159)	Remboursement du billet à payer
	(15 217)	(48 509)	
INVESTING			INVESTISSEMENT
Acquisition of capital assets	(34 049)	(7 198)	Acquisition d'immobilisations corporelles
Increase of other assets	(226 880)	(28 901)	Augmentation des autres actifs
	(260 929)	(36 099)	
NET CASH INFLOW	69 018	143 449	AUGMENTATION DE L'ENCAISSE
CASH POSITION, BEGINNING OF YEAR	309 353	165 904	SITUATION DE L'ENCAISSE AU DÉBUT DE L'EXERCICE
CASH POSITION, END OF YEAR	\$ 378 371	\$ 309 353	SITUATION DE L'ENCAISSE À LA FIN DE L'EXERCICE
Supplementary information:			Information supplémentaire:
Interest paid	\$ 22 420	\$ 23 489	Intérêts payés
Income taxes paid	\$ 26 514	\$ 12 810	Impôts payés

1. DESCRIPTION OF BUSINESS

The Corporation is incorporated under the Ontario Business Corporations Act and is engaged in the distribution of electricity.

2. ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with accounting principles for electricity distributors as required by the Ontario Energy Board and set forth in the Accounting Procedures Handbook. The most significant of these accounting principles are:

INVENTORIES

Inventories are valued at the lower of average cost and replacement cost.

CAPITAL ASSETS AND DEPRECIATION

Capital assets are recorded at cost. Depreciation is calculated on the basis of the straight-line method with reference to estimated useful lives of the assets in accordance with Ontario Energy Board policy at the following terms:

	<u>Years</u>
Distribution equipment	25
Office equipment	10
Computer equipment	5

INCORPORATION FEES

Incorporation fees are accounted at cost and amortized using the straight-line method over a ten year period.

CUSTOMERS' DEPOSITS

Deposits are taken to guarantee the payment of power bills or contract performance.

TRANSITION COSTS

Transition costs are recorded at cost and are amortized when they are claimed in the rates adjustment with Ontario Energy Board. Any disallowed costs will be expensed in the year that they are disallowed.

1. DESCRIPTION DE L'ENTREPRISE

La Société est constituée en vertu de la Loi sur les sociétés par actions de l'Ontario et se spécialise dans la distribution de l'électricité.

2. PRINCIPES COMPTABLES

Les états financiers ont été préparés conformément aux principes comptables pour les distributeurs d'électricité tel que requis par la Commission de l'Énergie de l'Ontario et établis dans le "Accounting Procedures Handbook". Les principes comptables les plus significatifs sont :

STOCKS

Les stocks sont évalués au moins élevé du coût moyen et la valeur de remplacement.

IMMOBILISATIONS CORPORELLES ET AMORTISSEMENT

Les immobilisations corporelles sont comptabilisées au coût. L'amortissement est calculé selon la méthode de l'amortissement linéaire répartie sur la durée estimative de vie utile de l'immobilisation selon les politiques de la Commission de l'énergie de l'Ontario aux termes suivants:

	<u>Années</u>
Équipement de distribution	25
Équipement de bureau	10
Équipement informatique	5

FRAIS D'INCORPORATION

Les frais d'incorporation sont comptabilisés au coût et amortis linéairement sur une période de dix ans.

DÉPÔTS DE CLIENTS À LONG TERME

Des dépôts sont pris en garantie de paiement de la facturation ou de contrat.

FRAIS DE TRANSITION

Les frais de transition sont comptabilisés au coût et sont amortis lorsqu'ils sont inclus dans les ajustements de taux soumis à la Commission de l'énergie de l'Ontario. Les frais refusés seront imputés aux résultats dans l'année où ils sont refusés.

2. ACCOUNTING PRINCIPLES (following)

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

3. ACCOUNTS RECEIVABLE

	<u>2004</u>	<u>2003</u>
Electrical energy	\$ 147 122	\$ 109 647
Other	44 561	59 316
	<u>191 683</u>	<u>168 963</u>
Allowance for doubtful account	<u>(3 914)</u>	<u>(856)</u>
	<u>\$ 187 769</u>	<u>\$ 168 107</u>

4. OTHER ASSETS

Regulatory assets	\$ 20 795	\$ 12 499
Transition costs	211 767	165 640
Pre-market opening energy variance	168 974	158 274
Retail settlement variance account	303 999	(33 569)
Recoveries	(48 681)	-
	<u>\$ 656 854</u>	<u>\$ 302 844</u>

