

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

20

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the *T2 Corporation - Income Tax Guide* (T4012).

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, refer to the Guide under the heading "Before you start."

055 Do not use this area

Identification

Business Number (BN) 001 86593 7593 RC0001

Corporation's name

002 Greater Sudbury Hydro Inc./Hydro Du Grand Sudbury Inc.

Has the corporation changed its name since the last time we were notified? 003 1 Yes ☐ 2 No ☒If Yes, do you have a copy of the articles of amendment? ... 004 1 Yes ☐ 2 No ☐

Address of head office

Has the address changed since the last time we were notified? 010 1 Yes ☐ 2 No ☒

011 500 Regent Street

012 P.O. Box 250

City Province, territory, or state

015 Sudbury 016 ON

Country (other than Canada) Postal code/ZIP code

017 018 P3E 4P1

Mailing address (if different from head office address)

Has the address changed since the last time we were notified? 020 1 Yes ☐ 2 No ☒

021 c/o

022

023

City Province, territory, or state

025 026

Country (other than Canada) Postal code/ZIP code

027 028

Location of books and records

Has the location of books and records changed since the last time we were notified? 030 1 Yes ☐ 2 No ☒

031 500 Regent Street

032 P.O. Box 250

City Province, territory, or state

035 Sudbury 036 ON

Country (other than Canada) Postal code/ZIP code

037 038 P3E 4P1

040 Type of corporation at the end of the taxation year

1 ☒ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)3 ☐ Public corporation

If the type of corporation changed during the taxation year, provide the effective date of the change 043

YYYY MM DD

To which taxation year does this return apply?

Taxation year start

060 2005-01-01

YYYY MM DD

Taxation year end

061 2005-12-31

YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 1 Yes ☐ 2 No ☒

If Yes, provide the date control was acquired 065

YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? 070 1 Yes ☐ 2 No ☒Amalgamation? 071 1 Yes ☐ 2 No ☒

If Yes, complete lines 030 to 038 and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current taxation year? 072 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? 076 1 Yes ☐ 2 No ☒Is this the final return up to dissolution? 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If No, give the country of residence on line 081 and complete and attach Schedule 97.081 Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes ☐ 2 No ☒

If Yes, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:

- 085 1 ☐ Exempt under paragraph 149(1)(e) or (l)
2 ☐ Exempt under paragraph 149(1)(j)
3 ☐ Exempt under paragraph 149(1)(t)
4 ☐ Exempt under other paragraphs of section 149

Do not use this area

| | | | | | |
|-----|-----|-----|-----|-----|-----|
| 091 | 092 | 093 | 094 | 095 | 096 |
|-----|-----|-----|-----|-----|-----|

Attachments**Financial statement information:** Use GIF1 schedules 100, 125, and 141.**Schedules – Answer the following questions. For each Yes response, attach to the T2 return the schedule that applies.**

