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November 10, 2011

VIA MAIL and E-MAIL

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
Toronto, ON
M4P 1E4

Dear Ms. Walli:

RE: Lakeland Power Distribution Ltd.
EB-2011-0180
2012 IRM3

Lakeland Power Distribution Ltd is submitting its application for the 2012 Distribution Rates utilizing the 2012 IRM3 methodology and Board models as per Chapter 3 of the Filing Requirements for Transmission and Distribution Applications, dated June 22, 2011.

An electronic copy of the application (pdf, and models in excel) will be submitted through the OEB e-Filing services and two hard copies via courier.

If you have any further questions, please do not hesitate to contact me.

Respectfully submitted,

Margaret Maw
CFO
Lakeland Holding Ltd.

Lakeland Power Distribution Ltd.

2012 Distribution Rate Adjustment Application

(EB-2011-0180)

Effective May 1, 2012

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

AND IN THE MATTER OF an Application by Lakeland Power Distribution Ltd. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of May 1, 2012.

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Manager's Summary

Lakeland Power Distribution Ltd. (LPDL) is a corporation incorporated pursuant to the *Ontario Business Corporations Act* with its head office in the Town of Huntsville. LPDL carries on the business of distributing electricity for the Town of Bracebridge, Town of Huntsville, Municipality of Magnetawan, Village of Burk's Falls and the Village of Sundridge.

LPDL hereby applies to the Ontario Energy Board (the "Board") pursuant to Section 78 of the *Ontario Energy Board Act, 1998 (the "OEB Act")* for approval of its proposed adjustments to its distribution rates and other charges, effective May 1, 2012.

LPDL has followed Chapter 3 of the Board's *Filing Requirements for Transmission and Distribution Applications* dated June 22, 2011 in order to prepare this application.

Incentive Regulation Rate Adjustments

The Schedule of Rates and Charges proposed in this Application is provided on page 29. The proposed rates reflect an adjustment to the rates previously approved in the rate order issued by the Board on March 17, 2011, Board Filing EB-2010-0096. The proposed adjustments include:

1. A price cap adjustment;
2. The continuation of the current low voltage service charges as approved in EB-2009-0234;
3. The approval for the proposed adjustments to the current Retail Transmission Service Rates as approved in EB-2009-0234;
4. The approval of rate rider for the disposition of the balances of Group 1 deferral and variance accounts only for Account 1521 and Account 1562;

5. The approval for the proposed volumetric rate rider for Shared Tax Savings as calculated in workform for the period May 1, 2012 to April 30, 2013;
6. The approval of a rate rider for Lost Revenue Mechanism (LRAM) Recovery as calculated in Appendix F for the period May 1, 2012 to April 30, 2013;
7. The continuation of existing specific service charges and loss factors as approved in EB-2009-0234 and;
8. Foregone Revenue Rate Rider only in the event the Board is unable to provide its Decision and Order for rates effective May 1, 2012.

The details of these adjustments are provided in the models that accompany this application and are summarized in the following pages.

Proposed Adjustments

1. **Price Cap Adjustment**

   LPDL has calculated the price cap adjustment of 0.18%. This calculation is based upon a price escalator of 1.3%, an X-factor of 0.72% and the proxy stretch factor of 0.4%. LPDL acknowledges that the Board may update LPDL's Rate Generator Model with the updated price escalator and adjust the stretch factor.

2. **Low Voltage Service Charges**

   Pursuant to the decision in proceeding EB-2009-0234, LPDL will continue with the current low voltage service charges.

3. **Retail Transmission Service Rates**

LPDL has calculated the adjustment to the current retail transmission service rates as approved in its 2011 IRM application, EB-2010-0096. The detailed calculations may be found in the *2012 RTSR Adjustments Workform* that accompanies this application, Appendix C.

4. **Deferral and Variance Account Rate Riders**

LPDL has calculated the Deferral Account rate riders including the Global adjustment rate rider as per the Deferral and Variance Account workform. The totals do not meet the threshold test so the only disposition request is for Accounts 1521 and 1562. LPDL is proposing the rate riders for one year with a sunset date of April 30, 2013. The detailed calculations may be found in the *2012 Rate Generator Workform* that accompanies this application, Appendix A.

Account 1521 is the Special Purpose Charge (SPC) Assessment Variance Account. LPDL recovered the SPC from customers for a 12-month period beginning May 1, 2010 and is applying to seek disposition of the residual balance and associated carrying charges. Chapter 3 of the filing guidelines states: *"…distributors…are required to apply no later than April 15, 2012 for an order authorizing the disposition of any residual balance in sub-account 2010 SPC Assessment Variance", and, "The Board expects that requests for disposition of the balance in sub-account 2010 SPC Assessment Variance and associated carrying charges will be addressed as part of the proceedings to set rates for the 2012 rate year."*

LPDL requests disposition of the residual balance, $42,584 over a one year period.

Account 1562 Deferred Payments in Lieu of Taxes (PILs)
LPDL is requesting disposition of this account following the principles as determined in the combined proceeding and decision EB-2008-0381. LPDL is applying to recover a debit balance of $15,091. The details and supporting documents can be found in section 8 and in Appendices E 1-20.

The total for the two accounts to be disposed of is $57,675 ($42,584 + $15,091)

Please indicate the Rate Rider Recovery Period (in years) 1

Rate Class	Unit	Billed kWh	Billed kW	Accounts Allocated by kWh/kW (RPP) or Distribution Revenue	Deferral/Variance Account Rate Rider	
Residential	$/kWh	82,722,597	-	$ 24,819	$0.00030	$/kWh
General Service Less Than 50 kW	$/kWh	44,672,868	-	$ 12,402	$0.00028	$/kWh
General Service 50 to 4,999 kW	$/kW	84,181,833	208,067	$ 19,533	$0.09388	$/kW
Unmetered Scattered Load	$/kWh	165,657	-	$ 71	$0.00043	$/kWh
Sentinel Lighting	$/kW	41,068	97	$ 19	$0.19327	$/kW
Street Lighting	$/kW	1,872,584	5,075	$ 832	$0.16394	$/kW
Total		213,656,607	213,239	$ 57,675		

The billing determinants used in the Rate Generator workform are the 2009 RRR actual values as that was what was used in the 2011 IRM application and due to the material difference between the latest Board-approved volumetric forecast and the most recent 12-month volumetric data as seen in the table below.

Billing Determinant (kWh/kW)	2009 Cost of Service	2009 RRR	Variance to 2009 COS	2010 RRR	Variance to 2009 COS
Residential	87,027,546	82,722,597	-4.9%	77,894,336	-10.5%
General Service Less Than 50 kW	49,211,450	44,672,868	-9.2%	41,668,843	-15.3%
General Service 50 to 4,999 kW	209,041	208,067	-0.5%	203,252	-2.8%
Unmetered Scattered Load	249,040	165,657	-33.5%	141,050	-43.4%
Sentinel Lighting	115	97	-15.7%	113	-1.7%
Street Lighting	5,336	5,075	-4.9%	5,087	-4.7%

5. Tax Changes

The Board has determined that currently known legislated tax changes will be reflected in IRM adjustments and that a 50/50 sharing of those tax changes between LPDL and its rate payers is appropriate. Based upon LPDL's taxable income from its 2009 Cost of Service Application, the shared amount is $38,129. LPDL has calculated volumentric rate riders using the Board's Shared Tax Savings Workform to be in effect for a 12-month period. The results are summarized in the following table.

Rate Class	Shared Tax Savings Amount	Volumetric Billing Determinant	Distribution Volumetric Rate Rider
Residential	-$20,791	kWh	-$0.0002
General Service Less Than 50 kW	-$8,736	kWh	-$0.0002
General Service 50 to 4,999 kW	-$7,337	kW	-$0.0351
Unmetered Scattered Load	-$94	kWh	-$0.0004
Sentinel Lighting	-$26	kW	-$0.2292
Street Lighting	-$1,145	kW	-$0.2146
Total	**-$38,129**		

The Shared Tax Savings Workform is attached as Appendix B.

6. **Revenue to Cost Ratio Adjustments**

In its 2009 Cost of Service Application, EB-2008-0234, the Board's decision prescribed a phase-in period to adjust its revenue-to-cost ratios in sentinel and streetlighting rate classes mitigated in the GS>50 kW rate class. The following table shows the phase-in period .

Rate Class	2009 COS Ratio	2010 Ratio	2011 Ratio	Target Range
Residential	100.00	100.00	100.00	85 - 115
GS < 50 kW	99.99	99.99	99.99	80 – 120
GS > 50 kW	121.88	118.21	114.33	80 – 180
USL	47.11	47.11	47.11	80 – 120

Sentinel Lighting	53.47	61.74	70.00	70 – 120
Street Lighting	51.64	60.85	70.00	70 - 120

From 2011 IRM Supplemental Filing:

Rate Class	Direction	Current Year 2010	Transition Year 1 2011	Transition Year 2 2012	Transition Year 3 2013	Transition Year 4 2014	Transition Year 5 2015
Residential	No Change	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
General Service Less Than 50 kW	No Change	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
General Service 50 to 4,999 kW	Rebalance	118.00%	tbd	tbd	tbd	tbd	tbd
Unmetered Scattered Load	No Change	47.11%	47.11%	47.11%	47.11%	47.11%	47.11%
Sentinel Lighting	Change	61.74%	70.00%	70.00%	70.00%	70.00%	70.00%
Street Lighting	Change	60.82%	70.00%	70.00%	70.00%	70.00%	70.00%

The phase-in period is complete and as such there is no adjustment to the Revenue to Cost Ratio.

7. Lost Revenue Adjustment Mechanism ("LRAM")

In this application LPDL is seeking LRAM recovery associated with 2006 to 2010 savings from Ontario Power Authority (OPA) provincial programs that LPDL participated in from 2006 to 2010.

Filing guidelines and the required eligibility criteria outlined in Section 6.3 of Chapter 6 of the Filing Requirements for Transmission and Distribution Applications allow for recovery of lost revenue and shared savings.

LPDL participated in 7 OPA provincial programs from 2006 to 2010. CDM activities related to these OPA-sponsored programs have resulted in foregone revenues from 2006 to 2010 of $103,755 plus interest to April 2012 of $6,094 for a total of $109,850. LPDL is seeking to recover this lost revenue through a Lost Revenue Adjustment Mechanism (LRAM) in its 2012 rates. The detailed

calculations supporting the foregone revenue are provided in Appendix D. Appendix D also provides information on the savings by program by year on a gross and net basis and outlines the free ridership percentage. The information on the level of achieved savings used in Appendix D was provided by OPA up to 2009 and an estimate for 2010 based on the number of installs or on methods of estimating program savings, and will be updated once OPA provides final results.

The Ontario Energy Board (OEB) outlined the LRAM processes in the March 28, 2008 Guidelines for Electricity Distributor Conservation and Demand Management EB-2008-0037) ("CDM Guidelines"). The CDM Guidelines were applied to the preparation of this LRAM requested recovery. LRAM calculations are made from the energy savings data from measured CDM program results as applied to the affected rate class for OPA programming, which represents the lost revenue to the distributor and may be claimed under LRAM. This request for LRAM compensation is part of LPDL's 2012 IRM rate application and is based on its 2006 to 2010 inclusive CDM results for OPA programs initiated in 2006 to 2010.

LRAM was calculated as the product of the demand/energy savings by customer class and the Board-approved variable distribution charge appropriate to each respective class (net of Regulatory Asset Recovery rate riders). For the purposes of this request, LPDL has assumed only OPA sponsored program are eligible for LRAM and has not included energy or demand savings related to the Third Tranche programs.

LRAM amounts were identified by rate class consistent with the CDM Guidelines for OPA programs that impacted revenues from

2006 to 2010. The impact of CDM savings was not reflected in the approved load forecast used to support the approved rates in LPDL's 2009 cost of service application. The entire actual load reduction achieved by the OPA sponsored programs is subject to LRAM treatment. All results are net of free ridership.

Appendix D summarizes the CDM load impacts by program and rate class and the resultant revenue impacts. The lost revenue from the sum of all OPA programs is $103,755 plus interest to April 2012 of $6,094 for a total claim of $109,850. The following Table provides the summary LRAM calculation and rate rider by rate class. LPDL is requesting a 1 (One) year rate rider for the LRAM. The volumetric rate rider was inputted into Tab 14, Proposed Rate Riders of the 2012 IRM Rate Generator Model.

LRAM Rate Rider	LRAM	Interest	Total LRAM Claim	2009 Approved Billing Determinant	UOM	LRAM Rider	
Residential	$93,348	$5,483	$98,831	82,722,597	kWh	0.0012	(/kWh)
General Service Less Than 50 kW	$8,921	$524	$9,445	44,672,868	kWh	0.0002	(/kWh)
General Service 50 to 4,999 kW	$1,486	$87	$1,573	208,067	kW	0.0076	(/kW)
Total	**$103,755**	**$6,094**	**$109,850**				

8. **Payments in Lieu of Taxes**

Lakeland Power Distribution Ltd. (LPDL) has completed an evidence package to support the disposition of the 1562 Deferred PILs Regulatory Asset Account, as part of the current IRM rate application.

The evidence conforms to the principles set out in the combined proceeding decision, EB-2008-0381. In addition, it provides

documentation subsequently requested in the Board Staff interrogatories to other applicants.

Application for Disposition

LPDL is applying to recover a debit balance (owing from customers) of $15,090 as per the continuity schedule found in Appendix 1. This amount includes principle to April 30, 2006 of $ (11,499) plus interest to April 30, 2012 of $26,589. The schedule provides the summary of the Board approved PILs amounts from the Rate Adjustment models, true-up variances from SIMPIL models, PILs billed to customers and the related carrying charges at the Board prescribed rates.

Appendix 2 provides a schedule of PILs recoveries that are derived from billing determinants multiplied by the approved PILs rate slivers. For March 1, 2002 to March 31, 2004, the rate slivers were composed of both a fixed and variable portion. From April 1, 2004 until April 31, 2006, only a variable portion was calculated. Unbilled revenue is not utilized in this exercise but rather the exact quantities and rates for the appropriate consumption month in the month of billing which has a shift of approximately one month delay (consumption month versus billing month)

LPDL has used the maximum tax rate in the SIMPIL models and its view is, it would appear the Board simplified the process by choosing the maximum tax rate for true-up purposes. To have each LDC come up with their actual effective tax rate will not allow the Board to deal with issue" expeditiously and in a largely administrative manner."

Using the maximum tax rates is consistent with KPMG's view and the views of other parties working on this issue. A review of the

Halton Hills, Barrie and EnWin models indicate they all used the Maximum Tax rate even when their taxable income was at zero in some cases. Based on this it is reasonable to assume that the maximum rate should be used since the Board outlined the following in their Decision with regards to other Distributors.

"*ALL OTHER DISTRIBUTORS*
Following the approach used in the Regulatory Asset proceeding, the Board will establish a process whereby the conclusions from this proceeding may be applied to the remaining distributors. Each remaining distributor will be expected to apply for final disposition of account 1562 with its next general rates application (either IRM or cost of service). If the distributor files evidence in accordance with all the various decisions made in the course of this proceeding, including the use of the updated model referenced above and certifies to that effect, the distributor may expect that the determination of the final account balance will be handled expeditiously and in a largely administrative manner.

Distributors are of course able to file on a basis which differs from that which is contemplated by the decisions in this proceeding. In that event, the application can be expected to take some time to process, and therefore, should not be made as part of an IRM application."

In completing the required information to support the 1562 balance LPDL reflected the Ministry of Finance Assessment notices for the years 2001 to 2005 which as noted above are provided in Appendix 16 to 20. LPDL confirms that all tax years from 2001 to 2005 are statute barred.

Adjusted SIMPIL Variance Account True-ups

LPDL utilized the SIMPIL model from HONI Brampton for Q4 2001 and from Halton Hills for 2002 through 2005. The True-up Variance and Deferal Account Variance adjustment items by year are as follows:

Q4 2001 (Appendix 11)

TAXREC2 – no adjustments

TAXREC3 – no adjustments

Result is a Deferral Account Variance Adjustment of $(3,548) due to the initial estimate of the Large Corporation tax being for a full year rather than 92/365.

2002 (Appendix 12)

TAXREC2 – no adjustments

TAXREC3 – $(16,640) gain on disposal of assets

Result is a True-up variance of $(53,108) due to the initial estimate having regulatory adjustments that totalled $85,946 in income increase that was not in actual income.

2003 (Appendix 13)

TAXREC2 – no adjustments

TAXREC3 – $4,476 – deemed dividend income

- $2,799 – penalty on unpaid taxes
- $(5,937) – gain on disposal of assets

- $ (54) – income from joint ventures

Result is True-up variance of $(48,796) due to the initial estimate having regulatory adjustments that totalled $85,946 in income increase that was not in actual income. Also, a Deferral Account Variance Adjustment of $(32,251) due to the change in tax rate from 38.62% to 36.62%.

2004 (Appendix 14)

TAXREC2 – no adjustments

TAXREC3 – no adjustments

Result is True-up variance of $(47,715) due to the initial estimate having regulatory adjustments that totalled $85,946 in income increase that was not in actual income. Also, a Deferral Account Variance Adjustment of $(41,828) due to the change in tax rate from 38.62% to 36.06%.

2005 (Appendix 15)

TAXREC2 – no adjustments

TAXREC3 – no adjustments

Result is a Deferral Account Variance Adjustment of $145,405 due to the change in tax rate from 27.5% to 36.12%.

Allocation to Customer Classes

LPDL proposes to dispose of the PILs balance over a one year period based on the proportion of Distribution Revenue for each customer class shown in the table below. The rate rider is

calculated using the billing determinants (kWh or kW) for each customer class. The distribution revenue determinants are those used in LPDL's 2009 Cost of Service application while the billing determinants are those used in the 2011 IRM filing, as filed in the OEB 2009 RRR Filing.

Rate Class	Distribution Revenue 2009 COS	Allocation %	1562 Disposition	Recovery Period	Billing Determinant (kWh/kW)	Proposed Rate Rider	
Residential	$ 2,578,659	55.2%	$ 8,331	1 yr	82,722,597	0.0001	per kWh
General Service Less Than 50 kW	$ 1,082,654	23.2%	$ 3,498	1 yr	44,672,868	0.0001	per kWh
General Service 50 to 4,999 kW	$ 852,391	18.2%	$ 2,754	1 yr	208,067	0.0132	per kW
Unmetered Scattered Load	$ 141,987	3.0%	$ 459	1 yr	165,657	0.0028	per kW
Sentinel Lighting	$ 3,269	0.1%	$ 11	1 yr	97	0.1089	per kW
Street Lighting	$ 11,677	0.3%	$ 38	1 yr	5,075	0.0074	per kW
Total	$ 4,670,637	100.0%	**$ 15,090**				

Billing Determinant (kWh/kW)	2009 Cost of Service	2009 RRR	Variance to 2009 COS	2010 RRR	Variance to 2009 COS
Residential	87,027,546	82,722,597	-4.9%	77,894,336	-10.5%
General Service Less Than 50 kW	49,211,450	44,672,868	-9.2%	41,668,843	-15.3%
General Service 50 to 4,999 kW	209,041	208,067	-0.5%	203,252	-2.8%
Unmetered Scattered Load	249,040	165,657	-33.5%	141,050	-43.4%
Sentinel Lighting	115	97	-15.7%	113	-1.7%
Street Lighting	5,336	5,075	-4.9%	5,087	-4.7%

9. Specific Service Charges and Loss Factors

Pursuant to the decision in proceeding EB-2009-0234, LPDL will continue with the Specific Service Charges and loss factors.

10. Foregone Revenue Rate Rider

LPDL is requesting a Foregone Revenue Rate Rider only in the event the Board is unable to provide its Decision and Order for rates effective May 1, 2011

LPDL is not requesting a Renewable Generation Connection Funding Adder nor a Smart Grid Funding Adder in this application.

LPDL acknowledges that a prudence review of smart meter costs during the IRM plan term will be filed subsequent to this application in a stand-alone smart meter cost recovery application.

Bill Impact Summary

The distribution rate adjustments and overall bill impacts for Residential and General Service customers have the following effect:

Class	kWh/kW	Distribution and Retail Impact	Total Bill Impact
Residential	800 kWh	(1.0)%	(0.31)%
General Service <50 kW	2000 kWh	2.54%	0.64%
General Service >50 kW	2500 kW	28.02%	2.13%

Dated at Huntsville Ontario, this 10th day of November, 2011



Margaret Maw

Chief Financial Officer

Lakeland Power Distribution Ltd.

Current Tariff Sheet

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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

EB-2010-0096

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, town house (freehold or condominium) dwelling units, duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. Further servicing details are available in our Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	15.22
Smart Meter Funding Adder – effective until April 30, 2012	$	2.50
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.19
Distribution Volumetric Rate	$/kWh	0.0137
Low Voltage Service Rate	$/kWh	0.0024
Rate Rider for Global Adjustment Sub-Account (2011) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	$/kWh	0.0096
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2012	$/kWh	(0.0069)
Rate Rider for Tax Change – effective until April 30, 2012	$/kWh	(0.0002)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0050
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0039

MONTHLY RATES AND CHARGES – Regulatory Component

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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

EB-2010-0096

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or is expected to be less than 50 kW. Further servicing details are available in our Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	36.33
Smart Meter Funding Adder – effective until April 30, 2012	$	2.50
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.38
Distribution Volumetric Rate	$/kWh	0.0083
Low Voltage Service Rate	$/kWh	0.0021
Rate Rider for Global Adjustment Sub-Account (2011) – effective until April 30, 2012		
Applicable only for Non-RPP Customers	$/kWh	0.0096
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2012	$/kWh	(0.0069)
Rate Rider for Tax Change – effective until April 30, 2012	$/kWh	(0.0001)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0036

MONTHLY RATES AND CHARGES – Regulatory Component

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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

EB-2010-0096

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is expected to be equal to or greater than 50 kW but less than 5,000 kW. Further servicing details are available in our Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	483.20
Smart Meter Funding Adder – effective until April 30, 2012	$	2.50
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	5.18
Distribution Volumetric Rate	$/kW	1.399
Low Voltage Service Rate	$/kW	0.8393
Rate Rider for Global Adjustment Sub-Account (2011) – effective until April 30, 2012 Applicable only for Non-RPP Customers	$/kW	3.8681
Rate Rider for Deferral/Variance Account Disposition(2011) – effective until April 30, 2012	$/kW	(2.8087)
Rate Rider for Tax Change – effective until April 30, 2012	$/kW	(0.0261)
Retail Transmission Rate – Network Service Rate	$/kW	1.9667
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.5296

MONTHLY RATES AND CHARGES – Regulatory Component

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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

EB-2010-0096

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than or expected to be less than 50 kW and is unmetered. A detailed calculation of the load will be calculated for billing purposes. Further servicing details are available in our Conditions of Service.

APPLICATION

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

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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	$	17.92
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.15
Distribution Volumetric Rate	$/kWh	0.0081
Low Voltage Service Rate	$/kWh	0.0021
Rate Rider for Global Adjustment Sub-Account (2011) – effective until April 30, 2012 Applicable only for Non-RPP Customers	$/kWh	0.0096
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2012	$/kWh	(0.0069)
Rate Rider for Tax Change – effective until April 30, 2012	$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0036

MONTHLY RATES AND CHARGES – Regulatory Component

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0096

SENTINEL LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	$	4.85
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.03
Distribution Volumetric Rate	$/kW	16.7883
Low Voltage Service Rate	$/kW	0.6624
Rate Rider for Global Adjustment Sub-Account (2011) – effective until April 30, 2012 Applicable only for Non-RPP Customers	$/kW	3.7914
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2012	$/kW	(2.9391)
Rate Rider for Tax Change – effective until April 30, 2012	$/kW	(0.2429)
Retail Transmission Rate – Network Service Rate	$/kW	1.4696
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.1273

MONTHLY RATES AND CHARGES – Regulatory Component

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0096

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved OEB Street Lighting Load Shape Template. Further servicing details are available in our Conditions of Service.

APPLICATION

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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	$	4.79
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	$	0.03
Distribution Volumetric Rate	$/kW	14.6546
Low Voltage Service Rate	$/kW	0.6488
Rate Rider for Global Adjustment Sub-Account (2011) – effective until April 30, 2012 Applicable only for Non-RPP Customers	$/kW	3.5279
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2012	$/kW	(2.5615)
Rate Rider for Tax Change – effective until April 30, 2012	$/kW	(0.0235)
Retail Transmission Rate – Network Service Rate	$/kW	1.4325
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.1164

MONTHLY RATES AND CHARGES – Regulatory Component

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0096

microFIT GENERATOR SERVICE CLASSIFICATION

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

APPLICATION

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

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	$	5.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2011

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EB-2010-0096

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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Customer Administration		
Arrears certificate	$	15.00
Statement of account	$	15.00
Request for other billing information	$	15.00
Income tax letter	$	15.00
Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	$	30.00
Collection of account charge – no disconnection - after regular hours	$	165.00
Disconnect/Reconnect at meter – during regular hours	$	65.00
Disconnect/Reconnect at meter – after regular hours	$	185.00
Disconnect/Reconnect at pole – during regular hours	$	185.00
Disconnect/Reconnect at pole – after regular hours	$	415.00
Temporary service install & remove – overhead – no transformer	$	500.00
Install/Remove load control device – during regular hours	$	65.00
Install/Remove load control device – after regular hours	$	185.00
Specific Charge for Access to the Power Poles – per pole/year	$	22.35

Lakeland Power Distribution Ltd.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2011

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EB-2010-0096

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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

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

LOSS FACTORS

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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0585
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0480

Lakeland Power Distribution Ltd.

Proposed Tariff Sheet

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0180

RESIDENTIAL SERVICE CLASSIFICATION

Tjis classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, town house (freehold or condominium) dwelling units, duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. Further servicing details are available in our Conditions of Service.

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Componen		
Service Charge	$	15.25
Distribution Volumetric Rate	$/kWh	0.0137
Low Voltage Service Rate - Effective Until	$/kWh	0.0024
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kWh	-0.0002
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - Effective Unti	$/kWh	0.0012
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	$/kWh	0.0021
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0016

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0180

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in our Conditions of Service

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Componen		
Service Charge	$	36.40
Distribution Volumetric Rate	$/kWh	0.0083
Low Voltage Service Rate - Effective Until	$/kWh	0.0021
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kWh	-0.0002
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - Effective Unti	$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	$/kWh	0.0019
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0015

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0180

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in our Conditions of Service.

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Componen		
Service Charge	$	484.07
Distribution Volumetric Rate	$/kW	1.4015
Low Voltage Service Rate - Effective Until	$/kW	0.8393
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kW	-0.0351
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery - Effective Unti	$/kW	0.0076
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	0.0939
Retail Transmission Rate – Network Service Rate	$/kW	0.8199
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.6429

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0180

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than or expected to be less than 50 kW and is unmetered. A detailed calculation of the load will be calculated for billing purposes. Further servicing details are available in our Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	17.95
Distribution Volumetric Rate	$/kWh	0.0081
Low Voltage Service Rate - Effective Until	$/kWh	0.0021
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kWh	-0.0004
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0004
Retail Transmission Rate – Network Service Rate	$/kWh	0.0019
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0015

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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EB-2011-0180

SENTINEL LIGHTING SERVICE CLASSIFICATION

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

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	4.86
Distribution Volumetric Rate	$/kW	16.8185
Low Voltage Service Rate - Effective Until	$/kW	0.6624
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kW	-0.2291
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	0.1933
Retail Transmission Rate – Network Service Rate	$/kW	0.6127
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.4738

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

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Implementation Date May 1, 2012

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EB-2011-0180

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in our Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	4.80
Distribution Volumetric Rate	$/kW	14.681
Low Voltage Service Rate - Effective Until	$/kW	0.6488
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kW	-0.2144
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	0.1639
Retail Transmission Rate – Network Service Rate	$/kW	0.5972
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	0.4692

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

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EB-2011-0180

microFIT GENERATOR SERVICE CLASSIFICATION

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APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Componen

Service Charge	$	5.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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

Customer Administration

Arrears certificate	$	15.00
Statement of account	$	15.00
Request for other billing information	$	15.00
Income tax letter	$	15.00
Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if ap	$	30.00
Special meter reads	$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Collection of account charge - no disconnection - after regular hours	$	165.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	185.00
Disconnect/Reconnect at pole - during regular hours	$	185.00
Disconnect/Reconnect at pole - after regular hours	$	415.00
Temporary service install & remove - overhead - no transformer	$	500.00
Install/Remove load control device - during regular hours	$	65.00
Install/Remove load control device - after regular hours	$	185.00

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

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

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

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

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

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

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

LOSS FACTORS

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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0585
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0480

Lakeland Power Distribution Ltd.

Bill Impacts



Rate Class

Residential

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	15.22	15.25
Smart Meter Funding Adder	2.50	-
Service Charge Rate Rider(s)	0.19	-
Distribution Volumetric Rate	0.01370	0.01372
Distribution Volumetric Rate Rider(s)	(0.00710)	0.00130
Low Voltage Volumetric Rate	0.00240	0.00240
Retail Transmission Rate – Network Service Rate	0.00500	0.00210
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00390	0.00160
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0585	1.0585

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

Current Loss Factor	*1.0585*
Proposed Loss Factor	*1.0585*

Residential	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	34.73%
Energy Second Tier (kWh)	246.80	0.0790	19.50	246.80	0.0790	19.50	0.00	0.00%	16.60%
Sub-Total: Energy			**60.30**			**60.30**	**0.00**	**0.00%**	**51.32%**
Service Charge	1	15.22	15.22	1	15.25	15.25	0.03	0.18%	12.98%
Service Charge Rate Rider(s)	1	2.69	2.69	1	0.00	0.00	-2.69	(100.00)%	0.00%
Distribution Volumetric Rate	800	0.0137	10.96	800	0.0137	10.98	0.02	0.18%	9.35%
Low Voltage Volumetric Rate	800	0.0024	1.92	800	0.0024	1.92	0.00	0.00%	1.63%
Distribution Volumetric Rate Rider(s)	800	(0.0071)	(5.68)	800	0.0013	1.04	6.72	(118.31)%	0.89%
Total: Distribution			**25.11**			**29.19**	**4.08**	**16.24%**	**24.84%**
Retail Transmission Rate – Network Service Rate	846.80	0.0050	4.23	846.80	0.0021	1.78	-2.46	(58.00)%	1.51%
Retail Transmission Rate – Line and Transformation Connection Service Rate	846.80	0.0039	3.30	846.80	0.0016	1.35	-1.95	(58.97)%	1.15%
Total: Retail Transmission			**7.54**			**3.13**	**-4.40**	**(58.43)%**	**2.67%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**32.65**			**32.32**	**-0.33**	**(1.00)%**	**27.51%**
Wholesale Market Service Rate	846.80	0.0052	4.40	846.80	0.0052	4.40	0.00	0.00%	3.75%
Rural Rate Protection Charge	846.80	0.0013	1.10	846.80	0.0013	1.10	0.00	0.00%	0.94%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.21%
Sub-Total: Regulatory			**5.75**			**5.75**			**4.90%**
Debt Retirement Charge (DRC)	800.00	0.00700	**5.60**	800	0.0070	**5.60**	**0.00**	**0.00%**	**4.77%**
Total Bill before Taxes			**104.30**			**103.97**	**-0.33**	**(0.31)%**	**88.50%**
HST		13%	**13.56**		13%	**13.52**	**-0.04**	**(0.31)%**	**11.50%**
Total Bill			**117.86**			**117.49**	**-0.37**	**(0.31)%**	**100.00%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-11.79**		(10%)	**-11.75**			
Total Bill (less OCEB)			**106.07**			**105.74**	**(0.33)**	**(0.31)%**	



Rate Class

General Service Less Than 50 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	36.33	36.40
Smart Meter Funding Adder	2.50	-
Service Charge Rate Rider(s)	0.38	-
Distribution Volumetric Rate	0.00830	0.00831
Distribution Volumetric Rate Rider(s)	(0.00700)	0.00028
Low Voltage Volumetric Rate	0.00210	0.00210
Retail Transmission Rate – Network Service Rate	0.00460	0.00190
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00360	0.00150
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0585	1.0585

Consumption	2,000	kWh		kW
RPP Tier One	600	kWh	*Load Factor*	

Current Loss Factor	*1.0585*
Proposed Loss Factor	*1.0585*

General Service Less Than 50 kW	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	14.24%
Energy Second Tier (kWh)	1,517.00	0.0790	119.84	1,517.00	0.0790	119.84	0.00	0.00%	41.81%
Sub-Total: Energy			**160.64**			**160.64**	**0.00**	**0.00%**	**56.05%**
Service Charge	1	36.33	36.33	1	36.40	36.40	0.07	0.18%	12.70%
Service Charge Rate Rider(s)	1	2.88	2.88	1	0.00	0.00	-2.88	(100.00)%	0.00%
Distribution Volumetric Rate	2,000	0.0083	16.60	2,000	0.0083	16.63	0.03	0.18%	5.80%
Low Voltage Volumetric Rate	2,000	0.0021	4.20	2,000	0.0021	4.20	0.00	0.00%	1.47%
Distribution Volumetric Rate Rider(s)	2,000	(0.0070)	(14.00)	2,000	0.0003	0.56	14.56	(103.97)%	0.19%
Total: Distribution			**46.01**			**57.78**	**11.77**	**25.58%**	**20.16%**
Retail Transmission Rate – Network Service Rate	2,117.00	0.0046	9.74	2,117.00	0.0019	4.02	-5.72	(58.70)%	1.40%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,117.00	0.0036	7.62	2,117.00	0.0015	3.18	-4.45	(58.33)%	1.11%
Total: Retail Transmission			**17.36**			**7.20**	**-10.16**	**(58.54)%**	**2.51%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**63.37**			**64.98**	**1.61**	**2.54%**	**22.67%**
Wholesale Market Service Rate	2,117.00	0.0052	11.01	2,117.00	0.0052	11.01	0.00	0.00%	3.84%
Rural Rate Protection Charge	2,117.00	0.0013	2.75	2,117.00	0.0013	2.75	0.00	0.00%	0.96%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.09%
Sub-Total: Regulatory			**14.01**			**14.01**			**4.89%**
Debt Retirement Charge (DRC)	2,000.00	0.00700	**14.00**	2,000	0.0070	**14.00**	**0.00**	**0.00%**	**4.88%**
Total Bill before Taxes			**252.02**			**253.63**	**1.61**	**0.64%**	**88.50%**
HST		13%	**32.76**		13%	**32.97**	**0.21**	**0.64%**	**11.50%**
Total Bill			**284.79**			**286.60**	**1.82**	**0.64%**	**100.00%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-28.48**		(10%)	**-28.66**			
Total Bill (less OCEB)			**256.31**			**257.94**	**1.64**	**0.64%**	



Rate Class

General Service 50 to 4,999 kW

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	483.20	484.07
Smart Meter Funding Adder	2.50	-
Service Charge Rate Rider(s)	5.18	-
Distribution Volumetric Rate	1.39900	1.40152
Distribution Volumetric Rate Rider(s)	(2.83480)	0.06638
Low Voltage Volumetric Rate	0.83930	0.83930
Retail Transmission Rate – Network Service Rate	1.96670	0.81990
Retail Transmission Rate – Line and Transformation Connection Service Rate	1.52960	0.64290
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0585	1.0585