5. CAPITAL ASSETS

	<u>2004</u>		<u>2003</u>	
	Cost/coût	Accumulated depreciation/ Amortissement accumulé	Net book value/ Valeur nette	Net book value/ Valeur nette
Distribution equipment	\$ 469 656	\$ 130 089	\$ 339 567	\$ 351 343
Office equipment	3 246	2 541	705	1 022
Computer equipment	22 845	12 901	9 944	156
	<u>\$ 495 747</u>	<u>\$ 145 531</u>	<u>\$ 350 216</u>	<u>\$ 352 521</u>

2. PRINCIPES COMPTABLES (suite)

UTILISATION D'ESTIMATIONS

Dans le cadre de la préparation des états financiers, la direction doit établir des estimations et des hypothèses qui ont une incidence sur les montants des actifs et des passifs présentés et sur la présentation des actifs et des passifs éventuels à la date des états financiers, ainsi que sur les montants des produits d'exploitation et des charges constatés au cours de la période visée par les états financiers. Les résultats réels pourraient varier par rapport à ces estimations.

3. DÉBITEURS

Énergie électrique	\$ 109 647
Autres	59 316
	<u>168 963</u>
Provision pour mauvaises créances	<u>(856)</u>
	<u>\$ 168 107</u>

4. AUTRES ACTIFS

Actifs réglementés	\$ 12 499
Frais de transition	165 640
Écarts de prix avant ouverture du marché	158 274
Écarts de prix avec les détaillants	(33 569)
Recouvrements	-
	<u>\$ 302 844</u>

5. IMMOBILISATIONS CORPORELLES

Équipement de distribution	\$ 339 567
Équipement de bureau	705
Équipement informatique	9 944
	<u>\$ 350 216</u>

6. LINE OF CREDIT AND LETTER OF GURANTEE

The Corporation has a line of credit with an authorized limit of \$ 100 000 and a balance of Nil at year-end. The interest rate is prime plus 0.5%. The Corporation also has a letter of guarantee of \$ 500 000 in favour of Hydro One. The accounts receivable and some equipment secure those two instruments.

7. NOTE PAYABLE

Note payable to shareholder, 5.5% interest, payable in semi-annual payments of \$ 21 324, including interest

Current portion

Principal repayments to be made during the next five years are as follows: 2005, \$ 21 356; 2006, \$ 22 546; 2007, \$ 23 803; 2008, \$ 25 131 and 2009, \$ 26 532.

8. OTHER LONG-TERM LIABILITIES

Customer deposits
Hydro One

Current portion

Amount owed to Hydro One is to be repaid as follows: \$ 205 538 from 2005 to 2008 and \$ 127 130 from 2006 to 2009.

9. SHARE CAPITAL

Authorized
 Unlimited number of Class "A" voting shares
 Unlimited number of Class "B" voting shares, non-participating
 Unlimited number of Class "C" non-voting shares, non-participating

Issued
 1 Class "A"

	<u>2004</u>	<u>2003</u>
	\$ 392 418	\$ 412 646
	21 356	20 228
	<u>\$ 371 062</u>	<u>\$ 392 418</u>

	\$ 18 630	\$ 37 386
	332 668	-
	351 298	37 386
	52 158	37 386
	<u>\$ 299 140</u>	<u>\$ -</u>

	\$ 308 735	\$ 308 735
--	-------------------	------------

6. MARGE DE CRÉDIT ET LETTRE DE GARANTIE

La Société a une marge de crédit avec une limite autorisée de \$ 100 000 et un solde Nil à la fin de l'exercice. Le taux d'intérêt est le taux préférentiel plus 0.5%. La Société a aussi une lettre de garantie en faveur de Hydro One pour un montant de \$ 500 000. Ces deux instruments sont garantis par les comptes à recevoir et certains équipements.

7. BILLET À PAYER

Billet à payer à l'actionnaire, au taux de 5.5%, en versements semi-annuels de \$ 21 324 incluant les intérêts

Portion à court terme

Les versements en capital à effectuer au cours des cinq prochains exercices sont les suivants : 2005, \$ 21 356; 2006, \$ 22 546; 2007, \$ 23 803 ; 2008, \$ 25 131 et 2009, \$ 26 532.

8. AUTRES PASSIFS À LONG TERME

Dépôts de clients
Hydro One

Portion à court terme

Les sommes dues à Hydro One doivent être remboursées de la façon suivante : \$ 205 538 de 2005 à 2008 et \$ 127 130 de 2006 à 2009.

9. CAPITAL-ACTIONS

Autorisé
 Nombre illimité d'actions de classe "A", votantes
 Nombre illimité d'actions de classe "B", votantes, non participantes
 Nombre illimité d'actions de classe "C", non-votantes, non participantes

Émis
 1 action de classe "A",

10. RELATED PARTY TRANSACTIONS

	<u>2004</u>	<u>2003</u>
Interest paid to shareholder	\$ 22 421	\$ 23 489
Rent paid to shareholder	7 560	7 200
	<u>\$ 29 981</u>	<u>\$ 30 689</u>

11. EARNINGS BEFORE INCOME TAXES

Accounting principles for electricity distributors as required by the Ontario Energy Board and set forth in the Accounting Procedures Handbook allows for recording of cost incurred by the Company as other assets. These assets identified as variance account and transition costs are then amortized.