| | Yes | Schedule |
|--|---|----------|
| Is the corporation related to any other corporations? | 150 <input checked="" type="checkbox"/> | 9 |
| Does the corporation have any non-resident shareholders? | 151 <input type="checkbox"/> | 19 |
| Is the corporation an associated Canadian-controlled private corporation? | 160 <input checked="" type="checkbox"/> | 23 |
| Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit? | 161 <input type="checkbox"/> | 49 |
| Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents | 162 <input type="checkbox"/> | 11 |
| If you answered Yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee? | 163 <input type="checkbox"/> | 44 |
| Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada? | 164 <input type="checkbox"/> | 14 |
| Is the corporation claiming a deduction for payments to a type of employee benefit plan? | 165 <input type="checkbox"/> | 15 |
| Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989? | 166 <input type="checkbox"/> | T5004 |
| Is the corporation a member of a partnership for which a partnership identification number has been assigned? | 167 <input type="checkbox"/> | T5013 |
| Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust? | 168 <input type="checkbox"/> | 22 |
| Did the corporation have any foreign affiliates during the year? | 169 <input type="checkbox"/> | 25 |
| Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ? | 170 <input type="checkbox"/> | 29 |
| Has the corporation had any non-arm's length transactions with a non-resident? | 171 <input type="checkbox"/> | T106 |
| Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? | 172 <input type="checkbox"/> | |
| For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares? | 173 <input checked="" type="checkbox"/> | 50 |
| Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes? | 201 <input checked="" type="checkbox"/> | 1 |
| Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; or gifts of cultural or ecological property? | 202 <input type="checkbox"/> | 2 |
| Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund? | 203 <input type="checkbox"/> | 3 |
| Is the corporation claiming any type of losses? | 204 <input type="checkbox"/> | 4 |
| Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? | 205 <input type="checkbox"/> | 5 |
| Has the corporation realized any capital gains or incurred any capital losses during the taxation year? | 206 <input type="checkbox"/> | 6 |
| i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax? | 207 <input type="checkbox"/> | 7 |
| Does the corporation have any property that is eligible for capital cost allowance? | 208 <input checked="" type="checkbox"/> | 8 |
| Does the corporation have any property that is eligible capital property? | 210 <input type="checkbox"/> | 10 |
| Does the corporation have any resource-related deductions? | 212 <input type="checkbox"/> | 12 |
| Is the corporation claiming reserves of any kind? | 213 <input type="checkbox"/> | 13 |
| Is the corporation claiming a patronage dividend deduction? | 216 <input type="checkbox"/> | 16 |
| Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction? | 217 <input type="checkbox"/> | 17 |
| Is the corporation an investment corporation or a mutual fund corporation? | 218 <input type="checkbox"/> | 18 |
| Was the corporation carrying on business in Canada as a non-resident corporation? | 220 <input type="checkbox"/> | 20 |
| Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits? | 221 <input type="checkbox"/> | 21 |
| Is the corporation a non-resident-owned investment corporation claiming an allowable refund? | 226 <input type="checkbox"/> | 26 * |
| Does the corporation have any Canadian manufacturing and processing profits? | 227 <input type="checkbox"/> | 27 |
| Is the corporation claiming an investment tax credit? | 231 <input type="checkbox"/> | 31 |
| Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures? | 232 <input type="checkbox"/> | T661 |
| Is the corporation subject to gross Part I.3 tax? | 233 <input checked="" type="checkbox"/> | 33/34/35 |
| Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax? | 236 <input checked="" type="checkbox"/> | 36 |
| Is the corporation claiming a surtax credit? | 237 <input type="checkbox"/> | 37 |
| Is the corporation subject to gross Part VI tax on capital of financial institutions? | 238 <input type="checkbox"/> | 38 |
| Is the corporation claiming a Part I tax credit? | 242 <input type="checkbox"/> | 42 |
| Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid? | 243 <input type="checkbox"/> | 43 |
| Is the corporation agreeing to a transfer of the liability for Part VI.1 tax? | 244 <input type="checkbox"/> | 45 |
| Is the corporation subject to Part II - Tobacco Manufacturers' surtax? | 249 <input type="checkbox"/> | 46 |
| For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax? | 250 <input type="checkbox"/> | 39 |
| Is the corporation claiming a Canadian film or video production tax credit refund? | 253 <input type="checkbox"/> | T1131 |
| Is the corporation claiming a film or video production services tax credit refund? | 254 <input type="checkbox"/> | T1177 |
| Is the corporation subject to Part XIII.1 tax? | 255 <input type="checkbox"/> | 92 * |

* We do not print this schedule.

Attachments – continued from page

| | Yes | Schedule |
|--|------------------------------|----------|
| Did the corporation have any foreign affiliates that are not controlled foreign affiliates? | <input type="checkbox"/> 256 | T1134-A |
| Did the corporation have any controlled foreign affiliates? | <input type="checkbox"/> 258 | T1134-B |
| Did the corporation own specified foreign property in the year with a cost amount over \$100,000? | <input type="checkbox"/> 259 | T1135 |
| Did the corporation transfer or loan property to a non-resident trust? | <input type="checkbox"/> 260 | T1141 |
| Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year? | <input type="checkbox"/> 261 | T1142 |
| Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada? | <input type="checkbox"/> 262 | T1145 |
| Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? | <input type="checkbox"/> 263 | T1146 |
| Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED? | <input type="checkbox"/> 264 | T1174 |

Additional information

Is the corporation inactive? ☐ 280 1 Yes ☐ 2 No ☒ X

Has the major business activity changed since the last return was filed? (enter Yes for first-time filers) ☐ 281 1 Yes ☐ 2 No ☒ X

What is the corporation's major business activity? ☐ 282 _____
(Only complete if Yes was entered at line 281.)