Consumption	1,095,000	kWh	2,500	kW
		kWh	*Load Factor*	*60.0%*

Current Loss Factor	*1.0585*
Proposed Loss Factor	*1.0585*

General Service 50 to 4,999 kW	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	1,159,057.50	0.0680	78,815.91	1,159,058	0.0680	78,815.91	0.00	0.00%	14401.35%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			**78,815.91**			**78,815.91**	**0.00**	**0.00%**	**14401.35%**
Service Charge	1	483.20	483.20	1	484.07	484.07	0.87	0.18%	88.45%
Service Charge Rate Rider(s)	1	7.68	7.68	1	0.00	0.00	-7.68	(100.00)%	0.00%
Distribution Volumetric Rate	2,500	1.3990	3,497.50	2,500	1.4015	3,503.80	6.30	0.18%	640.22%
Low Voltage Volumetric Rate	2,500	0.8393	2,098.25	2,500	0.8393	2,098.25	0.00	0.00%	383.40%
Distribution Volumetric Rate Rider(s)	2,500	(2.8348)	(7,087.00)	2,500	0.0664	165.94	7,252.94	(102.34)%	30.32%
Total: Distribution			**-1,000.37**			**6,252.06**	**7,252.43**	**(724.97)%**	**1142.38%**
Retail Transmission Rate – Network Service Rate	2,500.00	1.9667	4,916.75	2,500.00	0.8199	2,049.75	-2,867.00	(58.31)%	374.53%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,500.00	1.5296	3,824.00	2,500.00	0.6429	1,607.25	-2,216.75	(57.97)%	293.68%
Total: Retail Transmission			**8,740.75**			**3,657.00**	**-5,083.75**	**(58.16)%**	**668.21%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**7,740.38**			**9,909.06**	**2,168.68**	**28.02%**	**1810.60%**
Wholesale Market Service Rate	1,159,057.50	0.0052	6,027.10	1,159,057.50	0.0052	6,027.10	0.00	0.00%	1101.28%
Rural Rate Protection Charge	1,159,057.50	0.0013	1,506.77	1,159,057.50	0.0013	1,506.77	0.00	0.00%	275.32%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.05%
Sub-Total: Regulatory			**7,534.12**			**7,534.12**			**1376.65%**
Debt Retirement Charge (DRC)	1,095,000.00	0.00700	**7,665.00**	1,095,000	0.0070	**7,665.00**	**0.00**	**0.00%**	**1400.56%**
Total Bill before Taxes			**101,755.41**			**103,924.09**	**2,168.68**	**2.13%**	**18989.15%**
HST		13%	**13,228.20**		13%	**13,510.13**	**281.93**	**2.13%**	**2468.59%**
Total Bill			**114,983.62**			**117,434.22**	**2,450.60**	**2.13%**	**21457.74%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-11,498.36**		(10%)	**-11,743.42**			
Total Bill (less OCEB)			**103,485.26**			**105,690.80**	**2,205.54**	**2.13%**	



Rate Class

Unmetered Scattered Load

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	17.92	17.95
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.15	-
Distribution Volumetric Rate	0.00810	0.00811
Distribution Volumetric Rate Rider(s)	(0.00720)	0.00003
Low Voltage Volumetric Rate	0.00210	0.00210
Retail Transmission Rate – Network Service Rate	0.00460	0.00190
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00360	0.00150
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0585	1.0585

Consumption	2,000	kWh		kW
RPP Tier One	600	kWh	*Load Factor*	

Current Loss Factor	*1.0585*
Proposed Loss Factor	*1.0585*

Unmetered Scattered Load	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	15.41%
Energy Second Tier (kWh)	1,517.00	0.0790	119.84	1,517.00	0.0790	119.84	0.00	0.00%	45.27%
Sub-Total: Energy			**160.64**			**160.64**	**0.00**	**0.00%**	**60.68%**
Service Charge	1	17.92	17.92	1	17.95	17.95	0.03	0.18%	6.78%
Service Charge Rate Rider(s)	1	0.15	0.15	1	0.00	0.00	-0.15	(100.00)%	0.00%
Distribution Volumetric Rate	2,000	0.0081	16.20	2,000	0.0081	16.23	0.03	0.18%	6.13%
Low Voltage Volumetric Rate	2,000	0.0021	4.20	2,000	0.0021	4.20	0.00	0.00%	1.59%
Distribution Volumetric Rate Rider(s)	2,000	(0.0072)	(14.40)	2,000	0.0000	0.05	14.45	(100.38)%	0.02%
Total: Distribution			**24.07**			**38.44**	**14.37**	**59.68%**	**14.52%**
Retail Transmission Rate – Network Service Rate	2,117.00	0.0046	9.74	2,117.00	0.0019	4.02	-5.72	(58.70)%	1.52%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,117.00	0.0036	7.62	2,117.00	0.0015	3.18	-4.45	(58.33)%	1.20%
Total: Retail Transmission			**17.36**			**7.20**	**-10.16**	**(58.54)%**	**2.72%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**41.43**			**45.63**	**4.20**	**10.15%**	**17.24%**
Wholesale Market Service Rate	2,117.00	0.0052	11.01	2,117.00	0.0052	11.01	0.00	0.00%	4.16%
Rural Rate Protection Charge	2,117.00	0.0013	2.75	2,117.00	0.0013	2.75	0.00	0.00%	1.04%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.09%
Sub-Total: Regulatory			**14.01**			**14.01**			**5.29%**
Debt Retirement Charge (DRC)	2,000.00	0.00700	**14.00**	2,000	0.0070	**14.00**	**0.00**	**0.00%**	**5.29%**
Total Bill before Taxes			**230.08**			**234.29**	**4.20**	**1.83%**	**88.50%**
HST		13%	**29.91**		13%	**30.46**	**0.55**	**1.83%**	**11.50%**
Total Bill			**259.99**			**264.74**	**4.75**	**1.83%**	**100.00%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-26.00**		(10%)	**-26.47**			
Total Bill (less OCEB)			**233.99**			**238.27**	**4.28**	**1.83%**	



Rate Class

Sentinel Lighting

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	4.85	4.86
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.03	-
Distribution Volumetric Rate	16.78830	16.81852
Distribution Volumetric Rate Rider(s)	(3.18200)	(0.03583)
Low Voltage Volumetric Rate	0.66240	0.66240
Retail Transmission Rate – Network Service Rate	1.46960	0.61270
Retail Transmission Rate – Line and Transformation Connection Service Rate	1.12730	0.47380
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0585	1.0585

Consumption	180	kWh	1	kW
		kWh	*Load Factor*	*49.3%*

Current Loss Factor	*1.0585*
Proposed Loss Factor	*1.0585*

Sentinel Lighting	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	190.53	0.0680	12.96	191	0.0680	12.96	0.00	0.00%	0.03%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			**12.96**			**12.96**	**0.00**	**0.00%**	**0.03%**
Service Charge	1	4.85	4.85	1	4.86	4.86	0.01	0.18%	0.01%
Service Charge Rate Rider(s)	1	0.03	0.03	1	0.00	0.00	-0.03	(100.00)%	0.00%
Distribution Volumetric Rate	1	16.7883	8.39	1	16.8185	8.41	0.02	0.18%	0.02%
Low Voltage Volumetric Rate	1	0.6624	0.33	1	0.6624	0.33	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	1	(3.1820)	(1.59)	1	(0.0358)	(0.02)	1.57	(98.87)%	(0.00)%
Total: Distribution			**12.01**			**13.58**	**1.57**	**13.04%**	**0.03%**
Retail Transmission Rate – Network Service Rate	0.50	1.4696	0.73	0.50	0.6127	0.31	-0.43	(58.31)%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.50	1.1273	0.56	0.50	0.4738	0.24	-0.33	(57.97)%	0.00%
Total: Retail Transmission			**1.30**			**0.54**	**-0.76**	**(58.16)%**	**0.00%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**13.31**			**14.12**	**0.81**	**6.10%**	**0.03%**
Wholesale Market Service Rate	190.53	0.0052	0.99	190.53	0.0052	0.99	0.00	0.00%	0.00%
Rural Rate Protection Charge	190.53	0.0013	0.25	190.53	0.0013	0.25	0.00	0.00%	0.00%
Standard Supply Service – Administration Charge (if applicable)	1	0.2500	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			**1.49**			**1.49**			**0.00%**
Debt Retirement Charge (DRC)	180.00	0.007	**1.26**	180	0.0070	**1.26**	**0.00**	**0.00%**	**0.00%**
Total Bill before Taxes			**29.02**			**29.83**	**0.81**	**2.80%**	**0.07%**
HST		13%	**3.77**		13%	**3.88**	**0.11**	**2.80%**	**0.01%**
Total Bill			**32.79**			**33.71**	**0.92**	**2.80%**	**0.08%**
Ontario Clean Energy Benefit (OCEB)		(10%)	-3.28		(10%)	-3.37			
Total Bill (less OCEB)			**29.51**			**30.34**	**0.83**	**2.80%**	



Rate Class

Street Lighting

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	4.79	4.80
Smart Meter Funding Adder	-	-
Service Charge Rate Rider(s)	0.03	-
Distribution Volumetric Rate	14.65460	14.68098
Distribution Volumetric Rate Rider(s)	(2.58500)	(0.05046)
Low Voltage Volumetric Rate	0.64880	0.64880
Retail Transmission Rate – Network Service Rate	1.43250	0.59720
Retail Transmission Rate – Line and Transformation Connection Service Rate	1.11640	0.46920
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0585	1.0585

Consumption	37	kWh	0	kW	*Current Loss Factor*	*1.0585*
		kWh	*Load Factor*	*49.3%*	*Proposed Loss Factor*	*1.0585*

Street Lighting	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	39.16	0.0680	2.66	39	0.0680	2.66	0.00	0.00%	0.01%
Energy Second Tier (kWh)			0.00			0.00	0.00	0.00%	0.00%
Sub-Total: Energy			**2.66**			**2.66**	**0.00**	**0.00%**	**0.01%**
Service Charge	1	4.79	4.79	1	4.80	4.80	0.01	0.18%	0.01%
Service Charge Rate Rider(s)	1	0.03	0.03	1	0.00	0.00	-0.03	(100.00)%	0.00%
Distribution Volumetric Rate	0	14.6546	1.47	0	14.6810	1.47	0.00	0.18%	0.00%
Low Voltage Volumetric Rate	0	0.6488	0.06	0	0.6488	0.06	0.00	0.00%	0.00%
Distribution Volumetric Rate Rider(s)	0	(2.5850)	(0.26)	0	(0.0505)	(0.01)	0.25	(98.05)%	(0.00)%
Total: Distribution			**6.09**			**6.33**	**0.23**	**3.85%**	**0.02%**
Retail Transmission Rate – Network Service Rate	0.10	1.4325	0.14	0.10	0.5972	0.06	-0.08	(58.31)%	0.00%
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.10	1.1164	0.11	0.10	0.4692	0.05	-0.06	(57.97)%	0.00%
Total: Retail Transmission			**0.25**			**0.11**	**-0.15**	**(58.16)%**	**0.00%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**6.35**			**6.43**	**0.09**	**1.36%**	**0.02%**
Wholesale Market Service Rate	39.16	0.0052	0.20	39.16	0.0052	0.20	0.00	0.00%	0.00%
Rural Rate Protection Charge	39.16	0.0013	0.05	39.16	0.0013	0.05	0.00	0.00%	0.00%
Standard Supply Service – Administration Charge (if applicable)	1	0.2500	0.25	1	0.25	0.25	0.00	0.00%	0.00%
Sub-Total: Regulatory			**0.50**			**0.50**			**0.00%**
Debt Retirement Charge (DRC)	37.00	0.007	**0.26**	37	0.0070	**0.26**	**0.00**	**0.00%**	**0.00%**
Total Bill before Taxes			**9.77**			**9.86**	**0.09**	**0.88%**	**0.03%**
HST		13%	**1.27**		13%	**1.28**	**0.01**	**0.88%**	**0.00%**
Total Bill			**11.04**			**11.14**	**0.10**	**0.88%**	**0.03%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-1.10**		(10%)	**-1.11**			
Total Bill (less OCEB)			**9.94**			**10.03**	**0.09**	**0.88%**	

Appendix A

2012 IRM3 Rate Generator Model





V1.4

Ontario Energy Board

3RD Generation Incentive Regulation Model

Choose Your Utility:
Kitchener-Wilmot Hydro Inc.
Lakeland Power Distribution Ltd.

Application Type: IRM3
OEB Application #: EB-2011-0180
LDC Licence #: ED-2002-0540

Application Contact Information

Name:	Margaret Maw
Title:	Chief Financial Officer
Phone Number:	705-789-5442
Email Address:	mmaw@lakelandholding.com
We are applying for rates effective:	May 1, 2012
Please indicate the version of Microsoft Excel that you are currently using:	Excel 2003

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION FIELD

Copyright

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

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



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9. 2012 Continuity Schedule for Deferral and Variance Accounts
10. Deferral/Variance Accounts - Billing Determinants
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17. Adjustments for Revenue/Cost Ratio and GDP-IPI - X
18. Loss Factors - Current and Proposed (if applicable)
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20. 2012 Final Tariff of Rates and Charges
21. Bill Impacts



Ontario Energy Board

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Lakeland Power Distribution Ltd. - EB-2011-0180

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

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



Ontario Energy Board

3RD Generation Incentive Regulation Model

Lakeland Power Distribution Ltd. - EB-2011-0180

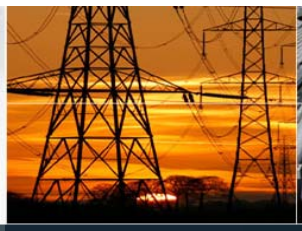
Please note that unlike the Distribution Volumetric Rates, which will be entered in the following two tabs, all current Monthly Fixed Charges, including the base charges, must be entered on this tab. Please enter the descriptions of the current Monthly Fix Charges exactly as they appear on your most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

Rate Description	Unit	Amount	Effective Until Date
Residential			
Service Charge	$	15.22	
Smart Meter Funding Adder	$	2.50	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.19	April 30, 2012
General Service Less Than 50 kW			
Service Charge	$	36.33	
Smart Meter Funding Adder	$	2.50	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.38	April 30, 2012
General Service 50 to 4,999 kW			
Service Charge	$	483.20	
Smart Meter Funding Adder	$	2.50	April 30, 2012
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	5.18	April 30, 2012
Unmetered Scattered Load			
Service Charge (per connection)	$	17.92	
rate Rider for Recovery of Late Payment Penalty Litigation Costs (per connection)	$	0.15	April 30, 2012
Sentinel Lighting			
Service Charge (per connection)	$	4.85	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.03	April 30, 2012
Street Lighting			
Service Charge (per connection)	$	4.79	
Rate Rider for Recovery of Late Payment Penalty Litigation Costs	$	0.03	April 30, 2012



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

Rate Description	Unit	Amount
Residential	$/kWh	0.01370
General Service Less Than 50 kW	$/kWh	0.00830
General Service 50 to 4,999 kW	$/kW	1.39900
Unmetered Scattered Load	$/kWh	0.00810
Sentinel Lighting	$/kW	16.78830
Street Lighting	$/kW	14.65460




Ontario Energy Board

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Lakeland Power Distribution Ltd. - EB-2011-0180

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

Rate Description	Unit	Amount	Effective Until Date
Residential			
Low Voltage Service Rate	$/kWh	0.00240	
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	$/kWh	0.00960	April 30, 2012
Rate Rider for Deferral/Variance Account Disposition (2011)	$/kWh	(0.00690)	April 30, 2012
Rate Rider for Tax Change	$/kWh	(0.00020)	April 30, 2012
General Service Less Than 50 kW			
Low Voltage Service Rate	$/kWh	0.00210	
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	$/kWh	0.00960	April 30, 2012
Rate Rider for Deferral/Variance Account Disposition (2011)	$/kWh	(0.00690)	April 30, 2012
Rate Rider for Tax Change	$/kWh	(0.00010)	April 30, 2012
General Service 50 to 4,999 kW			
Low Voltage Service Rate	$/kW	0.83930	
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	$/kW	3.86810	April 30, 2012
Rate Rider for Deferral/Variance Account Disposition (2011)	$/kW	(2.80870)	April 30, 2012
Rate Rider for Tax Change	$/kW	(0.02610)	April 30, 2012

Unmetered Scattered Load			
Low Voltage Service Rate	$/kWh	0.00210	
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	$/kWh	0.00960	April 30, 2012
Rate Rider for Deferral/Variance Account Disposition (2011)	$/kWh	(0.00690)	April 30, 2012
Rate Rider for Tax Change	$/kWh	(0.00030)	April 30, 2012
Sentinel Lighting			
Low Voltage Service Rate	$/kW	0.66240	
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	$/kW	3.79140	April 30, 2012
Rate Rider for Deferral/Variance Account Disposition (2011)	$/kW	(2.93910)	April 30, 2012
Rate Rider for Tax Change	$/kW	(0.24290)	April 30, 2012
Street Lighting			
Low Voltage Service Rate	$/kW	0.64880	
Rate Rider for Global Adjustment Sub-Account (2011) – Applicable only for Non-RPP Customers	$/kW	3.52790	April 30, 2012
Rate Rider for Deferral/Variance Account Disposition (2011)	$/kW	(2.56150)	April 30, 2012
Rate Rider for Tax Change	$/kW	(0.02350)	April 30, 2012



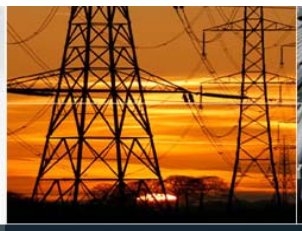
Ontario Energy Board

3RD Generation Incentive Regulation Model

Lakeland Power Distribution Ltd. - EB-2011-0180

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

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Network Service Rate	$/kWh	0.00500
General Service Less Than 50 kW		
Retail Transmission Rate – Network Service Rate	$/kWh	0.00460
General Service 50 to 4,999 kW		
Retail Transmission Rate – Network Service Rate	$/kW	1.96670
Unmetered Scattered Load		
Retail Transmission Rate – Network Service Rate	$/kWh	0.00460
Sentinel Lighting		
Retail Transmission Rate – Network Service Rate	$/kW	1.46960
Street Lighting		
Retail Transmission Rate – Network Service Rate	$/kW	1.43250




Ontario Energy Board

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Lakeland Power Distribution Ltd. - EB-2011-0180

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

Rate Description	Unit	Amount
Residential		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00390
General Service Less Than 50 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00360
General Service 50 to 4,999 kW		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.52960
Unmetered Scattered Load		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00360
Sentinel Lighting		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.12730
Street Lighting		
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.11640



Ontario Energy Board

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Lakeland Power Distribution Ltd. - EB-2011-0180

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

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

		2005									
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-05	Transactions Debit / (Credit) during 2005 excluding interest and adjustments [5]	Board-Approved Disposition during 2005	Adjustments during 2005 - other [3]	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05	Interest Jan-1 to Dec-31-05	Board-Approved Disposition during 2005	Adjustments during 2005 - other [3]	Closing Interest Amounts as of Dec-31-05
Group 1 Accounts											
LV Variance Account	1550					$ -					$ -
RSVA - Wholesale Market Service Charge	1580		$ 53,859			$ 53,859					$ -
RSVA - Retail Transmission Network Charge	1584		$ 14,636		-$ 52,285	-$ 37,649		$ 2,891			$ 2,891
RSVA - Retail Transmission Connection Charge	1586		-$ 1,210,713		$ 941,193	-$ 269,520		$ 199,550			$ 199,550
RSVA - Power (excluding Global Adjustment)	1588		$ 678,583			$ 678,583		$ 19,546			$ 19,546
RSVA - Power - Sub-Account - Global Adjustment	1588		-$ 317,482			-$ 317,482		$ 3,707			$ 3,707
Recovery of Regulatory Asset Balances	1590					$ -		-$ 50,221			-$ 50,221
Disposition and Recovery of Regulatory Balances (2008) [7]	1595					$ -					$ -
Disposition and Recovery of Regulatory Balances (2009) [7]	1595					$ -					$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ -	-$ 781,117	$ -	$ 888,908	$ 107,791	$ -	$ 175,473	$ -	$ -	$ 175,473
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ -	-$ 463,635	$ -	$ 888,908	$ 425,273	$ -	$ 171,766	$ -	$ -	$ 171,766
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ -	-$ 317,482	$ -	$ -	-$ 317,482	$ -	$ 3,707	$ -	$ -	$ 3,707
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**										
Group 1 Total + 1521 + 1562		$ -	-$ 781,117	$ -	$ 888,908	$ 107,791	$ -	$ 175,473	$ -	$ -	$ 175,473
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592					$ -					$ -
Disposition and Recovery of Regulatory Balances [7]	1595					$ -					$ -

For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.g: debit balances are to have a positive figure and credit balance are to have a negative figure) as per the related Board decision.

[1] Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

[2] Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write-off, etc.

[2A] Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR and account 1595 during the 2008 EDR and subsequent years as ordered by the Board.

[3] Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disposed balances, please provide amounts for adjustments and include supporting documentations.

[4] Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29.

[5] For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions during the year.

[6] If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 11 on the December 31, 2010 balance. The projected interested is recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision.

[7] Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has been completed, and the audited financial statements support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include the balances in Account 1595 on a memo basis only (line 49).



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

f you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 DV
eceived approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December
olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions	Account Number	2006									
		Opening Principal Amounts as of Jan-1-06	Transactions Debit / (Credit) during 2006 excluding interest and adjustments [5]	Board-Approved Disposition during 2006 [2.2A]	Adjustments during 2006 - other [3]	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Jan-1 to Dec-31-06	Board-Approved Disposition during 2006 [2.2A]	Adjustments during 2006 - other [3]	Closing Interest Amounts as of Dec-31-06
Group 1 Accounts											
LV Variance Account	1550	$ -	-$ 8,026			-$ 8,026	$ -	-$ 91			-$ 91
RSVA - Wholesale Market Service Charge	1580	$ 53,859	-$ 146,058		$ 5,002	-$ 87,197	$ -	$ 1,260			$ 1,260
RSVA - Retail Transmission Network Charge	1584	-$ 37,649	-$ 224,510		-$ 67,320	-$ 329,479	$ 2,891	-$ 15,766			-$ 12,875
RSVA - Retail Transmission Connection Charge	1586	-$ 269,520	-$ 1,196,268		$ 1,114,981	-$ 350,807	$ 199,550	-$ 213,915			-$ 14,365
RSVA - Power (excluding Global Adjustment)	1588	$ 678,583	-$ 165,602			$ 512,981	$ 19,546	$ 56,253			$ 75,799
RSVA - Power - Sub-Account - Global Adjustment	1588	-$ 317,482	$ 606,059			$ 288,577	$ 3,707	-$ 10,601			-$ 6,894
Recovery of Regulatory Asset Balances	1590	$ -	-$ 672,044	-$ 2,204,920		$ 1,532,876	-$ 50,221	$ 17,382	-$ 488,225		$ 455,386
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -				$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ 107,791	-$ 1,806,449	-$ 2,204,920	$ 1,052,663	$ 1,558,925	$ 175,473	-$ 165,478	-$ 488,225	$ -	$ 498,220
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ 425,273	-$ 2,412,508	-$ 2,204,920	$ 1,052,663	$ 1,270,348	$ 171,766	-$ 154,877	-$ 488,225	$ -	$ 505,114
RSVA - Power - Sub-Account - Global Adjustment	**1588**	-$ 317,482	$ 606,059	$ -	$ -	$ 288,577	$ 3,707	-$ 10,601	$ -	$ -	-$ 6,894
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**					-$ 11,499	$ 32,265	-$ 4,227			$ 28,039
Group 1 Total + 1521 + 1562		$ 107,791	-$ 1,806,449	-$ 2,204,920	$ 1,052,663	$ 1,547,426	$ 207,738	-$ 169,705	-$ 488,225	$ -	$ 526,259
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -				$ -	$ -				$ -

**For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.
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Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs w

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olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions	Account Number	2007									
		Opening Principal Amounts as of Jan-1-07	Transactions Debit / (Credit) during 2007 excluding interest and adjustments [5]	Board-Approved Disposition during 2007	Adjustments during 2007 - other [3]	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Board-Approved Disposition during 2007	Adjustments during 2007 - other [3]	Closing Interest Amounts as of Dec-31-07
Group 1 Accounts											
LV Variance Account	1550	-$ 8,026	-$ 20,741			-$ 28,767	-$ 91	-$ 608			-$ 699
RSVA - Wholesale Market Service Charge	1580	-$ 87,197	-$ 92,175			-$ 179,372	$ 1,260	-$ 5,954			-$ 4,694
RSVA - Retail Transmission Network Charge	1584	-$ 329,479	-$ 169,902			-$ 499,381	-$ 12,875	-$ 19,344			-$ 32,219
RSVA - Retail Transmission Connection Charge	1586	-$ 350,807	-$ 192,658			-$ 543,465	-$ 14,365	-$ 20,882			-$ 35,247
RSVA - Power (excluding Global Adjustment)	1588	$ 512,981	$ 396,289			$ 909,270	$ 75,799	$ 35,958			$ 111,757
RSVA - Power - Sub-Account - Global Adjustment	1588	$ 288,577	-$ 8,317			$ 280,260	-$ 6,894	$ 12,143			$ 5,249
Recovery of Regulatory Asset Balances	1590	$ 1,532,876	-$ 1,343,501			$ 189,375	$ 455,386	$ 40,836			$ 496,222
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -				$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ 1,558,925	-$ 1,431,005	$ -	$ -	$ 127,920	$ 498,220	$ 42,149	$ -	$ -	$ 540,369
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		$ 1,270,348	-$ 1,422,688	$ -	$ -	-$ 152,340	$ 505,114	$ 30,006	$ -	$ -	$ 535,120
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ 288,577	-$ 8,317	$ -	$ -	$ 280,260	-$ 6,894	$ 12,143	$ -	$ -	$ 5,249
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**	-$ 11,499				-$ 11,499	$ 28,039	-$ 544			$ 27,495
Group 1 Total + 1521 + 1562		$ 1,547,426	-$ 1,431,005	$ -	$ -	$ 116,421	$ 526,259	$ 41,605	$ -	$ -	$ 567,864
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -				$ -	$ -				$ -

**For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.
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Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs w

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olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions	Account Number	2008										
		Opening Principal Amounts as of Jan-1-08	Transactions Debit / (Credit) during 2008 excluding interest and adjustments [5]	Board-Approved Disposition during 2008	Adjustments during 2008 - other [3]	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Jan-1 to Dec-31-08	Board-Approved Disposition during 2008	Adjustments during 2008 - other [3]	Closing Interest Amounts as of Dec-31-08
Group 1 Accounts											
LV Variance Account	1550	-$ 28,767	$ 11,828			-$ 16,939	-$ 699	-$ 1,112			-$ 1,811
RSVA - Wholesale Market Service Charge	1580	-$ 179,372	-$ 119,931			-$ 299,303	-$ 4,694	-$ 9,284			-$ 13,978
RSVA - Retail Transmission Network Charge	1584	-$ 499,381	-$ 205,967			-$ 705,348	-$ 32,219	-$ 23,435			-$ 55,654
RSVA - Retail Transmission Connection Charge	1586	-$ 543,465	-$ 244,661			-$ 788,126	-$ 35,247	-$ 25,654			-$ 60,901
RSVA - Power (excluding Global Adjustment)	1588	$ 909,270	$ 461,693			$ 1,370,963	$ 111,757	$ 55,426			$ 167,183
RSVA - Power - Sub-Account - Global Adjustment	1588	$ 280,260	-$ 47,064			$ 233,196	$ 5,249	-$ 2,448			$ 2,801
Recovery of Regulatory Asset Balances	1590	$ 189,375		$ 646,928		-$ 457,553	$ 496,222	-$ 10,394			$ 485,828
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -				$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		$ 127,920	-$ 144,102	$ 646,928	$ -	-$ 663,110	$ 540,369	-$ 16,901	$ -	$ -	$ 523,468
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-$ 152,340	-$ 97,038	$ 646,928	$ -	-$ 896,306	$ 535,120	-$ 14,453	$ -	$ -	$ 520,667
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ 280,260	-$ 47,064	$ -	$ -	$ 233,196	$ 5,249	-$ 2,448	$ -	$ -	$ 2,801
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**	-$ 11,499				-$ 11,499	$ 27,495	-$ 458			$ 27,037
Group 1 Total + 1521 + 1562		$ 116,421	-$ 144,102	$ 646,928	$ -	-$ 674,609	$ 567,864	-$ 17,359	$ -	$ -	$ 550,505
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -				$ -	$ -				$ -

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Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

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ack to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions	Account Number	2009									
		Opening Principal Amounts as of Jan-1-09	Transactions Debit / (Credit) during 2009 excluding interest and adjustments [5]	Board-Approved Disposition during 2009	Adjustments during 2009 - other [3]	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other [3]	Closing Interest Amounts as of Dec-31-09
Group 1 Accounts											
LV Variance Account	1550	-$ 16,939	-$ 226,254	-$ 28,767		-$ 214,426	-$ 1,811	-$ 1,047	-$ 2,164		-$ 694
RSVA - Wholesale Market Service Charge	1580	-$ 299,303	-$ 351,885	-$ 179,372		-$ 471,816	-$ 13,978	-$ 3,974	-$ 13,836		-$ 4,116
RSVA - Retail Transmission Network Charge	1584	-$ 705,348	-$ 122,344	-$ 499,381		-$ 328,311	-$ 55,654	-$ 6,728	-$ 57,671		-$ 4,711
RSVA - Retail Transmission Connection Charge	1586	-$ 788,126	-$ 149,009	-$ 543,465		-$ 393,670	-$ 60,901	-$ 7,685	-$ 62,946		-$ 5,640
RSVA - Power (excluding Global Adjustment)	1588	$ 1,370,963	-$ 613,393	$ 909,269		-$ 151,699	$ 167,183	$ 10,317	$ 158,100		$ 19,400
RSVA - Power - Sub-Account - Global Adjustment	1588	$ 233,196	$ 965,336	$ 280,260		$ 918,272	$ 2,801	$ 5,030	$ 19,533		-$ 11,702
Recovery of Regulatory Asset Balances	1590	-$ 457,553	$ 256,121			-$ 201,432	$ 485,828	-$ 3,271			$ 482,557
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -				$ -	$ -				$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		-$ 663,110	-$ 241,428	-$ 61,456	$ -	-$ 843,082	$ 523,468	-$ 7,357	$ 41,016	$ -	$ 475,095
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-$ 896,306	-$ 1,206,764	-$ 341,716	$ -	-$ 1,761,354	$ 520,667	-$ 12,387	$ 21,483	$ -	$ 486,797
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ 233,196	$ 965,336	$ 280,260	$ -	$ 918,272	$ 2,801	$ 5,030	$ 19,533	$ -	-$ 11,702
Special Purpose Charge Assessment Variance Account	**1521**										
Deferred Payments in Lieu of Taxes	**1562**	-$ 11,499				-$ 11,499	$ 27,037	-$ 131			$ 26,906
Group 1 Total + 1521 + 1562		-$ 674,609	-$ 241,428	-$ 61,456	$ -	-$ 854,581	$ 550,505	-$ 7,487	$ 41,016	$ -	$ 502,002
The following is not included in the total claim but are included on a memo basis:											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -				$ -	$ -				$ -
Disposition and Recovery of Regulatory Balances[7]	1595	$ -	-$ 24,288	-$ 152,151		$ 127,863	$ -	$ 458			$ 458

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olumn AV for principal and column BA for interest. This will allow for the correct starting point for the 2010 open
ack to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions	Account Number	2010 Opening Principal Amounts as of Jan-1-10	2010 Transactions Debit / (Credit) during 2010 excluding interest and adjustments [5]	2010 Board-Approved Disposition during 2010	2010 Other [3] Adjustments during Q1 2010	2010 Other [3] Adjustments during Q2 2010	2010 Other [3] Adjustments during Q3 2010	2010 Other [3] Adjustments during Q4 2010	2010 Closing Principal Balance as of Dec-31-10	2010 Opening Interest Amounts as of Jan-1-10	2010 Interest Jan-1 to Dec-31-10	2010 Board-Approved Disposition during 2010	2010 Adjustments during 2010 - other [3]
Group 1 Accounts													
LV Variance Account	1550	-$ 214,426	-$ 40,509	-$ 11,828					-$ 243,107	-$ 694	-$ 2,616	-$ 311	
RSVA - Wholesale Market Service Charge	1580	-$ 471,816	-$ 135,662	$ 119,931					-$ 727,409	-$ 4,116	$ 1,295	$ 2,946	
RSVA - Retail Transmission Network Charge	1584	-$ 328,311	$ 406,730	$ 205,967					-$ 127,548	-$ 4,711	$ 6,727	$ 4,112	
RSVA - Retail Transmission Connection Charge	1586	-$ 393,670	$ 470,292	$ 244,661					-$ 168,039	-$ 5,640	$ 7,949	$ 4,894	
RSVA - Power (excluding Global Adjustment)	1588	-$ 151,699	-$ 71,860	-$ 461,694					$ 238,135	$ 19,400	-$ 44,380	-$ 21,379	
RSVA - Power - Sub-Account - Global Adjustment	1588	$ 918,272	-$ 471,531	$ 47,064					$ 399,677	-$ 11,702	$ 37,665	$ 15,426	
Recovery of Regulatory Asset Balances	1590	-$ 201,432	-$ 19,219	-$ 457,553					$ 236,902	$ 482,557	$ 867	$ 479,827	
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$ -							$ -	$ -			
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$ -							$ -	$ -			
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		-$ 843,082	$ 138,241	-$ 313,452	$ -	$ -	$ -	$ -	-$ 391,389	$ 475,095	$ 7,507	$ 485,515	$ -
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-$ 1,761,354	$ 609,772	-$ 360,516	$ -	$ -	$ -	$ -	-$ 791,066	$ 486,797	-$ 30,158	$ 470,089	$ -
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ 918,272	-$ 471,531	$ 47,064	$ -	$ -	$ -	$ -	$ 399,677	-$ 11,702	$ 37,665	$ 15,426	$ -
Special Purpose Charge Assessment Variance Account	**1521**		$ 41,406						$ 41,406		$ 366		
Deferred Payments in Lieu of Taxes	**1562**	-$ 11,499							-$ 11,499	$ 26,906	-$ 92		
Group 1 Total + 1521 + 1562		-$ 854,581	$ 179,647	-$ 313,452	$ -	$ -	$ -	$ -	-$ 361,482	$ 502,002	$ 7,782	$ 485,515	$ -
The following is not included in the total claim but are included on a memo basis:													
Board-Approved CDM Variance Account	1567								$ -	$ -			
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592								$ -	$ -			
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592		-$ 59,903						-$ 59,903	$ -			
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$ -	$ 59,903						$ 59,903	$ -			
Disposition and Recovery of Regulatory Balances[7]	1595	$ 127,863	-$ 24,792	$ 601,654				-$ 63,238	-$ 561,821	$ 458	-$ 3,255	-$ 474,140	$ 63,238

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Account Descriptions	Account Number		Closing Interest Amounts as of Dec-31-10
Group 1 Accounts			
LV Variance Account	1550	-$	2,999
RSVA - Wholesale Market Service Charge	1580	-$	5,766
RSVA - Retail Transmission Network Charge	1584	-$	2,095
RSVA - Retail Transmission Connection Charge	1586	-$	2,585
RSVA - Power (excluding Global Adjustment)	1588	-$	3,601
RSVA - Power - Sub-Account - Global Adjustment	1588	$	10,537
Recovery of Regulatory Asset Balances	1590	$	3,597
Disposition and Recovery of Regulatory Balances (2008)[7]	1595	$	-
Disposition and Recovery of Regulatory Balances (2009)[7]	1595	$	-
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		-$	2,913
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-$	13,449
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$	10,537
Special Purpose Charge Assessment Variance Account	**1521**	$	366
Deferred Payments in Lieu of Taxes	**1562**	$	26,815
Group 1 Total + 1521 + 1562		$	24,268
The following is not included in the total claim but are included on a memo basis:			
Board-Approved CDM Variance Account	1567	$	-
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592	$	-
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592	$	-
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	$	-
Disposition and Recovery of Regulatory Balances[7]	1595	$	534,581

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ack to the beginning of the continuity schedule ie: Jan 1, 2005.