Variance account and transition cost would not qualify as assets under Canadian generally accepted accounting principles and accordingly under these principles, adjusted earnings would be the following:

Earnings before income taxes	\$ 128 339	\$ 131 906
Pre-market opening energy variances	(10 700)	(10 699)
Retail settlement variance account	(337 568)	27 922
Regulatory assets		
Expenses	(8 296)	-
Depreciation of capital assets	(2 003)	(2 003)
Qualifying transition costs		
Expenses	(46 127)	(37 534)
Amortization deducted from earnings	-	22 530
Amortization of prepaid expenses	(19 258)	(19 258)
Depreciation of capital assets	(5 011)	(5 011)
Recoveries	48 681	-
Adjusted earnings (loss) before income taxes based on Canadian generally accepted accounting principles	<u>\$ (251 943)</u>	<u>\$ 107 853</u>

10. OPÉRATIONS ENTRE APPARENTÉS

Intérêts versés à l'actionnaire
Loyer versé à l'actionnaire

11. BÉNÉFICE AVANT IMPÔTS SUR LE REVENU

Les principes comptables pour les distributeurs d'électricité tels que requis par la Commission de l'Énergie de l'Ontario et établis dans le "Accounting Procedures Handbook" permettent de comptabiliser certains coûts encourus par la Corporation comme autres actifs. Ces actifs sont identifiés comme écart de prix et frais de transition et sont ensuite amortis.

Ces écarts de prix et ces frais de transition ne pourraient pas être définis comme actifs en vertu des principes comptables généralement reconnus du Canada et en vertu de ces principes, le bénéfice ajusté serait le suivant :

Bénéfice avant impôts sur le revenu	
Écarts de prix avant ouverture du marché	
Écarts de prix avec les détaillants	
Actifs réglementés	
Dépenses	
Amortissement des immobilisations corporelles	
Frais de transition	
Dépenses	
Amortissement déduit du bénéfice	
Amortissement des frais payés d'avance	
Amortissement des immobilisations corporelles	
Recouvrements	
Bénéfice (perte) avant impôts sur le revenu ajusté selon les principes comptables généralement reconnus du Canada	

SCHEDULE 1

ANNEXE 1

	Jan.-Sept.	Oct.-Dec.	12 months/ 12 mois	
	Janv.-Sept.	Oct.-Déc.		
SERVICE REVENUE				REVENUS DE SERVICES
Residential	\$ 976 872	\$ 240 487	\$ 1 217 359	Résidentiel
General	590 229	171 818	762 047	Général
Street lighting	17 462	6 244	23 706	Éclairage des rues
	1 584 563	418 549	2 003 112	
Service revenue adjustment (note 3)	(144 168)	105 525	(38 643)	Ajustement des revenus de services (note 3)
	1 440 395	524 074	1 964 469	
COST OF POWER				COÛT DE L'ÉNERGIE
Power purchased - Ontario Power Generation Inc.	1 294 629	501 807	1 796 436	Achat de Ontario Power Generation Inc.
GROSS MARGIN ON SERVICE REVENUE	145 766	22 267	168 033	MARGE BRUTE SUR REVENUS DE SERVICES
LEGAL AWARD	8 970	-	8 970	JUGEMENT
OTHER OPERATING REVENUE	26 437	5 137	31 574	AUTRES PRODUITS
	181 173	27 404	208 577	
EXPENSES				DÉPENSES
Distribution	8 792	1 082	9 874	Distribution
Administration	100 616	46 328	146 944	Administration
Depreciation of capital assets	26 558	8 852	35 410	Amortissement des immobilisations corporelles
Depreciation of other assets	347	116	463	Amortissement des autres actifs
	136 313	56 378	192 691	
NET EARNINGS (LOSS)	\$ 44 860	\$ (28 974)	\$ 15 886	BÉNÉFICE NET (PERTE)

*Financial Statements of
États financiers de*

HYDRO 2000 INC.

*December 31, 2005
31 décembre 2005*



Deloitte and Touche LLP
300 McGill Street
Hawkesbury, Ontario
K6A 1P8

Tel: (613) 632-4178
Fax: (613) 632-7703
www.deloitte.ca

Auditors' Report

To the Directors of Hydro 2000 Inc.