If the major business activity involves the resale of goods, show whether it is wholesale or retail ☐ 283 1 Wholesale ☐ 2 Retail ☒ X

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

| | | | |
|------------------------------|--------------------|------------------------------|-----------|
| <input type="checkbox"/> 284 | Hydro Distribution | <input type="checkbox"/> 285 | 100.000 % |
| <input type="checkbox"/> 286 | | <input type="checkbox"/> 287 | % |
| <input type="checkbox"/> 288 | | <input type="checkbox"/> 289 | % |

Did the corporation immigrate to Canada during the taxation year? ☐ 291 1 Yes ☐ 2 No ☒ X

Did the corporation emigrate from Canada during the taxation year? ☐ 292 1 Yes ☐ 2 No ☒ X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL. ☐ 300 2,942,120 A

Deduct:

| | | |
|--|--|--|
| Charitable donations from Schedule 2 | <input type="checkbox"/> 311 | |
| Gifts to Canada, a province, or a territory from Schedule 2 | <input type="checkbox"/> 312 | |
| Cultural gifts from Schedule 2 | <input type="checkbox"/> 313 | |
| Ecological gifts from Schedule 2 | <input type="checkbox"/> 314 | |
| Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 | <input type="checkbox"/> 320 | |
| Part VI.1 tax deduction from Schedule 43 * | <input type="checkbox"/> 325 | |
| Non-capital losses of preceding taxation years from Schedule 4 | <input type="checkbox"/> 331 | |
| Net capital losses of preceding taxation years from Schedule 4 | <input type="checkbox"/> 332 | |
| Restricted farm losses of preceding taxation years from Schedule 4 | <input type="checkbox"/> 333 | |
| Farm losses of preceding taxation years from Schedule 4 | <input type="checkbox"/> 334 | |
| Limited partnership losses of preceding taxation years from Schedule 4 | <input type="checkbox"/> 335 | |
| Taxable capital gains or taxable dividends allocated from a central credit union | <input type="checkbox"/> 340 | |
| Prospector's and grubstaker's shares | <input type="checkbox"/> 350 | |
| Subtotal | | <input type="checkbox"/> B |
| Subtotal (amount A minus amount B) (If negative, enter "0") | | 2,942,120 C |
| Add: | Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions | <input type="checkbox"/> 355 D |
| Taxable income (amount C plus amount D) | | <input type="checkbox"/> 360 2,942,120 |
| Income exempt under paragraph 149(1)(t) | <input type="checkbox"/> 370 | |
| Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) | | 2,942,120 Z |

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction**Canadian-controlled private corporations (CCPCs) throughout the taxation year**Income from active business carried on in Canada from Schedule 7 **400** 2,942,120 ATaxable income from line 360 on page 3, minus 10/3 of the amount on line 632* on page 7, minus 3 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax **405** 2,942,120 B**Calculation of the business limit:**

For all CCPCs, calculate the amount at line 4 below.

| | | | | |
|---------|---|---|-----|---|
| 225,000 | x | Number of days in the taxation year in 2003 | = | 1 |
| | | Number of days in the taxation year | 365 | |

| | | | | |
|---------|---|---|-----|---|
| 250,000 | x | Number of days in the taxation year in 2004 | = | 2 |
| | | Number of days in the taxation year | 365 | |

| | | | | |
|---------|---|--|-----|-----------|
| 300,000 | x | Number of days in the taxation year after 2004 | = | 300,000 3 |
| | | Number of days in the taxation year | 365 | |

Add amounts at lines 1, 2, and 3 300,000 4Business limit (see notes 1 and 2 below) **410** 300,000 C

Notes: 1. For CCPCs that are not associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.