Account Descriptions	Account Number	2011 Principal Disposition during 2011 - instructed by Board	2011 Interest Disposition during 2011 - instructed by Board	2011 Closing Principal Balances as of Dec 31-10 Adjusted for Dispositions during 2011	2011 Closing Interest Balances as of Dec 31-10 Adjusted during 2011 Disposition	Projected Interest on Dec-31-10 Balances: Projected Interest from Jan 1, 2011 to December 31, 2011 on Dec 31 -10 balance adjusted for disposition during 2011 [5]	Projected Interest on Dec-31-10 Balances: Projected Interest from January 1, 2012 to April 30, 2012 on Dec 31 -10 balance adjusted for disposition during 2011 [6, 7]	Total Claim	2.1.7 RRR As of Dec 31-10 [4]	Variance RRR vs. 2010 Balance (Principal + Interest)
Group 1 Accounts										
LV Variance Account	1550	-$ 226,254	-$ 3,300	-$ 16,853	$ 301			-$ 16,552	-$ 246,107	-$ 1
RSVA - Wholesale Market Service Charge	1580	-$ 351,885	-$ 4,737	-$ 375,524	-$ 1,029			-$ 376,553	-$ 733,175	$ 0
RSVA - Retail Transmission Network Charge	1584	-$ 122,344	-$ 1,839	-$ 5,204	-$ 256			-$ 5,460	-$ 129,643	$ 0
RSVA - Retail Transmission Connection Charge	1586	-$ 149,009	-$ 2,256	-$ 19,030	-$ 329			-$ 19,358	-$ 170,623	-$ 0
RSVA - Power (excluding Global Adjustment)	1588	-$ 613,393	-$ 8,198	$ 851,528	$ 4,597			$ 856,125	$ 234,534	$ 0
RSVA - Power - Sub-Account - Global Adjustment	1588	$ 965,336	$ 13,512	-$ 565,659	-$ 2,975			-$ 568,634	$ 410,212	-$ 1
Recovery of Regulatory Asset Balances	1590			$ 236,902	$ 3,597			$ 240,499	$ 240,499	-$ 0
Disposition and Recovery of Regulatory Balances (2008)[7]	1595			$ -	$ -			$ -		$ -
Disposition and Recovery of Regulatory Balances (2009)[7]	1595			$ -	$ -			$ -		$ -
Group 1 Sub-Total (including Account 1588 - Global Adjustment)		-$ 497,549	-$ 6,818	$ 106,160	$ 3,905	$ -	$ -	$ 110,065	-$ 394,304	-$ 2
Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)		-$ 1,462,885	-$ 20,330	$ 671,819	$ 6,881	$ -	$ -	$ 678,700	-$ 804,516	-$ 1
RSVA - Power - Sub-Account - Global Adjustment	**1588**	$ 965,336	$ 13,512	-$ 565,659	-$ 2,975	$ -	$ -	-$ 568,634	$ 410,212	-$ 1
Special Purpose Charge Assessment Variance Account	**1521**					$ 609	$ 203	$ 42,584	$ 41,772	$ -
Deferred Payments in Lieu of Taxes	**1562**			-$ 11,499	$ 26,815	-$ 169	-$ 56	$ 15,091	-$ 467,896	-$ 483,212
Group 1 Total + 1521 + 1562		-$ 497,549	-$ 6,818	$ 94,661	$ 30,720	$ 440	$ 147	$ 167,740	-$ 820,427	-$ 483,214
The following is not included in the total claim but are included on a memo basis:										
Board-Approved CDM Variance Account	1567							$ -	$ -	$ -
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592							$ -		$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592							-$ 59,903	-$ 59,903	$ -
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592							$ 59,903	$ 59,903	-$ 0
Disposition and Recovery of Regulatory Balances[7]	1595	$ 497,549	$ 6,818					-$ 531,606	-$ 27,239	$ -

**For all Board-Approved dispositions, please ensure that the disposition amount has the same sign (e.
negative figure) as per the related Board decision.**

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board

Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs w

Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of th

Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved di

Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 a

For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transa
If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2
Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from Janua
recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances app

Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period ha
support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, inclu



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

Rate Class	Unit	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue [1]	1590 Recovery Share Proportion*	1595 Recovery Share Proportion (2008) [2]	1595 Recovery Share Proportion (2009) [2]
Residential	$/kWh	82,722,597		11,892,653	-	2,578,659	59%		59%
General Service Less Than 50 kW	$/kWh	44,672,868		10,300,485	-	1,082,654	22%		22%
General Service 50 to 4,999 kW	$/kW	84,181,833	208,067	79,774,402	197,173	852,392	17%		17%
Unmetered Scattered Load	$/kWh	165,657		5,312	-	11,677	0%		0%
Sentinel Lighting	$/kW	41,068	97	2,776	7	3,269	0%		0%
Street Lighting	$/kW	1,872,584	5,075	407,750	1,105	141,987	2%		2%
Total		213,656,607	213,239	102,383,378	198,285	4,670,638	100%	0%	100%

Total Claim (including Accounts 1521 and 1562)	$	167,740
Total Claim for Threshold Test (All Group 1 Accounts)	$	110,065
Threshold Test [3] (Total Claim per kWh)		0.00052

Claim does not meet the threshold test. If data has been entered on Sheet 9 for Accounts 1521 and 1562, the model will only dispose of Accounts 1521 and 1562.

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




Ontario Energy Board

Deferral / Variance Account Work Form

Lakeland Power Distribution Ltd. - EB-2011-0180

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

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

Rate Class	Units	Billed kWh	% kWh	1550	1580	1584	1586	1588*	1590	1595 (2008)	1595 (2009)	1521	Total
Residential	$/kWh	82,722,597	38.72%	0	0	0	0	0	0	0	0	16,488	16,488
General Service Less Than 50 kW	$/kWh	44,672,868	20.91%	0	0	0	0	0	0	0	0	8,904	8,904
General Service 50 to 4,999 kW	$/kW	84,181,833	39.40%	0	0	0	0	0	0	0	0	16,778	16,778
Unmetered Scattered Load	$/kWh	165,657	0.08%	0	0	0	0	0	0	0	0	33	33
Sentinel Lighting	$/kW	41,068	0.02%	0	0	0	0	0	0	0	0	8	8
Street Lighting	$/kW	1,872,584	0.88%	0	0	0	0	0	0	0	0	373	373
Total		213,656,607	100.00%	(16,552)	(376,553)	(5,460)	(19,358)	856,125	240,499	0	0	42,584	42,584

** RSVA - Power (Excluding Global Adjustment)*

1588 RSVA - Power (Global Adjustment Sub-Account)

Rate Class	non-RPP kWh	% kWh	1588
Residential	11,892,653	11.62%	-
General Service Less Than 50 kW	10,300,485	10.06%	-
General Service 50 to 4,999 kW	79,774,402	77.92%	-
Unmetered Scattered Load	5,312	0.01%	-
Sentinel Lighting	2,776	0.00%	-
Street Lighting	407,750	0.40%	-
Total	102,383,378	100.00%	(568,634)

Allocation of Account 1562

	% of Distribution Revenue	Allocation of Balance in Account 1562
Residential	55.2%	8,332
General Service Less Than 50 kW	23.2%	3,498
General Service 50 to 4,999 kW	18.3%	2,754
Unmetered Scattered Load	0.3%	38
Sentinel Lighting	0.1%	11
Street Lighting	3.0%	459
Total	100.0%	15,091



Ontario Energy Board

Deferral / Variance Account Work Form

Lakeland Power Distribution Ltd. - EB-2011-0180

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

Please indicate the Rate Rider Recovery Period (in years) 1

Rate Class	Unit	Billed kWh	Billed kW	Accounts Allocated by kWh/kW (RPP) or Distribution Revenue	Deferral/Variance Account Rate Rider		Account 1588 Global Adjustment	Billed kWh or Estimated kW for Non-RPP	Global Adjustment Rate Rider
Residential	$/kWh	82,722,597	-	$ 24,819	$0.00030	$/kWh	$ -	11,892,653	$0.00000
General Service Less Than 50 kW	$/kWh	44,672,868	-	$ 12,402	$0.00028	$/kWh	$ -	10,300,485	$0.00000
General Service 50 to 4,999 kW	$/kW	84,181,833	208,067	$ 19,533	$0.09388	$/kW	$ -	197,173	$0.00000
Unmetered Scattered Load	$/kWh	165,657	-	$ 71	$0.00043	$/kWh	$ -	5,312	$0.00000
Sentinel Lighting	$/kW	41,068	97	$ 19	$0.19327	$/kW	$ -	7	$0.00000
Street Lighting	$/kW	1,872,584	5,075	$ 832	$0.16394	$/kW	$ -	1,105	$0.00000
Total		213,656,607	213,239	$ 57,675			$ -		



Ontario Energy Board

3RD Generation Incentive Regulation Model

Lakeland Power Distribution Ltd. - EB-2011-0180

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

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
Service Charge	$	15.22			
	$				
	$				
	$				
General Service Less Than 50 kW					
Service Charge	$	36.33			
	$				
	$				
	$				
General Service 50 to 4,999 kW					
Service Charge	$	483.20			
	$				
	$				
	$				
Unmetered Scattered Load					
Service Charge (per connection)	$	17.92			
	$				
	$				
	$				
Sentinel Lighting					
Service Charge (per connection)	$	4.85			
	$				
	$				
	$				
Street Lighting					
Service Charge (per connection)	$	4.79			
	$				
	$				
	$				



Ontario Energy Board

3RD Generation Incentive Regulation Model

Lakeland Power Distribution Ltd. - EB-2011-0180

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

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
Residential					
Low Voltage Service Rate	$/kWh	0.00240			
Rate Rider for Tax Adjustments	$/kWh			-0.00020	April 30, 2013
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	$/kWh			0.00120	April 30, 2013
General Service Less Than 50 kW					
Low Voltage Service Rate	$/kWh	0.00210			
Rate Rider for Tax Adjustments	$/kWh			-0.00020	April 30, 2013
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	$/kWh			0.00020	April 30, 2013
General Service 50 to 4,999 kW					
Low Voltage Service Rate	$/kW	0.83930			
Rate Rider for Tax Adjustments	$/kW			-0.03510	April 30, 2013
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery	$/kW			0.00760	April 30, 2013

Unmetered Scattered Load				
Low Voltage Service Rate	$/kWh	0.00210		
Rate Rider for Tax Adjustments	$/kWh		-0.00040	April 30, 2013
Sentinel Lighting				
Low Voltage Service Rate	$/kW	0.66240		
Rate Rider for Tax Adjustments	$/kW		-0.22910	April 30, 2013
Street Lighting				
Low Voltage Service Rate	$/kW	0.64880		
Rate Rider for Tax Adjustments	$/kW		-0.21440	April 30, 2013




Ontario Energy Board

3RD Generation Incentive Regulation Model

Lakeland Power Distribution Ltd. - EB-2011-0180

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

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Network Service Rate	$/kWh	0.00500	-58.000%	0.00210
General Service Less Than 50 kW				
Retail Transmission Rate – Network Service Rate	$/kWh	0.00460	-58.696%	0.00190
General Service 50 to 4,999 kW				
Retail Transmission Rate – Network Service Rate	$/kW	1.96670	-58.311%	0.81990
Unmetered Scattered Load				
Retail Transmission Rate – Network Service Rate	$/kWh	0.00460	-58.696%	0.00190
Sentinel Lighting				
Retail Transmission Rate – Network Service Rate	$/kW	1.46960	-58.308%	0.61270
Street Lighting				
Retail Transmission Rate – Network Service Rate	$/kW	1.43250	-58.311%	0.59720



Ontario Energy Board

3RD Generation Incentive Regulation Model

Lakeland Power Distribution Ltd. - EB-2011-0180

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

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
Residential				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00390	-58.974%	0.00160
General Service Less Than 50 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00360	-58.333%	0.00150
General Service 50 to 4,999 kW				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.52960	-57.969%	0.64290
Unmetered Scattered Load				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.00360	-58.333%	0.00150
Sentinel Lighting				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.12730	-57.970%	0.47380
Street Lighting				
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.11640	-57.972%	0.46920



Ontario Energy Board

3RD Generation Incentive Regulation Model

Lakeland Power Distribution Ltd. - EB-2011-0180

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

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

Rate Description	Unit	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	Unit	DVR Adjustment from R/C Model	Price Cap Index	Proposed MFC	Proposed Volumetric Charge
Residential	$	15.22	0.00	0.01370	$/kWh	0.00000	0.180%	15.25	0.01372
General Service Less Than 50 kW	$	36.33	0.00	0.00830	$/kWh	0.00000	0.180%	36.40	0.00831
General Service 50 to 4,999 kW	$	483.20	0.00	1.39900	$/kW	0.00000	0.180%	484.07	1.40152
Unmetered Scattered Load	$	17.92	0.00	0.00810	$/kWh	0.00000	0.180%	17.95	0.00811
Sentinel Lighting	$	4.85	0.00	16.78830	$/kW	0.00000	0.180%	4.86	16.81852
Street Lighting	$	4.79	0.00	14.65460	$/kW	0.00000	0.180%	4.80	14.68098



Ontario Energy Board

3RD Generation Incentive Regulation Model

Lakeland Power Distribution Ltd. - EB-2011-0180

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

Loss Factors	Current
Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0585
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0480



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

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

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

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

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

Customer Administration

Arrears certificate	$	15.00
Statement of account	$	15.00
Request for other billing information	$	15.00
Income tax letter	$	15.00
Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	$	30.00
Special meter reads	$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Collection of account charge - no disconnection - after regular hours	$	165.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	185.00
Disconnect/Reconnect at pole - during regular hours	$	185.00
Disconnect/Reconnect at pole - after regular hours	$	415.00

Other

Temporary service install & remove - overhead - no transformer	$	500.00
Install/Remove load control device - during regular hours	$	65.00
Install/Remove load control device - after regular hours	$	185.00
Specific Charge for Access to the Power Poles $/pole/year	$	22.35

RETAIL SERVICE CHARGES (if applicable)

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

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

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

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

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

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

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

RESIDENTIAL SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	15.25
Distribution Volumetric Rate	$/kWh	0.0137
Low Voltage Service Rate - Effective Until	$/kWh	0.0024
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kWh	-0.0002
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Rec	$/kWh	0.0012
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	$/kWh	0.0021
Retail Transmission Rate – Line and Transformation Connection S	$/kWh	0.0016
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

GENERAL SERVICE LESS THAN 50 KW SERVICE

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	36.40
Distribution Volumetric Rate	$/kWh	0.0083
Low Voltage Service Rate - Effective Until	$/kWh	0.0021
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kWh	-0.0002
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Rec	$/kWh	0.0002
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	$/kWh	0.0019
Retail Transmission Rate – Line and Transformation Connection S	$/kWh	0.0015
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

GENERAL SERVICE 50 TO 4,999 KW SERVICE

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge	$	484.07
Distribution Volumetric Rate	$/kW	1.4015
Low Voltage Service Rate - Effective Until	$/kW	0.8393
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kW	-0.0351
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Rec	$/kW	0.0076
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	0.0939
Retail Transmission Rate – Network Service Rate	$/kW	0.8199
Retail Transmission Rate – Line and Transformation Connection S	$/kW	0.6429
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

UNMETERED SCATTERED LOAD SERVICE

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	17.95
Distribution Volumetric Rate	$/kWh	0.0081
Low Voltage Service Rate - Effective Until	$/kWh	0.0021
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kWh	-0.0004
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kWh	0.0004
Retail Transmission Rate – Network Service Rate	$/kWh	0.0019
Retail Transmission Rate – Line and Transformation Connection	$/kWh	0.0015
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

SENTINEL LIGHTING SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	4.86
Distribution Volumetric Rate	$/kW	16.8185
Low Voltage Service Rate - Effective Until	$/kW	0.6624
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kW	-0.2291
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	0.1933
Retail Transmission Rate – Network Service Rate	$/kW	0.6127
Retail Transmission Rate – Line and Transformation Connection	$/kW	0.4738
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

STREET LIGHTING SERVICE CLASSIFICATION

APPLICATION

MONTHLY RATES AND CHARGES - Delivery Component		
Service Charge (per connection)	$	4.80
Distribution Volumetric Rate	$/kW	14.681
Low Voltage Service Rate - Effective Until	$/kW	0.6488
Rate Rider for Tax Adjustments - Effective Until April 30, 2013	$/kW	-0.2144
Rate Rider for Deferral/Variance Account Disposition (2012)	$/kW	0.1639
Retail Transmission Rate – Network Service Rate	$/kW	0.5972
Retail Transmission Rate – Line and Transformation Connection	$/kW	0.4692
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

microFIT GENERATOR SERVICE CLASSIFICATION

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

APPLICATION

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

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule unless required by the Distributor's Licence or a

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

It should be notedthat this schedule does not list any charges, assessments, or credits that are required by law to beinvoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	$	5.25

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

EB-2011-0180

ALLOWANCES

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

SPECIFIC SERVICE CHARGES

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Di
Order of the Board, and amendments thereto as approved by the Board, which may be appl
administration of this schedule

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

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

Customer Administration

Arrears certificate	$	15.00
Statement of account	$	15.00
Request for other billing information	$	15.00
Income tax letter	$	15.00
Returned cheque charge (plus bank charges)	$	15.00
Legal letter charge	$	15.00
Account set up charge/change of occupancy charge (plus cre	$	30.00
Special meter reads	$	30.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	$	30.00
Collection of account charge - no disconnection - after regula	$	165.00
Disconnect/Reconnect at meter - during regular hours	$	65.00
Disconnect/Reconnect at meter - after regular hours	$	185.00
Disconnect/Reconnect at pole - during regular hours	$	185.00
Disconnect/Reconnect at pole - after regular hours	$	415.00
Temporary service install & remove - overhead - no transformer	$	500.00
Install/Remove load control device - during regular hours	$	65.00
Install/Remove load control device - after regular hours	$	185.00

Lakeland Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012

Implementation Date May 1, 2012

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

RETAIL SERVICE CHARGES (if applicable)

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Di
Order of the Board, and amendments thereto as approved by the Board, which may be appl
administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any v
furnished for the purpose of the distribution of electricity shall be made except as permitted b
required by the Distributor's Licence or a Code or Order of the Board, and amendments ther
Board, or as specified herein.

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

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

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

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

LOSS FACTORS

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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0585
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0480



Rate Class

Residential

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	15.22	15.25
Smart Meter Funding Adder	2.50	-
Service Charge Rate Rider(s)	0.19	-
Distribution Volumetric Rate	0.01370	0.01372
Distribution Volumetric Rate Rider(s)	(0.00710)	0.00130
Low Voltage Volumetric Rate	0.00240	0.00240
Retail Transmission Rate – Network Service Rate	0.00500	0.00210
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00390	0.00160
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0070	0.0070
Loss Factor	1.0585	1.0585

Consumption	2,000	kWh		kW
RPP Tier One	600	kWh	*Load Factor*	

Current Loss Factor	*1.0585*
Proposed Loss Factor	*1.0585*

Residential	Volume	Current Rate ($)	Current Charge ($)	Volume	Proposed Rate ($)	Proposed Charge ($)	Change ($)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	14.64%
Energy Second Tier (kWh)	1,517.00	0.0790	119.84	1,517.00	0.0790	119.84	0.00	0.00%	43.01%
Sub-Total: Energy			**160.64**			**160.64**	**0.00**	**0.00%**	**57.65%**
Service Charge	1	15.22	15.22	1	15.25	15.25	0.03	0.18%	5.47%
Service Charge Rate Rider(s)	1	2.69	2.69	1	0.00	0.00	-2.69	(100.00)%	0.00%
Distribution Volumetric Rate	2,000	0.0137	27.40	2,000	0.0137	27.45	0.05	0.18%	9.85%
Low Voltage Volumetric Rate	2,000	0.0024	4.80	2,000	0.0024	4.80	0.00	0.00%	1.72%
Distribution Volumetric Rate Rider(s)	2,000	(0.0071)	(14.20)	2,000	0.0013	2.60	16.80	(118.31)%	0.93%
Total: Distribution			**35.91**			**50.10**	**14.19**	**39.51%**	**17.98%**
Retail Transmission Rate – Network Service Rate	2,117.00	0.0050	10.59	2,117.00	0.0021	4.45	-6.14	(58.00)%	1.60%
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,117.00	0.0039	8.26	2,117.00	0.0016	3.39	-4.87	(58.97)%	1.22%
Total: Retail Transmission			**18.84**			**7.83**	**-11.01**	**(58.43)%**	**2.81%**
Sub-Total: Delivery (Distribution and Retail Transmission)			**54.75**			**57.93**	**3.18**	**5.81%**	**20.79%**
Wholesale Market Service Rate	2,117.00	0.0052	11.01	2,117.00	0.0052	11.01	0.00	0.00%	3.95%
Rural Rate Protection Charge	2,117.00	0.0013	2.75	2,117.00	0.0013	2.75	0.00	0.00%	0.99%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.09%
Sub-Total: Regulatory			**14.01**			**14.01**			**5.03%**
Debt Retirement Charge (DRC)	2,000.00	0.00700	**14.00**	2,000	0.0070	**14.00**	**0.00**	**0.00%**	**5.02%**
Total Bill before Taxes			**243.40**			**246.58**	**3.18**	**1.31%**	**88.50%**
HST		13%	**31.64**		13%	**32.06**	**0.41**	**1.31%**	**11.50%**
Total Bill			**275.05**			**278.64**	**3.59**	**1.31%**	**100.00%**
Ontario Clean Energy Benefit (OCEB)		(10%)	**-27.50**		(10%)	**-27.86**			
Total Bill (less OCEB)			**247.54**			**250.78**	**3.23**	**1.31%**	

Appendix B

2012 IRM3 Shared Tax Savings Workform





V1.2

Ontario Energy Board

2012 IRM 3 Tax Savings Workform

Choose Your Utility:
Kitchener-Wilmot Hydro Inc.
Lakeland Power Distribution Ltd.

Application EB-2011-0180
OEB Application IRM3
LDC Licence #: ED-2002-0540

Application Contact Information

Name:	Margaret Maw
Title:	Chief Financial Officer
Phone Number:	705-789-5442
Email Address:	mmaw@lakelandholding.com
We are applying for rates effective:	May 1, 2012
Last COS Re-based Year	2009

Legend

DROP-DOWN MENU

INPUT FIELD

CALCULATION

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2. Table of Contents

3. Re-Based Billing Determinants and Rates

4. Re-Based Revenue from Rates

5. Z-Factor Tax Changes

6. Calculation of Tax Change Variable Rate Rider




Ontario Energy Board

2012 IRM 3 Tax Savings Workform

Lakeland Power Distribution Ltd.

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

Last COS Re-based Year was in 2009

Rate Group	Rate Class	Fixed Metric	Vol Metric	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F
RES	Residential	Customer	kWh	7,562	87,027,546		15.21	0.0138	
GSLT50	General Service Less Than 50 kW	Customer	kWh	1,549	49,211,450		36.31	0.0083	
GSGT50	General Service 50 to 4,999 kW	Customer	kW	97	87,383,887	209,041	514.32		1.4891
USL	Unmetered Scattered Load	Connection	kWh	45	249,040		17.91	0.0081	
Sen	Sentinel Lighting	Connection	kW	42	41,511	115	3.62		12.5649
SL	Street Lighting	Connection	kW	2,058	2,007,912	5,336	3.46		10.5958
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						



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

Lakeland Power Distribution Ltd.

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

Last COS Re-based Year was in 2009

Rate Class	Re-based Billed Customers or Connections A	Re-based Billed kWh B	Re-based Billed kW C	Rate ReBal Base Service Charge D	Rate ReBal Base Distribution Volumetric Rate kWh E	Rate ReBal Base Distribution Volumetric Rate kW F	Service Charge Revenue G = A * D *12	Distribution Volumetric Rate Revenue kWh H = B * E	Distribution Volumetric Rate Revenue kW I = C * F	Revenue Requirement from Rates J = G + H + I
Residential	7,562	87,027,546	0	15.21	0.0138	0.0000	1,380,216	1,198,369	0	2,578,586
General Service Less Than 50 kW	1,549	49,211,450	0	36.31	0.0083	0.0000	674,930	408,455	0	1,083,385
General Service 50 to 4,999 kW	97	87,383,887	209,041	514.32	0.0000	1.4891	598,668	0	311,283	909,951
Unmetered Scattered Load	45	249,040	0	17.91	0.0081	0.0000	9,671	2,017	0	11,689
Sentinel Lighting	42	41,511	115	3.62	0.0000	12.5649	1,824	0	1,445	3,269
Street Lighting	2,058	2,007,912	5,336	3.46	0.0000	10.5958	85,448	0	56,539	141,987
							2,750,759	1,608,842	369,267	4,728,868



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

Lakeland Power Distribution Ltd.

This worksheet calculates the tax sharing amount.

Step 1: Press the Update Button (this will clear all input cells and reveal your latest cost of service re-basing year).

Summary - Sharing of Tax Change Forecast Amounts

For the 2009 year, enter any Tax Credits from the Cost of Service Tax Calculation (Positive #)

1. Tax Related Amounts Forecast from Capital Tax Rate Changes	2009	2012
Taxable Capital	$ 15,951,283	$ 15,951,283
Deduction from taxable capital up to $15,000,000	$ 10,833,559	$ 10,833,559
Net Taxable Capital	$ 5,117,724	$ 5,117,724
Rate	0.225%	0.000%
Ontario Capital Tax (Deductible, not grossed-up)	**$ 11,515**	**$ -**

2. Tax Related Amounts Forecast from Income Tax Rate Changes	2009	2012
Regulatory Taxable Income	$ 613,805	$ 613,805
Corporate Tax Rate	26.86%	20.75%
Tax Impact	$ 164,892	$ 127,368
Grossed-up Tax Amount	**$ 225,460**	**$ 160,717**

Tax Related Amounts Forecast from Capital Tax Rate Changes	$ 11,515	$ -
Tax Related Amounts Forecast from Income Tax Rate Changes	$ 225,460	$ 160,717
Total Tax Related Amounts	**$ 236,975**	**$ 160,717**
Incremental Tax Savings		**-$ 76,258**
Sharing of Tax Savings (50%)		**-$ 38,129**



Ontario Energy Board

2012 IRM 3 Tax Savings Workform

Lakeland Power Distribution Ltd.

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

Rate Class	Total Revenue $ by Rate Class A	Total Revenue % by Rate Class B = A / $H	Total Z-Factor Tax Change$ by Rate Class C = $I * B	Billed kWh D	Billed kW E	Distribution Volumetric Rate kWh Rate Rider F = C / D	Distribution Volumetric Rate kW Rate Rider G = C / E
Residential	$2,578,585.5484	54.53%	-$20,791	87,027,546	0	-$0.0002	
General Service Less Than 50 kW	$1,083,385	22.91%	-$8,735	49,211,450	0	-$0.0002	
General Service 50 to 4,999 kW	$909,951	19.24%	-$7,337	87,383,887	209,041		-$0.0351
Unmetered Scattered Load	$11,689	0.25%	-$94	249,040	0	-$0.0004	
Sentinel Lighting	$3,269	0.07%	-$26	41,511	115		-$0.2292
Street Lighting	$141,987	3.00%	-$1,145	2,007,912	5,336		-$0.2146
	$4,728,868	100.00%	-$38,129				
	H		I				

Appendix C

2012 IRM3 RTSR Adjustment Workform




V2.1

Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Choose Your Utility:

Lakefront Utilities Inc.
Lakeland Power Distribution Ltd.

Application Type:	IRM3	Last COS OEB Application #:	EB-2008-0234
OEB Application #:	EB-2011-0180	Last COS Re-Basing Year:	2009
LDC Licence #:	ED-2002-0540		

Application Contact Information

Name:	Margaret Maw
Title:	Chief Financial Officer
Phone Number:	705-789-5442
Email Address:	mmaw@lakelandholding.com

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Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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3. Rate Classes
4. RRR Data
5. UTRs and Sub-Transmission
6. Historical Wholesale
7. Current Wholesale
8. Forecast Wholesale
9. Adj Network to Current WS
10. Adj Conn. to Current WS
11. Adj Network to Forecast WS
12. Adj Conn. to Forecast WS




Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

Rate Class	Unit	RTSR - Network	RTSR - Connection
Residential	kWh	$ 0.0050	$ 0.0039
General Service Less Than 50 kW	kWh	$ 0.0046	$ 0.0036
General Service 50 to 4,999 kW	kW	$ 1.9667	$ 1.5296
Unmetered Scattered Load	kWh	$ 0.0046	$ 0.0036
Sentinel Lighting	kW	$ 1.4696	$ 1.1273
Street Lighting	kW	$ 1.4325	$ 1.1164
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			
Choose Rate Class			





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

Rate Class	Unit	Non-Loss Adjusted Metered kWh	Non-Loss Adjusted Metered kW	Applicable Loss Factor	Load Factor	Loss Adjusted Billed kWh	Billed kW
Residential	kWh	77,894,336		1.0585		82,451,155	-
General Service Less Than 50 kW	kWh	41,668,843		1.0585		44,106,470	-
General Service 50 to 4,999 kW	kW		827,995		0.00%	-	827,995
Unmetered Scattered Load	kWh	141,050		1.0585		149,301	-
Sentinel Lighting	kW		3,945		0.00%	-	3,945
Street Lighting	kW		171,002		0.00%	-	171,002



Ontario Energy Board

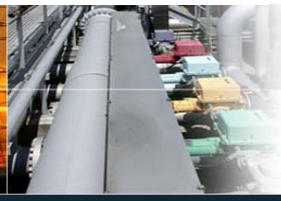
RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

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

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

Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

IESO

	Network			Line Connection			Transformation Connection			Total Line
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January		$0.00			$0.00			$0.00		$ -
February		$0.00			$0.00			$0.00		$ -
March		$0.00			$0.00			$0.00		$ -
April		$0.00			$0.00			$0.00		$ -
May		$0.00			$0.00			$0.00		$ -
June		$0.00			$0.00			$0.00		$ -
July		$0.00			$0.00			$0.00		$ -
August		$0.00			$0.00			$0.00		$ -
September		$0.00			$0.00			$0.00		$ -
October		$0.00			$0.00			$0.00		$ -
November		$0.00			$0.00			$0.00		$ -
December		$0.00			$0.00			$0.00		$ -
Total	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -

HYDRO ONE

	Network			Line Connection			Transformation Connection			Total Line
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	35,893	$2.24	$ 80,400	36,282	$0.60	$ 21,769	36,282	$1.39	$ 50,432	$ 72,201
February	37,454	$2.24	$ 83,897	37,454	$0.60	$ 22,472	37,454	$1.39	$ 52,061	$ 74,533
March	28,771	$2.24	$ 64,447	28,771	$0.60	$ 17,263	28,771	$1.39	$ 39,992	$ 57,254
April	24,994	$2.32	$ 58,036	24,994	$0.61	$ 15,196	24,994	$1.41	$ 35,292	$ 50,488
May	30,434	$2.65	$ 80,650	30,434	$0.64	$ 19,478	30,434	$1.50	$ 45,651	$ 65,129
June	31,930	$2.65	$ 84,615	31,930	$0.64	$ 20,435	31,930	$1.50	$ 47,895	$ 68,330
July	34,100	$2.65	$ 90,365	34,100	$0.64	$ 21,824	34,100	$1.50	$ 51,150	$ 72,974
August	34,971	$2.65	$ 92,673	34,971	$0.64	$ 22,381	34,971	$1.50	$ 52,457	$ 74,838
September	26,393	$2.65	$ 69,941	26,393	$0.64	$ 16,892	26,393	$1.50	$ 39,590	$ 56,481
October	29,045	$2.65	$ 76,969	29,045	$0.64	$ 18,589	29,045	$1.50	$ 43,568	$ 62,156
November	34,385	$2.65	$ 91,120	34,385	$0.64	$ 22,006	34,385	$1.50	$ 51,578	$ 73,584
December	37,292	$2.65	$ 98,824	37,292	$0.64	$ 23,867	37,292	$1.50	$ 55,938	$ 79,805
Total	385,662	$ 2.52	$ 971,938	386,051	$ 0.63	$ 242,173	386,051	$ 1.47	$ 565,601	$ 807,774

TOTAL

	Network			Line Connection			Transformation Connection			Total Line
Month	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Units Billed	Rate	Amount	Amount
January	35,893	$2.24	$ 80,400	36,282	$0.60	$ 21,769	36,282	$1.39	$ 50,432	$ 72,201
February	37,454	$2.24	$ 83,897	37,454	$0.60	$ 22,472	37,454	$1.39	$ 52,061	$ 74,533
March	28,771	$2.24	$ 64,447	28,771	$0.60	$ 17,263	28,771	$1.39	$ 39,992	$ 57,254
April	24,994	$2.32	$ 58,036	24,994	$0.61	$ 15,196	24,994	$1.41	$ 35,292	$ 50,488
May	30,434	$2.65	$ 80,650	30,434	$0.64	$ 19,478	30,434	$1.50	$ 45,651	$ 65,129
June	31,930	$2.65	$ 84,615	31,930	$0.64	$ 20,435	31,930	$1.50	$ 47,895	$ 68,330
July	34,100	$2.65	$ 90,365	34,100	$0.64	$ 21,824	34,100	$1.50	$ 51,150	$ 72,974
August	34,971	$2.65	$ 92,673	34,971	$0.64	$ 22,381	34,971	$1.50	$ 52,457	$ 74,838
September	26,393	$2.65	$ 69,941	26,393	$0.64	$ 16,892	26,393	$1.50	$ 39,590	$ 56,481
October	29,045	$2.65	$ 76,969	29,045	$0.64	$ 18,589	29,045	$1.50	$ 43,568	$ 62,156
November	34,385	$2.65	$ 91,120	34,385	$0.64	$ 22,006	34,385	$1.50	$ 51,578	$ 73,584
December	37,292	$2.65	$ 98,824	37,292	$0.64	$ 23,867	37,292	$1.50	$ 55,938	$ 79,805
Total	385,662	$ 2.52	$ 971,938	386,051	$ 0.63	$ 242,173	386,051	$ 1.47	$ 565,601	$ 807,774



Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

IESO

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
February	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
March	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
April	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
May	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
June	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
July	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
August	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
September	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
October	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
November	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
December	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
Total	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -

HYDRO ONE

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	35,893	$ 2.6970	$ 96,803	36,282	$ 0.6150	$ 22,313	36,282	$ 1.5000	$ 54,423	$ 76,736
February	37,454	$ 2.6970	$ 101,013	37,454	$ 0.6150	$ 23,034	37,454	$ 1.5000	$ 56,181	$ 79,215
March	28,771	$ 2.6970	$ 77,595	28,771	$ 0.6150	$ 17,694	28,771	$ 1.5000	$ 43,157	$ 60,851
April	24,994	$ 2.6970	$ 67,409	24,994	$ 0.6150	$ 15,371	24,994	$ 1.5000	$ 37,491	$ 52,862
May	30,434	$ 2.6970	$ 82,080	30,434	$ 0.6150	$ 18,717	30,434	$ 1.5000	$ 45,651	$ 64,368
June	31,930	$ 2.6970	$ 86,115	31,930	$ 0.6150	$ 19,637	31,930	$ 1.5000	$ 47,895	$ 67,532
July	34,100	$ 2.6970	$ 91,968	34,100	$ 0.6150	$ 20,972	34,100	$ 1.5000	$ 51,150	$ 72,122
August	34,971	$ 2.6970	$ 94,317	34,971	$ 0.6150	$ 21,507	34,971	$ 1.5000	$ 52,457	$ 73,964
September	26,393	$ 2.6970	$ 71,182	26,393	$ 0.6150	$ 16,232	26,393	$ 1.5000	$ 39,590	$ 55,821
October	29,045	$ 2.6970	$ 78,334	29,045	$ 0.6150	$ 17,863	29,045	$ 1.5000	$ 43,568	$ 61,430
November	34,385	$ 2.6970	$ 92,736	34,385	$ 0.6150	$ 21,147	34,385	$ 1.5000	$ 51,578	$ 72,724
December	37,292	$ 2.6970	$ 100,577	37,292	$ 0.6150	$ 22,935	37,292	$ 1.5000	$ 55,938	$ 78,873
Total	385,662	$ 2.70	$ 1,040,130	386,051	$ 0.62	$ 237,421	386,051	$ 1.50	$ 579,077	$ 816,498

TOTAL

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	35,893	$ 2.70	$ 96,803	36,282	$ 0.62	$ 22,313	36,282	$ 1.50	$ 54,423	$ 76,736
February	37,454	$ 2.70	$ 101,013	37,454	$ 0.62	$ 23,034	37,454	$ 1.50	$ 56,181	$ 79,215
March	28,771	$ 2.70	$ 77,595	28,771	$ 0.62	$ 17,694	28,771	$ 1.50	$ 43,157	$ 60,851
April	24,994	$ 2.70	$ 67,409	24,994	$ 0.62	$ 15,371	24,994	$ 1.50	$ 37,491	$ 52,862
May	30,434	$ 2.70	$ 82,080	30,434	$ 0.62	$ 18,717	30,434	$ 1.50	$ 45,651	$ 64,368
June	31,930	$ 2.70	$ 86,115	31,930	$ 0.62	$ 19,637	31,930	$ 1.50	$ 47,895	$ 67,532
July	34,100	$ 2.70	$ 91,968	34,100	$ 0.62	$ 20,972	34,100	$ 1.50	$ 51,150	$ 72,122
August	34,971	$ 2.70	$ 94,317	34,971	$ 0.62	$ 21,507	34,971	$ 1.50	$ 52,457	$ 73,964
September	26,393	$ 2.70	$ 71,182	26,393	$ 0.62	$ 16,232	26,393	$ 1.50	$ 39,590	$ 55,821
October	29,045	$ 2.70	$ 78,334	29,045	$ 0.62	$ 17,863	29,045	$ 1.50	$ 43,568	$ 61,430
November	34,385	$ 2.70	$ 92,736	34,385	$ 0.62	$ 21,147	34,385	$ 1.50	$ 51,578	$ 72,724
December	37,292	$ 2.70	$ 100,577	37,292	$ 0.62	$ 22,935	37,292	$ 1.50	$ 55,938	$ 78,873
Total	385,662	$ 2.70	$ 1,040,130	386,051	$ 0.62	$ 237,421	386,051	$ 1.50	$ 579,077	$ 816,498




Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

IESO

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
February	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
March	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
April	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
May	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
June	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
July	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
August	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
September	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
October	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
November	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
December	-	$ 3.2200	$ -	-	$ 0.7900	$ -	-	$ 1.7700	$ -	$ -
Total	-	$ -	$ -	-	$ -	$ -	-	$ -	$ -	$ -

HYDRO ONE

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	35,893	$ 2.6970	$ 96,803	36,282	$ 0.6150	$ 22,313	36,282	$ 1.5000	$ 54,423	$ 76,736
February	37,454	$ 2.6970	$ 101,013	37,454	$ 0.6150	$ 23,034	37,454	$ 1.5000	$ 56,181	$ 79,215
March	28,771	$ 2.6970	$ 77,595	28,771	$ 0.6150	$ 17,694	28,771	$ 1.5000	$ 43,157	$ 60,851
April	24,994	$ 2.6970	$ 67,409	24,994	$ 0.6150	$ 15,371	24,994	$ 1.5000	$ 37,491	$ 52,862
May	30,434	$ 2.6970	$ 82,080	30,434	$ 0.6150	$ 18,717	30,434	$ 1.5000	$ 45,651	$ 64,368
June	31,930	$ 2.6970	$ 86,115	31,930	$ 0.6150	$ 19,637	31,930	$ 1.5000	$ 47,895	$ 67,532
July	34,100	$ 2.6970	$ 91,968	34,100	$ 0.6150	$ 20,972	34,100	$ 1.5000	$ 51,150	$ 72,122
August	34,971	$ 2.6970	$ 94,317	34,971	$ 0.6150	$ 21,507	34,971	$ 1.5000	$ 52,457	$ 73,964
September	26,393	$ 2.6970	$ 71,182	26,393	$ 0.6150	$ 16,232	26,393	$ 1.5000	$ 39,590	$ 55,821
October	29,045	$ 2.6970	$ 78,334	29,045	$ 0.6150	$ 17,863	29,045	$ 1.5000	$ 43,568	$ 61,430
November	34,385	$ 2.6970	$ 92,736	34,385	$ 0.6150	$ 21,147	34,385	$ 1.5000	$ 51,578	$ 72,724
December	37,292	$ 2.6970	$ 100,577	37,292	$ 0.6150	$ 22,935	37,292	$ 1.5000	$ 55,938	$ 78,873
Total	385,662	$ 2.70	$ 1,040,130	386,051	$ 0.62	$ 237,421	386,051	$ 1.50	$ 579,077	$ 816,498

TOTAL

Month	Network Units Billed	Network Rate	Network Amount	Line Connection Units Billed	Line Connection Rate	Line Connection Amount	Transformation Connection Units Billed	Transformation Connection Rate	Transformation Connection Amount	Total Line Amount
January	35,893	$ 2.70	$ 96,803	36,282	$ 0.62	$ 22,313	36,282	$ 1.50	$ 54,423	$ 76,736
February	37,454	$ 2.70	$ 101,013	37,454	$ 0.62	$ 23,034	37,454	$ 1.50	$ 56,181	$ 79,215
March	28,771	$ 2.70	$ 77,595	28,771	$ 0.62	$ 17,694	28,771	$ 1.50	$ 43,157	$ 60,851
April	24,994	$ 2.70	$ 67,409	24,994	$ 0.62	$ 15,371	24,994	$ 1.50	$ 37,491	$ 52,862
May	30,434	$ 2.70	$ 82,080	30,434	$ 0.62	$ 18,717	30,434	$ 1.50	$ 45,651	$ 64,368
June	31,930	$ 2.70	$ 86,115	31,930	$ 0.62	$ 19,637	31,930	$ 1.50	$ 47,895	$ 67,532
July	34,100	$ 2.70	$ 91,968	34,100	$ 0.62	$ 20,972	34,100	$ 1.50	$ 51,150	$ 72,122
August	34,971	$ 2.70	$ 94,317	34,971	$ 0.62	$ 21,507	34,971	$ 1.50	$ 52,457	$ 73,964
September	26,393	$ 2.70	$ 71,182	26,393	$ 0.62	$ 16,232	26,393	$ 1.50	$ 39,590	$ 55,821
October	29,045	$ 2.70	$ 78,334	29,045	$ 0.62	$ 17,863	29,045	$ 1.50	$ 43,568	$ 61,430
November	34,385	$ 2.70	$ 92,736	34,385	$ 0.62	$ 21,147	34,385	$ 1.50	$ 51,578	$ 72,724
December	37,292	$ 2.70	$ 100,577	37,292	$ 0.62	$ 22,935	37,292	$ 1.50	$ 55,938	$ 78,873
Total	385,662	$ 2.70	$ 1,040,130	386,051	$ 0.62	$ 237,421	386,051	$ 1.50	$ 579,077	$ 816,498




Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

Rate Class	Unit	Current RTSR - Network	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR Network
Residential	kWh	$ 0.0050	82,451,155	-	$ 412,256	16.5%	$ 171,863	$ 0.0021
General Service Less Than 50 kW	kWh	$ 0.0046	44,106,470	-	$ 202,890	8.1%	$ 84,582	$ 0.0019
General Service 50 to 4,999 kW	kW	$ 1.9667	-	827,995	$ 1,628,418	65.3%	$ 678,862	$ 0.8199
Unmetered Scattered Load	kWh	$ 0.0046	149,301	-	$ 687	0.0%	$ 286	$ 0.0019
Sentinel Lighting	kW	$ 1.4696	-	3,945	$ 5,798	0.2%	$ 2,417	$ 0.6127
Street Lighting	kW	$ 1.4325	-	171,002	$ 244,960	9.8%	$ 102,120	$ 0.5972
					$ 2,495,008			




Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

Rate Class	Unit	Current RTSR - Connection	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Current Wholesale Billing	Adjusted RTSR Connection
Residential	kWh	$ 0.0039	82,451,155	-	$ 321,560	16.6%	$ 135,146	$ 0.0016
General Service Less Than 50 kW	kWh	$ 0.0036	44,106,470	-	$ 158,783	8.2%	$ 66,734	$ 0.0015
General Service 50 to 4,999 kW	kW	$ 1.5296	-	827,995	$ 1,266,501	65.2%	$ 532,288	$ 0.6429
Unmetered Scattered Load	kWh	$ 0.0036	149,301	-	$ 537	0.0%	$ 226	$ 0.0015
Sentinel Lighting	kW	$ 1.1273	-	3,945	$ 4,447	0.2%	$ 1,869	$ 0.4738
Street Lighting	kW	$ 1.1164	-	171,002	$ 190,907	9.8%	$ 80,235	$ 0.4692
					$ 1,942,735			




Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

Rate Class	Unit	Adjusted RTSR - Network	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR Network
Residential	kWh	$ 0.0021	82,451,155	-	$ 171,863	16.5%	$ 171,863	$ 0.0021
General Service Less Than 50 kW	kWh	$ 0.0019	44,106,470	-	$ 84,582	8.1%	$ 84,582	$ 0.0019
General Service 50 to 4,999 kW	kW	$ 0.8199	-	827,995	$ 678,862	65.3%	$ 678,862	$ 0.8199
Unmetered Scattered Load	kWh	$ 0.0019	149,301	-	$ 286	0.0%	$ 286	$ 0.0019
Sentinel Lighting	kW	$ 0.6127	-	3,945	$ 2,417	0.2%	$ 2,417	$ 0.6127
Street Lighting	kW	$ 0.5972	-	171,002	$ 102,120	9.8%	$ 102,120	$ 0.5972
					$ 1,040,130			




Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

Rate Class	Unit	Adjusted RTSR - Connection	Loss Adjusted Billed kWh	Loss Adjusted Billed kW	Billed Amount	Billed Amount %	Forecast Wholesale Billing	Proposed RTSR Connection
Residential	kWh	$ 0.0016	82,451,155	-	$ 135,146	16.6%	$ 135,146	$ 0.0016
General Service Less Than 50 kW	kWh	$ 0.0015	44,106,470	-	$ 66,734	8.2%	$ 66,734	$ 0.0015
General Service 50 to 4,999 kW	kW	$ 0.6429	-	827,995	$ 532,288	65.2%	$ 532,288	$ 0.6429
Unmetered Scattered Load	kWh	$ 0.0015	149,301	-	$ 226	0.0%	$ 226	$ 0.0015
Sentinel Lighting	kW	$ 0.4738	-	3,945	$ 1,869	0.2%	$ 1,869	$ 0.4738
Street Lighting	kW	$ 0.4692	-	171,002	$ 80,235	9.8%	$ 80,235	$ 0.4692
					$ 816,498			





Ontario Energy Board

RTSR WORK FORM FOR ELECTRICITY DISTRIBUTORS

Lakeland Power Distribution Ltd. - EB-2011-0180 - IRM3

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

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

Rate Class	Unit	Proposed RTSR Network	Proposed RTSR Connection
Residential	kWh	$ 0.0021	$ 0.0016
General Service Less Than 50 kW	kWh	$ 0.0019	$ 0.0015
General Service 50 to 4,999 kW	kW	$ 0.8199	$ 0.6429
Unmetered Scattered Load	kWh	$ 0.0019	$ 0.0015
Sentinel Lighting	kW	$ 0.6127	$ 0.4738
Street Lighting	kW	$ 0.5972	$ 0.4692

Appendix D

Lost Revenue Adjustment Mechanism (LRAM) Calculation

License Number: ED-1999-0047
Effective Date: May 1, 2012
Version : 1.0

Lost Revenue Adjustment Mechanism (LRAM) Recovery Rate Rider

LRAM Calculation for 2006 to 2010 based on 2006 to 2009 final results of OPA Program and estimated results for 2010

Gross KWh saved from OPA program

Source of Data: 2006-2009 Final OPA CDM Results-Update.Lakeland Power Distribution Ltd

OPA Initiative Name	Program Year	Results Status	Market	2006 kWh Saved	2007 kWh Saved	2008 kWh Saved	2009 kWh Saved	2010 kWh Saved	Total kWh Saved	
	2006	Final	Consumer	12,172	12,172	12,172	12,172	12,172	60,858	
Cool & Hot Savings Rebate	2006	Final	Consumer	34,257	34,257	34,257	34,257	34,257	171,287	
Every Kilowatt Counts	2006	Final	Consumer	779,641	779,641	779,641	779,641	100,520	3,219,084	
Great Refrigerator Roundup	2007	Final	Consumer	0	40,428	40,428	40,428	40,428	161,711	
Cool & Hot Savings Rebate	2007	Final	Consumer	0	81,577	81,577	81,577	81,577	326,310	
Every Kilowatt Counts	2007	Final	Consumer	0	339,668	334,132	334,132	334,132	1,342,062	
Summer Savings	2007	Final	Consumer	0	2,392,768	403,307	152,658	152,658	3,101,391	
Social Housing Pilot	2007	Final	Consumer Low-Income	0	22,629	22,629	22,629	22,629	90,515	
Great Refrigerator Roundup	2008	Final	Consumer	0	0	155,058	155,058	155,058	465,174	
Cool Savings Rebate	2008	Final	Consumer	0	0	81,389	81,389	81,389	244,166	
Every Kilowatt Counts Power Savings Event	2008	Final	Consumer	0	0	588,614	585,672	585,672	1,759,958	
High Performance New Construction	2008	Final	Business	0	0	690	690	690	2,071	
Great Refrigerator Roundup	2009	Final	Consumer	0	0	0	214,775	214,775	429,550	
Cool & Hot Savings Rebate	2009	Final	Consumer	0	0	0	141,027	141,027	282,055	
Every Kilowatt Counts	2009	Final	Consumer	0	0	0	285,555	258,259	543,814	
High Performance New Construction	2009	Final	Business	0	0	0	21,042	21,042	42,085	
Power Savings Blitz	2009	Final	Business	0	0	0	317,368	317,368	634,736	
Demand Response 1	2009	Final	Business, Industrial	0	0	0	12,817	0	12,817	
Demand Response 2	2009	Final	Business, Industrial	0	0	0	122,007	0	122,007	
Demand Response 3	2009	Final	Business, Industrial	0	0	0	2,330	0	2,330	
Great Refrigerator Roundup	2010	Estimate	Consumer	0	0	0	0	214,775	214,775	
Cool & Hot Savings Rebate	2010	Estimate	Consumer	0	0	0	0	141,027	141,027	
Every Kilowatt Counts	2010	Estimate	Consumer	0	0	0	0	285,555	285,555	
High Performance New Construction	2010	Estimate	Business	0	0	0	0	21,042	21,042	
Power Savings Blitz	2010	Estimate	Business	0	0	0	0	317,368	317,368	
Demand Response 1	2010	Estimate	Business, Industrial	0	0	0	0	12,817	12,817	
Demand Response 2	2010	Estimate	Business, Industrial	0	0	0	0	122,007	122,007	
Demand Response 3	2010	Estimate	Business, Industrial	0	0	0	0	2,330	2,330	
Total				826,070	3,703,140	2,533,894	3,397,225	3,670,577	14,130,904	

Net KWh saved from OPA program

Source of Data: 2006-2009 Final OPA CDM Results-Update.Lakeland Power Distribution Ltd

OPA Initiative Name	Program Year	Results Status	Market	2006 kWh Saved	2007 kWh Saved	2008 kWh Saved	2009 kWh Saved	2010 kWh Saved	Total kWh Saved	Free Ridership %
Secondary Refrigerator Retirement Pilot	2006	Final	Consumer	10,954	10,954	10,954	10,954	10,954	54,772	10%
Cool & Hot Savings Rebate	2006	Final	Consumer	27,042	27,042	27,042	27,042	27,042	135,210	21%
Every Kilowatt Counts	2006	Final	Consumer	701,677	701,677	701,677	701,677	90,468	2,897,176	10%
Great Refrigerator Roundup	2007	Final	Consumer	0	16,291	16,291	16,291	16,291	65,164	60%
Cool & Hot Savings Rebate	2007	Final	Consumer	0	41,534	41,534	41,534	41,534	166,138	49%
Every Kilowatt Counts	2007	Final	Consumer	0	248,975	245,930	245,930	245,930	986,765	26%
Summer Savings	2007	Final	Consumer	0	287,132	48,397	18,319	18,319	372,167	88%
Social Housing Pilot	2007	Final	Consumer Low-Income	0	22,629	22,629	22,629	22,629	90,515	0%
Great Refrigerator Roundup	2008	Final	Consumer	0	0	84,178	84,178	84,178	252,533	46%
Cool Savings Rebate	2008	Final	Consumer	0	0	46,753	46,753	46,753	140,259	43%
Every Kilowatt Counts Power Savings Event	2008	Final	Consumer	0	0	237,329	236,297	236,297	709,923	60%
High Performance New Construction	2008	Final	Business	0	0	483	483	483	1,450	30%
Great Refrigerator Roundup	2009	Final	Consumer	0	0	0	114,043	114,043	228,086	47%
Cool & Hot Savings Rebate	2009	Final	Consumer	0	0	0	60,256	60,256	120,511	57%
Every Kilowatt Counts	2009	Final	Consumer	0	0	0	104,775	100,428	205,203	62%
High Performance New Construction	2009	Final	Business	0	0	0	14,730	14,730	29,459	30%
Power Savings Blitz	2009	Final	Business	0	0	0	301,500	301,500	602,999	5%
Demand Response 1	2009	Final	Business, Industrial	0	0	0	12,817	0	12,817	0%
Demand Response 2	2009	Final	Business, Industrial	0	0	0	122,007	0	122,007	0%
Demand Response 3	2009	Final	Business, Industrial	0	0	0	2,330	0	2,330	0%
Great Refrigerator Roundup	2010	Estimate	Consumer	0	0	0	0	114,043	114,043	47%
Cool & Hot Savings Rebate	2010	Estimate	Consumer	0	0	0	0	60,256	60,256	57%
Every Kilowatt Counts	2010	Estimate	Consumer	0	0	0	0	104,775	104,775	63%
High Performance New Construction	2010	Estimate	Business	0	0	0	0	14,730	14,730	30%
Power Savings Blitz	2010	Estimate	Business	0	0	0	0	301,500	301,500	5%
Demand Response 1	2010	Estimate	Business, Industrial	0	0	0	0	12,817	12,817	0%
Demand Response 2	2010	Estimate	Business, Industrial	0	0	0	0	122,007	122,007	0%
Demand Response 3	2010	Estimate	Business, Industrial	0	0	0	0	2,330	2,330	0%
Total				739,673	1,356,235	1,483,198	2,184,545	2,164,292	7,927,943	44%

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Lost Revenue Adjustment Mechanism (LRAM) Recovery Rate Rider

Rate Class Allocation (kWh)										
Residential (Market - Consumer)				739,673	1,356,235	1,482,714	1,730,678	1,394,196	6,703,497	
General Service < 50 kW (Market - Business)				0	0	483	316,713	632,942	950,138	
General Service 50 to 4,999 kW (Market - Business, Industrial)				0	0	0	137,154	137,154	274,308	
Total				739,673	1,356,235	1,483,198	2,184,545	2,164,292	7,927,943	
kW/kWH ratio from 2009 Load Forecast				0.2596%	0.2596%	0.2596%	0.2596%	0.2596%	0.2596%	
General Service 50 to 4,999 kW (Market - Business, Industrial) (Annual kW - without Demand Response)				0	0	0	356	356	712	

Net KW saved from OPA program

Source of Data: 2006-2009 Final OPA CDM Results-Update.Lakeland Power Distribution Ltd

OPA Initiative Name	Program Year	Results Status	Market	2006 kW Saved	2007 kW Saved	2008 kW Saved	2009 kW Saved	2010 kW Saved	Total kW Saved	
Secondary Refrigerator Retirement Pilot	2006	Final	Consumer	2.5	2.5	2.5	2.5	2.5	12.4	
Cool & Hot Savings Rebate	2006	Final	Consumer	25.1	25.1	25.1	25.1	25.1	125.3	
Every Kilowatt Counts	2006	Final	Consumer	8.3	8.3	8.3	8.3	8.3	41.4	
Demand Response 1	2006	Final	Business, Industrial	156.2	0.0	0.0	0.0	0.0	156.2	
Loblaw & York Region Demand Response	2006	Final	Business, Industrial	7.6	0.0	0.0	0.0	0.0	7.6	
Great Refrigerator Roundup	2007	Final	Consumer	0.0	1.8	1.8	1.8	1.8	7.4	
Cool & Hot Savings Rebate	2007	Final	Consumer	0.0	27.7	27.7	27.7	27.7	110.8	
Every Kilowatt Counts	2007	Final	Consumer	0.0	9.6	8.7	8.7	8.7	35.8	
Summer Savings	2007	Final	Consumer	0.0	160.7	47.9	23.1	23.1	254.8	
Social Housing Pilot	2007	Final	Consumer Low-Income	0.0	2.7	2.7	2.7	2.7	10.6	
Demand Response 1	2007	Final	Business, Industrial	0.0	520.8	0.0	0.0	0.0	520.8	
Loblaw & York Region Demand Response	2007	Final	Business, Industrial	0.0	43.3	0.0	0.0	0.0	43.3	
Great Refrigerator Roundup	2008	Final	Consumer	0.0	0.0	9.1	9.1	9.1	27.2	
Cool Savings Rebate	2008	Final	Consumer	0.0	0.0	29.6	29.6	29.6	88.8	
Every Kilowatt Counts Power Savings Event	2008	Final	Consumer	0.0	0.0	12.9	12.4	12.4	37.7	
High Performance New Construction	2008	Final	Business	0.0	0.0	0.6	0.6	0.6	1.7	
Demand Response 1	2008	Final	Business, Industrial	0.0	0.0	740.2	0.0	0.0	740.2	
Demand Response 3	2008	Final	Business, Industrial	0.0	0.0	143.1	0.0	0.0	143.1	
Loblaw & York Region Demand Response	2008	Final	Business, Industrial	0.0	0.0	49.2	0.0	0.0	49.2	
Great Refrigerator Roundup	2009	Final	Consumer	0.0	0.0	0.0	18.0	18.0	36.0	
Cool Savings Rebate	2009	Final	Consumer	0.0	0.0	0.0	39.7	39.7	79.4	
Every Kilowatt Counts Power Savings Event	2009	Final	Consumer	0.0	0.0	0.0	10.6	10.4	21.0	
High Performance New Construction	2009	Final	Business	0.0	0.0	0.0	6.5	6.5	12.9	
Power Savings Blitz	2009	Final	Business	0.0	0.0	0.0	77.3	77.3	154.6	
Demand Response 1	2009	Final	Business, Industrial	0.0	0.0	0.0	291.7	0.0	291.7	
Demand Response 2	2009	Final	Business, Industrial	0.0	0.0	0.0	198.1	0.0	198.1	
Demand Response 3	2009	Final	Business, Industrial	0.0	0.0	0.0	283.0	0.0	283.0	
Loblaw & York Region Demand Response	2009	Final	Business, Industrial	0.0	0.0	0.0	48.6	0.0	48.6	
Great Refrigerator Roundup	2010	Estimate	Consumer	0.0	0.0	0.0	0.0	18.0	18.0	
Cool Savings Rebate	2010	Estimate	Consumer	0.0	0.0	0.0	0.0	39.7	39.7	
Every Kilowatt Counts Power Savings Event	2010	Estimate	Consumer	0.0	0.0	0.0	0.0	10.6	10.6	
High Performance New Construction	2010	Estimate	Business	0.0	0.0	0.0	0.0	6.5	6.5	
Power Savings Blitz	2010	Estimate	Business	0.0	0.0	0.0	0.0	77.3	77.3	
Demand Response 1	2010	Estimate	Business, Industrial	0.0	0.0	0.0	0.0	291.7	291.7	
Demand Response 2	2010	Estimate	Business, Industrial	0.0	0.0	0.0	0.0	198.1	198.1	
Demand Response 3	2010	Estimate	Business, Industrial	0.0	0.0	0.0	0.0	283.0	283.0	
Loblaw & York Region Demand Response	2010	Estimate	Business, Industrial	0.0	0.0	0.0	0.0	48.6	48.6	
Total				199.7	802.5	1,109.4	1,124.9	1,276.8	4,513.3	
General Service 50 to 4,999 kW (Market - Business, Industrial) (kW)				164	564	932	821	821	3,303	
General Service 50 to 4,999 kW (Market - Business, Industrial) (Annual kW - with Demand Response)				1,966	6,769	11,190	9,856	9,856	39,638	
Summary Units Lost										
Residential (/kWh)				739,673	1,356,235	1,482,714	1,730,678	1,394,196	6,703,497	
General Service Less Than 50 kW (/kWh)				0	0	483	316,713	632,942	950,138	
General Service 50 to 4,999 kW (/kW - with Demand Response)				1,966	6,769	11,190	9,856	9,856	39,638	
General Service 50 to 4,999 kW (/kW - without Demand Response)				0	0	0	356	356	712	

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Lost Revenue Adjustment Mechanism (LRAM) Recovery Rate Rider

Rate Class Distribution Volumetric Rates			Eff: Apr 1, 2005	Eff: May 1, 2006	Eff: Sept 1, 2007	Eff: May 1, 2008	Eff: May 1, 2009	Eff: May 1, 2010		
Residential (/kWh)			0.0132	0.0131	0.0132	0.0131	0.0161	0.0137		
General Service Less Than 50 kW (/kWh)			0.0100	0.0096	0.0097	0.0097	0.0104	0.0083		
General Service 50 to 4999 kW (/kW)			2.6841	2.6376	2.6613	2.6507	2.3284	1.4417		
Rate Class Distribution Volumetric Rates (Annualized)				2006	2007	2008	2009	2010		
Residential (/kWh)				0.0131	0.0131	0.0131	0.0151	0.0145		
General Service Less Than 50 kW (/kWh)				0.0097	0.0096	0.0097	0.0102	0.0090		
General Service 50 to 4,999 kW (/kW)				2.6531	2.6455	2.6542	2.4358	1.7373		
LRAM ()				2006	2007	2008	2009	2010	Total	
Residential (/kWh)				$9,714	$17,812	$19,473	$26,133	$20,216	$93,348	
General Service Less Than 50 kW (/kWh)				$0	$0	$5	$3,220	$5,696	$8,921	
General Service 50 to 4,999 kW (/kW - without Demand response)				$0	$0	$0	$867	$619	$1,486	
Total				$9,714	$17,812	$19,478	$30,220	$26,531	$103,755	

LRAM Rate Rider	**LRAM**	**Interest**	**Total LRAM Claim**	**2009 Approved Billing Determinant**	**UOM**	**LRAM Rider**	
Residential	$93,348	$5,483	$98,831	87,027,546	kWh	0.0011	(/kWh)
General Service Less Than 50 kW	$8,921	$524	$9,445	49,211,450	kWh	0.0002	(/kWh)
General Service 50 to 4,999 kW	$1,486	$87	$1,573	209,041	kW	0.0075	(/kW)
Total	**$103,755**	**$6,094**	**$109,850**				

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Lost Revenue Adjustment Mechanism (LRAM) Recovery Rate Rider

Interest	Date	Opening	Int. Rate	Interest
	Jan-06	$810	6.76%	$5
	Feb-06	$1,619	6.76%	$9
	Mar-06	$2,429	6.76%	$14
	Apr-06	$3,238	4.14%	$11
	May-06	$4,048	4.14%	$14
	Jun-06	$4,857	4.14%	$17
	Jul-06	$5,667	4.59%	$22
	Aug-06	$6,476	4.59%	$25
	Sep-06	$7,286	4.59%	$28
	Oct-06	$8,095	4.59%	$31
	Nov-06	$8,905	4.59%	$34
	Dec-06	$9,714	4.59%	$37
	Jan-07	$11,199	4.59%	$43
	Feb-07	$12,683	4.59%	$49
	Mar-07	$14,167	4.59%	$54
	Apr-07	$15,652	4.59%	$60
	May-07	$17,136	4.59%	$66
	Jun-07	$18,620	4.59%	$71
	Jul-07	$20,105	4.59%	$77
	Aug-07	$21,589	4.59%	$83
	Sep-07	$23,073	4.59%	$88
	Oct-07	$24,558	5.14%	$105
	Nov-07	$26,042	5.14%	$112
	Dec-07	$27,526	5.14%	$118
	Jan-08	$29,149	5.14%	$125
	Feb-08	$30,773	5.14%	$132
	Mar-08	$32,396	5.14%	$139
	Apr-08	$34,019	4.08%	$116
	May-08	$35,642	4.08%	$121
	Jun-08	$37,265	4.08%	$127
	Jul-08	$38,888	3.35%	$109
	Aug-08	$40,511	3.35%	$113
	Sep-08	$42,135	3.35%	$118
	Oct-08	$43,758	3.35%	$122
	Nov-08	$45,381	3.35%	$127
	Dec-08	$47,004	3.35%	$131
	Jan-09	$49,522	2.45%	$101
	Feb-09	$52,041	2.45%	$106
	Mar-09	$54,559	2.45%	$111
	Apr-09	$57,077	1.00%	$48
	May-09	$59,596	1.00%	$50
	Jun-09	$62,114	1.00%	$52
	Jul-09	$64,633	0.55%	$30
	Aug-09	$67,151	0.55%	$31
	Sep-09	$69,669	0.55%	$32
	Oct-09	$72,188	0.55%	$33
	Nov-09	$74,706	0.55%	$34
	Dec-09	$77,224	0.55%	$35
	Jan-10	$79,435	0.55%	$36
	Feb-10	$81,646	0.55%	$37
	Mar-10	$83,857	0.55%	$38
	Apr-10	$86,068	0.55%	$39
	May-10	$88,279	0.55%	$40
	Jun-10	$90,490	0.55%	$41
	Jul-10	$92,701	0.89%	$69
	Aug-10	$94,912	0.89%	$70
	Sep-10	$97,123	0.89%	$72
	Oct-10	$99,333	1.20%	$99
	Nov-10	$101,544	1.20%	$102
	Dec-10	$103,755	1.20%	$104
	Jan-11	$103,755	1.47%	$127
	Feb-11	$103,755	1.47%	$127
	Mar-11	$103,755	1.47%	$127
	Apr-11	$103,755	1.47%	$127
	May-11	$103,755	1.47%	$127
	Jun-11	$103,755	1.47%	$127
	Jul-11	$103,755	1.47%	$127
	Aug-11	$103,755	1.47%	$127
	Sep-11	$103,755	1.47%	$127
	Oct-11	$103,755	1.47%	$127
	Nov-11	$103,755	1.47%	$127
	Dec-11	$103,755	1.47%	$127
	Jan-12	$103,755	1.47%	$127
	Feb-12	$103,755	1.47%	$127
	Mar-12	$103,755	1.47%	$127
	Apr-12	$103,755	1.47%	$127
				$6,094

Appendix 1 – Monthly Continuity Schedule with Interest Improvement

Lakeland Power Distribution Ltd.
1562 Deferred PILs Continuity Schedule

Year: Q4 2001

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
October	61,266.67	-		61,266.67	61,266.67	7.25%	-	-	61,266.67
November	61,266.67	-		61,266.67	122,533.33	7.25%	370.15	370.15	122,903.49
December	61,266.67	-		61,266.67	183,800.00	7.25%	740.31	1,110.46	184,910.46
Total	183,800.00	-	-	183,800.00			1,110.46		

Year: 2002

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	58,219.92	-		58,219.92	242,019.92	7.25%	1,110.46	2,220.92	244,240.83
February	58,219.92	-		58,219.92	300,239.83	7.25%	1,462.20	3,683.12	303,922.95
March	58,219.92	(26,839.46)		31,380.46	331,620.29	7.25%	1,813.95	5,497.07	337,117.36
April	58,219.92	(75,885.98)		(17,666.06)	313,954.23	7.25%	2,003.54	7,500.61	321,454.84
May	58,219.92	(63,654.01)		(5,434.09)	308,520.14	7.25%	1,896.81	9,397.42	317,917.56
June	58,219.92	(72,835.79)		(14,615.88)	293,904.26	7.25%	1,863.98	11,261.39	305,165.66
July	58,219.92	(70,943.27)	(3,548.00)	(16,271.36)	277,632.91	7.25%	1,775.67	13,037.06	290,669.97
August	58,219.92	(70,650.13)		(12,430.21)	265,202.69	7.25%	1,677.37	14,714.43	279,917.12
September	58,219.92	(55,865.44)		2,354.48	267,557.17	7.25%	1,602.27	16,316.69	283,873.87
October	58,219.92	(87,285.20)		(29,065.28)	238,491.89	7.25%	1,616.49	17,933.19	256,425.08
November	58,219.92	(73,263.11)		(15,043.19)	223,448.71	7.25%	1,440.89	19,374.07	242,822.78
December	58,219.92	(31,186.01)		27,033.91	250,482.62	7.25%	1,350.00	20,724.08	271,206.69
Total	698,639.00	(628,408.38)	(3,548.00)	66,682.62			19,613.62		

Year: 2003

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	73,536.58	(127,650.78)		(54,114.20)	196,368.42	7.25%	1,513.33	22,237.41	218,605.83
February	73,536.58	(84,663.22)		(11,126.63)	185,241.79	7.25%	1,186.39	23,423.80	208,665.59
March	73,536.58	(82,289.46)		(8,752.88)	176,488.91	7.25%	1,119.17	24,542.97	201,031.88
April	73,536.58	(77,014.56)		(3,477.98)	173,010.93	7.25%	1,066.29	25,609.26	198,620.19
May	73,536.58	(75,006.60)		(1,470.02)	171,540.91	7.25%	1,045.27	26,654.53	198,195.44
June	73,536.58	(73,424.28)		112.30	171,653.21	7.25%	1,036.39	27,690.93	199,344.14
July	73,536.58	(71,875.74)	(53,108.00)	(51,447.15)	120,206.06	7.25%	1,037.07	28,728.00	148,934.05
August	73,536.58	(73,007.64)		528.94	120,735.00	7.25%	726.24	29,454.24	150,189.24
September	73,536.58	(72,917.25)		619.33	121,354.33	7.25%	729.44	30,183.68	151,538.01
October	73,536.58	(70,896.51)		2,640.07	123,994.40	7.25%	733.18	30,916.87	154,911.26
November	73,536.58	(74,380.20)		(843.62)	123,150.78	7.25%	749.13	31,666.00	154,816.77
December	73,536.58	(77,399.19)		(3,862.61)	119,288.17	7.25%	744.04	32,410.03	151,698.20
Total	882,439.00	(960,525.45)	(53,108.00)	(131,194.45)			11,685.96		

Year: 2004

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	73,536.58	(80,044.96)		(6,508.37)	112,779.79	7.25%	720.70	33,130.73	145,910.53
February	73,536.58	(86,185.76)		(12,649.18)	100,130.62	7.25%	681.38	33,812.11	133,942.73
March	73,536.58	(81,607.91)		(8,071.33)	92,059.29	7.25%	604.96	34,417.07	126,476.35
April	58,219.92	(77,215.29)		(18,995.37)	73,063.91	7.25%	556.19	34,973.26	108,037.17
May	58,219.92	(62,110.96)		(3,891.04)	69,172.87	7.25%	441.43	35,414.69	104,587.56
June	58,219.92	(49,821.25)		8,398.67	77,571.54	7.25%	417.92	35,832.61	113,404.15
July	58,219.92	(50,821.41)	(81,047.00)	(73,648.50)	3,923.05	7.25%	468.66	36,301.27	40,224.31
August	58,219.92	(54,363.84)		3,856.08	7,779.13	7.25%	23.70	36,324.97	44,104.10
September	58,219.92	(48,720.02)		9,499.89	17,279.02	7.25%	47.00	36,371.97	53,650.99
October	58,219.92	(51,436.56)		6,783.36	24,062.38	7.25%	104.39	36,476.36	60,538.74
November	58,219.92	(52,943.96)		5,275.96	29,338.34	7.25%	145.38	36,621.74	65,960.07
December	58,219.92	(58,180.80)		39.12	29,377.46	7.25%	177.25	36,798.99	66,176.45
Total	744,589.00	(753,452.71)	(81,047.00)	(89,910.71)			4,388.96		

Year: 2005

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	58,219.92	(77,020.35)		(18,800.43)	10,577.02	7.25%	177.49	36,976.48	47,553.50
February	58,219.92	(80,560.80)		(22,340.88)	(11,763.86)	7.25%	63.90	37,040.38	25,276.52
March	58,219.92	(72,855.61)		(14,635.69)	(26,399.55)	7.25%	(71.07)	36,969.31	10,569.76
April	36,634.75	(63,783.09)		(27,148.34)	(53,547.89)	7.25%	(159.50)	36,809.81	(16,738.08)
May	36,634.75	(36,333.36)		301.39	(53,246.50)	7.25%	(323.52)	36,486.29	(16,760.21)
June	36,634.75	(29,355.24)		7,279.51	(45,966.99)	7.25%	(321.70)	36,164.60	(9,802.40)
July	36,634.75	(32,774.50)	(89,543.00)	(85,682.75)	(131,649.74)	7.25%	(277.72)	35,886.88	(95,762.86)
August	36,634.75	(32,435.63)		4,199.12	(127,450.62)	7.25%	(795.38)	35,091.49	(92,359.13)
September	36,634.75	(29,405.49)		7,229.26	(120,221.36)	7.25%	(770.01)	34,321.48	(85,899.88)
October	36,634.75	(30,099.46)		6,535.29	(113,686.07)	7.25%	(726.34)	33,595.14	(80,090.93)
November	36,634.75	(29,352.72)		7,282.03	(106,404.04)	7.25%	(686.85)	32,908.29	(73,495.75)
December	36,634.75	(35,171.70)		1,463.05	(104,940.99)	7.25%	(642.86)	32,265.43	(72,675.56)
Total	504,372.50	(549,147.95)	(89,543.00)	(134,318.45)			(4,533.56)		

Year: 2006

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	36,634.75	(43,583.54)		(6,948.79)	(111,889.78)	7.25%	(634.02)	31,631.41	(80,258.37)
February	36,634.75	(42,556.37)		(5,921.62)	(117,811.40)	7.25%	(676.00)	30,955.41	(86,855.99)
March	36,634.75	(41,933.86)		(5,299.11)	(123,110.51)	7.25%	(711.78)	30,243.64	(92,866.88)
April	36,634.75	(37,838.89)		(1,204.14)	(124,314.65)	4.14%	(424.73)	29,818.90	(94,495.75)
May	-	(29,726.16)		(29,726.16)	(154,040.81)	4.14%	(428.89)	29,390.02	(124,650.79)
June	-	(2,862.90)		(2,862.90)	(156,903.71)	4.14%	(531.44)	28,858.58	(128,045.14)
July	-		145,405.00	145,405.00	(11,498.71)	4.59%	(600.16)	28,258.42	16,759.71
August	-			-	(11,498.71)	4.59%	(43.98)	28,214.44	16,715.73
September	-			-	(11,498.71)	4.59%	(43.98)	28,170.46	16,671.74
October	-			-	(11,498.71)	4.59%	(43.98)	28,126.47	16,627.76
November	-			-	(11,498.71)	4.59%	(43.98)	28,082.49	16,583.78
December	-			-	(11,498.71)	4.59%	(43.98)	28,038.51	16,539.80
Total	146,539.00	(198,501.72)	145,405.00	93,442.28			(4,226.92)		