We have audited the balance sheet of Hydro 2000 Inc. as at December 31, 2005 and the statements of loss and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Corporation'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 Corporation 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

Rapport des vérificateurs

Aux administrateurs de Hydro 2000 Inc.

Nous avons vérifié le bilan de Hydro 2000 Inc. au 31 décembre 2005 et les états des résultats et bénéfices non répartis et des flux de trésorerie de l'exercice terminé à cette date. La responsabilité de ces états financiers incombe à la direction de la Société. Notre responsabilité consiste à exprimer une opinion sur ces états financiers en nous fondant sur notre vérification.

Notre vérification a été effectuée conformément aux normes de vérification généralement reconnues du Canada. Ces normes exigent que la vérification soit planifiée et exécutée de manière à fournir l'assurance raisonnable que les états financiers sont exempts d'inexactitudes importantes. La vérification comprend le contrôle par sondages des éléments probants à l'appui des montants et des autres éléments d'information fournis dans les états financiers. Elle comprend également l'évaluation des principes comptables suivis et des estimations importantes faites par la direction, ainsi qu'une appréciation de la présentation d'ensemble des états financiers.

À notre avis, ces états financiers donnent, à tous les égards importants, une image fidèle de la situation financière de la Société au 31 décembre 2005 ainsi que des résultats de son exploitation et de ses flux de trésorerie pour l'exercice terminé à cette date selon les principes comptables généralement reconnus du Canada.

Chartered Accountants

Hawkesbury, Ontario
March 2, 2006

Comptables agréés

Hawkesbury, Ontario
Le 2 mars 2006

HYDRO 2000 INC.
Financial Statements
December 31, 2005

HYDRO 2000 INC.
États financiers
31 décembre 2005

	<u>Page</u>	
Statement of Loss and Retained Earnings	1	État des résultats et bénéfices non répartis
Balance Sheet	2	Bilan
Statement of Cash Flows	3	État des flux de trésorerie
Notes to Financial Statements	4 - 9	Notes complémentaires

HYDRO 2000 INC.
Statement of Loss and
Retained Earnings
year ended December 31, 2005

HYDRO 2000 INC.
État des résultats et bénéfices
non répartis
exercice terminé le 31 décembre 2005

	<u>2005</u>	<u>2004</u>	
REVENUE (note 10)			REVENUS (note 10)
Energy	\$ 1 931 699	\$ 1 782 528	Énergie
Distribution	291 908	307 252	Distribution
	2 223 607	2 089 780	
COST OF POWER			COÛT DE L'ÉNERGIE
Power purchased - Hydro One	1 931 698	1 782 528	Achat de Hydro One
GROSS MARGIN ON SERVICE REVENUE	291 909	307 252	MARGE BRUTE SUR REVENUS DE SERVICES
OTHER OPERATING REVENUE	57 589	39 890	AUTRES PRODUITS
	349 498	347 142	
EXPENSES			DÉPENSES
Operation maintenance	108 277	68 335	Exploitation
Billing and collection	174 828	76 291	Facturation et perception
Administration	37 228	37 360	Administration
Depreciation of capital assets	39 693	36 354	Amortissement des immobilisations corporelles
Depreciation of incorporation fees	463	463	Amortissement des frais d'incorporation
	360 489	218 803	
EARNINGS (LOSS) BEFORE INCOME TAXES	(10 991)	128 339	BÉNÉFICE (PERTE) AVANT IMPÔTS SUR LE REVENU
Income taxes			Impôts sur le revenu
Current (recovery)	-	(20 624)	Courant (recouvrement)
Future	(2 025)	45 292	Futurs
	(2 025)	24 668	
NET EARNINGS (LOSS)	(8 966)	103 671	BÉNÉFICE NET (PERTE)
RETAINED EARNINGS, BEGINNING OF YEAR	418 548	314 877	BÉNÉFICES NON RÉPARTIS AU DÉBUT DE L'EXERCICE
RETAINED EARNINGS, END OF YEAR	\$ 409 582	\$ 418 548	BÉNÉFICES NON RÉPARTIS À LA FIN DE L'EXERCICE