2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line 410.

Business limit reduction:Amount C 300,000 x **415** *** 162,502 D = 11,250 4,333,387 EReduced business limit (amount C minus amount E) (if negative, enter "0") **425** FSmall business deduction — 16.00 % of whichever amount is the least: A, B, C, or F **430** G
(enter amount G on line 9 of page 7)

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

***** Large corporation tax**

- The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada minus \$10,000,000).
- If the corporation is not associated with any corporations in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its preceding taxation year.
- If the corporation is not associated with any corporations in the current taxation year, but was associated in the preceding taxation year, enter the corporation's gross Part I.3 tax for its current taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction**Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction**Reduced business limit (amount from line 425) x 300,000 line 4 above = A

Net active business income (amount from line 400)* 2,942,120 B

Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I Tax 2,942,120 C

Deduct:

Aggregate investment income (amount from line 440 of page 6) D

Amount C minus amount D (if negative, enter "0") 2,942,120 E

Amount A, B, or E above, whichever is less F

Amount Z from Part 9 of Schedule 27 x 100 / 7 = G

Amount QQ from Part 13 of Schedule 27 H

Taxable resource income from line 435 above I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) J

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less K

Total of amounts G, H, I, J, and K L

Amount F minus amount L (if negative, enter "0") M

Accelerated tax reduction — 7.00 % of amount M (enter amount N on line 637 of page 7) N

* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction

| | | | | | |
|--|---|--|---------|------------|---|
| Taxable resource income [as defined in subsection 125.11(1)] | | | | 435 | A |
| Amount A | x | Number of days in the taxation year in 2004 | x 2 % = | | B |
| | | Number of days in the taxation year | 365 | | |
| Amount A | x | Number of days in the taxation year in 2005 | x 3 % = | | C |
| | | Number of days in the taxation year | 365 | | |
| Amount A | x | Number of days in the taxation year in 2006 | x 5 % = | | D |
| | | Number of days in the taxation year | 365 | | |
| Amount A | x | Number of days in the taxation year after 2006 | x 7 % = | | E |
| | | Number of days in the taxation year | 365 | | |
| Resource deduction – total of amounts B, C, D, and E | | | | 438 | F |
| (enter amount F on line 10 of page 7) | | | | | |

General tax reduction for Canadian-controlled private corporations**Canadian-controlled private corporations throughout the taxation year**

| | | | | | |
|---|-----------|-----------|--|-----------|-----------|
| Taxable income from line 360 on page 3 | | | | 2,942,120 | A |
| Amount Z from Part 9 of Schedule 27 | x | 100 / 7 = | | | B |
| Amount QQ from Part 13 of Schedule 27 | | | | | C |
| Taxable resource income from line 435 above | | | | | D |
| Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) | | | | | E |
| Amount on line 400, 405, 410, or 425 on page 4, whichever is the least | | | | | F |
| Aggregate investment income from line 440 of page 6 | | | | | G |
| Amount used to calculate the accelerated tax reduction (amount M of page 4) | | | | | H |
| Total of amounts B, C, D, E, F, G, and H | | | | | I |
| Amount A minus amount I (if negative, enter "0") | | | | 2,942,120 | J |
| Amount J | 2,942,120 | x | Number of days in the taxation year after 2003 | 365 | x 7 % = |
| | | | Number of days in the taxation year | 365 | 205,948 K |
| General tax reduction for Canadian-controlled private corporations – amount K | | | | 205,948 | L |
| (enter amount L on line 638 of page 7) | | | | | |

General tax reduction**Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation**

| | | | | | |
|---|---|--|-----|---------|---|
| Taxable income from line 360 on page 3 | | | | | M |
| Amount Z from Part 9 of Schedule 27 | x | 100 / 7 = | | | N |
| Amount QQ from Part 13 of Schedule 27 | | | | | O |
| Taxable resource income from line 435 above | | | | | P |
| Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) | | | | | Q |
| Total of amounts N, O, P, and Q | | | | | R |
| Amount M minus amount R (if negative, enter "0") | | | | | S |
| Amount S | x | Number of days in the taxation year after 2003 | 365 | x 7 % = | T |
| | | Number of days in the taxation year | 365 | | |
| General tax reduction – amount T | | | | | U |
| (enter amount U on line 639 of page 7) | | | | | |