Year: 2007

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-		-	(11,498.71)	4.59%	(43.98)	27,994.53	16,495.81
February	-	-		-	(11,498.71)	4.59%	(43.98)	27,950.54	16,451.83
March	-	-		-	(11,498.71)	4.59%	(43.98)	27,906.56	16,407.85
April	-	-		-	(11,498.71)	4.59%	(43.98)	27,862.58	16,363.86
May	-	-		-	(11,498.71)	4.59%	(43.98)	27,818.60	16,319.88
June	-	-		-	(11,498.71)	4.59%	(43.98)	27,774.61	16,275.90
July	-	-		-	(11,498.71)	4.59%	(43.98)	27,730.63	16,231.92
August	-	-		-	(11,498.71)	4.59%	(43.98)	27,686.65	16,187.93
September	-	-		-	(11,498.71)	4.59%	(43.98)	27,642.67	16,143.95
October	-	-		-	(11,498.71)	5.14%	(49.25)	27,593.41	16,094.70
November	-	-		-	(11,498.71)	5.14%	(49.25)	27,544.16	16,045.45
December	-	-		-	(11,498.71)	5.14%	(49.25)	27,494.91	15,996.19
Total	-	-	-	-			(543.60)		

Year: 2008

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-		-	(11,498.71)	5.14%	(49.25)	27,445.65	15,946.94
February	-	-		-	(11,498.71)	5.14%	(49.25)	27,396.40	15,897.69
March	-	-		-	(11,498.71)	5.14%	(49.25)	27,347.15	15,848.43
April	-	-		-	(11,498.71)	4.08%	(39.10)	27,308.05	15,809.34
May	-	-		-	(11,498.71)	4.08%	(39.10)	27,268.96	15,770.24
June	-	-		-	(11,498.71)	4.08%	(39.10)	27,229.86	15,731.15
July	-	-		-	(11,498.71)	3.35%	(32.10)	27,197.76	15,699.05
August	-	-		-	(11,498.71)	3.35%	(32.10)	27,165.66	15,666.95
September	-	-		-	(11,498.71)	3.35%	(32.10)	27,133.56	15,634.85
October	-	-		-	(11,498.71)	3.35%	(32.10)	27,101.46	15,602.75
November	-	-		-	(11,498.71)	3.35%	(32.10)	27,069.36	15,570.65
December	-	-		-	(11,498.71)	3.35%	(32.10)	27,037.26	15,538.54
Total	-	-	-	-			(457.65)		

Year: 2009

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-		-	(11,498.71)	2.45%	(23.48)	27,013.78	15,515.07
February	-	-		-	(11,498.71)	2.45%	(23.48)	26,990.30	15,491.59
March	-	-		-	(11,498.71)	2.45%	(23.48)	26,966.83	15,468.11
April	-	-		-	(11,498.71)	1.00%	(9.58)	26,957.25	15,458.53
May	-	-		-	(11,498.71)	1.00%	(9.58)	26,947.66	15,448.95
June	-	-		-	(11,498.71)	1.00%	(9.58)	26,938.08	15,439.37
July	-	-		-	(11,498.71)	0.55%	(5.27)	26,932.81	15,434.10
August	-	-		-	(11,498.71)	0.55%	(5.27)	26,927.54	15,428.83
September	-	-		-	(11,498.71)	0.55%	(5.27)	26,922.27	15,423.56
October	-	-		-	(11,498.71)	0.55%	(5.27)	26,917.00	15,418.29
November	-	-		-	(11,498.71)	0.55%	(5.27)	26,911.73	15,413.02
December	-	-		-	(11,498.71)	0.55%	(5.27)	26,906.46	15,407.75
Total	-	-	-	-			(130.80)		

Year: 2010

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-		-	(11,498.71)	0.55%	(5.27)	26,901.19	15,402.48
February	-	-		-	(11,498.71)	0.55%	(5.27)	26,895.92	15,397.21
March	-	-		-	(11,498.71)	0.55%	(5.27)	26,890.65	15,391.94
April	-	-		-	(11,498.71)	0.55%	(5.27)	26,885.38	15,386.67
May	-	-		-	(11,498.71)	0.55%	(5.27)	26,880.11	15,381.40
June	-	-		-	(11,498.71)	0.55%	(5.27)	26,874.84	15,376.13
July	-	-		-	(11,498.71)	0.89%	(8.53)	26,866.31	15,367.60
August	-	-		-	(11,498.71)	0.89%	(8.53)	26,857.78	15,359.07
September	-	-		-	(11,498.71)	0.89%	(8.53)	26,849.25	15,350.54
October	-	-		-	(11,498.71)	1.20%	(11.50)	26,837.76	15,339.04
November	-	-		-	(11,498.71)	1.20%	(11.50)	26,826.26	15,327.54
December	-	-		-	(11,498.71)	1.20%	(11.50)	26,814.76	15,316.04
Total	-	-	-	-			(91.70)		

Year: 2011

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-		-	(11,498.71)	1.47%	(14.09)	26,800.67	15,301.96
February	-	-		-	(11,498.71)	1.47%	(14.09)	26,786.59	15,287.87
March	-	-		-	(11,498.71)	1.47%	(14.09)	26,772.50	15,273.79
April	-	-		-	(11,498.71)	1.47%	(14.09)	26,758.41	15,259.70
May	-	-		-	(11,498.71)	1.47%	(14.09)	26,744.33	15,245.61
June	-	-		-	(11,498.71)	1.47%	(14.09)	26,730.24	15,231.53
July	-	-		-	(11,498.71)	1.47%	(14.09)	26,716.16	15,217.44
August	-	-		-	(11,498.71)	1.47%	(14.09)	26,702.07	15,203.36
September	-	-		-	(11,498.71)	1.47%	(14.09)	26,687.98	15,189.27
October	-	-		-	(11,498.71)	1.47%	(14.09)	26,673.90	15,175.19
November	-	-		-	(11,498.71)	1.47%	(14.09)	26,659.81	15,161.10
December	-	-		-	(11,498.71)	1.47%	(14.09)	26,645.73	15,147.01
Total	-	-	-	-			(169.03)		

Year: 2012

			SIMPILS True Up	Variance (neg = payable)		Interest Improvement (neg = payable)			
	Approved PILs Entitlement	PILs Revenue (neg = CR)	Adjustments (neg=CR)	Monthly	Cumulative	Approved Interest Rate	Monthly	Cumulative	Total Variance
January	-	-		-	(11,498.71)	1.47%	(14.09)	26,631.64	15,132.93
February	-	-		-	(11,498.71)	1.47%	(14.09)	26,617.55	15,118.84
March	-	-		-	(11,498.71)	1.47%	(14.09)	26,603.47	15,104.76
April	-	-		-	(11,498.71)	1.47%	(14.09)	26,589.38	15,090.67
May									
June									
July									
August									
September									
October									
November									
December									
Total	-	-	-	-			(56.34)		

Grand totals	3,160,378.50	(3,090,036.21)	(81,841.00)	(11,498.71)		26,589.38	15,090.67

Appendix 2 – 2001-2006 PILs Recoveries

2002	2001	2002	Total PIL Proxy Adder 2001-2003	2002 Volumes	Total 2002 Collected
Service Charge					
Residential	0.7944	3.0196	**3.8140**	61,671	$ 235,213.19
GS<50	1.5920	6.0515	**7.6435**	13,291	$ 101,589.76
GS>50	25.7372	97.8291	**123.5663**	803	$ 99,223.74
GS>50 TOU	73.7257	280.2376	**353.9633**	2	$ 707.93
Sentinel Lighting	0.0800	0.3043	**0.3843**	356	$ 136.81
Street Lights	0.0469	0.1783	**0.2252**	18,504	$ 4,167.10
Volumetric					
Residential	0.000404	0.001534	**0.001938**	48,269,496	$ 93,546.28
GS<50	0.000284	0.001078	**0.001362**	31,808,528	$ 43,323.22
GS>50	0.064193	0.244003	**0.308196**	156,949	$ 48,370.96
GS>50 TOU	0.023607	0.089731	**0.113338**	2,538	$ 287.65
Sentinel Lighting	0.134185	0.510050	**0.644235**	85	$ 54.86
Street Lights	0.096450	0.366616	**0.463066**	3,859	$ 1,786.88
					$ 628,408.38

	2002												
	January	February	March	April	May	June	July	August	September	October	November	December	
Customer Counts													
Residential				2971	7101	6373	7064	7089	7068	5365	8881	7104	2655
GS<50				765	1541	1318	1526	1530	1509	1098	1968	1526	510
GS>50				41	91	77	93	90	86	75	113	93	44
GS>50 TOU				0	1	1	0	0	0	0	0	0	0
Sentinel Lighting				27	31	20	43	42	39	42	41	40	31
Street Lights				0	2056	2056	2056	2056	2056	2056	2056	2056	2056
Volumetric													
Residential				1,410,825	7,383,107	5,128,269	5,827,246	4,868,304	4,954,716	3,963,326	5,864,878	6,057,697	2,811,128
GS<50				954,206	3,883,084	2,827,577	3,614,452	3,802,955	4,315,761	3,049,182	4,509,736	3,672,304	1,179,271
GS>50				1,778	16,250	15,564	18,940	18,792	17,420	16,953	20,167	18,131	12,953
GS>50 TOU				-	1,253	1,285	-	-	-	-	-	-	-
Sentinel Lighting				4	7	5	10	10	10	11	10	10	8
Street Lights				-	429	429	429	429	429	429	429	429	429
Calculated PILs Revenue													
Residential	$ -	$ -	$	14,065.57	$ 41,391.68	$ 34,245.21	$ 38,235.30	$ 36,472.22	$ 36,559.59	$ 28,143.04	$ 45,238.27	$ 38,834.47	$ 15,574.14
GS<50	$ -	$ -	$	7,146.91	$ 17,067.39	$ 13,925.29	$ 16,586.86	$ 16,874.18	$ 17,412.11	$ 12,545.55	$ 21,184.67	$ 16,665.66	$ 5,504.35
GS>50	$ -	$ -	$	5,614.28	$ 16,252.69	$ 14,311.46	$ 17,328.90	$ 16,912.52	$ 15,995.48	$ 14,492.26	$ 20,178.47	$ 17,079.66	$ 9,428.98
GS>50 TOU	$ -	$ -	$	-	$ 495.95	$ 499.63	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Sentinel Lighting	$ -	$ -	$	12.70	$ 16.60	$ 10.89	$ 23.21	$ 22.82	$ 21.43	$ 23.07	$ 22.26	$ 21.79	$ 16.92
Street Lights	$ -	$ -	$	-	$ 661.67	$ 661.53	$ 661.53	$ 661.53	$ 661.53	$ 661.53	$ 661.53	$ 661.53	$ 661.62
Total	$ -	$ -	$	26,839.46	$ 75,885.98	$ 63,654.01	$ 72,835.79	$ 70,943.27	$ 70,650.13	$ 55,865.44	$ 87,285.20	$ 73,263.11	$ 31,186.01	$ 628,408.38

2003	2001	2002	Total PIL Proxy Adder 2001-2003	2003 Volumes	Total 2003 Collected
Service Charge					
Residential	0.7944	3.0196	**3.8140**	91,532	$ 349,104.47
GS<50	1.5920	6.0515	**7.6435**	19,394	$ 148,234.29
GS>50	25.7372	97.8291	**123.5663**	1,212	$ 149,745.88
GS>50 TOU	73.7257	280.2376	**353.9633**	-	$ -
Sentinel Lighting	0.0800	0.3043	**0.3843**	597	$ 229.45
Street Lights	0.0469	0.1783	**0.2252**	24,696	$ 5,561.54
Volumetric					
Residential	0.000404	0.001534	**0.001938**	86,696,130	$ 168,017.10
GS<50	0.000284	0.001078	**0.001362**	49,705,773	$ 67,699.26
GS>50	0.064193	0.244003	**0.308196**	225,400	$ 69,467.51
GS>50 TOU	0.023607	0.089731	**0.113338**	-	$ -
Sentinel Lighting	0.134185	0.510050	**0.644235**	125	$ 80.57
Street Lights	0.096450	0.366616	**0.463066**	5,151	$ 2,385.38
					$ 960,525.45

	2003												
	January	February	March	April	May	June	July	August	September	October	November	December	
Customer Counts													
Residential	11,744	7,208	7,241	7,094	7,353	7,258	7,234	7,276	7,273	7,274	7,285	7,292	
GS<50	2,553	1,532	1,543	1,520	1,533	1,534	1,525	1,535	1,538	1,534	1,478	1,569	
GS>50	144	101	96	94	97	97	99	97	98	96	95	99	
GS>50 TOU	-	-	-	-	-	-	-	-	-	-	-	-	
Sentinel Lighting	61	49	49	49	49	49	48	50	49	49	48	47	
Street Lights	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	2,058	
Volumetric													
Residential	14,276,047	10,639,345	9,366,250	7,648,199	6,411,730	5,676,188	4,662,274	4,987,696	4,962,582	4,637,299	6,298,849	7,130,580	
GS<50	7,442,898	4,488,218	4,766,276	4,099,908	3,379,479	3,389,876	3,534,349	4,070,779	3,871,372	3,308,223	3,527,435	3,824,333	
GS>50	23,050	18,194	18,455	18,228	17,983	18,379	19,010	18,466	18,604	17,642	19,026	18,324	
GS>50 TOU	-	-	-	-	-	-	-	-	-	-	-	-	
Sentinel Lighting	13	10	10	10	10	10	10	10	10	10	10	10	
Street Lights	429	429	429	429	429	429	429	429	429	429	429	429	
Calculated PILs Revenue													
Residential	$ 72,459.81	$ 48,111.46	$ 45,767.64	$ 41,877.13	$ 40,470.91	$ 38,682.58	$ 36,625.86	$ 37,416.05	$ 37,355.70	$ 36,730.75	$ 39,992.94	$ 41,630.75	
GS<50	$ 29,649.10	$ 17,821.79	$ 18,283.81	$ 17,204.23	$ 16,323.91	$ 16,341.88	$ 16,470.88	$ 17,279.98	$ 17,026.72	$ 16,232.21	$ 16,097.64	$ 17,201.40	
GS>50	$ 24,848.04	$ 18,042.27	$ 17,550.21	$ 17,245.51	$ 17,524.11	$ 17,712.14	$ 18,091.84	$ 17,623.40	$ 17,847.16	$ 17,245.88	$ 17,602.44	$ 17,880.37	
GS>50 TOU	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Sentinel Lighting	$ 31.77	$ 25.57	$ 25.53	$ 25.42	$ 25.41	$ 25.41	$ 24.89	$ 25.94	$ 25.41	$ 25.41	$ 24.90	$ 24.39	
Street Lights	$ 662.07	$ 662.14	$ 662.27	$ 662.27	$ 662.27	$ 662.27	$ 662.27	$ 662.27	$ 662.27	$ 662.27	$ 662.27	$ 662.27	
Total	$ 127,650.78	$ 84,663.22	$ 82,289.46	$ 77,014.56	$ 75,006.60	$ 73,424.28	$ 71,875.74	$ 73,007.64	$ 72,917.25	$ 70,896.51	$ 74,380.20	$ 77,399.19	$ 960,525.45

2004	2001-2002-2003 PIL Proxy Adder	Jan-Mar 2004 Volumes	Total 2003 PIL Collected	2004 PIL Proxy Adder	Apr-Dec 2004 Volumes	2004 PIL Collected	Total 2004 Volumes	Total 2004 Collected
Service Charge								
Residential	3.8140	29,642	$ 113,054.20					$ 113,054.20
GS<50	7.6435	6,208	$ 47,451.96					$ 47,451.96
GS>50	123.5663	380	$ 46,991.15					$ 46,991.15
GS>50 TOU	353.9633	-	$ -					$ -
Sentinel Lighting	0.3843	204	$ 78.41					$ 78.41
Street Lights	0.2252	8,232	$ 1,853.85					$ 1,853.85
Volumetric								
Residential	0.001938	37,238,952	$ 72,169.09	0.004816	43,404,487	$ 209,036.01	80,643,439	$ 281,205.10
GS<50	0.001362	17,988,537	$ 24,500.39	0.003379	28,794,139	$ 97,295.40	46,782,676	$ 121,795.78
GS>50	0.308196	72,809	$ 22,439.49	0.746977	150,079	$ 112,105.86	222,889	$ 134,545.35
GS>50 TOU	0.113338	-	$ -	0.000000	-	$ -	-	$ -
Sentinel Lighting	0.644235	43	$ 27.66	2.429761	76	$ 184.42	119	$ 212.08
Street Lights	0.463066	1,717	$ 795.25	1.583084	3,435	$ 5,437.45	5,152	$ 6,232.70
			$ 329,361.44			$ 424,059.14		$ 753,420.58

	2004												
	January	February	March	April	May	June	July	August	September	October	November	December	
Customer Counts													
Residential	7,282	7,310	7,304	6,635	1,111	0							
GS<50	1,535	1,540	1,532	1,434	165	2							
GS>50	93	93	98	91	6	-							
GS>50 TOU	-	-	-	-	-	-							
Sentinel Lighting	52	45	48	47	13	-							
Street Lights	2,058	2,058	2,058	2,058	-	-							
Volumetric - 2003 PIL													
Residential	8,905,168	11,260,273	9,023,883	6,983,592	1,066,024	12							
GS<50	4,196,861	5,167,515	4,432,755	3,786,524	400,611	4,271							
GS>50	17,468	17,835	18,554	17,853	1,100	-							
GS>50 TOU	-	-	-	-	-	-							
Sentinel Lighting	11	9	10	10	3	-							
Street Lights	429	429	429	429	-	-							
Volumetric - 2004 PIL													
Residential				697,490	5,906,860	4,892,611	4,848,788	5,247,139	4,617,646	5,015,892	5,592,525	6,592,208	
GS<50				319,701	3,230,337	3,346,893	3,566,869	4,158,707	3,502,909	3,720,448	3,369,470	3,578,805	
GS>50				572	17,267	19,042	19,697	19,195	18,664	18,749	18,637	18,256	
GS>50 TOU				-	-	-	-	-	-	-	-	-	
Sentinel Lighting				0	7	10	10	10	10	10	10	10	
Street Lights				-	429	429	429	429	429	429	429	429	
Calculated PILs Revenue													
Residential	$ 45,031.76	$ 49,702.75	$ 45,345.74	$ 42,199.63	$ 34,749.86	$ 23,562.91	$ 23,351.76	$ 25,270.22	$ 22,238.58	$ 24,156.54	$ 26,933.60	$ 31,748.07	
GS<50	$ 17,448.90	$ 18,809.15	$ 17,747.25	$ 17,196.01	$ 12,725.28	$ 11,330.49	$ 12,052.45	$ 14,052.27	$ 11,836.33	$ 12,571.39	$ 11,385.44	$ 12,092.78	
GS>50	$ 16,875.14	$ 16,988.23	$ 17,827.74	$ 17,132.53	$ 13,932.62	$ 14,223.97	$ 14,713.17	$ 14,337.90	$ 13,941.67	$ 14,005.29	$ 13,921.71	$ 13,636.52	
GS>50 TOU	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Sentinel Lighting	$ 26.88	$ 23.36	$ 24.90	$ 24.84	$ 23.51	$ 24.20	$ 24.35	$ 23.76	$ 23.76	$ 23.66	$ 23.53	$ 23.74	
Street Lights	$ 662.27	$ 662.27	$ 662.27	$ 662.27	$ 679.68	$ 679.68	$ 679.68	$ 679.68	$ 679.68	$ 679.68	$ 679.68	$ 679.68	
Total	$ 80,044.96	$ 86,185.76	$ 81,607.91	$ 77,215.29	$ 62,110.96	$ 49,821.25	$ 50,821.41	$ 54,363.84	$ 48,720.02	$ 51,436.56	$ 52,943.96	$ 58,180.80	$ 753,452.71

2005	2004 PIL Proxy Adder	Jan-Mar 2005 Volumes	2004 PIL Collected	2005 PIL Proxy Adder	Apr-Dec 2005 Volumes	2005 PIL Collected	Total 2005 Volumes	Total 2005 Collected
Volumetric								
Residential	0.004816	37,426,354	$ 180,245.32	0.0028	44,734,025	$ 125,255.27	82,160,379	$ 305,500.59
GS<50	0.003379	18,447,215	$ 62,333.14	0.0020	29,522,160	$ 59,044.32	47,969,375	$ 121,377.46
GS>50	0.746977	71,083	$ 53,097.61	0.4244	149,483	$ 63,440.62	220,566	$ 116,538.23
GS>50 TOU	0.000000	-	$ -	0.0000	-	$ -	0	$ -
Sentinel Lighting	2.429761	40	$ 96.16	1.2273	74	$ 91.15	114	$ 187.31
Street Lights	1.583084	1,717	$ 2,718.76	0.8227	3,435	$ 2,825.60	5,152	$ 5,544.36
			$ 298,490.99			250,656.96		$ 549,147.95

	2005												
	January	February	March	April	May	June	July	August	September	October	November	December	
Volumetric - 2004 PIL													
Residential	9,656,975	10,304,003	8,940,625	7,427,359	1,097,392								
GS<50	4,628,050	4,837,008	4,459,873	3,841,992	680,293								
GS>50	18,973	18,595	18,776	14,299	440								
GS>50 TOU													
Sentinel Lighting	9	9	9	9	3								
Street Lights	429	429	429	429	-								
Volumetric - 2005 PIL													
Residential				893,196	5,296,679	5,287,832	5,738,414	5,429,829	4,829,529	5,003,546	5,256,239	6,998,761	
GS<50				412,055	3,135,785	3,247,135	4,252,945	4,170,990	3,705,070	3,721,330	3,180,820	3,696,030	
GS>50				760	16,377	18,120	18,464	20,088	19,104	19,514	18,635	18,421	
GS>50 TOU													
Sentinel Lighting				0	7	10	10	10	10	10	10	10	
Street Lights				-	429	429	429	429	429	429	429	429	
Calculated PILs Revenue													
Residential	$ 46,507.99	$ 49,624.08	$ 43,058.05	$ 38,271.11	$ 20,115.74	$ 14,805.93	$ 16,067.56	$ 15,203.52	$ 13,522.68	$ 14,009.93	$ 14,717.47	$ 19,596.53	
GS<50	$ 15,638.18	$ 16,344.25	$ 15,069.91	$ 13,806.20	$ 8,570.28	$ 6,494.27	$ 8,505.89	$ 8,341.98	$ 7,410.14	$ 7,442.66	$ 6,361.64	$ 7,392.06	
GS>50	$ 14,172.11	$ 13,890.40	$ 14,025.35	$ 11,003.74	$ 7,279.02	$ 7,690.12	$ 7,836.13	$ 8,525.21	$ 8,107.75	$ 8,281.95	$ 7,908.50	$ 7,817.95	
GS>50 TOU	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Sentinel Lighting	$ 22.38	$ 22.38	$ 22.61	$ 22.35	$ 15.12	$ 11.72	$ 11.72	$ 11.72	$ 11.72	$ 11.72	$ 11.91	$ 11.96	
Street Lights	$ 679.69	$ 679.69	$ 679.69	$ 679.69	$ 353.20	$ 353.20	$ 353.20	$ 353.20	$ 353.20	$ 353.20	$ 353.20	$ 353.20	
Total	$ 77,020.35	$ 80,560.80	$ 72,855.61	$ 63,783.09	$ 36,333.36	$ 29,355.24	$ 32,774.50	$ 32,435.63	$ 29,405.49	$ 30,099.46	$ 29,352.72	$ 35,171.70	$ 549,147.95

2006	2005 PIL Proxy Adder	Jan-Apr 2006 Volumes	Total 2005 PILs Collected
Volumetric			
Residential	0.0028	41,338,396	$ 115,747.51
GS<50	0.0020	20,829,706	$ 41,659.41
GS>50	0.4244	92,519	$ 39,265.06
GS>50 TOU	0.0000		$ -
Sentinel Lighting	1.2273	51	$ 62.58
Street Lights	0.8227	2,148	$ 1,767.16
			$ 198,501.72

	2006												
	January	February	March	April	May	June	July	August	September	October	November	December	
Volumetric - 2005 PIL													
Residential	9,349,496	9,167,246	8,940,114	7,643,321	5,599,054	639,443	-	-	-	-	-	-	
GS<50	4,544,315	4,381,800	4,356,360	4,095,965	3,131,325	319,550	-	-	-	-	-	-	
GS>50	18,735	18,282	18,434	18,567	17,487	1,013	-	-	-	-	-	-	
GS>50 TOU													
Sentinel Lighting	10	10	10	10	9	3	-	-	-	-	-	-	
Street Lights	430	430	430	430	430	-	-	-	-	-	-	-	
Calculated PILs Revenue													
Residential	$ 26,178.59	$ 25,668.29	$ 25,032.32	$ 21,401.30	$ 15,677.35	$ 1,789.66	$ -	$ -	$ -	$ -	$ -	$ -	
GS<50	$ 9,088.63	$ 8,763.60	$ 8,712.72	$ 8,191.93	$ 6,262.65	$ 639.88	$ -	$ -	$ -	$ -	$ -	$ -	
GS>50	$ 7,950.93	$ 7,759.09	$ 7,823.43	$ 7,880.04	$ 7,421.51	$ 430.06	$ -	$ -	$ -	$ -	$ -	$ -	
GS>50 TOU	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Sentinel Lighting	$ 11.96	$ 11.96	$ 11.96	$ 12.19	$ 11.21	$ 3.30	$ -	$ -	$ -	$ -	$ -	$ -	
Street Lights	$ 353.43	$ 353.43	$ 353.43	$ 353.43	$ 353.44	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
Total	$ 43,583.54	$ 42,556.37	$ 41,933.86	$ 37,838.89	$ 29,726.16	$ 2,862.90	$ -	$ -	$ -	$ -	$ -	$ -	$ 198,501.72

Appendix 3 – 2002 Rate Adjustment Model

SHEET 1 - 2001 OEB Approved Rate Schedule

V2

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER			
Date	23-Jan-02		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0067
MONTHLY SERVICE CHARGE (Per Customer)	$13.47
COST OF POWER KWH RATE	$0.07496

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0067
MONTHLY SERVICE CHARGE (Per Customer)	$13.47

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	$0.0045
MONTHLY SERVICE CHARGE (Per Customer)	$27.53
COST OF POWER KWH RATE	$0.07426

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0045
MONTHLY SERVICE CHARGE (Per Customer)	$27.53

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	$0.9427
MONTHLY SERVICE CHARGE (Per Customer)	$459.10
COST OF POWER KW RATE	$7.0900
COST OF POWER KWH RATE	$0.05206

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.9427
MONTHLY SERVICE CHARGE (Per Customer)	$459.10

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
	$9.98	$7.62	$0.07106	$0.04216	$0.05986	$0.03116

GENERAL SERVICE INTERMEDIATE USE

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

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

LARGE USE

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

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.9144
MONTHLY SERVICE CHARGE (Per Connection)	$1.17
COST OF POWER KW RATE	$22.8300

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	$1.6707
MONTHLY SERVICE CHARGE (Per Connection)	$0.78
COST OF POWER KW RATE	$19.7402

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.6707
MONTHLY SERVICE CHARGE (Per Connection)	$0.7775

COST OF POWER TIME OF USE RATES	WINTER PEAK $/KW	SUMMER PEAK $/KW
	$32.9259	$12.6375

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		$ 10.00
Change of Occupancy		$ -
Account History		
Administration Fee		$ -
Current Year Data		$ -
Each Additional Year Data		$ -
Arrear's Certificate		$ 10.00
Late Payment		1.50%
Returned Cheque		$ 10.00
Collection of Account Charge		$ 10.00
Disconnect/Reconnect Charges (non payment of account)		
At Meter - During Regular Hours		$ 20.00
At Meter - After Hours		$ -
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	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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

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

or

98.90%

of current rates.

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

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.006626
MONTHLY SERVICE CHARGE (Per Customer)	$13.3218
COST OF POWER KWH RATE	$0.0750

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.006626
MONTHLY SERVICE CHARGE (Per Customer)	$13.3218

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	$0.004451
MONTHLY SERVICE CHARGE (Per Customer)	$27.2272
COST OF POWER KWH RATE	$0.07426

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.004451
MONTHLY SERVICE CHARGE (Per Customer)	$27.2272

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	$0.932330
MONTHLY SERVICE CHARGE (Per Customer)	$454.0499
COST OF POWER KW RATE	$7.0900
COST OF POWER KWH RATE	$0.0521

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.932330
MONTHLY SERVICE CHARGE (Per Customer)	$454.0499

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
	$9.98	$7.62	$0.0711	$0.0422	$0.0599	$0.0312

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE $0.000000

MONTHLY SERVICE CHARGE (Per Customer) $0.0000

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

LARGE USE

DISTRIBUTION KW RATE $0.000000

MONTHLY SERVICE CHARGE (Per Customer) $0.00

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE $2.882342

MONTHLY SERVICE CHARGE (Per Connection) $1.1535

COST OF POWER KW RATE $22.8300

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 $1.6523

MONTHLY SERVICE CHARGE (Per Connection) $0.7689

COST OF POWER KW RATE $19.7402

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE $1.6523

MONTHLY SERVICE CHARGE (Per Connection) $0.77

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$32.9259	$12.6375

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

This schedule requires LDCs to input the 1999 statistics (identical to those in your approved RUD Model) which will be used to allocate distribution revenue to rate classes and also used to determine 2002 rate additions to recover the additional 1/3 of incremental MARR.

If your LDC has other issues that will have a permanent impact on MARR (change in late payment policy or other revenue adjustments) you must justify them and provide evidence in your manager's summary.

Enter the permanent revenue adjustment amount here: Cell G36 will be adjusted by this amount.

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates. $ 162,461.80

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry) $ 162,461.80

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment) $ 162,461.80

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	-	76,373,354	6,895	$1,628,269.42	54.28%	$ 88,181.08
GENERAL SERVICE <50 KW CLASS	-	51,032,727	1,501	$724,248.60	24.14%	$ 39,222.64
GENERAL SERVICE >50 KW NON TIME OF USE	191,419	-	77	$603,667.76	20.12%	$ 32,692.42
GENERAL SERVICE >50 KW TIME OF USE	15,860	-	1	$15,942.14	0.53%	$ 863.37
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	73	-	33	$674.62	0.02%	$ 36.53
STREET LIGHTING CLASS	5,109	-	1,986	$27,065.31	0.90%	$ 1,465.76
TOTALS				$2,999,867.85	1.00	$ 162,461.80
		Allocated Total for 2002 including adjustments at Cell B13 ==>				$ 162,461.80

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
	0.315	0.685	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	$ 27,777.04	$ 60,404.04	$ 88,181.08
(B) RETAIL KWH	76,373,354		
(C) NUMBER OF CUSTOMERS		6,895	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000364		
(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)		$0.7300	

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
0.315	0.685	100%

(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	$ 12,355.13	$ 26,867.51	$ 39,222.64
(B) RETAIL KWH	51,032,727		
(C) NUMBER OF CUSTOMERS		1,501	
(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)	$0.000242		
(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)		$1.4916	

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
	0.315	0.685	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above)	$ 10,298.11	$ 22,394.31	$ 32,692.42
(B) RETAIL KW	191,419		
(C) NUMBER OF CUSTOMERS		77	
(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)	$0.053799		
(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)		$24.2363	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	0.315	0.685	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 above)	$ 271.96	$ 591.41	$ 863.37
(B) RETAIL KW	15,860		
(C) NUMBER OF CUSTOMERS		1	
(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)	$0.017148		
(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)		$49.2839	

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
0.315	0.685	100%

(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	$ 11.51	$ 25.03	$ 36.53
(B) RETAIL KW	73		
(C) NUMBER OF CUSTOMERS (Connections)		33	
(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)	$0.157651		
(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)		$0.0632	

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

	0.315	0.685	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above)	$ 461.71	$ 1,004.04	$ 1,465.76
(B) RETAIL KW	5,109		
(C) NUMBER OF CUSTOMERS		1,986	
(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)	$0.090373		
(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)		$0.0421	

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$14.05
COST OF POWER KWH RATE	$0.0750

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

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	$0.0047
MONTHLY SERVICE CHARGE (Per Customer)	$28.72
COST OF POWER KWH RATE	$0.0743

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0047
MONTHLY SERVICE CHARGE (Per Customer)	$28.72

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	$0.9861
MONTHLY SERVICE CHARGE (Per Customer)	$478.29
COST OF POWER KW RATE	$7.0900
COST OF POWER KWH RATE	$0.0521

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.949478

MONTHLY SERVICE CHARGE (Per Customer) $503.33

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
	$9.9800	$7.6200	$0.0711	$0.0422	$0.0599	$0.0312

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE #DIV/0!

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

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

LARGE USE

DISTRIBUTION KW RATE #DIV/0!