HYDRO 2000 INC.
Balance Sheet
as at December 31, 2005

HYDRO 2000 INC.
Bilan
au 31 décembre 2005

	<u>2005</u>	<u>2004</u>	
CURRENT ASSETS			ACTIF À COURT TERME
Cash	\$ 716 982	\$ 378 371	Encaisse
Accounts receivable (note 3)	137 345	187 769	Débiteurs (note 3)
Inventories	15 606	15 606	Stocks
Unbilled revenue	399 765	376 042	Revenus non facturés
Income taxes recoverable	18 000	44 624	Impôts sur le revenu à recevoir
Prepaid expenses	39 224	4 444	Frais payés d'avance
	1 326 922	1 006 856	
INCORPORATION FEES	2 267	2 730	FRAIS D'INCORPORATION
OTHER ASSETS (note 4)	590 502	656 854	AUTRES ACTIFS (note 4)
CAPITAL ASSETS (note 5)	364 164	350 216	IMMOBILISATIONS CORPORELLES (note 5)
	\$ 2 283 855	\$ 2 016 656	
CURRENT LIABILITIES			PASSIF À COURT TERME
Accounts payable	\$ 517 833	\$ 298 126	Créditeurs
Other current liabilities	222 555	169 263	Autres frais courus
Current portion of note payable (note 7)	22 546	21 356	Tranche de billet à payer échéant à moins d'un an (note 7)
Current portion of other long-term liabilities (note 8)	137 130	52 158	Tranche des autres passifs à long terme échéant à moins d'un an (note 8)
	900 064	540 903	
NOTE PAYABLE (note 7)	348 516	371 062	BILLET À PAYER (note 7)
FUTURE INCOME TAXES	76 242	78 267	IMPÔTS FUTURS
OTHER LONG-TERM LIABILITIES (note 8)	240 716	299 141	AUTRES PASSIFS À LONG TERME (note 8)
	1 565 538	1 289 373	
SHAREHOLDER'S EQUITY			CAPITAUX PROPRES
Share capital (note 9)	308 735	308 735	Capital-actions (note 9)
Retained earnings	409 582	418 548	Bénéfices non répartis
	718 317	727 283	
	\$ 2 283 855	\$ 2 016 656	

ON BEHALF OF THE BOARD

Director

Director

AU NOM DU CONSEIL

Administrateur

Administrateur

HYDRO 2000 INC.
Statement of Cash Flows
year ended December 31, 2005

HYDRO 2000 INC.
État des flux de trésorerie
exercice terminé le 31 décembre 2005

	<u>2005</u>	<u>2004</u>	
OPERATING			EXPLOITATION
Net earnings (loss)	\$ (8 966)	\$ 103 671	Bénéfice net (perte)
Adjustments for:			Ajustements pour:
Depreciation of incorporation fees	463	463	Amortissement des frais d'incorporation
Depreciation of capital assets	39 693	36 354	Amortissement des immobilisations corporelles
Future income taxes	(2 025)	45 292	Impôts futurs
Changes in non-cash operating working capital items (note 11)	291 544	(22 388)	Variation des éléments hors caisse du fonds de roulement d'exploitation (note 11)
	320 709	163 392	
FINANCING			FINANCEMENT
Increase of other long-term liabilities	26 547	313 913	Augmentation des autres passifs à long terme
Repayment of note payable	(21 356)	(20 228)	Remboursement du billet à payer
	5 191	293 685	
INVESTING			INVESTISSEMENT
Acquisition of capital assets	(53 641)	(34 049)	Acquisition d'immobilisations corporelles
Decrease (increase) of other assets	66 352	(354 010)	Diminution (augmentation) des autres actifs
	12 711	(388 059)	
NET CASH INFLOW	338 611	69 018	AUGMENTATION DE L'ENCAISSE
CASH POSITION, BEGINNING OF YEAR	378 371	309 353	SITUATION DE L'ENCAISSE AU DÉBUT DE L'EXERCICE
CASH POSITION, END OF YEAR	\$ 716 982	\$ 378 371	SITUATION DE L'ENCAISSE À LA FIN DE L'EXERCICE

Additional information is presented in note 11.

Des renseignements complémentaires sont présentés à la note 11.

1. DESCRIPTION OF BUSINESS

The Corporation is incorporated under the Ontario Business Corporations Act and is engaged in the distribution of electricity.

2. ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles with rate regulation specifications described under the other assets heading for electricity distributors as required by the Ontario Energy Board and set forth in the Accounting Procedures Handbook:

INVENTORIES

Inventories are valued at the lower of average cost and replacement cost.

CAPITAL ASSETS AND DEPRECIATION

Capital assets are recorded at cost. Depreciation is calculated on the basis of the straight-line method with reference to estimated useful lives of the assets in accordance with Ontario Energy Board policy at the following terms:

	<u>Years</u>
Distribution equipment	25
Office equipment	10
Computer equipment	5

INCORPORATION FEES

Incorporation fees are accounted at cost and amortized using the straight-line method over a ten year period.

CUSTOMERS' DEPOSITS

Deposits are taken to guarantee the payment of power bills or contract performance.

IMPAIRMENT OF LONG-LIVED ASSETS

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. An impairment loss is recognized when their carrying value exceeds the total undiscounted cash flows expected from their use and eventual disposition. The amount of the impairment loss is determined as the excess of the carrying value of the asset over its fair value.