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income **440** x 26 2 / 3 % = A
(amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7

Deduct:

Foreign investment income **445** x 9 1 / 3 % =
(amount O from Part 1 of Schedule 7) (if negative, enter "0") B

Amount A minus amount B (if negative, enter "0") C

Taxable income from line 360 on page 3 2,942,120

Deduct:

Amount on line 400, 405, 410, or 425 on page 4,
whichever is the least

Foreign non-business
income tax credit from
line 632 of page 7 x 25 / 9 =

Foreign business income
tax credit from line 636
of page 7 x 3 =

2,942,120
x 26 2 / 3 % = 784,565 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) 650,798

Deduct: Corporate surtax from line 600 of page 7 32,952

Net amount 617,846 617,846 E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least **450** F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year **460**

Deduct: Dividend refund for the previous taxation year **465**

Add the total of:

Refundable portion of Part I tax from line 450 above

Total Part IV tax payable from line 360 of Schedule 3

Net refundable dividend tax on hand transferred from a predecessor
corporation on amalgamation, or from a wound-up subsidiary corporation **480**

Refundable dividend tax on hand at the end of the taxation year – Amount G plus amount H **485**

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the taxation year

Taxable dividends paid in the taxation year from line 460 of Schedule 3 x 1 / 3 I

Refundable dividend tax on hand at the end of the taxation year from line 485 above J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 of page 8)

Part I tax**Base amount of Part I tax** — 38.00 % of taxable income (line 360 or amount Z, whichever applies) from page 3 **550** 1,118,006 **A****Corporate surtax calculation**Base amount from line A above 1,118,006 **1****Deduct:**10 % of taxable income (line 360 or amount Z, whichever applies) from page 3 ... 294,212 **2**Investment corporation deduction from line 620 below 3Federal logging tax credit from line 640 below 4Federal qualifying environmental trust tax credit from line 648 below 5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is the least:

28.00 % of taxable income from line 360 of page 3 a28.00 % of taxed capital gains b **6**Part I tax otherwise payable c(line A **plus** lines C and D **minus** line F)Total of lines 2 to 6 294,212 **7**Net amount (line 1 **minus** line 7) 823,794 **8****Corporate surtax** — 4.00 % of the amount on line 8 **600** 32,952 **B**Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 **602** 0 **C****Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income**
(if it was a CCPC throughout the taxation year)Aggregate investment income from line 440 on page 6 iTaxable income from line 360 on page 3 2,942,120**Deduct:**Amount on line 400, 405, 410, or 425 of page 4,
whichever is the least 2,942,120 **ii**Net amount 2,942,120 **ii****Refundable tax on CCPC's investment income** — 6 2 / 3 % of whichever is less: amount i or ii **604** 0 **D**Subtotal (add lines A, B, C, and D) 1,150,958 **E****Deduct:**Small business deduction from line 430 of page 4 9Federal tax abatement **608** 294,212Manufacturing and processing profits deduction from amount BB
or amount RR of Schedule 27 **616** 0Investment corporation deduction
(taxed capital gains **624**) **620** 0Additional deduction — credit unions from Schedule 17 **628** 0Federal foreign non-business income tax credit from Schedule 21 **632** 0Federal foreign business income tax credit from Schedule 21 **636** 0Accelerated tax reduction from amount N on page 4 **637** 0Resource deduction from line 438 on page 5 10General tax reduction for CCPCs from amount R on page 5 **638** 205,948General tax reduction from amount U on page 5 **639** 0Federal logging tax credit from Schedule 21 **640** 0Federal political contribution tax credit **644** 0Federal political contributions **646** 0Federal qualifying environmental trust tax credit **648** 0Investment tax credit from Schedule 31 **652** 0Subtotal 500,160 **F****Part I tax payable** — Line E **minus** line F (enter amount G on line 700 of page 8) 650,798 **G**