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

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE $3.0400

MONTHLY SERVICE CHARGE (Per Connection) $1.22

COST OF POWER KW RATE $22.8300

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE $0.1577

MONTHLY SERVICE CHARGE (Per Connection) $0.06

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 $1.7427

MONTHLY SERVICE CHARGE (Per Connection) $0.81

COST OF POWER KW RATE $19.7402

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE $1.7427

MONTHLY SERVICE CHARGE (Per Connection) $0.81

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$32.9259	$12.6375

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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

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

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS		IMPACT %
100 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	13.47	n/a	n/a	$	14.05		
DISTRIBUTION KWH	100	0.0067	$	0.67	100	0.00699	$	0.70		
COST OF POWER KWH	100	0.0750	$	7.50	100	0.0750	$	7.50		
CURRENT 2001 BILL			$	21.64	Adjusted 2002 BILL		$	22.25	$ 0.61	2.8%
250 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	13.47	n/a	n/a	$	14.05		
DISTRIBUTION KWH	250	0.0067	$	1.68	250	0.00699	$	1.75		
COST OF POWER KWH	250	0.0750	$	18.74	250	0.0750	$	18.74		
CURRENT 2001 BILL			$	33.89	Adjusted 2002 BILL		$	34.54	$ 0.65	1.9%
500 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	13.47	n/a	n/a	$	14.05		
DISTRIBUTION KWH	500	0.0067	$	3.35	500	0.00699	$	3.50		
COST OF POWER KWH	500	0.0750	$	37.48	500	0.0750	$	37.48		
CURRENT 2001 BILL			$	54.30	Adjusted 2002 BILL		$	55.03	$ 0.73	1.3%
750 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	13.47	n/a	n/a	$	14.05		
DISTRIBUTION KWH	750	0.0067	$	5.03	750	0.00699	$	5.24		
COST OF POWER KWH	750	0.0750	$	56.22	750	0.0750	$	56.22		
CURRENT 2001 BILL			$	74.72	Adjusted 2002 BILL		$	75.51	$ 0.80	1.1%
1000 kWh										
MONTHLY SERVICE CHARGE	n/a	n/a	$	13.47	n/a	n/a	$	14.05		
DISTRIBUTION KWH	1000	0.0067	$	6.70	1000	0.00699	$	6.99		
COST OF POWER KWH	1000	0.0750	$	74.96	1000	0.0750	$	74.96		
CURRENT 2001 BILL			$	95.13	Adjusted 2002 BILL		$	96.00	$ 0.87	0.9%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 14.05		
	DISTRIBUTION KWH	1500	0.0067	$ 10.05	DISTRIBUTION KWH	1500	0.00699	$ 10.49		
	COST OF POWER KWH	1500	0.0750	$ 112.44	COST OF POWER KWH	1500	0.0750	$ 112.44		
	CURRENT 2001 BILL			$ 135.96	Adjusted 2002 BILL			$ 136.98	$ 1.02	0.7%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 14.05		
	DISTRIBUTION KWH	2000	0.0067	$ 13.40	DISTRIBUTION KWH	2000	0.00699	$ 13.98		
	COST OF POWER KWH	2000	0.0750	$ 149.92	COST OF POWER KWH	2000	0.0750	$ 149.92		
	CURRENT 2001 BILL			$ 176.79	Adjusted 2002 BILL			$ 177.95	$ 1.16	0.7%

GENERAL SERVICE < 50 KW

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

ENTER DESIRED CONSUMPTION LEVEL

1000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.72		
	DISTRIBUTION KWH	1000	0.0045	$ 4.50	DISTRIBUTION KWH	1000	0.00469	$ 4.69		
	COST OF POWER KWH	1000	0.0743	$ 74.26	COST OF POWER KWH	1000	0.0743	$ 74.26		
	CURRENT 2001 BILL			$ 106.29	Adjusted 2002 BILL			$ 107.67	$ 1.38	1.3%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.72		
	DISTRIBUTION KWH	2000	0.0045	$ 9.00	DISTRIBUTION KWH	2000	0.00469	$ 9.39		
	COST OF POWER KWH	2000	0.0743	$ 148.52	COST OF POWER KWH	2000	0.0743	$ 148.52		
	CURRENT 2001 BILL			$ 185.05	Adjusted 2002 BILL			$ 186.62	$ 1.57	0.9%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.72		
	DISTRIBUTION KWH	5000	0.0045	$ 22.50	DISTRIBUTION KWH	5000	0.00469	$ 23.46		
	COST OF POWER KWH	5000	0.0743	$ 371.30	COST OF POWER KWH	5000	0.0743	$ 371.30		
	CURRENT 2001 BILL			$ 421.33	Adjusted 2002 BILL			$ 423.48	$ 2.15	0.5%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.72		
	DISTRIBUTION KWH	10000	0.0045	$ 45.00	DISTRIBUTION KWH	10000	0.00469	$ 46.93		
	COST OF POWER KWH	10000	0.0743	$ 742.60	COST OF POWER KWH	10000	0.0743	$ 742.60		
	CURRENT 2001 BILL			$ 815.13	Adjusted 2002 BILL			$ 818.24	$ 3.11	0.4%

MONTHLY CONSUMPTION 20,000 KWh	KWH (enter)	RATE $/KWH	CHARGE $	KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %

MONTHLY SERVICE CHARGE	n/a	n/a	$	27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$	28.72	
DISTRIBUTION KWH	20000	0.0045	$	90.00	DISTRIBUTION KWH	20000	0.00469	$	93.85	
COST OF POWER KWH	20000	0.0743	$	1,485.20	COST OF POWER KWH	20000	0.0743	$	1,485.20	
CURRENT 2001 BILL			$	1,602.73	Adjusted 2002 BILL			$	1,607.77	$ 5.04	0.3%

GENERAL SERVICE > 50 KW NON TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL

	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
	KW (enter)	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
DISTRIBUTION KW	0	0.9427	$	-	DISTRIBUTION KW	0	0.98613	$ -		
COST OF POWER KW	0	7.0900	$	-	COST OF POWER KW	0	7.0900	$ -		
COST OF POWER **KWH**	0	0.0521	$	-	**KWH**	0	0.0521	$ -		
CURRENT 2001 BILL			$	459.10	Adjusted 2002 BILL			$ 478.29	$ 19.19	4.2%

MONTHLY CONSUMPTION 100kW, 30,000kWh	**KW (enter)**	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
DISTRIBUTION KW	100	0.9427	$	94.27	DISTRIBUTION KW	100	0.98613	$ 98.61		
COST OF POWER KW	100	7.0900	$	709.00	COST OF POWER KW	100	7.0900	$ 709.00		
COST OF POWER **KWH**	30,000	0.0521	$	1,561.80	**KWH**	30,000	0.0521	$ 1,561.80		
CURRENT 2001 BILL			$	2,824.17	Adjusted 2002 BILL			$ 2,847.70	$ 23.53	0.8%

MONTHLY CONSUMPTION 100kW, 40,000kWh	**KW (enter)**	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
DISTRIBUTION KW	100	0.9427	$	94.27	DISTRIBUTION KW	100	0.98613	$ 98.61		
COST OF POWER KW	100	7.0900	$	709.00	COST OF POWER KW	100	7.0900	$ 709.00		
COST OF POWER **KWH**	40,000	0.0521	$	2,082.40	**KWH**	40,000	0.0521	$ 2,082.40		
CURRENT 2001 BILL			$	3,344.77	Adjusted 2002 BILL			$ 3,368.30	$ 23.53	0.7%

MONTHLY CONSUMPTION 500kW, 100,000kWh	**KW (enter)**	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
DISTRIBUTION KW	500	0.9427	$	471.35	DISTRIBUTION KW	500	0.98613	$ 493.06		
COST OF POWER KW	500	7.0900	$	3,545.00	COST OF POWER KW	500	7.0900	$ 3,545.00		
COST OF POWER **KWH**	######	0.0521	$	5,206.00	**KWH**	100,000	0.0521	$ 5,206.00		
CURRENT 2001 BILL			$	9,681.45	Adjusted 2002 BILL			$ 9,722.35	$ 40.90	0.4%

MONTHLY CONSUMPTION 500kW, 250,000kWh	**KW (enter)**	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
DISTRIBUTION KW	500	0.9427	$	471.35	DISTRIBUTION KW	500	0.98613	$ 493.06		
COST OF POWER KW	500	7.0900	$	3,545.00	COST OF POWER KW	500	7.0900	$ 3,545.00		
COST OF POWER **KWH**	######	0.0521	$	13,015.00	**KWH**	250,000	0.0521	$ 13,015.00		
CURRENT 2001 BILL			$	17,490.45	Adjusted 2002 BILL			$ 17,531.35	$ 40.90	0.2%

MONTHLY CONSUMPTION 1000kW, 400,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
	DISTRIBUTION KW	1000	0.9427	$ 942.70	DISTRIBUTION KW	1000	0.98613	$ 986.13		
	COST OF POWER KW	1000	7.0900	$ 7,090.00	COST OF POWER KW	1000	7.0900	$ 7,090.00		
	COST OF POWER **KWH**	######	0.0521	$ 20,824.00	COST OF POWER **KWH**	400,000	0.0521	$ 20,824.00		
	CURRENT 2001 BILL			$ 29,315.80	Adjusted 2002 BILL			$ 29,378.42	$ 62.62	0.2%

MONTHLY CONSUMPTION 1000kW, 500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
	DISTRIBUTION KW	1000	0.9427	$ 942.70	DISTRIBUTION KW	1000	0.98613	$ 986.13		
	COST OF POWER KW	1000	7.0900	$ 7,090.00	COST OF POWER KW	1000	7.0900	$ 7,090.00		
	COST OF POWER **KWH**	######	0.0521	$ 26,030.00	COST OF POWER **KWH**	500,000	0.0521	$ 26,030.00		
	CURRENT 2001 BILL			$ 34,521.80	Adjusted 2002 BILL			$ 34,584.42	$ 62.62	0.2%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
	DISTRIBUTION KW	3000	0.9427	$ 2,828.10	DISTRIBUTION KW	3000	0.98613	$ 2,958.39		
	COST OF POWER KW	3000	7.0900	$ 21,270.00	COST OF POWER KW	3000	7.0900	$ 21,270.00		
	COST OF POWER **KWH**	#######	0.0521	$ 52,060.00	COST OF POWER **KWH**	#######	0.0521	$ 52,060.00		
	CURRENT 2001 BILL			$ 76,617.20	Adjusted 2002 BILL			$ 76,766.67	$ 149.47	0.2%

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
	DISTRIBUTION KW	3000	0.9427	$ 2,828.10	DISTRIBUTION KW	3000	0.98613	$ 2,958.39		
	COST OF POWER KW	3000	7.0900	$ 21,270.00	COST OF POWER KW	3000	7.0900	$ 21,270.00		
	COST OF POWER **KWH**	#######	0.0521	$ 78,090.00	COST OF POWER **KWH**	#######	0.0521	$ 78,090.00		
	CURRENT 2001 BILL			$ 102,647.20	Adjusted 2002 BILL			$ 102,796.67	$ 149.47	0.1%

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
	DISTRIBUTION KW	4000	0.9427	$ 3,770.80	DISTRIBUTION KW	4000	0.98613	$ 3,944.52		
	COST OF POWER KW	4000	7.0900	$ 28,360.00	COST OF POWER KW	4000	7.0900	$ 28,360.00		
	COST OF POWER **KWH**	#######	0.0521	$ 62,472.00	COST OF POWER **KWH**	#######	0.0521	$ 62,472.00		
	CURRENT 2001 BILL			$ 95,061.90	Adjusted 2002 BILL			$ 95,254.80	$ 192.90	0.2%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 478.29		
	DISTRIBUTION KW	4000	0.9427	$ 3,770.80	DISTRIBUTION KW	4000	0.98613	$ 3,944.52		
	COST OF POWER KW	4000	7.0900	$ 28,360.00	COST OF POWER KW	4000	7.0900	$ 28,360.00		
	COST OF POWER **KWH**	#######	0.0521	$ 93,708.00	COST OF POWER **KWH**	#######	0.0521	$ 93,708.00		
	CURRENT 2001 BILL			$ 126,297.90	Adjusted 2002 BILL			$ 126,490.80	$ 192.90	0.2%

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**				**WINTER**					
	KW	**RATE $/kW**		**CHARGE $**		**KW**	**RATE $/kW**		**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION kW	100	0.9427	$	94.27	DISTRIBUTION kW	100	0.9495	$	94.95		
kW COST OF POWER Demand Charge	100	9.9800	$	998.00	kW COST OF POWER Demand Charge	100	9.9800	$	998.00		
		RATE					**RATE**				
COST OF POWER	**kWh**	**$/kWh**			COST OF POWER	**kWh**	**$/kWh**				
WINTER PEAK	20,000	0.0711	$	1,421.20	WINTER PEAK	20,000	0.0711	$	1,421.20		
WINTER OFF PEAK	20,000	0.0422	$	843.20	WINTER OFF PEAK	20,000	0.0422	$	843.20		
MONTHLY SERVICE CHARGE			$	459.10	MONTHLY SERVICE CHARGE			$	503.33		
TOTAL			$	3,815.77	**TOTAL**			$	3,860.68	$ 44.91	1.2%
	SUMMER				**SUMMER**					
	KW	**RATE $/kW**		**CHARGE $**		**KW**	**RATE $/kW**		**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
DISTRIBUTION kW	100	0.9427	$	94.27	DISTRIBUTION kW	100	0.9495	$	94.95		
kW COST OF POWER Demand Charge	100	7.6200	$	762.00	kW COST OF POWER Demand Charge	100	7.6200	$	762.00		
		RATE					**RATE**				
COST OF POWER	**kWh**	**$/kWh**			COST OF POWER	**kWh**	**$/kWh**				
SUMMER PEAK	20,000	0.0599	$	1,197.20	SUMMER PEAK	20,000	0.0599	$	1,197.20		
SUMMER OFF PEAK	20,000	0.0312	$	623.20	SUMMER OFF PEAK	20,000	0.0312	$	623.20		
MONTHLY SERVICE CHARGE			$	459.10	MONTHLY SERVICE CHARGE			$	503.33		
TOTAL			$	3,135.77	**TOTAL**			$	3,180.68	$ 44.91	1.4%

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

LARGE USE

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

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

WINTER

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

WINTER

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

SUMMER

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

SUMMER

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

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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. $ 183,800.00 adjusted from origi

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	-	76,719,865	7,062	$1,655,525.00	53.47%	$ 98,280.29
GENERAL SERVICE <50 KW CLASS	-	47,627,266	1,537	$722,086.00	23.32%	$ 42,866.65
GENERAL SERVICE >50 KW NON TIME OF USE	194,696	-	88	$668,349.00	21.59%	$ 39,676.56
GENERAL SERVICE >50 KW TIME OF USE	17,234	-	1	$21,756.00	0.70%	$ 1,291.55
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	122	-	37	$874.00	0.03%	$ 51.89
STREET LIGHTING CLASS	5,334	-	1,987	$27,509.00	0.89%	$ 1,633.07
TOTALS				$3,096,099.00	1.00	183,800.00
						$ 183,800.00

Residential Class

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2001 PILs Estimate REVENUE	
	0.315	0.685	100%	
				183800
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	$ 30,958.29	$ 67,322.00	$ 98,280.29	
(B) RETAIL KWH	76,719,865			
(C) NUMBER OF CUSTOMERS		7,062		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(E (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)	$0.000404			
(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)		$0.7944		

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
0.315	0.685	100%

(A) ALLOCATED 2001 PILs Estimate (Total in Cell G27 above)	$ 13,503.00	$ 29,363.66	$ 42,866.65
(B) RETAIL KWH	47,627,266		
(C) NUMBER OF CUSTOMERS		1,537	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(E (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)	$0.000284		
(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)		$1.5920	

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	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.315	0.685	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G28 above)	$ 12,498.12	$ 27,178.44	$ 39,676.56
(B) RETAIL KW	194,696		
(C) NUMBER OF CUSTOMERS		88	
(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)	$0.064193		
(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)		$25.7372	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.315	0.685	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 above)	$ 406.84	$ 884.71	$ 1,291.55
(B) RETAIL KW	17,234		
(C) NUMBER OF CUSTOMERS		1	
(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)	$0.023607		
(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)		$73.7257	

Intermediate Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.000	1.000	100%

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

Large User Class

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

VARIABLE CHARGE REVENUE 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
0.315	0.685	100%

(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	$ 16.34	$ 35.54	$ 51.89
(B) RETAIL KW	122		
(C) NUMBER OF CUSTOMERS		37	
(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)	$0.134185		
(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)		$0.0800	

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
0.315	0.685	100%

(A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above)	$ 514.42	$ 1,118.65	$ 1,633.07
(B) RETAIL KW	5,334		
(C) NUMBER OF CUSTOMERS (Connections)		1,987	
(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)	$0.096450		
(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)		$0.0469	

nal $ 187,483 by $ 3683 as per Board Decision March 14, 2002

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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	$0.00739
MONTHLY SERVICE CHARGE (Per Customer)	$14.84629
COST OF POWER KWH RATE	$0.07496

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00739
MONTHLY SERVICE CHARGE (Per Customer)	$14.84629

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	$0.00498
MONTHLY SERVICE CHARGE (Per Customer)	$30.31086
COST OF POWER KWH RATE	$0.074260

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00498
MONTHLY SERVICE CHARGE (Per Customer)	$30.31086

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	$1.05032
MONTHLY SERVICE CHARGE (Per Customer)	$504.02333
COST OF POWER KW RATE	$7.090000
COST OF POWER KWH RATE	$0.052060

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.97308
MONTHLY SERVICE CHARGE (Per Customer)	$577.05953

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
	$9.9800	$7.6200	$0.0711	$0.0422	$0.0599	$0.0312

GENERAL SERVICE INTERMEDIATE USE

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

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

LARGE USE

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

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.17418
MONTHLY SERVICE CHARGE (Per Connection)	$1.29672
COST OF POWER KW RATE	$22.8300

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$0.29184
MONTHLY SERVICE CHARGE (Per Connection)	$0.14325

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	$1.83915
MONTHLY SERVICE CHARGE (Per Connection)	$0.85799
COST OF POWER KW RATE	$19.7402

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.83915
MONTHLY SERVICE CHARGE (Per Connection)	$0.85799

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$32.9259	$12.6375

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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

Enter the Estimated Value for the 2002 PILs Proxy $ 698,639.00 adjusted from orig

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	-	76,719,865	7,062	$1,655,525.00	53.47%	$ 373,571.49
GENERAL SERVICE <50 KW CLASS	-	47,627,266	1,537	$722,086.00	23.32%	$ 162,939.70
GENERAL SERVICE >50 KW NON TIME OF USE	194,696	-	88	$668,349.00	21.59%	$ 150,813.87
GENERAL SERVICE >50 KW TIME OF USE	17,234	-	1	$21,756.00	0.70%	$ 4,909.27
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	122	-	37	$874.00	0.03%	$ 197.22
STREET LIGHTING CLASS	5,334	-	1,987	$27,509.00	0.89%	$ 6,207.44
TOTALS				$3,096,099.00	1.00	698,639.00
						$ 698,639.00

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.315	0.685	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	$ 117,675.02	$ 255,896.47	$ 373,571.49
(B) RETAIL KWH	76,719,865		
(C) NUMBER OF CUSTOMERS		7,062	
(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)	$0.001534		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$3.0196	

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
	0.315	0.685	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	$ 51,326.01	$ 111,613.69	$ 162,939.70
(B) RETAIL KWH	47,627,266		
(C) NUMBER OF CUSTOMERS		1,537	
(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)	$0.001078		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$6.0515	

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
	0.315	0.685	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	$ 47,506.37	$ 103,307.50	$ 150,813.87
(B) RETAIL KW	194,696		
(C) NUMBER OF CUSTOMERS		88	
(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)	$0.244003		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$97.8291	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	0.315	0.685	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 above)	$ 1,546.42	$ 3,362.85	$ 4,909.27
(B) RETAIL KW	17,234		
(C) NUMBER OF CUSTOMERS		1	
(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)	$0.089731		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$280.2376	

Intermediate Class

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

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

Large User Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.000	1.000	100%
(A) ALLOCATED 2002 PILs (Total in Cell G31 above)	$ -	$ -	$ -
(B) RETAIL KW	0		
(C) NUMBER OF CUSTOMERS		-	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	#DIV/0!		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		#DIV/0!	

Sentinel Lighting Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.315	0.685	100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	$ 62.12	$ 135.10	$ 197.22
(B) RETAIL KW	122		
(C) NUMBER OF CUSTOMERS		37	

(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)	$0.510050	
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.3043

Streetlighting Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.315	0.685	100%
(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	$ 1,955.34	$ 4,252.10	$ 6,207.44
(B) RETAIL KW	5,334		
(C) NUMBER OF CUSTOMERS (Connections)		1,987	
(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)	$0.366616		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.1783	

ginal $ 770,345 by $ 71,706 as per Board Decision March 14, 2002

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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	$0.00893
MONTHLY SERVICE CHARGE (Per Customer)	$17.86593
COST OF POWER KWH RATE	$0.07496

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00893
MONTHLY SERVICE CHARGE (Per Customer)	$17.86593

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	$0.00605
MONTHLY SERVICE CHARGE (Per Customer)	$36.36235
COST OF POWER KWH RATE	$0.074260

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00605
MONTHLY SERVICE CHARGE (Per Customer)	$36.36235

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	$1.29432
MONTHLY SERVICE CHARGE (Per Customer)	$601.85240
COST OF POWER KW RATE	$7.090000
COST OF POWER KWH RATE	$0.052060

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$1.06282
MONTHLY SERVICE CHARGE (Per Customer)	$857.29710

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
	$9.9800	$7.6200	$0.0711	$0.0422	$0.0599	$0.0312

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE #DIV/0!

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

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

LARGE USE

DISTRIBUTION KW RATE #DIV/0!

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

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE $3.68423

MONTHLY SERVICE CHARGE (Per Connection) $1.60099

COST OF POWER KW RATE $22.8300

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE $0.80189

MONTHLY SERVICE CHARGE (Per Connection) $0.44751

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 $2.20576

MONTHLY SERVICE CHARGE (Per Connection) $1.03632

COST OF POWER KW RATE $19.7402

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE $2.20576

MONTHLY SERVICE CHARGE (Per Connection) $1.03632

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$32.9259	$12.6375

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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

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

RESIDENTIAL CLASS

NON-TIME OF USE

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

ENTER DESIRED CONSUMPTION LEVEL
100 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.87		
DISTRIBUTION KWH	100	0.0067	$ 0.67	DISTRIBUTION KWH	100	0.00893	$ 0.89		
COST OF POWER KWH	100	0.0750	$ 7.50	COST OF POWER KWH	100	0.0750	$ 7.50		
CURRENT 2001 BILL			$ 21.64	Adjusted 2002 BILL			$ 26.25	$ 4.62	21.3%

MONTHLY CONSUMPTION OF
250 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.87		
DISTRIBUTION KWH	250	0.0067	$ 1.68	DISTRIBUTION KWH	250	0.00893	$ 2.23		
COST OF POWER KWH	250	0.0750	$ 18.74	COST OF POWER KWH	250	0.0750	$ 18.74		
CURRENT 2001 BILL			$ 33.89	Adjusted 2002 BILL			$ 38.84	$ 4.95	14.6%

MONTHLY CONSUMPTION OF
500 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.87		
DISTRIBUTION KWH	500	0.0067	$ 3.35	DISTRIBUTION KWH	500	0.00893	$ 4.46		
COST OF POWER KWH	500	0.0750	$ 37.48	COST OF POWER KWH	500	0.0750	$ 37.48		
CURRENT 2001 BILL			$ 54.30	Adjusted 2002 BILL			$ 59.81	$ 5.51	10.1%

MONTHLY CONSUMPTION OF
750 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.87		
DISTRIBUTION KWH	750	0.0067	$ 5.03	DISTRIBUTION KWH	750	0.00893	$ 6.70		
COST OF POWER KWH	750	0.0750	$ 56.22	COST OF POWER KWH	750	0.0750	$ 56.22		
CURRENT 2001 BILL			$ 74.72	Adjusted 2002 BILL			$ 80.78	$ 6.07	8.1%

MONTHLY CONSUMPTION OF
1000 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.87		
DISTRIBUTION KWH	1000	0.0067	$ 6.70	DISTRIBUTION KWH	1000	0.00893	$ 8.93		
COST OF POWER KWH	1000	0.0750	$ 74.96	COST OF POWER KWH	1000	0.0750	$ 74.96		
CURRENT 2001 BILL			$ 95.13	Adjusted 2002 BILL			$ 101.75	$ 6.62	7.0%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.87		
	DISTRIBUTION KWH	1500	0.0067	$ 10.05	DISTRIBUTION KWH	1500	0.00893	$ 13.39		
	COST OF POWER KWH	1500	0.0750	$ 112.44	COST OF POWER KWH	1500	0.0750	$ 112.44		
	CURRENT 2001 BILL			$ 135.96	Adjusted 2002 BILL			$ 143.70	$ 7.74	5.7%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.87		
	DISTRIBUTION KWH	2000	0.0067	$ 13.40	DISTRIBUTION KWH	2000	0.00893	$ 17.85		
	COST OF POWER KWH	2000	0.0750	$ 149.92	COST OF POWER KWH	2000	0.0750	$ 149.92		
	CURRENT 2001 BILL			$ 176.79	Adjusted 2002 BILL			$ 185.64	$ 8.85	5.0%

GENERAL SERVICE < 50 KW

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

ENTER DESIRED CONSUMPTION LEVEL 1000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 36.36		
	DISTRIBUTION KWH	1000	0.0045	$ 4.50	DISTRIBUTION KWH	1000	0.00605	$ 6.05		
	COST OF POWER KWH	1000	0.0743	$ 74.26	COST OF POWER KWH	1000	0.0743	$ 74.26		
	CURRENT 2001 BILL			$ 106.29	Adjusted 2002 BILL			$ 116.68	$ 10.39	9.8%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 36.36		
	DISTRIBUTION KWH	2000	0.0045	$ 9.00	DISTRIBUTION KWH	2000	0.00605	$ 12.11		
	COST OF POWER KWH	2000	0.0743	$ 148.52	COST OF POWER KWH	2000	0.0743	$ 148.52		
	CURRENT 2001 BILL			$ 185.05	Adjusted 2002 BILL			$ 196.99	$ 11.94	6.5%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 36.36		
	DISTRIBUTION KWH	5000	0.0045	$ 22.50	DISTRIBUTION KWH	5000	0.00605	$ 30.27		
	COST OF POWER KWH	5000	0.0743	$ 371.30	COST OF POWER KWH	5000	0.0743	$ 371.30		
	CURRENT 2001 BILL			$ 421.33	Adjusted 2002 BILL			$ 437.93	$ 16.60	3.9%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 36.36		
	DISTRIBUTION KWH	10000	0.0045	$ 45.00	DISTRIBUTION KWH	10000	0.00605	$ 60.54		
	COST OF POWER KWH	10000	0.0743	$ 742.60	COST OF POWER KWH	10000	0.0743	$ 742.60		
	CURRENT 2001 BILL			$ 815.13	Adjusted 2002 BILL			$ 839.50	$ 24.37	3.0%

MONTHLY CONSUMPTION 20,000 KWh	KWH (enter)	RATE $/KWH	CHARGE $	KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %

MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 36.36	
DISTRIBUTION KWH	20000	0.0045	$ 90.00	DISTRIBUTION KWH	20000	0.00605	$ 121.08	
COST OF POWER KWH	20000	0.0743	$ 1,485.20	COST OF POWER KWH	20000	0.0743	$ 1,485.20	
CURRENT 2001 BILL			$ 1,602.73	Adjusted 2002 BILL			$ 1,642.64	$ 39.91	2.5%

GENERAL SERVICE > 50 KW NON TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
DISTRIBUTION KW	0	0.9427	$ -	DISTRIBUTION KW	0	1.29432	$ -		
COST OF POWER KW	0	7.0900	$ -	COST OF POWER KW	0	7.0900	$ -		
COST OF POWER **KWH**	0	0.0521	$ -	**KWH**	0	0.0521	$ -		
CURRENT 2001 BILL			$ 459.10	Adjusted 2002 BILL			$ 601.85	$ 142.75	31.1%

MONTHLY CONSUMPTION 100kW, 30,000kWh

	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
DISTRIBUTION KW	100	0.9427	$ 94.27	DISTRIBUTION KW	100	1.29432	$ 129.43		
COST OF POWER KW	100	7.0900	$ 709.00	COST OF POWER KW	100	7.0900	$ 709.00		
COST OF POWER **KWH**	30,000	0.0521	$ 1,561.80	**KWH**	30,000	0.0521	$ 1,561.80		
CURRENT 2001 BILL			$ 2,824.17	Adjusted 2002 BILL			$ 3,002.08	$ 177.91	6.3%

MONTHLY CONSUMPTION 100kW, 40,000kWh

	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
DISTRIBUTION KW	100	0.9427	$ 94.27	DISTRIBUTION KW	100	1.29432	$ 129.43		
COST OF POWER KW	100	7.0900	$ 709.00	COST OF POWER KW	100	7.0900	$ 709.00		
COST OF POWER **KWH**	40,000	0.0521	$ 2,082.40	**KWH**	40,000	0.0521	$ 2,082.40		
CURRENT 2001 BILL			$ 3,344.77	Adjusted 2002 BILL			$ 3,522.68	$ 177.91	5.3%

MONTHLY CONSUMPTION 500kW, 100,000kWh

	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
DISTRIBUTION KW	500	0.9427	$ 471.35	DISTRIBUTION KW	500	1.29432	$ 647.16		
COST OF POWER KW	500	7.0900	$ 3,545.00	COST OF POWER KW	500	7.0900	$ 3,545.00		
COST OF POWER **KWH**	100,000	0.0521	$ 5,206.00	**KWH**	100,000	0.0521	$ 5,206.00		
CURRENT 2001 BILL			$ 9,681.45	Adjusted 2002 BILL			$ 10,000.01	$ 318.56	3.3%

MONTHLY CONSUMPTION 500kW, 250,000kWh

	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
DISTRIBUTION KW	500	0.9427	$ 471.35	DISTRIBUTION KW	500	1.29432	$ 647.16		
COST OF POWER KW	500	7.0900	$ 3,545.00	COST OF POWER KW	500	7.0900	$ 3,545.00		
COST OF POWER **KWH**	250,000	0.0521	$ 13,015.00	**KWH**	250,000	0.0521	$ 13,015.00		
CURRENT 2001 BILL			$ 17,490.45	Adjusted 2002 BILL			$ 17,809.01	$ 318.56	1.8%

MONTHLY CONSUMPTION 1000kW, 400,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
	DISTRIBUTION KW	1000	0.9427	$ 942.70	DISTRIBUTION KW	1000	1.29432	$ 1,294.32		
	COST OF POWER KW	1000	7.0900	$ 7,090.00	COST OF POWER KW	1000	7.0900	$ 7,090.00		
	COST OF POWER **KWH**	400,000	0.0521	$ 20,824.00	COST OF POWER **KWH**	400,000	0.0521	$ 20,824.00		
	CURRENT 2001 BILL			$ 29,315.80	Adjusted 2002 BILL			$ 29,810.18	$ 494.38	1.7%

MONTHLY CONSUMPTION 1000kW, 500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
	DISTRIBUTION KW	1000	0.9427	$ 942.70	DISTRIBUTION KW	1000	1.29432	$ 1,294.32		
	COST OF POWER KW	1000	7.0900	$ 7,090.00	COST OF POWER KW	1000	7.0900	$ 7,090.00		
	COST OF POWER **KWH**	500,000	0.0521	$ 26,030.00	COST OF POWER **KWH**	500,000	0.0521	$ 26,030.00		
	CURRENT 2001 BILL			$ 34,521.80	Adjusted 2002 BILL			$ 35,016.18	$ 494.38	1.4%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
	DISTRIBUTION KW	3000	0.9427	$ 2,828.10	DISTRIBUTION KW	3000	1.29432	$ 3,882.97		
	COST OF POWER KW	3000	7.0900	$ 21,270.00	COST OF POWER KW	3000	7.0900	$ 21,270.00		
	COST OF POWER **KWH**	1,000,000	0.0521	$ 52,060.00	COST OF POWER **KWH**	#######	0.0521	$ 52,060.00		
	CURRENT 2001 BILL			$ 76,617.20	Adjusted 2002 BILL			$ 77,814.83	$ 1,197.63	1.6%

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
	DISTRIBUTION KW	3000	0.9427	$ 2,828.10	DISTRIBUTION KW	3000	1.29432	$ 3,882.97		
	COST OF POWER KW	3000	7.0900	$ 21,270.00	COST OF POWER KW	3000	7.0900	$ 21,270.00		
	COST OF POWER **KWH**	1,500,000	0.0521	$ 78,090.00	COST OF POWER **KWH**	#######	0.0521	$ 78,090.00		
	CURRENT 2001 BILL			$ 102,647.20	Adjusted 2002 BILL			$ 103,844.83	$ 1,197.63	1.2%

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
	DISTRIBUTION KW	4000	0.9427	$ 3,770.80	DISTRIBUTION KW	4000	1.29432	$ 5,177.30		
	COST OF POWER KW	4000	7.0900	$ 28,360.00	COST OF POWER KW	4000	7.0900	$ 28,360.00		
	COST OF POWER **KWH**	1,200,000	0.0521	$ 62,472.00	COST OF POWER **KWH**	#######	0.0521	$ 62,472.00		
	CURRENT 2001 BILL			$ 95,061.90	Adjusted 2002 BILL			$ 96,611.15	$ 1,549.25	1.6%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh		KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 601.85		
	DISTRIBUTION KW	4000	0.9427	$ 3,770.80	DISTRIBUTION KW	4000	1.29432	$ 5,177.30		
	COST OF POWER KW	4000	7.0900	$ 28,360.00	COST OF POWER KW	4000	7.0900	$ 28,360.00		
	COST OF POWER **KWH**	1,800,000	0.0521	$ 93,708.00	COST OF POWER **KWH**	#######	0.0521	$ 93,708.00		
	CURRENT 2001 BILL			$ 126,297.90	Adjusted 2002 BILL			$ 127,847.15	$ 1,549.25	1.2%

GENERAL SERVICE >50 KW TIME OF USE

ENTER DESIRED CONSUMPTION LEVELS
100kW, 40,000kWh

CURRENT 2001 BILL

WINTER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION kW	100	0.9427	$ 94.27
kW COST OF POWER Demand Charge	100	9.9800	$ 998.00
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
WINTER PEAK	20,000	0.0711	$ 1,421.20
WINTER OFF PEAK	20,000	0.0422	$ 843.20
MONTHLY SERVICE CHARGE			$ 459.10
TOTAL			$ 3,815.77

SUMMER

	KW	RATE $/kW	CHARGE $
DISTRIBUTION kW	100	0.9427	$ 94.27
kW COST OF POWER Demand Charge	100	7.6200	$ 762.00
		RATE	
COST OF POWER	**kWh**	**$/kWh**	
SUMMER PEAK	20,000	0.0599	$ 1,197.20
SUMMER OFF PEAK	20,000	0.0312	$ 623.20
MONTHLY SERVICE CHARGE			$ 459.10
TOTAL			$ 3,135.77

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

WINTER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	1.0628	$ 106.28		
kW COST OF POWER Demand Charge	100	9.9800	$ 998.00		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	20,000	0.0711	$ 1,421.20		
WINTER OFF PEAK	20,000	0.0422	$ 843.20		
MONTHLY SERVICE CHARGE			$ 857.30		
TOTAL			$ 4,225.98	$ 410.21	10.8%

SUMMER

	KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	1.0628	$ 106.28		
kW COST OF POWER Demand Charge	100	7.6200	$ 762.00		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
SUMMER PEAK	20,000	0.0599	$ 1,197.20		
SUMMER OFF PEAK	20,000	0.0312	$ 623.20		
MONTHLY SERVICE CHARGE			$ 857.30		
TOTAL			$ 3,545.98	$ 410.21	13.1%

GENERAL SERVICE - INTERMEDIATE USE

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

CURRENT 2001 BILL

WINTER

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

SUMMER

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

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

WINTER

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

SUMMER

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

LARGE USE

CURRENT 2001 BILL

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

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

WINTER

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

SUMMER

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

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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: $ 135,384.83

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	-	76,719,865	7,062	$1,655,525.00	53.47%	$ 72,392.06
GENERAL SERVICE <50 KW CLASS	-	47,627,266	1,537	$722,086.00	23.32%	$ 31,575.05
GENERAL SERVICE >50 KW NON TIME OF USE	194,696	-	88	$668,349.00	21.59%	$ 29,225.27
GENERAL SERVICE >50 KW TIME OF USE	17,234	-	1	$21,756.00	0.70%	$ 951.34
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	122	-	37	$874.00	0.03%	$ 38.22
STREET LIGHTING CLASS	5,334	-	1,987	$27,509.00	0.89%	$ 1,202.90
TOTALS				$3,096,099.00	1.00	135,384.83
						$ 135,384.83

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
	0.315	0.685	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	$ 22,803.50	$ 49,588.56	$ 72,392.06
(B) RETAIL KWH	76,719,865		
(C) NUMBER OF CUSTOMERS		7,062	
(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)	$0.000297		
(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)		$0.5852	

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
	0.315	0.685	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	$ 9,946.14	$ 21,628.91	$ 31,575.05
(B) RETAIL KWH	47,627,266		
(C) NUMBER OF CUSTOMERS		1,537	
(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)	$0.000209		
(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)		$1.1727	

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
	0.315	0.685	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	$ 9,205.96	$ 20,019.31	$ 29,225.27
(B) RETAIL KW	194,696		
(C) NUMBER OF CUSTOMERS		88	
(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)	$0.047284		
(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)		$18.9577	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	ALLOCATED Z-Factor Amount for Recovery
	0.315	0.685	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above)	$ 299.67	$ 651.67	$ 951.34
(B) RETAIL KW	17,234		
(C) NUMBER OF CUSTOMERS		1	
(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)	$0.017388		
(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)		$54.3055	

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
	0.315	0.685	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above)	$ 12.04	$ 26.18	$ 38.22
(B) RETAIL KW		122	
(C) NUMBER OF CUSTOMERS		37	
(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)	$0.098839		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and		$0.0590	

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
	0.315	0.685	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	$ 378.91	$ 823.99	$ 1,202.90
(B) RETAIL KW	5,334		
(C) NUMBER OF CUSTOMERS (Connections)		1,987	
(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)	$0.071044		
(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)		$0.0346	

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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	$0.00922
MONTHLY SERVICE CHARGE (Per Customer)	$18.45109
COST OF POWER KWH RATE	$0.07496

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00922
MONTHLY SERVICE CHARGE (Per Customer)	$18.45109

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	$0.00626
MONTHLY SERVICE CHARGE (Per Customer)	$37.53503
COST OF POWER KWH RATE	$0.074260

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.00626
MONTHLY SERVICE CHARGE (Per Customer)	$37.53503

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	$1.34161
MONTHLY SERVICE CHARGE (Per Customer)	$620.81008
COST OF POWER KW RATE	$7.090000
COST OF POWER KWH RATE	$0.052060

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$1.08020
MONTHLY SERVICE CHARGE (Per Customer)	$911.60256

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
	$9.9800	$7.6200	$0.0711	$0.0422	$0.0599	$0.0312

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE #DIV/0!

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

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

LARGE USE

DISTRIBUTION KW RATE #DIV/0!