1. DESCRIPTION DE L'ENTREPRISE

La Société est constituée en vertu de la Loi sur les sociétés par actions de l'Ontario et se spécialise dans la distribution de l'électricité.

2. PRINCIPES COMPTABLES

Les états financiers ont été préparés conformément aux principes comptables généralement reconnus du Canada et tiennent compte des particularités énumérées sous la rubrique des autres actifs pour les distributeurs d'électricité tel que requis par la Commission de l'Énergie de l'Ontario et établis dans le "Accounting Procedures Handbook" :

STOCKS

Les stocks sont évalués au moins élevé du coût moyen et la valeur de remplacement.

IMMOBILISATIONS CORPORELLES ET AMORTISSEMENT

Les immobilisations corporelles sont comptabilisées au coût. L'amortissement est calculé selon la méthode de l'amortissement linéaire répartie sur la durée estimative de vie utile de l'immobilisation selon les politiques de la Commission de l'énergie de l'Ontario aux termes suivants:

	<u>Années</u>
Équipement de distribution	25
Équipement de bureau	10
Équipement informatique	5

FRAIS D'INCORPORATION

Les frais d'incorporation sont comptabilisés au coût et amortis linéairement sur une période de dix ans.

DÉPÔTS DE CLIENTS À LONG TERME

Des dépôts sont pris en garantie de paiement de la facturation ou de contrat.

DÉPRÉCIATION D'ACTIFS À LONG TERME

Les actifs à long terme sont soumis à un test de recouvrabilité lorsque des événements ou des changements de situation indiquent que leur valeur comptable pourrait ne pas être recouvrable. Une perte de valeur est constatée lorsque leur valeur comptable excède les flux de trésorerie non actualisés découlant de leur utilisation et de leur sortie éventuelle. La perte de valeur constatée est mesurée comme étant l'excédent de la valeur comptable de l'actif sur sa juste valeur.

2. ACCOUNTING PRINCIPLES (following)

OTHER ASSETS

Purchased power costs are included in allowed rates on a forecast basis. For rate-setting purposes, differences between forecast and actual purchased power costs in the rate year are held until the following year, when their final disposition is decided. Hydro 2000 Inc. recognizes purchased power cost variances as a regulatory asset or liability, based on the expectation that amounts held from one year to the next for rate-setting purposes will be approved for collection from, or refund to, customers. In the absence of rate regulation, generally accepted accounting principles would require that actual purchased power costs be recognized as an expense when incurred.

The assets, other than variances, are recorded at cost in accordance with accounting principles as required by the Ontario Energy Board.

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. Any disallowed costs will be expensed in the year that they are disallowed.

Recoveries for these assets are presented in a separate account until the Ontario Energy Board approves the recoveries. At that time, recoveries will be applied against the regulated assets.

The financial statements effects of rate regulation are presented in note 13.

USE OF ESTIMATES

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

2. PRINCIPES COMPTABLES (suite)

AUTRES ACTIFS

Les coûts associés à l'énergie achetée sont pris en compte dans les tarifs autorisés, sur une base prévisionnelle. Aux fins de l'établissement des tarifs, les écarts entre les coûts prévus et les coûts réels associés à l'énergie achetée au cours de l'année de tarification sont laissés en suspens jusqu'à l'année suivante, au cours de laquelle leur traitement définitif est déterminé. Hydro 2000 Inc. comptabilise les écarts de coûts associés à l'énergie achetée à titre d'actif ou de passif réglementaire, parce que la Société s'attend à obtenir l'autorisation de recouvrer auprès des clients futurs les montants laissés en suspens d'une année à l'autre aux fins de l'établissement des tarifs, ou à devoir rembourser les montants à ces clients. Si les tarifs n'étaient pas réglementés, les coûts réels associés à l'énergie achetée devraient être passés en charges au moment où ils sont engagés, selon les principes comptables généralement reconnus.

Les actifs autres que les écarts de prix ont aussi été établis selon les règles de la Commission de l'Énergie. Ils ont été comptabilisés au coût.

Dans le cas de certains des éléments réglementaires mentionnés ci-dessus, les risques et incertitudes découlant du pouvoir ultime de l'autorité de réglementation de déterminer le traitement de l'élément aux fins de la tarification influent sur la période prévue de recouvrement ou de règlement, ou sur la probabilité de recouvrement ou de règlement. Les montants refusés seront imputés aux résultats dans l'année où ils seront refusés.

Les recouvrements pour tous ces frais sont identifiés dans un compte distinct et seront appliqués contre les actifs suite à l'approbation par la Commission de l'Énergie.

Les effets de la réglementation des tarifs sont décrits à la note 13.