Summary of tax and credits**Federal tax**

| | | |
|--|-----|----------------|
| Part I tax payable from page 7 | 700 | 650,798 |
| Part I.3 tax payable from Schedule 33, 34, or 35 | 704 | 22,705 |
| Part II surtax payable from Schedule 46 | 708 | |
| Part IV tax payable from Schedule 3 | 712 | |
| Part IV.1 tax payable from Schedule 43 | 716 | |
| Part VI tax payable from Schedule 38 | 720 | |
| Part VI.1 tax payable from Schedule 43 | 724 | |
| Part XIII.1 tax payable from Schedule 92 | 727 | |
| Part XIV tax payable from Schedule 20 | 728 | |
| Total federal tax | | 673,503 |

Add provincial or territorial tax:

| | | |
|---|------------|------------------|
| Provincial or territorial jurisdiction | 750 | Ontario |
| (if more than one jurisdiction, enter "multiple" and complete Schedule 5) | | |
| Net provincial or territorial tax payable (except Quebec, Ontario, and Alberta) | 760 | |
| Provincial tax on large corporations (New Brunswick and Nova Scotia) | 765 | |
| Total tax payable | 770 | 673,503 A |

Deduct other credits:

| | | |
|--|------------|------------------|
| Investment tax credit refund from Schedule 31 | 780 | |
| Dividend refund from page 6 | 784 | |
| Federal capital gains refund from Schedule 18 | 788 | |
| Federal qualifying environmental trust tax credit refund | 792 | |
| Canadian film or video production tax credit refund (Form T1131) | 796 | |
| Film or video production services tax credit refund (Form T1177) | 797 | |
| Tax withheld at source | 800 | |
| Total payments on which tax has been withheld | 801 | |
| Allowable refund for non-resident-owned investment corporations from Schedule 26 | 804 | |
| Provincial and territorial capital gains refund from Schedule 18 | 808 | |
| Provincial and territorial refundable tax credits from Schedule 5 | 812 | |
| Royalties deductible under Syncrude Remission Order | 815 | |
| Tax remitted under Syncrude Remission Order | 816 | |
| Tax instalments paid | 840 | 673,503 |
| Total credits | 890 | 673,503 |
| Balance (line A minus line B) | | 673,503 B |

Refund code **894** 1 Overpayment**Direct deposit request**

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

☐ Start ☐ Change information **910** Branch number
914 Institution number **918** Account number

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid
Enclosed payment **898**

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due?

896 1 Yes ☐ 2 No ☒

Certification

I, **950** Pawlowicz Last name **951** Stanly First name **954** V.P. Finance & Corporate Servi Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 2007-02-19 Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956 (705) 675-7536 Telephone number

Is the contact person the same as the authorized signing officer? If No, complete the information below

957 1 Yes ☒ 2 No ☐

958 Name

959 Telephone number

Language of correspondence – Langue de correspondance

990 Indicate the language in which you would like to receive correspondence.
Indiquer la langue de correspondance de votre choix. 1 English / Anglais ☒ 2 Français / French ☐

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada

SCHEDULE 1

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

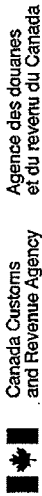
| | | |
|--|-------------------|-------------------------------------|
| Corporation's name | Business Number | Taxation year end Year Month Day |
| Greater Sudbury Hydro Inc./Hydro Du Grand Sudbury Inc. | 86593 7593 RC0001 | 2005-12-31 |

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- Please provide us with the applicable details in the Identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.
- For more information, see the *T2 Corporation Income Tax Guide*.