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

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE $3.78307

MONTHLY SERVICE CHARGE (Per Connection) $1.65995

COST OF POWER KW RATE $22.8300

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE $0.90073

MONTHLY SERVICE CHARGE (Per Connection) $0.50648

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 $2.27681

MONTHLY SERVICE CHARGE (Per Connection) $1.07088

COST OF POWER KW RATE $19.7402

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE $2.27681

MONTHLY SERVICE CHARGE (Per Connection) $1.07088

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$32.9259	$12.6375

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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

1 Billing Activities
2 Customer Education Services
3 Wholesale Market Requirements
4 IMO Requirements
5 Retailer/Customer Requirements
6 Staff Adjustment Activities
7 Regulatory Costs
8 Taxes
9 Regulatory 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 in the 2001
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: $ -

Applied for $92,181 and was disallowed

Transition Cost Category	Total	1	Allocation	2	Allocation	3	Allocation	4
	$ -							
RESIDENTIAL CLASS		$ -	53.47%	$ -	53.47%	$ -	53.47%	$ -
GENERAL SERVICE <50 KW CLASS		$ -	23.32%	$ -	23.32%	$ -	23.32%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE		$ -	21.59%	$ -	21.59%	$ -	21.59%	$ -
GENERAL SERVICE >50 KW TIME OF USE		$ -	0.70%	$ -	0.70%	$ -	0.70%	$ -
INTERMEDIATE USE		$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -
LARGE USER CLASS		$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -
SENTINEL LIGHTS		$ -	0.03%	$ -	0.03%	$ -	0.03%	$ -
STREET LIGHTING CLASS		$ -	0.89%	$ -	0.89%	$ -	0.89%	$ -
TOTALS			100.00%		100.00%		100.00%	

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Transition Costs for Recovery
RESIDENTIAL CLASS	-	76,719,865	7,062	$1,655,525.00	53.47%	$ -
GENERAL SERVICE <50 KW CLASS	-	47,627,266	1,537	$722,086.00	23.32%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	194,696	-	88	$668,349.00	21.59%	$ -
GENERAL SERVICE >50 KW TIME OF USE	17,234	-	1	$21,756.00	0.70%	$ -
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	122	-	37	$874.00	0.03%	$ -
STREET LIGHTING CLASS	5,334	-	1,987	$27,509.00	0.89%	$ -
TOTALS				$3,096,099.00	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	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
	0.315	0.685	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)	$ -	$ -	$ -
(B) RETAIL KWH	76,719,865		
(C) NUMBER OF CUSTOMERS		7,062	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(E (this amount is added to the kWh rate shown on Sheet 12 and	$0.000000		

the total new rate appears on the Rate Schedule on Sheet 14)

(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 $0.0000
(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)

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
	0.315	0.685	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	$ -	$ -	$ -
(B) RETAIL KWH	47,627,266		
(C) NUMBER OF CUSTOMERS		1,537	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(E (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.315	0.685	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	$ -	$ -	$ -
(B) RETAIL KW	194,696		
(C) NUMBER OF CUSTOMERS		88	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.315	0.685	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G45 above)	$ -	$ -	$ -
(B) RETAIL KW	17,234		
(C) NUMBER OF CUSTOMERS		1	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and		$0.0000	

the total new Service Charge appears on the Rate Schedule on Sheet 14)

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)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

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)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

Sentinel Lighting Class

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.315	0.685	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G48 above)	$ -	$ -	$ -
(B) RETAIL KW		122	
(C) NUMBER OF CUSTOMERS		37	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

Streetlighting Class

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

	VARIABLE CHARGE REVENUE Percentage	SERVICE CHARGE REVENUE Percentage	2002 Transition Costs for Recovery
	0.315	0.685	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G49 above)	$ -	$ -	$ -
(B) RETAIL KW	5,334		
(C) NUMBER OF CUSTOMERS (Connections)		1,987	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0000	

Statistics Table below

Allocation	5	Allocation	6	Allocation	7	Allocation	8	Allocation	9	Allocation	10	Allocation		Total
	$ -				$ -		$ -		$ -		$ -			$ -
53.47%	$ -	53.47%	$ -	53.47%	$ -	53.47%	$ -	53.47%	$ -	53.47%	$ -	53.47%		$ -
23.32%	$ -	23.32%	$ -	23.32%	$ -	23.32%	$ -	23.32%	$ -	23.32%	$ -	23.32%		$ -
21.59%	$ -	21.59%	$ -	21.59%	$ -	21.59%	$ -	21.59%	$ -	21.59%	$ -	21.59%		$ -
0.70%	$ -	0.70%	$ -	0.70%	$ -	0.70%	$ -	0.70%	$ -	0.70%	$ -	0.70%		$ -
0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%		$ -
0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%	$ -	0.00%		$ -
0.03%	$ -	0.03%	$ -	0.03%	$ -	0.03%	$ -	0.03%	$ -	0.03%	$ -	0.03%		$ -
0.89%	$ -	0.89%	$ -	0.89%	$ -	0.89%	$ -	0.89%	$ -	0.89%	$ -	0.89%		$ -
100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		100.00%		
														$ -

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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	$0.0092
MONTHLY SERVICE CHARGE (Per Customer)	$18.4511
COST OF POWER KWH RATE	$0.0750

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0092
MONTHLY SERVICE CHARGE (Per Customer)	$18.4511

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	$0.0063
MONTHLY SERVICE CHARGE (Per Customer)	$37.5350
COST OF POWER KWH RATE	$0.074260

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0063
MONTHLY SERVICE CHARGE (Per Customer)	$37.5350

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	$1.3416
MONTHLY SERVICE CHARGE (Per Customer)	$620.8101
COST OF POWER KW RATE	$7.090000
COST OF POWER KWH RATE	$0.052060

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$1.0802
MONTHLY SERVICE CHARGE (Per Customer)	$911.6026

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
	$9.9800	$7.6200	$0.0711	$0.0422	$0.0599	$0.0312

GENERAL SERVICE INTERMEDIATE USE

DISTRIBUTION KW RATE N/A

MONTHLY SERVICE CHARGE (Per Customer) N/A

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 N/A

MONTHLY SERVICE CHARGE (Per Customer) N/A

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 $3.7831

MONTHLY SERVICE CHARGE (Per Connection) $1.6599

COST OF POWER KW RATE $22.8300

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE $0.9007

MONTHLY SERVICE CHARGE (Per Connection) $0.5065

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 $2.2768

MONTHLY SERVICE CHARGE (Per Connection) $1.0709

COST OF POWER KW RATE $19.7402

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE $2.2768

MONTHLY SERVICE CHARGE (Per Connection) $1.0709

COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK
	$/KW	$/KW
	$32.9259	$12.6375

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-1999-0047
NAME OF CONTACT	C. (Chris) Litschko	**PHONE NUMBER**	705-789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	0		
Date	37279		

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

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

ENTER DESIRED CONSUMPTION LEVEL
100 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION KWH	100	0.0067	$ 0.67	DISTRIBUTION KWH	100	0.00922	$ 0.92		
COST OF POWER KWH	100	0.0750	$ 7.50	COST OF POWER KWH	100	0.0750	$ 7.50		
CURRENT 2001 BILL			$ 21.64	Adjusted 2002 BILL			$ 26.87	$ 5.23	24.2%

MONTHLY CONSUMPTION OF
250 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION KWH	250	0.0067	$ 1.68	DISTRIBUTION KWH	250	0.00922	$ 2.31		
COST OF POWER KWH	250	0.0750	$ 18.74	COST OF POWER KWH	250	0.0750	$ 18.74		
CURRENT 2001 BILL			$ 33.89	Adjusted 2002 BILL			$ 39.50	$ 5.61	16.6%

MONTHLY CONSUMPTION OF
500 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION KWH	500	0.0067	$ 3.35	DISTRIBUTION KWH	500	0.00922	$ 4.61		
COST OF POWER KWH	500	0.0750	$ 37.48	COST OF POWER KWH	500	0.0750	$ 37.48		
CURRENT 2001 BILL			$ 54.30	Adjusted 2002 BILL			$ 60.54	$ 6.24	11.5%

MONTHLY CONSUMPTION OF
750 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION KWH	750	0.0067	$ 5.03	DISTRIBUTION KWH	750	0.00922	$ 6.92		
COST OF POWER KWH	750	0.0750	$ 56.22	COST OF POWER KWH	750	0.0750	$ 56.22		
CURRENT 2001 BILL			$ 74.72	Adjusted 2002 BILL			$ 81.59	$ 6.87	9.2%

MONTHLY CONSUMPTION OF
1000 kWh

	KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION KWH	1000	0.0067	$ 6.70	DISTRIBUTION KWH	1000	0.00922	$ 9.22		
COST OF POWER KWH	1000	0.0750	$ 74.96	COST OF POWER KWH	1000	0.0750	$ 74.96		
CURRENT 2001 BILL			$ 95.13	Adjusted 2002 BILL			$ 102.64	$ 7.51	7.9%

MONTHLY CONSUMPTION OF 1500 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
	DISTRIBUTION KWH	1500	0.0067	$ 10.05	DISTRIBUTION KWH	1500	0.00922	$ 13.84		
	COST OF POWER KWH	1500	0.0750	$ 112.44	COST OF POWER KWH	1500	0.0750	$ 112.44		
	CURRENT 2001 BILL			$ 135.96	Adjusted 2002 BILL			$ 144.73	$ 8.77	6.4%

MONTHLY CONSUMPTION OF 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.47	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
	DISTRIBUTION KWH	2000	0.0067	$ 13.40	DISTRIBUTION KWH	2000	0.00922	$ 18.45		
	COST OF POWER KWH	2000	0.0750	$ 149.92	COST OF POWER KWH	2000	0.0750	$ 149.92		
	CURRENT 2001 BILL			$ 176.79	Adjusted 2002 BILL			$ 186.82	$ 10.03	5.7%

GENERAL SERVICE < 50 KW

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

ENTER DESIRED CONSUMPTION LEVEL 1000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
	DISTRIBUTION KWH	40000	0.0045	$ 180.00	DISTRIBUTION KWH	40000	0.00626	$ 250.50		
	COST OF POWER KWH	40000	0.0743	$ 2,970.40	COST OF POWER KWH	40000	0.0743	$ 2,970.40		
	CURRENT 2001 BILL			$ 3,177.93	Adjusted 2002 BILL			$ 3,258.44	$ 80.51	2.5%

MONTHLY CONSUMPTION 2000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
	DISTRIBUTION KWH	2000	0.0045	$ 9.00	DISTRIBUTION KWH	2000	0.00626	$ 12.53		
	COST OF POWER KWH	2000	0.0743	$ 148.52	COST OF POWER KWH	2000	0.0743	$ 148.52		
	CURRENT 2001 BILL			$ 185.05	Adjusted 2002 BILL			$ 198.58	$ 13.53	7.3%

MONTHLY CONSUMPTION 5000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
	DISTRIBUTION KWH	5000	0.0045	$ 22.50	DISTRIBUTION KWH	5000	0.00626	$ 31.31		
	COST OF POWER KWH	5000	0.0743	$ 371.30	COST OF POWER KWH	5000	0.0743	$ 371.30		
	CURRENT 2001 BILL			$ 421.33	Adjusted 2002 BILL			$ 440.15	$ 18.82	4.5%

MONTHLY CONSUMPTION 10,000 kWh		KWH (enter)	RATE $/KWH	CHARGE $		KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
	DISTRIBUTION KWH	10000	0.0045	$ 45.00	DISTRIBUTION KWH	10000	0.00626	$ 62.63		
	COST OF POWER KWH	10000	0.0743	$ 742.60	COST OF POWER KWH	10000	0.0743	$ 742.60		
	CURRENT 2001 BILL			$ 815.13	Adjusted 2002 BILL			$ 842.76	$ 27.63	3.4%

MONTHLY CONSUMPTION 20,000 KWh	KWH (enter)	RATE $/KWH	CHARGE $	KWH	RATE $/KWH	CHARGE $	IMPACT DOLLARS	IMPACT %

MONTHLY SERVICE CHARGE	n/a	n/a	$	27.53	MONTHLY SERVICE CHARGE	n/a	n/a	$	37.54	
DISTRIBUTION KWH	20000	0.0045	$	90.00	DISTRIBUTION KWH	20000	0.00626	$	125.25	
COST OF POWER KWH	20000	0.0743	$	1,485.20	COST OF POWER KWH	20000	0.0743	$	1,485.20	
CURRENT 2001 BILL			$	1,602.73	Adjusted 2002 BILL			$	1,647.99	$ 45.26	2.8%

GENERAL SERVICE > 50 KW NON TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)					
	KW (enter)	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	0	0.9427	$	-	KW	0	1.34161	$ -		
COST OF POWER KW	0	7.0900	$	-	COST OF POWER KW	0	7.0900	$ -		
COST OF POWER **KWH**	0	0.0521	$	-	**KWH**	0	0.0521	$ -		
CURRENT 2001 BILL			$	459.10	Adjusted 2002 BILL			$ 620.81	$ 161.71	35.2%

MONTHLY CONSUMPTION 100kW, 30,000kWh	**KW (enter)**	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	1000	0.9427	$	942.70	KW	1000	1.34161	$ 1,341.61		
COST OF POWER KW	1000	7.0900	$	7,090.00	COST OF POWER KW	1000	7.0900	$ 7,090.00		
COST OF POWER **KWH**	300,000	0.0521	$	15,618.00	**KWH**	300,000	0.0521	$ 15,618.00		
CURRENT 2001 BILL			$	24,109.80	Adjusted 2002 BILL			$ 24,670.42	$ 560.62	2.3%

MONTHLY CONSUMPTION 100kW, 40,000kWh	**KW (enter)**	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	100	0.9427	$	94.27	KW	100	1.34161	$ 134.16		
COST OF POWER KW	100	7.0900	$	709.00	COST OF POWER KW	100	7.0900	$ 709.00		
COST OF POWER **KWH**	40,000	0.0521	$	2,082.40	**KWH**	40,000	0.0521	$ 2,082.40		
CURRENT 2001 BILL			$	3,344.77	Adjusted 2002 BILL			$ 3,546.37	$ 201.60	6.0%

MONTHLY CONSUMPTION 500kW, 100,000kWh	**KW (enter)**	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	500	0.9427	$	471.35	KW	500	1.34161	$ 670.80		
COST OF POWER KW	500	7.0900	$	3,545.00	COST OF POWER KW	500	7.0900	$ 3,545.00		
COST OF POWER **KWH**	100,000	0.0521	$	5,206.00	**KWH**	100,000	0.0521	$ 5,206.00		
CURRENT 2001 BILL			$	9,681.45	Adjusted 2002 BILL			$ 10,042.61	$ 361.16	3.7%

MONTHLY CONSUMPTION 500kW, 250,000kWh	**KW (enter)**	**RATE $/KW**	**CHARGE $**			**KW**	**RATE $/KW**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	500	0.9427	$	471.35	KW	500	1.34161	$ 670.80		
COST OF POWER KW	500	7.0900	$	3,545.00	COST OF POWER KW	500	7.0900	$ 3,545.00		
COST OF POWER **KWH**	250,000	0.0521	$	13,015.00	**KWH**	250,000	0.0521	$ 13,015.00		
CURRENT 2001 BILL			$	17,490.45	Adjusted 2002 BILL			$ 17,851.61	$ 361.16	2.1%

MONTHLY CONSUMPTION 1000kW, 400,000kWh	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	1000	0.9427	$ 942.70	DISTRIBUTION KW	1000	1.34161	$ 1,341.61		
COST OF POWER KW	1000	7.0900	$ 7,090.00	COST OF POWER KW	1000	7.0900	$ 7,090.00		
COST OF POWER **KWH**	400,000	0.0521	$ 20,824.00	COST OF POWER **KWH**	400,000	0.0521	$ 20,824.00		
CURRENT 2001 BILL			$ 29,315.80	Adjusted 2002 BILL			$ 29,876.42	$ 560.62	1.9%

MONTHLY CONSUMPTION 1000kW, 500,000kWh	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	1000	0.9427	$ 942.70	DISTRIBUTION KW	1000	1.34161	$ 1,341.61		
COST OF POWER KW	1000	7.0900	$ 7,090.00	COST OF POWER KW	1000	7.0900	$ 7,090.00		
COST OF POWER **KWH**	500,000	0.0521	$ 26,030.00	COST OF POWER **KWH**	500,000	0.0521	$ 26,030.00		
CURRENT 2001 BILL			$ 34,521.80	Adjusted 2002 BILL			$ 35,082.42	$ 560.62	1.6%

MONTHLY CONSUMPTION 3,000kW, 1,000,000kWh	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	3000	0.9427	$ 2,828.10	DISTRIBUTION KW	3000	1.34161	$ 4,024.83		
COST OF POWER KW	3000	7.0900	$ 21,270.00	COST OF POWER KW	3000	7.0900	$ 21,270.00		
COST OF POWER **KWH**	1,000,000	0.0521	$ 52,060.00	COST OF POWER **KWH**	#######	0.0521	$ 52,060.00		
CURRENT 2001 BILL			$ 76,617.20	Adjusted 2002 BILL			$ 77,975.64	$ 1,358.44	1.8%

MONTHLY CONSUMPTION 3,000kW, 1,500,000kWh	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	3000	0.9427	$ 2,828.10	DISTRIBUTION KW	3000	1.34161	$ 4,024.83		
COST OF POWER KW	3000	7.0900	$ 21,270.00	COST OF POWER KW	3000	7.0900	$ 21,270.00		
COST OF POWER **KWH**	1,500,000	0.0521	$ 78,090.00	COST OF POWER **KWH**	#######	0.0521	$ 78,090.00		
CURRENT 2001 BILL			$ 102,647.20	Adjusted 2002 BILL			$ 104,005.64	$ 1,358.44	1.3%

MONTHLY CONSUMPTION 4,000kW, 1,200,000kWh	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	4000	0.9427	$ 3,770.80	DISTRIBUTION KW	4000	1.34161	$ 5,366.43		
COST OF POWER KW	4000	7.0900	$ 28,360.00	COST OF POWER KW	4000	7.0900	$ 28,360.00		
COST OF POWER **KWH**	1,200,000	0.0521	$ 62,472.00	COST OF POWER **KWH**	#######	0.0521	$ 62,472.00		
CURRENT 2001 BILL			$ 95,061.90	Adjusted 2002 BILL			$ 96,819.24	$ 1,757.34	1.8%

MONTHLY CONSUMPTION 4,000kW, 1,800,000kWh	KW (enter)	RATE $/KW	CHARGE $		KW	RATE $/KW	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 459.10	MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		
DISTRIBUTION KW	4000	0.9427	$ 3,770.80	DISTRIBUTION KW	4000	1.34161	$ 5,366.43		
COST OF POWER KW	4000	7.0900	$ 28,360.00	COST OF POWER KW	4000	7.0900	$ 28,360.00		
COST OF POWER **KWH**	1,800,000	0.0521	$ 93,708.00	COST OF POWER **KWH**	#######	0.0521	$ 93,708.00		
CURRENT 2001 BILL			$ 126,297.90	Adjusted 2002 BILL			$ 128,055.24	$ 1,757.34	1.4%

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

	KW	RATE $/kW	CHARGE $		KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	1076	0.9427	$ 1,014.35	DISTRIBUTION kW	1076	1.0802	$ 1,162.30		
kW COST OF POWER Demand Charge	1076	9.9800	$ 10,738.48	kW COST OF POWER Demand Charge	1076	9.9800	$ 10,738.48		
		RATE				RATE			
COST OF POWER	kWh	$/kWh		COST OF POWER	kWh	$/kWh			
WINTER PEAK	196,936	0.0711	$ 13,994.27	WINTER PEAK	196,936	0.0711	$ 13,994.27		
WINTER OFF PEAK	238,859	0.0422	$ 10,070.30	WINTER OFF PEAK	238,859	0.0422	$ 10,070.30		
MONTHLY SERVICE CHARGE			$ 459.10	MONTHLY SERVICE CHARGE			$ 911.60		
TOTAL			$ 36,276.49	**TOTAL**			$ 36,876.95	$ 600.46	1.7%

SUMMER

	KW	RATE $/kW	CHARGE $		KW	RATE $/kW	CHARGE $	IMPACT DOLLARS	IMPACT %
DISTRIBUTION kW	100	0.9427	$ 94.27	DISTRIBUTION kW	100	1.0802	$ 108.02		
kW COST OF POWER Demand Charge	100	7.6200	$ 762.00	kW COST OF POWER Demand Charge	100	7.6200	$ 762.00		
		RATE				RATE			
COST OF POWER	kWh	$/kWh		COST OF POWER	kWh	$/kWh			
SUMMER PEAK	20,000	0.0599	$ 1,197.20	SUMMER PEAK	20,000	0.0599	$ 1,197.20		
SUMMER OFF PEAK	20,000	0.0312	$ 623.20	SUMMER OFF PEAK	20,000	0.0312	$ 623.20		
MONTHLY SERVICE CHARGE			$ 459.10	MONTHLY SERVICE CHARGE			$ 911.60		
TOTAL			$ 3,135.77	**TOTAL**			$ 3,602.02	$ 466.25	14.9%

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

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

SUMMER

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

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	$ -
kW COST OF POWER Demand Charge	6000	0.0000	$ -
		RATE	
COST OF POWER	**kWh**	**$/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	N/A	#VALUE!		
kW COST OF POWER Demand Charge	6000	0.0000	$ -		
		RATE			
COST OF POWER	**kWh**	**$/kWh**			
WINTER PEAK	#######	0.0000	$ -		
WINTER OFF PEAK	1,500,000	0.0000	$ -		
MONTHLY SERVICE CHARGE			N/A		
TOTAL			#VALUE!	#VALUE!	#VALUE!

SUMMER

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

Lakeland Power Distribution Ltd.
Effective March 1, 2002

RP-2002-0222
EB-2002-0595

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)	$18.45
Distribution Volumetric Rate	(per kWh)	$0.0092
Cost of Power Rate	(per kWh)	$0.07496

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$37.54
Distribution Volumetric Rate	(per kWh)	$0.0063
Cost of Power Rate	(per kWh)	$0.07426

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$620.81
Distribution Volumetric Rate	(per kW)	$1.3416
Cost of Power Demand Rate	(per kW)	$7.09000
Cost of Power Energy Rate	(per kWh)	$0.05206

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$911.60
Distribution Volumetric Rate	(per kW)	$1.0802
Cost of Power - Winter Peak	(per kW)	$9.98000
Cost of Power - Summer Peak	(per kW)	$7.62000
Cost of Power - Winter Peak	(per kWh)	$0.07106
Cost of Power - Winter Off Peak	(per kWh)	$0.04216
Cost of Power - Summer Peak	(per kWh)	$0.05986
Cost of Power - Summer Off Peak	(per kWh)	$0.03116

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.66
Distribution Volumetric Rate	(per kW)	$3.7831
Cost of Power Demand Rate	(per kW)	$22.83000

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$1.07
Distribution Volumetric Rate	(per kW)	$2.2768
Cost of Power Demand Rate	(per kW)	$19.7402

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	$1.07
Distribution Volumetric Rate	(per kW)	$2.2768
Cost of Power - Winter	(per kW)	$32.92590
Cost of Power - Summer	(per kW)	$12.63750

MISCELLANEOUS CHARGES

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

Appendix 4 – Q4 2001 & 2002 PILs Proxy Model

	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
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)			15,408,892
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			1,319,772
33				
34	1999 return from RUD Sheet #7			832,386
35				
36	Total Incremental revenue			487,385
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			162,462
40	Amount allowed in 2002, Year 2			162,462
41	Amount allowed in 2003, Year 3			162,462
42				
43	Equity			7,704,446
44				
45	Return at target ROE			761,199
46				
47	Debt			7,704,446
48				
49	Deemed interest amount in EBIT			558,572
50				
51	Phase-in of interest - Year 1			421,054
52	((D34+D39)/D32)*D49			
53	Phase-in of interest - Year 2			489,813
54	((D34+D39+D40)/D32)*D49			
55	Phase-in of interest - Year 3 (D49)			558,572
56				

SECTION 93 PILs TAX GROSS-UP "SIMPIL" DEFERRAL/VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)	**LINE**	**Initial Estimate** $	Source Foot-note #	Deferral Account Variance G-C $	Deferral Account Variance Explanation	**Deferral Account Allowance** $
Utility Name: Lakeland Power Distribution Ltd.						
Reporting period: October 1, 2001 - December 31, 2001						
I) CORPORATE INCOME TAXES						
ACCOUNTING INCOME						
Regulatory Net Income	1		1A	208,097		208,097
BOOK TO TAX ADJUSTMENTS						
Additions: To Accounting Income						
Depreciation & Amortization	2		2A	238,578		238,578
Federal Large Corporation Tax	3		3A	0		
Employee Benefit Plans - Accrued, Not Paid	4		4A	0		
Change in Tax Reserves	5		5A	0		
Regulatory Adjustments	6		6A	0		
Other Additions (See Tab entitled "TAXREC")						
"Material" Item #1	7		7A	0		
"Material" Item #2	7		7A	0		
Other Additions (not "Material")	7		7A	0		
Deductions: From Accounting Income						
Capital Cost Allowance	8		8A	-85,150		-85,150
Employee Benefit Plans - Paid Amounts	9		9A	0		
Items Capitalized for Regulatory Purposes	10		10A	0		
Regulatory Adjustments	11		11A	0		
Interest Expense Deemed/ Incurred	12		12A	-105,263		-105,263
Other Deductions (See Tab entitled "TAXREC")						
"Material" Item #1	13		13A	0		
"Material" Item #2	13		13A	0		
Other Deductions (not "Material")	13		13A	0		
REGULATORY TAXABLE INCOME (sum of above)		0		256,261		256,261
CORPORATE INCOME TAX RATE						
Deemed %		38.6200%	14A	2.0000%		40.6200%
REGULATORY INCOME TAX						
Taxable Income x Rate		0		104,093		104,093
Miscellaneous Tax Credits	15		15A	0		
Total Regulatory Income Tax		0		104,093		104,093
II) CAPITAL TAXES						
Ontario						
Base	16		16A	15,408,892		15,408,892
Less: Exemption	17		17A	-5,000,000		-5,000,000
Deemed Taxable Capital		0		10,408,892		10,408,892
Rate (.3%)	18	0.3000%	18A	0.0000%		0.3000%
Net Amount (Taxable Capital x Rate)		0		7,871		7,871
Federal (LCT)						
Base	19		19A	15,408,892		15,408,892
Less: Exemption	20		20A	-10,000,000		-10,000,000
Deemed Taxable Capital		0		5,408,892		5,408,892
Rate (.225%)	21	0.2250%	21A	0.0000%		0.2250%
Gross Amount (Taxable Capital x Rate)		0		12,170		12,170
Less: Federal Surtax	22	0	22A	-2,870		-2,870
Net LCT		0		9,300		2,344
III) INCLUSION IN RATES MARCH 2002						
IncomeTax (grossed-up)	23	0	23A	172,055		172,055
LCT (grossed-up)	24	0	24A	3,875		3,875
Ontario Capital Tax	25	0	25A	7,871		7,871
Total S. 93 PILs Rate Adjustment		0		183,800		183,800

SECTION 93 PILs TAX GROSS-UP "SIMPIL" DEFERRAL/VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)	**LINE**	**Initial Estimate** $
Utility Name: Lakeland Power Distribution Ltd.		
Reporting period: January 1, 2002 - December 31, 2002		
I) CORPORATE INCOME TAXES		
ACCOUNTING INCOME		
Regulatory Net Income	1	1,157,310
BOOK TO TAX ADJUSTMENTS		
Additions: To Accounting Income		
Depreciation & Amortization	2	954,310
Federal Large Corporation Tax	3	
Employee Benefit Plans - Accrued, Not Paid	4	
Change in Tax Reserves	5	
Regulatory Adjustments	6	135,385
Other Additions (See Tab entitled "TAXREC")		
"Material" Item #1	7	
"Material" Item #2	7	
Other Additions (not "Material")	7	
Deductions: From Accounting Income		
Capital Cost Allowance	8	-667,669
Employee Benefit Plans - Paid Amounts	9	
Items Capitalized for Regulatory Purposes	10	
Regulatory Adjustments	11	-49,439
Interest Expense Deemed/ Incurred	12	-489,813
Other Deductions (See Tab entitled "TAXREC")		
"Material" Item #1	13	
"Material" Item #2	13	
Other Deductions (not "Material")	13	
REGULATORY TAXABLE INCOME (sum of above)		1,040,084
CORPORATE INCOME TAX RATE		
Deemed %	14	38.6200%
REGULATORY INCOME TAX		
Taxable Income x Rate		401,680
Miscellaneous Tax Credits	15	
Total Regulatory Income Tax		401,680
II) CAPITAL TAXES		
Ontario		
Base	16	15,408,892
Less: Exemption	17	-5,000,000
Deemed Taxable Capital		10,408,892
Rate (.3%)	18	0.3000%
Net Amount (Taxable Capital x Rate)		31,227
Federal (LCT)		
Base	19	15,408,892
Less: Exemption	20	-10,000,000
Deemed Taxable Capital		5,408,892
Rate (.225%)	21	0.2250%
Gross Amount (Taxable Capital x Rate)		12,170
Less: Federal Surtax	22	-11,649
Net LCT		521
III) INCLUSION IN RATES MARCH 2002		
IncomeTax (grossed-up)	23	666,579
LCT (grossed-up)	24	834
Ontario Capital Tax	25	31,227
Total S. 93 PILs Rate Adjustment		698,639

Appendix 5 – 2002 Signed OEB Decision

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2002-0089
EB-2002-0098

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 Lakeland Power Distribution Ltd. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George Dominy
Vice Chair and Member

INTERIM DECISION AND ORDER

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

Lakeland Power Distribution Ltd. ("the Applicant" or "Lakeland") filed an Application ("the Application"), dated January 25, 2002, for an order or orders under section 78 of the *Ontario Energy Board Act, 1998* approving or fixing just and reasonable rates for the distribution of electricity, effective March 1, 2002. After discussions with Board staff, the Applicant filed a revised RAM Model and PILs calculation on March 8, 2002 ("the Revised Application"). In the original

Application the 10 month unrecovered incremental revenue associated with the 2001 rates was shown as a permanent adjustment to the 2002 MARR. However, as the current Board-approved rates already reflect the annualized 2001 MARR, the adjustment to recover the foregone revenue is now shown as a temporary adjustment.

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

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

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

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

- 18 made substantive submissions.

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

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

The Applicant, in its March 8, 2002 Revised Application, 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), $162,462.
- the 2001 deferred Payments in Lieu of Taxes (PILs), $187,483.
- the 2002 Payments in Lieu of Taxes (PILs), $770,345.
- an interim transition cost recovery of $92,181.

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

The Board notes that as part of the rates unbundling exercise Lakeland was provided with an Interim Decision with Reasons and Order on December 19, 2001 and informed that an oral hearing would be scheduled to deal with a number of matters including Boundary Assistance, and the normalization of financial data.

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 adjusts the Applicant's proposals for the following reasons.

The Board is concerned about the rate impact resulting from Lakeland's proposal to recover 2001 foregone revenue coincident with the other March 2002 rate adjustments. Accordingly, the Board will not allow for the inclusion of transition costs into rate setting at this time. This finding is consistent with the Board's guidelines provided to the electricity distributors pertaining to the March 2002 adjustments.

The Applicant did not deduct appropriate amounts for the Capital Tax exemptions for both 2001 and 2002.

As a result,

- transition costs of $92,181 were adjusted to $0.

- the 2001 deferred Payments in Lieu of Taxes (PILs) amount was adjusted to correct for an overstatement of $3,683. #183,800

- the 2002 Payments in Lieu of Taxes (PILs) amount was adjusted to correct for an overstatement of $71,706. #698,639

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

THE BOARD ORDERS THAT:

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

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

DATED at Toronto, March 13, 2002.

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0089
EB-2002-0098

March 13, 2002

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Lakeland Power Distribution Ltd.
Schedule of Rates and Charges
Effective March 1, 2002

RP-2002-0222
EB-2002-0595

Time Periods for Time of Use (Eastern Standard Time)

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

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

RESIDENTIAL

Monthly Service Charge	(per month)	$18.45
Distribution Volumetric Rate	(per kWh)	$0.0092
Cost of Power Rate	(per kWh)	$0.07496

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$37.54
Distribution Volumetric Rate	(per kWh)	$0.0063
Cost of Power Rate	(per kWh)	$0.07426

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$620.81
Distribution Volumetric Rate	(per kW)	$1.3416
Cost of Power Demand Rate	(per kW)	$7.09000
Cost of Power Energy Rate	(per kWh)	$0.05206

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$911.60
Distribution Volumetric Rate	(per kW)	$1.0802
Cost of Power - Winter Peak	(per kW)	$9.98000
Cost of Power - Summer Peak	(per kW)	$7.62000
Cost of Power - Winter Peak	(per kWh)	$0.07106
Cost of Power - Winter Off Peak	(per kWh)	$0.04216
Cost of Power - Summer Peak	(per kWh)	$0.05986
Cost of Power - Summer Off Pea	(per kWh)	$0.03116

Lakeland Power Distribution Ltd.
Schedule of Rates and Charges - Page 2
Effective March 1, 2002

RP-2002-0222
EB-2002-0595

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	$1.66
Distribution Volumetric Rate	(per kW)	$3.7831
Cost of Power Demand Rate	(per kW)	$22.83000

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	$1.07
Distribution Volumetric Rate	(per kW)	$2.2768
Cost of Power Demand Rate	(per kW)	$19.7402

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per connection)	$1.07
Distribution Volumetric Rate	(per kW)	$2.2768
Cost of Power - Winter	(per kW)	$32.92590
Cost of Power - Summer	(per kW)	$12.63750

UN-METERED SCATTERED LOADS

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

Monthly Service Charge	(per connection)	$37.54
Distribution Volumetric Rate	(per kWh)	$0.0063
Cost of Power Rate	(per kWh)	$0.07426

SPECIFIC SERVICE CHARGES

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

Appendix 6 – 2004 Rate Adjustment Model

SHEET 1 - December 31, 2002 Regulatory Assets

V1

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3.0		
Date	09-Feb-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		$168,740
RSVA - Retail Transmission Network Charge	1584		-$61,310
RSVA - Retail Transmission Connection Charge	1586		$501,950
RSVA - Power	1588		-$30,333
Sub-Total			$579,047
RSVA - One-time Wholesale Market Service	1582		$0
Other Regulatory Assets	1508		$11,650
Retail Cost Variance Account - Retail	1518		-$6,350
Retail Cost Variance Account - STR	1548		$21,339
Misc. Deferred Debits - incl. Rebate Cheques	1525		$0
Deferred Payments in Lieu of Taxes	1562		$49,122
PILs Contra Account	1563		-$49,121
Qualifing Transition Costs	1570		$409,694
Pre-Market Opening Energy Variances Total	1571		$841,109
Pre-Market Opening Energy Variances - 2001		$381,385	
Pre-Market Opening Energy Variances - 2002		$459,724	
Extra-Ordinary Event Losses	1572		$0
Deferred Rate Impact Amounts	1574		$0
Other Deferred Credits	2425		$0
Total Applied-for Regulatory Assets		**(a)**	$1,856,490
(1) Total of 4 RSVA Accounts		**(b)**	$579,047 Approved for 2004 Final Recovery
4 RSVA accounts as a percent of total: (b) / (a)			31.2%
(2) 25 % of (a)		**(c)**	$464,122

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)	$464,122	Approved for Final 2004 Rate Recovery
Gross Up for Recovery over 11 months: Amount (c) x 12/11	$506,315	Enter this amount on Sheet 3 (Therefore, entry on Sheet 5 is zero.)
Remaining Final Amount to be recovered in future periods (b) - (c)	$114,924	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)		$464,122	Approved for 2004 Rate Recovery
Final 4 RSVA Amount as shown at (b)		$579,047	
Gross Up for Recovery over 11 months: Amount (b) x 12/11		$631,687	Enter this amount on Sheet 3
Interim Amount to be recovered (c) - (b)	**(d)**	-$114,924	
Gross Up for Recovery over 11 months: Amount (d) x 12/11		-$125,372	Enter this amount on Sheet 5
Total Final + Interim Amount for Recovery (b) + (d) (no gross up)		$464,122	

Rate Implementation

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

SHEET 2 - 2002 Base Rate Schedule

V1

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-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	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0047
MONTHLY SERVICE CHARGE (Per Customer)	$28.72

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$0.9861
MONTHLY SERVICE CHARGE (Per Customer)	$478.29

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.9495
MONTHLY SERVICE CHARGE (Per Customer)	$503.33

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	$3.0400
MONTHLY SERVICE CHARGE (Per Connection)	$1.22

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$0.1577
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.7427
MONTHLY SERVICE CHARGE (Per Connection)	$0.81

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$1.7427
MONTHLY SERVICE CHARGE (Per Connection)	$0.81

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

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-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. $ 506,315.41
If the total of the 4 major RSVA related Regulatory Assets is less than 25% of the total Regualtory Assets applied for,
enter the additional interim approved amount on Sheet 5.