UTILISATION D'ESTIMATIONS

Dans le cadre de la préparation des états financiers, la direction doit établir des estimations et des hypothèses qui ont une incidence sur les montants des actifs et des passifs présentés et sur la présentation des actifs et des passifs éventuels à la date des états financiers, ainsi que sur les montants des produits d'exploitation et des charges constatés au cours de la période visée par les états financiers. Les résultats réels pourraient varier par rapport à ces estimations.

3. ACCOUNTS RECEIVABLE

	<u>2005</u>	<u>2004</u>
Electrical energy	\$ 71 409	\$ 147 122
Other	69 772	44 561
	<u>141 181</u>	<u>191 683</u>
Allowance for doubtful account	(3 836)	(3 914)
	<u>\$ 137 345</u>	<u>\$ 187 769</u>

3. DÉBITEURS

Énergie électrique
Autres

Provision pour mauvaises créances

4. OTHER ASSETS

Regulatory assets	\$ 35 684	\$ 20 795
Transition costs	154 714	211 767
Pre-market opening energy variance	179 673	168 974
Retail settlement variance account	406 830	303 999
Recoveries	(186 399)	(48 681)
	<u>\$ 590 502</u>	<u>\$ 656 854</u>

4. AUTRES ACTIFS

Actifs réglementés
Frais de transition
Écarts de prix avant ouverture du marché
Écarts de prix avec les détaillants
Recouvrements

5. CAPITAL ASSETS

	<u>2005</u>		<u>2004</u>		
Cost/coût	Accumulated depreciation/ Amortissement cumulé	Net book value/ Valeur nette	Net book value/ Valeur nette		
Distribution equipment	\$ 513 204	\$ 164 939	\$ 348 265	\$ 339 567	Équipement de distribution
Office equipment	3 246	2 856	390	705	Équipement de bureau
Computer equipment	32 938	17 429	15 509	9 944	Équipement informatique
	<u>\$ 549 388</u>	<u>\$ 185 224</u>	<u>\$ 364 164</u>	<u>\$ 350 216</u>	

5. IMMOBILISATIONS CORPORELLES

6. LINE OF CREDIT AND LETTER OF GUARANTEE

The Corporation has a line of credit with an authorized limit of \$ 100 000 none of which was used at year-end. The interest rate is prime plus 0.5%. The Corporation also has a letter of guarantee of \$ 500 000 in favour of Hydro One. The accounts receivable and some equipment secure those two instruments.

6. MARGE DE CRÉDIT ET LETTRE DE GARANTIE

La Société a une marge de crédit avec une limite autorisée de \$ 100 000 qui n'était pas utilisée à la fin de l'exercice. Le taux d'intérêt est le taux préférentiel plus 0.5%. La Société a aussi une lettre de garantie en faveur de Hydro One pour un montant de \$ 500 000. Ces deux instruments sont garantis par les comptes à recevoir et certains équipements.

HYDRO 2000 INC.
Notes to Financial Statements
year ended December 31, 2005

HYDRO 2000 INC.
Notes complémentaires
exercice terminé le 31 décembre 2005

7. NOTE PAYABLE

Note payable to the Township of Alfred-Plantagenet, 5.5% interest, payable in semi-annual payments of \$ 21 324, including interest

Current portion

Principal repayments to be made during the next five years are as follows: 2006, \$ 22 546; 2007, \$ 23 803; 2008, \$ 25 131; 2009, \$ 26 532 and 2010, \$ 28 011.

8. OTHER LONG-TERM LIABILITIES

Customer deposits
Hydro One

Current portion

Amount owed to Hydro One is to be repaid as follows: 2006, \$ 120,663; 2007, \$ 138,048; 2008, \$ 80,972 and 2009, \$ 17,374.

9. SHARE CAPITAL

Authorized
 Unlimited number of Class "A" voting shares
 Unlimited number of Class "B" voting shares, non-participating
 Unlimited number of Class "C" non-voting shares, non-participating

Issued
 1 Class "A" share

10. REVENUE

ENERGY

Residential
 General < 50 KW
 General > 50 KW
 Street light

DISTRIBUTION

Residential
 General < 50 KW
 General > 50 KW
 Street light

	2005	2004
	\$ 371 062	\$ 392 418
	22 546	21 356
	\$ 348 516	\$ 371 062
	\$ 20 789	\$ 18 630
	357 057	332 669
	377 846	351 299
	137 130	52 158
	\$ 240 716	\$ 299 141
	\$ 308 735	\$ 308 735
	\$ 1 126 244	\$ 1 055 184
	389 996	368 550
	389 585	336 427
	25 874	22 367
	\$ 1 931 699	\$ 1 782 528
	\$ 209 063	\$ 214 006
	61 971	65 158
	16 202	25 455
	4 672	2 633
	\$ 291 908	\$ 307 252

7. BILLET À PAYER

Billet à payer au Canton d'Alfred-Plantagenet, au taux de 5.5%, en versements semi-annuels de \$ 21 324 incluant les intérêts

Portion à court terme

Les versements en capital à effectuer au cours des cinq prochains exercices sont les suivants : 2006, \$ 22 546; 2007, \$ 23 803 ; 2008, \$ 25 131 ; 2009, \$ 26 532 et 2010 \$ 28 011.