| | | | |
|---|-----|-----------|-----------|
| Net income (loss) after taxes and extraordinary items per financial statements | | 143,542 | A |
| Add: | | | |
| Provision for income taxes – current | 101 | -113,646 | |
| Interest and penalties on taxes | 103 | 580 | |
| Amortization of tangible assets | 104 | 4,477,003 | |
| Subtotal of additions | | 4,363,937 | 4,363,937 |
| Other additions: | | | |
| Miscellaneous other additions: | | | |
| 600 Accrued future benefit cost | 290 | 686,506 | |
| 601 Enerconnect Limited Partnership | 291 | 3,234 | |
| 602 Regulatory asset variance | 292 | 1,101,538 | |
| Subtotal of other additions | 199 | 1,791,278 | 1,791,278 |
| Total additions | 500 | 6,155,215 | 6,155,215 |
| Deduct: | | | |
| Gain on disposal of assets per financial statements | 401 | 4,405 | |
| Capital cost allowance from Schedule 8 | 403 | 3,085,053 | |
| Subtotal of deductions | | 3,089,458 | 3,089,458 |
| Other deductions: | | | |
| Miscellaneous other deductions: | | | |
| 700 Actual benefit payments | 390 | 221,430 | |
| 701 Contribution repayments from 2001 | 391 | 1,766 | |
| 702 Contribution repayments from 2002 | 392 | 25,636 | |
| 703 Contribution repayments from 2003 | 393 | 18,347 | |
| Subtotal of other deductions | 499 | 267,179 | 267,179 |
| Total deductions | 510 | 3,356,637 | 3,356,637 |
| Net income (loss) for income tax purposes – enter on line 300 of the T2 return | | 2,942,120 | |

T2 SCH 1 E (01)

Canada



CAPITAL COST ALLOWANCE (CCA)

| | | |
|--|-------------------|-------------------------------------|
| Name of corporation | Business Number | Taxation year end Year Month Day |
| Greater Sudbury Hydro Inc./Hydro Du Grand Sudbury Inc. | 86593 7593 RC0001 | 2005-12-31 |

Is the corporation electing under regulation 1101(5q)? **101** 1 Yes ☐ 2 No ☒

| 1 Class number | 2 Undepreciated capital cost at the beginning of the year | 3 Cost of acquisitions during the year* | 4 Net adjustments | 5 Proceeds of dispositions during the year (amount not to exceed the capital cost) | 6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5) | 7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)** | 8 Reduced undepreciated capital cost (column 6 minus column 7) | 9 CCA rate % | 10 Recapture of capital cost allowance (amount on line 107 of Schedule 1) | 11 Terminal loss (amount on line 404 of Schedule 1) | 12 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) (amount on line 403 of Schedule 1)*** | 13 Undepreciated capital cost at the end of the year (column min. column 12) |
|----------------------|---|---|----------------------|--|--|---|---|-----------------------|---|---|--|---|
| 200 | 201 | 203 | 205 | 207 | | 211 | | 212 | 213 | 215 | 217 | 220 |
| 1 | 62,294,208 | 346,919 | | 0 | 62,641,127 | 173,460 | 62,467,667 | 4 | 0 | 0 | 2,498,707 | 60,142,420 |
| 2 | 331,257 | 52,142 | | 0 | 383,399 | 26,071 | 357,328 | 20 | 0 | 0 | 71,466 | 311,933 |
| 3 | 715,826 | 286,030 | | 4,406 | 997,450 | 140,812 | 856,638 | 30 | 0 | 0 | 256,991 | 740,459 |
| 4 | 1,132,526 | | | 0 | 1,132,526 | | 1,132,526 | 12 | 0 | 0 | 135,903 | 996,623 |
| 5 | | 2,700,737 | | 0 | 2,700,737 | 1,350,369 | 1,350,368 | 8 | 0 | 0 | 108,029 | 2,592,708 |
| 6 | | 27,914 | | 0 | 27,914 | 13,957 | 13,957 | 100 | 0 | 0 | 13,957 | 13,957 |
| Total | 64,473,817 | 3,413,742 | | 4,406 | 67,883,153 | 1,704,669 | 66,178,484 | | | | 3,085,053 | 64,798,100 |

* Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see Regulation 1100(2) and (2.2).

** The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

*** If the taxation year is shorter than 365 days, prorate the CCA claim.

See the T2 Corporation Income Tax Guide for more information.

T2 SCH 8 (99)

Canada