8. AUTRES PASSIFS À LONG TERME

Dépôts de clients
Hydro One

Portion à court terme

Les sommes dues à Hydro One doivent être remboursées de la façon suivante : 2006, \$ 120,663; 2007, \$ 138,048; 2008, \$ 80,972 et 2009, \$ 17,374.

9. CAPITAL-ACTIONS

Autorisé
 Nombre illimité d'actions de classe "A", votantes
 Nombre illimité d'actions de classe "B", votantes, non participantes
 Nombre illimité d'actions de classe "C", non-votantes, non participantes

Émis
 1 action de classe "A",

10. REVENUS

ÉNERGIE

Résidentiel
 Général < 50 KW
 Général > 50 KW
 Éclairage des rues

DISTRIBUTION

Résidentiel
 Général < 50 KW
 Général > 50 KW
 Éclairage des rues

11. ADDITIONAL INFORMATION RELATING TO THE STATEMENT OF CASH FLOWS

	<u>2005</u>	<u>2004</u>
<i>Changes in non-cash operating working capital items</i>		
Accounts receivable	\$ 50 424	\$ (19 662)
Inventories	-	3 608
Unbilled revenue	(23 723)	(32 279)
Income taxes	26 624	(47 138)
Prepaid expenses	(34 780)	(4 444)
Accounts payable	219 707	47 128
Other current liabilities	53 292	30 399
	<u>\$ 291 544</u>	<u>\$ (22 388)</u>
<i>Other information</i>		
Interest paid	\$ 21 292	\$ 22 420
Income taxes paid (recovered)	\$ (26 624)	\$ 26 514

12. RELATED PARTY TRANSACTIONS

The following amounts were paid to the Township of Alfred-Plantagenet, the only shareholder of the Corporation

Interest	\$ 21 292	\$ 22 420
Rent	7 711	7 560
	<u>\$ 29 003</u>	<u>\$ 29 980</u>

13. FINANCIAL STATEMENT'S EFFECTS OF RATE REGULATION

Earnings (loss) before income taxes in accordance with accounting principles for electricity distributors as required by the Ontario Energy Board

	\$ (8 966)	\$ 128 339
Expenses included in other assets	(28 500)	(379 630)
Carrying charges on other assets	(36 083)	(22 263)
Depreciation of capital assets included in other assets	(5 701)	(7 014)
Amortization of a billing contract	(19 258)	(19 258)
Recoveries	130 935	47 883
Adjusted earnings (loss) before income taxes and before the effect of the regulation on the financial statements	<u>\$ 32 427</u>	<u>\$ (251 943)</u>

11. RENSEIGNEMENTS COMPLÉMENTAIRES À L'ÉTAT DES FLUX DE TRÉSORERIE

Variation des éléments hors caisse du fonds de roulement d'exploitation

Débiteurs
Stocks
Revenus non facturés
Impôts sur le revenu
Frais payés d'avance
Créditeurs
Autres frais courus

Autres renseignements

Intérêts payés
Impôts payés (recouvrés)

12. OPÉRATIONS ENTRE APPARENTÉS

Les montants suivants ont été versés au Canton d'Alfred-Plantagenet, l'unique actionnaire de la Société

Intérêts
Loyer

13. EFFETS DE LA RÉGLEMENTATION DES TARIFS SUR LES ÉTATS FINANCIERS

Bénéfice (perte) avant impôts sur le revenu conformément aux principes comptables pour les distributeurs d'électricité tels que requis par la Commission de l'Énergie de l'Ontario

Dépenses incluses dans les autres actifs
Frais d'intérêts sur les autres actifs
Amortissement des immobilisations corporelles inclus dans les autres actifs
Amortissement d'un contrat pour la facturation
Recouvrements

Bénéfice (perte) avant impôts sur le revenu et avant l'effet de la réglementation sur les états financiers

14. RECLASSIFICATION

Certain of comparative figures have been reclassified to conform to the current year's presentation.

14. RECLASSEMENT

Certains chiffres de l'exercice précédent ont été reclassés afin que leur présentation soit conforme à celle adaptée pour l'exercice courant.