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

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 kWh Shares	2002 Reg. Asset RSVA Allocations
RESIDENTIAL CLASS	-	77,667,808	7,147	$1,850,824.56	35.9%	$ 181,662.54
GENERAL SERVICE <50 KW CLASS	-	48,188,453	1,536	$805,795.84	22.3%	$ 112,711.26
GENERAL SERVICE >50 KW NON TIME OF USE	206,019	89,322,391	95	$761,479.70	41.3%	$ 208,922.24
GENERAL SERVICE >50 KW TIME OF USE					0.0%	$ -
INTERMEDIATE USE	0	0	0	$0.00	0.0%	$ -
LARGE USER CLASS	0	0	0	$0.00	0.0%	$ -
SENTINEL LIGHTS	105	44,767	49	$1,266.97	0.0%	$ 104.71
STREET LIGHTING CLASS	4,802	1,246,133	2,058	$37,616.60	0.6%	$ 2,914.67
TOTALS		216,469,552	10,885	$3,456,983.67	1.00	$ 506,315.41
		Allocated Total for 4 major RSVA accounts ==>				$ 506,315.41

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)	$ 181,662.54	$ -	$ 181,662.54
(B) RETAIL kWh in 2002	77,667,808		
(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)	$0.002339		

General Service <50kW Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G23 above)	$ 112,711.26	$ -	$ 112,711.26

(B) RETAIL kWh in 2002	48,188,453
(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)	$0.002339

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)	$ 208,922.24	$ -	$ 208,922.24
(B) RETAIL KW in 2002	206,019		
(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)	$1.014094		

General Service >50kW ClassTOU

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G25 above)	$ -	$ -	$ -
(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 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G26 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G27 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Sentinel Lighting Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G28 above)	$ 104.71	$ -	$ 104.71
(B) RETAIL KW in 2002	105		
(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)	$0.993629		

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)	$ 2,914.67	$ -	$ 2,914.67
(B) RETAIL KW in 2002	4,802		
(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)	$0.606956		

Regulatory Assets

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-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	$0.0093
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0093
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$28.72

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.0002
MONTHLY SERVICE CHARGE (Per Customer)	$478.29

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	$503.33

GENERAL SERVICE INTERMEDIATE USE

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

LARGE USE

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.0336
MONTHLY SERVICE CHARGE (Per Connection)	$1.22

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$1.1513
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.3497
MONTHLY SERVICE CHARGE (Per Connection)	$0.81

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.3497
MONTHLY SERVICE CHARGE (Per Connection)	$0.81

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-04		

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

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

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

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2002 Interim Reg. Asset Allocations
RESIDENTIAL CLASS	-	77,667,808	7,147	$1,850,824.56	53.5%	$ -
GENERAL SERVICE <50 KW CLASS	-	48,188,453	1,536	$805,795.84	23.3%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	206,019	89,322,391	95	$761,479.70	22.0%	$ -
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	105	44,767	49	$1,266.97	0.0%	$ -
STREET LIGHTING CLASS	4,802	1,246,133	2,058	$37,616.60	1.1%	$ -
TOTALS		216,469,552	10,885	$3,456,983.67	1.00	$ -
		Allocated Total for additional interim amounts ==>				$ -

Residential Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G22 above)	$ -	$ -	$ -
(B) RETAIL kWh in 2002	77,667,808		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

General Service <50kW Class

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

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

(Total in Cell G23 above)

(B) RETAIL kWh in 2002 48,188,453

(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) $0.000000
(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 Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G24 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	206,019		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

General Service >50kW ClassTOU

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G25 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	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	105		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

Streetlighting Class

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

	VARIABLE CHARGE RECOVERY Percentage	SERVICE CHARGE RECOVERY Percentage	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G29 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	4,802		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000000		

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-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	$0.0093
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0093
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$28.72

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.0002
MONTHLY SERVICE CHARGE (Per Customer)	$478.29

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	$503.33

GENERAL SERVICE INTERMEDIATE USE

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

LARGE USE

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

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.0336
MONTHLY SERVICE CHARGE (Per Connection)	$1.22

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$1.1513
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.3497
MONTHLY SERVICE CHARGE (Per Connection)	$0.81

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.3497
MONTHLY SERVICE CHARGE (Per Connection)	$0.81

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

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-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. $ 698,639.00

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2004 PILs Proxy Allocations
RESIDENTIAL CLASS	-	77,667,808	7,147	$1,850,824.56	53.5%	$ 374,042.33
GENERAL SERVICE <50 KW CLASS	-	48,188,453	1,536	$805,795.84	23.3%	$ 162,847.28
GENERAL SERVICE >50 KW NON TIME OF USE	206,019	89,322,391	95	$761,479.70	22.0%	$ 153,891.21
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	105	44,767	49	$1,266.97	0.0%	$ 256.05
STREET LIGHTING CLASS	4,802	1,246,133	2,058	$37,616.60	1.1%	$ 7,602.13
TOTALS		216,469,552	10,885	$3,456,983.67	1.00	$ 698,639.00
		Allocated Total for additional interim amounts ==>				$ 698,639.00

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)	$ 374,042.33	$ -	$ 374,042.33
(B) RETAIL kWh in 2002	77,667,808		
(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)	$0.004816		

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)	$ 162,847.28	$ -	$ 162,847.28

(B) RETAIL kWh in 2002	48,188,453
(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)	$0.003379

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)	$ 153,891.21	$ -	$ 153,891.21
(B) RETAIL KW in 2002	206,019		
(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)	$0.746977		

General Service >50kW ClassTOU

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) (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

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) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Large User Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G27 above)	$ -	$ -	$ -
(B) RETAIL KW in 2002	0		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Sentinel Lighting Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G28 above)	$ 256.05	$ -	$ 256.05
(B) RETAIL KW in 2002	105		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$2.429761		

Streetlighting Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G29 above)	$ 7,602.13	$ -	$ 7,602.13
(B) RETAIL KW in 2002	4,802		
(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)	$1.583084		

SHEET 8 - 2004 Rates including Recovery of 2004 PILs

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-04		

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

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0142
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0142
MONTHLY SERVICE CHARGE (Per Customer)	$14.05

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0104
MONTHLY SERVICE CHARGE (Per Customer)	$28.72

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.7472
MONTHLY SERVICE CHARGE (Per Customer)	$478.29

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	$503.33

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	$6.4634
MONTHLY SERVICE CHARGE (Per Connection)	$1.22

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$3.5811
MONTHLY SERVICE CHARGE (Per Connection)	$0.06

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.9327
MONTHLY SERVICE CHARGE (Per Connection)	$0.81

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$3.9327
MONTHLY SERVICE CHARGE (Per Connection)	$0.81

SHEET 9 - Adjustment to Maintain the Current Service Charge Level

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-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	-	77,667,808	7,147	$18.45
GENERAL SERVICE <50 KW CLASS	-	48,188,453	1,536	$37.54
GENERAL SERVICE >50 KW NON TIME OF USE	206,019	89,322,391	95	$620.81
GENERAL SERVICE >50 KW TIME OF USE	0	0	0	$620.81
INTERMEDIATE USE	0	0	0	$0.00
LARGE USER CLASS	0	0	0	$0.00
SENTINEL LIGHTS	105	44,767	49	$1.66
STREET LIGHTING CLASS	4,802	1,246,133	2,058	$1.07
TOTALS		216,469,552	10,885	

Residential Class

Revenue from Current Monthly Service Charge		$1,582,346	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$1,204,984	
Difference		$377,362	
Variable Rate Adjustment	$/kWh	$ 0.0049	
Adjusted Variable Rate	$/kWh		$ 0.0093

Residential Class (Time of Use)

Revenue from Current Monthly Service Charge		$1,582,346	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$1,204,984	
Difference		$377,362	
Variable Rate Adjustment	$/kWh	$ 0.0049	
Adjusted Variable Rate	$/kWh		$ 0.0093

General Service <50 kW Class

Revenue from Current Monthly Service Charge		$691,937	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$529,367	
Difference		$162,570	
Variable Rate Adjustment	$/kWh	$ 0.0034	
Adjusted Variable Rate	$/kWh		$ 0.0070

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

Revenue from Current Monthly Service Charge		$707,723	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$545,251	
Difference		$162,473	

Variable Rate Adjustment	$/kW	$ 0.7886	
Adjusted Variable Rate	$/kW		$ 1.9585

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		$976	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$717	
Difference		$259	
Variable Rate Adjustment	$/kW	2.455114823	
Adjusted Variable Rate	$/kW		$ 4.0083

OR

Sentinal Lights (Time of Use)

Revenue from Current Monthly Service Charge		$976	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$35	
Difference		$941	
Variable Rate Adjustment	$/kW	8.927690264	
Adjusted Variable Rate	$/kW		$ (5.3466)

Streetlighting (Non Time of Use)

Revenue from Current Monthly Service Charge		$26,425	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$20,004	
Difference		$6,421	
Variable Rate Adjustment	$/kW	1.3371	
Adjusted Variable Rate	$/kW		$ 2.5956

OR

Streetlighting (Time of Use)

Revenue from Current Monthly Service Charge		$26,425	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$20,004	

Difference		$6,421	
Variable Rate Adjustment	$/kW	1.34	
Adjusted Variable Rate	$/kW		$ 2.5956

Lakeland Power Distribution Ltd.
Schedule of Distribution Rates and Charges
Effective April 1, 2004 until February 28, 2005

RP-2004-0063
EB-2004-0049

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

RESIDENTIAL

Monthly Service Charge	(per month)	$18.45
Distribution Volumetric Rate	(per kWh)	$0.0093

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	$18.45
Distribution Volumetric Rate	(per kWh)	$0.0093

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$37.54
Distribution Volumetric Rate	(per kWh)	$0.0070

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$620.81
Distribution Volumetric Rate	(per kW)	$1.9585

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$620.81
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!

Your Utility Name
Schedule of Distribution Rates and Charges
Effective April 1, 2004 until February 28, 2005
(continued)

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.66
Distribution Volumetric Rate	(per kW)	$4.0083

SENTINEL LIGHTS (Time of Use)

Monthly Service Charge	(per month)	$1.66
Distribution Volumetric Rate	(per kW)	-$5.3466

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$1.07
Distribution Volumetric Rate	(per kW)	$2.5956

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	$1.07
Distribution Volumetric Rate	(per kW)	$2.5956

SPECIFIC SERVICE CHARGES

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

Bill Impact Analysis for 2004 Rate Schedule after Regulatory Asset and 2004 PILs Adjustments
(commodity price constant)

NAME OF UTILITY	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-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	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45			
DISTRIBUTION kWh	100	0.0092	$	0.92		DISTRIBUTION kWh	100	0.0093	$ 0.93			
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			$	26.06		Adjusted 2004 BILL			$ 26.07	$ 0.01	0.0%	
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
250 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**	
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45			
DISTRIBUTION kWh	250	0.0092	$	2.30		DISTRIBUTION kWh	250	0.0093	$ 2.32			
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			$	37.48		Adjusted 2004 BILL			$ 37.50	$ 0.02	0.1%	
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
500 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**	
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45			
DISTRIBUTION kWh	500	0.0092	$	4.60		DISTRIBUTION kWh	500	0.0093	$ 4.65			
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			$	56.50		Adjusted 2004 BILL			$ 56.55	$ 0.05	0.1%	
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
750 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**	
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45			
DISTRIBUTION kWh	750	0.0092	$	6.90		DISTRIBUTION kWh	750	0.0093	$ 6.97			
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			$	75.53		Adjusted 2004 BILL			$ 75.60	$ 0.07	0.1%	
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
1000 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**	
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45			
DISTRIBUTION kWh	1000	0.0092	$	9.20		DISTRIBUTION kWh	1000	0.0093	$ 9.30			
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			$	94.55		Adjusted 2004 BILL			$ 94.65	$ 0.10	0.1%	
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
1500 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**	
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45			
DISTRIBUTION kWh	1500	0.0092	$	13.80		DISTRIBUTION kWh	1500	0.0093	$ 13.94			

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			$ 132.60	Adjusted 2004 BILL			$ 132.74	$ 0.14	0.1%	

MONTHLY CONSUMPTION OF 2000 kWh	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45	MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION kWh	2000	0.0092	$ 18.40	DISTRIBUTION kWh	2000	0.0093	$ 18.59		
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			$ 170.65	Adjusted 2004 BILL			$ 170.84	$ 0.19	0.1%

GENERAL SERVICE < 50 KW

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

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

ENTER DESIRED CONSUMPTION LEVEL 1000 kWh	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
DISTRIBUTION kWh	1000	0.0063	$ 6.30	DISTRIBUTION kWh	1000	0.0070	$ 7.04		
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			$ 109.74	Adjusted 2004 BILL			$ 110.48	$ 0.74	0.7%

MONTHLY CONSUMPTION 2000 kWh	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
DISTRIBUTION kWh	2000	0.0063	$ 12.60	DISTRIBUTION kWh	2000	0.0070	$ 14.09		
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			$ 181.94	Adjusted 2004 BILL			$ 183.43	$ 1.49	0.8%

MONTHLY CONSUMPTION 5000 kWh	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
DISTRIBUTION kWh	5000	0.0063	$ 31.50	DISTRIBUTION kWh	5000	0.0070	$ 35.22		
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			$ 398.54	Adjusted 2004 BILL			$ 402.26	$ 3.72	0.9%

MONTHLY CONSUMPTION 10,000 kWh	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
DISTRIBUTION kWh	10000	0.0063	$ 63.00	DISTRIBUTION kWh	10000	0.0070	$ 70.45		
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			$ 759.54	Adjusted 2004 BILL			$ 766.99	$ 7.45	1.0%

MONTHLY CONSUMPTION 15,000 KWh	kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
DISTRIBUTION kWh	15000	0.0063	$ 94.50	DISTRIBUTION kWh	15000	0.0070	$ 105.67		
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			$ 1,120.54	Adjusted 2004 BILL			$ 1,131.71	$ 11.17	1.0%

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	$620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	60	1.3416	$ 80.50		60	1.9585	$ 117.51		
OTHER CHARGES kW	60	3.9100	$ 234.60		60	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 2003 BILL			$ 1,958.91	Adjusted 2004 BILL			$ 1,995.92	$ 37.02	1.9%

MONTHLY CONSUMPTION 100kW, 40,000kWh

	kW/kWh (enter)	RATE $kW/kWh	CHARGE $		kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	100	1.3416	$ 134.16		100	1.9585	$ 195.85		
OTHER CHARGES kW	100	3.9100	$ 391.00		100	3.9100	$ 391.00		
OTHER CHARGES kWh	40,000	0.0132	$ 528.00		40,000	0.0132	$ 528.00		
COST OF POWER kWh	40,000	0.0550	$ 2,200.00		40,000	0.0550	$ 2,200.00		
CURRENT 2003 BILL			$ 3,873.97	Adjusted 2004 BILL			$ 3,935.66	$ 61.69	1.6%

MONTHLY CONSUMPTION 500kW, 100,000kWh

	kW/kWh (enter)	RATE $kW/kWh	CHARGE $		kW/kWh	RATE $kW/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
MONTHLY SERVICE CHARGE	n/a	n/a	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	500	1.3416	$ 670.80		500	1.9585	$ 979.27		
OTHER CHARGES kW	500	3.9100	$ 1,955.00		500	3.9100	$ 1,955.00		
OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00		100,000	0.0132	$ 1,320.00		
COST OF POWER kWh	100,000	0.0550	$ 5,500.00		100,000	0.0550	$ 5,500.00		
CURRENT 2003 BILL			$ 10,066.61	Adjusted 2004 BILL			$ 10,375.08	$ 308.47	3.1%

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	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	1000	1.3416	$ 1,341.60		1000	1.9585	$ 1,958.54		
OTHER CHARGES kW	1000	3.9100	$ 3,910.00		1000	3.9100	$ 3,910.00		
OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00		400,000	0.0132	$ 5,280.00		
COST OF POWER kWh	400,000	0.0550	$ 22,000.00		400,000	0.0550	$ 22,000.00		
CURRENT 2003 BILL			$ 33,152.41	Adjusted 2004 BILL			$ 33,769.35	$ 616.94	1.9%

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	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	3000	1.3416	$ 4,024.80		3000	1.9585	$ 5,875.62		
OTHER CHARGES kW	3000	3.9100	$ 11,730.00		3000	3.9100	$ 11,730.00		
OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00		1,000,000	0.0132	$ 13,200.00		
COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00		1,000,000	0.0550	$ 55,000.00		
CURRENT 2003 BILL			$ 84,575.61	Adjusted 2004 BILL			$ 86,426.43	$ 1,850.82	2.2%

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	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	4000	1.3416	$ 5,366.40		4000	1.95854	$ 7,834.16		
OTHER CHARGES kW	4000	3.9100	$ 15,640.00		4000	3.9100	$ 15,640.00		
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 2003 BILL	$ 144,387.21	Adjusted 2004 BILL	$ 146,854.97	$ 2,467.76	1.71%	

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.

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	$620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	60	1.3461	$ 80.77		60	#DIV/0!	#DIV/0!		
OTHER CHARGES kW	60	4.2138	$ 252.83		60	4.2138	$ 252.83		
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 2003 BILL			$ 1,977.40	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	n/a	n/a	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	100	1.3461	$ 134.61		100	#DIV/0!	#DIV/0!		
OTHER CHARGES kW	100	4.2138	$ 421.38		100	4.2138	$ 421.38		
OTHER CHARGES kWh	40,000	0.0132	$ 528.00		40,000	0.0132	$ 528.00		
COST OF POWER kWh	40,000	0.0550	$ 2,200.00		40,000	0.0550	$ 2,200.00		
CURRENT 2003 BILL			$ 3,904.80	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	n/a	n/a	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	500	1.3461	$ 673.05		500	#DIV/0!	#DIV/0!		
OTHER CHARGES kW	500	4.2138	$ 2,106.90		500	4.2138	$ 2,106.90		
OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00		100,000	0.0132	$ 1,320.00		
COST OF POWER kWh	100,000	0.0550	$ 5,500.00		100,000	0.0550	$ 5,500.00		
CURRENT 2003 BILL			$ 10,220.76	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	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	1000	1.3461	$ 1,346.10		1000	#DIV/0!	#DIV/0!		
OTHER CHARGES kW	1000	4.2138	$ 4,213.80		1000	4.2138	$ 4,213.80		
OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00		400,000	0.0132	$ 5,280.00		
COST OF POWER kWh	400,000	0.0550	$ 22,000.00		400,000	0.0550	$ 22,000.00		
CURRENT 2003 BILL			$ 33,460.71	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	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	3000	1.3461	$ 4,038.30		3000	#DIV/0!	#DIV/0!		
OTHER CHARGES kW	3000	4.2138	$ 12,641.40		3000	4.2138	$ 12,641.40		
OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00		1,000,000	0.0132	$ 13,200.00		
COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00		1,000,000	0.0550	$ 55,000.00		
CURRENT 2003 BILL			$ 85,500.51	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	$ 620.81		n/a	n/a	$ 620.81		
DISTRIBUTION kW	4000	1.3461	$ 5,384.40		4000	#DIV/0!	#DIV/0!		
OTHER CHARGES kW	4000	4.2138	$ 16,855.20		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			$ 145,620.41	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		**kW/kWh (enter)**	**RATE $kW/kWh**	**CHARGE $**		**kW/kWh**	**RATE $kW/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
3000kW, 800,000 kWh	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		**kW/kWh (enter)**	**RATE $kW/kWh**	**CHARGE $**		**kW/kWh**	**RATE $kW/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
3000kW, 1,000,000kWh	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 (enter)**	**RATE $kW/kWh**	**CHARGE $**		**kW/kWh**	**RATE $kW/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
4000kW, 1,200,000kWh	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		**kW/kWh (enter)**	**RATE $kW/kWh**	**CHARGE $**		**kW/kWh**	**RATE $kW/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
4000kW, 1,800,000kWh	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	MONTHLY SERVICE CHARGE	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	Lakeland Power Distribution Ltd.	**LICENCE NUMBER**	ED-2002-0540
NAME OF CONTACT	Chris Litschko	**PHONE NUMBER**	(705) 789-5442
E- Mail Address	clitschko@lakelandpower.on.ca		
VERSION NUMBER	3		
Date	09-Feb-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**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION kWh	100	0.0092	$	0.92		DISTRIBUTION kWh	100	0.0093	$ 0.93		
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			$	26.06		Adjusted 2004 BILL			$ 26.47	$ 0.41	1.6%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION kWh	250	0.0092	$	2.30		DISTRIBUTION kWh	250	0.0093	$ 2.32		
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			$	37.48		Adjusted 2004 BILL			$ 38.50	$ 1.02	2.7%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION kWh	500	0.0092	$	4.60		DISTRIBUTION kWh	500	0.0093	$ 4.65		
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			$	56.50		Adjusted 2004 BILL			$ 58.55	$ 2.05	3.6%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45		MONTHLY SERVICE CHARGE	n/a	n/a	$ 18.45		
DISTRIBUTION kWh	750	0.0092	$	6.90		DISTRIBUTION kWh	750	0.0093	$ 6.97		
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			$	75.53		Adjusted 2004 BILL			$ 78.60	$ 3.07	4.1%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**				**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh	**(enter)**	**$/kWh**	**$**					**$/kWh**	**$**	**DOLLARS**	**%**

MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45	MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45	
DISTRIBUTION kWh	1039	0.0092	$	9.56	DISTRIBUTION kWh	1039	0.0093	$	9.66	
OTHER CHARGES kWh	1039	0.0239	$	24.83	OTHER CHARGES kWh	1039	0.02390	$	24.83	
COST OF POWER kWh	1039	0.0430	$	44.68	COST OF POWER kWh	750	0.0470	$	35.25	
					COST OF POWER kWh	289	0.0550	$	15.90	
CURRENT 2003 BILL			$	97.52	Adjusted 2004 BILL			$	104.09	$ 6.57 6.7%

MONTHLY CONSUMPTION OF 1500 kWh	**kWh (enter)**	**RATE $/kWh**	**CHARGE $**			**kWh**	**RATE $/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45	MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45	
DISTRIBUTION kWh	1500	0.0092	$	13.80	DISTRIBUTION kWh	1500	0.0093	$	13.94	
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			$	132.60	Adjusted 2004 BILL			$	144.74	$ 12.14 9.2%

MONTHLY CONSUMPTION OF 2000 kWh	**kWh (enter)**	**RATE $/kWh**	**CHARGE $**			**kWh**	**RATE $/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45	MONTHLY SERVICE CHARGE	n/a	n/a	$	18.45	
DISTRIBUTION kWh	2000	0.0092	$	18.40	DISTRIBUTION kWh	2000	0.0093	$	18.59	
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			$	170.65	Adjusted 2004 BILL			$	188.84	$ 18.19 10.7%

GENERAL SERVICE < 50 KW

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

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

MONTHLY CONSUMPTION OF 1000 kWh	**kWh (enter)**	**RATE $/kWh**	**CHARGE $**			**kWh**	**RATE $/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$	37.54	
DISTRIBUTION kWh	1000	0.0063	$	6.30	DISTRIBUTION kWh	1000	0.00704	$	7.04	
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			$	109.74	Adjusted 2004 BILL			$	116.48	$ 6.74 6.1%

MONTHLY CONSUMPTION OF 2000 kWh	**kWh (enter)**	**RATE $/kWh**	**CHARGE $**			**kWh**	**RATE $/kWh**	**CHARGE $**	**IMPACT DOLLARS**	**IMPACT %**
MONTHLY SERVICE CHARGE	n/a	n/a	$	37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$	37.54	
DISTRIBUTION kWh	2000	0.0063	$	12.60	DISTRIBUTION kWh	2000	0.0070	$	14.09	
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			$	181.94	Adjusted 2004 BILL			$	201.43	$ 19.49 10.7%

MONTHLY CONSUMPTION OF 5000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
	DISTRIBUTION kWh	5000	0.0063	$ 31.50	DISTRIBUTION kWh	5000	0.0070	$ 35.22		
	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			$ 398.54	Adjusted 2004 BILL			$ 456.26	$ 57.72	14.5%

MONTHLY CONSUMPTION OF 10000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
	DISTRIBUTION kWh	10000	0.0063	$ 63.00	DISTRIBUTION kWh	10000	0.0070	$ 70.45		
	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			$ 759.54	Adjusted 2004 BILL			$ 880.99	$ 121.45	16.0%

MONTHLY CONSUMPTION OF 15000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54	MONTHLY SERVICE CHARGE	n/a	n/a	$ 37.54		
	DISTRIBUTION kWh	15000	0.0063	$ 94.50	DISTRIBUTION kWh	15000	0.0070	$ 105.67		
	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			$ 1,120.54	Adjusted 2004 BILL			$ 1,305.71	$ 185.17	16.5%

Appendix 7 – Signed OEB Decision

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
26th. Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

Commission de l'Énergie de l'Ontario
C.P. 2319
2300, rue Yonge
26e étage
Toronto ON M4P 1E4
Téléphone; (416) 481-1967
Télécopieur: (416) 440-7656

Ontario

March 12, 2004

RECEIVED MAR 15 2004

Christopher Litschko
President & Chief Executive Officer
Lakeland Power Distribution Ltd.
5-45 Cairns Crescent
Huntsville ON
P1H 2M2

Dear Mr. Litschko:

Re: Distribution Rate Application
Board Decision and Order and Interim Rate Schedule

Attached is the Board's Decision and Order and Interim Rate Schedule with respect to your company's distribution rate application regarding the partial recovery of Regulatory Assets.

Yours truly,

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2004-0063
EB-2004-0049

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 Lakeland Power Distribution Ltd. 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 RP-2004-0063
Lakeland Power Distribution Ltd. EB-2004-0049
Schedule of Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RESIDENTIAL

Monthly Service Charge	(per month)	$18.45
Distribution Volumetric Rate	(per kWh)	$0.0093

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$37.54
Distribution Volumetric Rate	(per kWh)	$0.0070

GENERAL SERVICE > 50 KW

Monthly Service Charge	(per month)	$620.81
Distribution Volumetric Rate	(per kW)	$1.9585

SENTINEL LIGHTS

Monthly Service Charge	(per connection)	$1.66
Distribution Volumetric Rate	(per kW)	$4.0083

STREET LIGHTING

Monthly Service Charge	(per connection)	$1.07
Distribution Volumetric Rate	(per kW)	$2.5956

UNMETERED SCATTERED LOADS

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

Monthly Service Charge	(per connection)	$37.54
Distribution Volumetric Rate	(per kWh)	$0.0070

Appendix 8 – 2005 Rate Adjustment Model

2005 Rate Adjustment Model

Name of Utility:	**Lakeland Power Distrbution Ltd.**
License Number:	**ED-2002-0540**
File Number:	**RP-2005-0013**
	EB-2005-0045
Name of Contact:	**C. (Chris) Litschko**
E- Mail Address:	**clitschko@lakelandpower.on.ca**
Phone Number:	**(705)789-5442 Extension: 24**
Date:	**January 10, 2005**

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

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442 Extension: 24**	
Date:	**January 10, 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	$0.0070
Monthly Service Charge (Per Customer)	$14.05

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	$0.0070
Monthly Service Charge (Per Customer)	$14.05

GENERAL SERVICE < 50 KW

Distribution kWh Rate	$0.0047
Monthly Service Charge (Per Customer)	$28.72

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	$0.9861
Monthly Service Charge (Per Customer)	$478.29

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	$0.9495
Monthly Service Charge (Per Customer)	$503.33

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	$3.0400
Monthly Service Charge (Per Connection)	$1.22

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	$0.1577
Monthly Service Charge (Per Connection)	$0.06

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	$1.7427
Monthly Service Charge (Per Connection)	$0.81

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	$1.7427
Monthly Service Charge (Per Connection)	$0.81

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

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442**	**Extension: 24**
Date:	**January 10, 2005**	

Enter the final MARR installment calculated in the 2001 RUD Model	**$**	**162,461.80**
Have you applied for approval of your C&DM plan?		**yes**
Enter the amount applied for your C&DM plan		**$162,461.80**
Has the C&DM application been approved?		**no**
Enter the final MARR installment *(based on Board-Approved C&DM plan or applied-for amount)*	**$**	**162,461.80**
Grossed-up MARR based on 14 months recovery over 13 months.	**$**	**174,958.86**

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		76,373,354	6,895	$1,628,269	54.28%	$94,964
General Service < 50 KW Class		51,032,727	1,501	$724,249	24.14%	$42,240
General Service > 50 KW Non-Time of Use	191,419		77	$603,668	20.12%	$35,207
General Service > 50 KW Time of Use	15,860		1	$15,942	0.53%	$930
Intermediate Use	0		0	$0	0.00%	$0
Large Class User	0		0	$0	0.00%	$0
Sentinel Lights	73		33	$675	0.02%	$39
Street Lighting	5,109		1,986	$27,065	0.90%	$1,579
TOTALS	**212,461**	**127,406,081**	**10,493**	**$2,999,868**	**100.00%**	**$174,959**
			Grossed-up MARR Value ==========>			**$174,959**

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			$94,964
(B) Fixed-Variable Split (%)	31.5%	68.5%	100%
(C) Re-Allocated MARR ($)	$29,914	$65,051	$94,964
(D) Number of kWh	76,373,354		
(E) Number of Customers		6,895	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0004		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.7862	

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			$42,240
(B) Fixed-Variable Split (%)	31.5%	68.5%	100%
(C) Re-Allocated MARR ($)	$13,306	$28,934	$42,240
(D) Number of kWh	51,032,727		
(E) Number of Customers		1,501	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0003		
(G) Incremental Monthly Service Charge (C)/(E)/12		$1.6064	

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

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$35,207
(B) Fixed-Variable Split (%)	31.5%	68.5%	100%
(C) Re-Allocated MARR ($)	$11,090	$24,117	$35,207
(D) Number of kW	191,419		
(E) Number of Customers		77	
(F) Incremental Distribution kWh Rate ($/kW)	$0.0579		
(G) Incremental Monthly Service Charge (C)/(E)/12		$26.1006	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$930
(B) Fixed-Variable Split (%)	31.5%	68.5%	100%
(C) Re-Allocated MARR ($)	$293	$637	$930
(D) Number of kW	15,860		
(E) Number of Customers		1	
(F) Incremental Distribution kW Rate ($/kW)	$0.0185		
(G) Incremental Monthly Service Charge (C)/(E)/12		$53.0750	

Intermediate Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$0
(B) Fixed-Variable Split (%)	0.0%	100.0%	100%
(C) Re-Allocated MARR ($)	$0	$0	$0
(D) Number of kW	0		
(E) Number of Customers		0	
(F) Incremental Distribution kW Rate ($/kW)	$0.0000		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.0000	

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

Large User Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$0
(B) Fixed-Variable Split (%)	0.0%	100.0%	100%
(C) Re-Allocated MARR ($)	$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	

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$39
(B) Fixed-Variable Split (%)	31.5%	68.5%	100%
(C) Re-Allocated MARR ($)	$12	$27	$39
(D) Number of kW	73		
(E) Number of Customers		33	
(F) Incremental Distribution kW Rate ($/kW)	$0.1698		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.0681	

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$1,579
(B) Fixed-Variable Split (%)	31.5%	68.5%	100%
(C) Re-Allocated MARR ($)	$497	$1,081	$1,579
(D) Number of kW	5,109		
(E) Number of Customers		1,986	
(F) Incremental Distribution kW Rate ($/kW)	$0.0973		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.0454	

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

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442 Extension: 24**	
Date:	**January 10, 2005**	

Residential Class

DISTRIBUTION KWH RATE	$0.0074
MONTHLY SERVICE CHARGE (Per Customer)	$14.84

Residential Class (Time-of-Use)

DISTRIBUTION KWH RATE	$0.0074
MONTHLY SERVICE CHARGE (Per Customer)	$14.84

General Service < 50 KW

DISTRIBUTION KWH RATE	$0.0050
MONTHLY SERVICE CHARGE (Per Customer)	$30.33

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

DISTRIBUTION KW RATE	$1.0440
MONTHLY SERVICE CHARGE (Per Customer)	$504.39

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE	$0.9680
MONTHLY SERVICE CHARGE (Per Customer)	$556.40

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	$3.2098
MONTHLY SERVICE CHARGE (Per Connection)	$1.29

OR

Sentinel Lights (Time of Use)

DISTRIBUTION KW RATE	$0.3275
MONTHLY SERVICE CHARGE (Per Connection)	$0.13

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE	$1.8400
MONTHLY SERVICE CHARGE (Per Connection)	$0.86

OR

Street Lighting (Time of Use)

DISTRIBUTION KW RATE	$1.8400
MONTHLY SERVICE CHARGE (Per Connection)	$0.86

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442** **Extension: 24**	
Date:	**January 10, 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 $ 439,617.00

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		86,696,349	7,251	$2,506,308	54.5%	$239,619
General Service < 50 KW Class		49,705,336	1,525	$1,045,290	22.7%	$99,936
General Service > 50 KW Non-Time of Use	225,400	90,281,980	95	$1,000,666	21.8%	$95,670
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	125	45,066	48	$1,607	0.0%	$154
Street Lighting	5,151	1,877,220	2,058	$44,327	1.0%	$4,238
TOTALS		**228,605,950**	**10,977**	**$4,598,198**	**1.00**	**$439,617**
			2005 PILs Proxy Amount ==========>			$439,617

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			$239,619
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$239,619	$0	$239,619
(D) Number of kWh	86,696,349		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0028		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$99,936
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$99,936	$0	$99,936
(D) Number of kWh	49,705,336		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0020		

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			$95,670
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$95,670	$0	$95,670
(D) Number of kW	225,400		
(E) Incremental Distribution kW Rate ($/kW)	$0.4244		

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			$154
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$154	$0	$154
(D) Number of kW	125		
(E) Incremental Distribution kW Rate ($/kW)	$1.2273		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$4,238
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$4,238	$0	$4,238
(D) Number of kW	5,151		
(E) Incremental Distribution kW Rate ($/kW)	$0.8227		

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442 Extension: 24**	
Date:	**January 10, 2005**	

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0102
MONTHLY SERVICE CHARGE (Per Customer)	$14.84

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0102
MONTHLY SERVICE CHARGE (Per Customer)	$14.84

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0070
MONTHLY SERVICE CHARGE (Per Customer)	$30.33

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.4685
MONTHLY SERVICE CHARGE (Per Customer)	$504.39

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.9680
MONTHLY SERVICE CHARGE (Per Customer)	$556.40

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	$4.4370
MONTHLY SERVICE CHARGE (Per Connection)	$1.29

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$1.5547
MONTHLY SERVICE CHARGE (Per Connection)	$0.13

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.6627
MONTHLY SERVICE CHARGE (Per Connection)	$0.86

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$2.6627
MONTHLY SERVICE CHARGE (Per Connection)	$0.86

SHEET 6 - December 31, 2003 Regulatory Assets

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442** **Extension: 24**	
Date:	**January 10, 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**	$194,049
RSVA - One-time Wholesale Market Service	**1582**	$24,301
RSVA - Retail Transmission Network Charge	**1584**	-$68,270
RSVA - Retail Transmission Connection Charge	**1586**	$1,189,106
RSVA - Power	**1588**	-$58,846
Sub-Total for RSVA Accounts		$1,280,341
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		$506,315
Adjusted 2005 Recovery Amount (RSVA Accounts)		**$774,025**

Other Regulatory Assets	**1508**	$13,430
Retail Cost Variance Account - Retail	**1518**	-$18,016
Retail Cost Variance Account - STR	**1548**	$54,458
Misc. Deferred Debits - incl. Rebate Cheques	**1525**	$6,726
Deferred Payments in Lieu of Taxes	**1562**	-$128,645
PILs Contra Account	**1563**	$128,645
Qualifing Transition Costs	**1570**	$409,694
Pre-Market Opening Energy Variances Total	**1571**	$841,109
Extra-Ordinary Event Losses	**1572**	$0
Deferred Rate Impact Amounts	**1574**	$0
Other Deferred Credits	**2425**	$0
Sub-Total for Non-RSVA Regulatory Asset Accounts		$1,307,401
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		$0
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		**$1,307,401**

Total Adjusted Regulatory Assets	$2,081,426

33% of Total Adjusted Regulatory Assets	**$693,808.73**

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)	$774,025
33% of Total Adjusted Regulatory Assets	(b)	$693,809
Remaining Final Amount to be recovered in future periods (a) - (b)		**$80,217**

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:	
33% OF Total Adjusted Regulatory Assets	N/A
Total Adjusted Balance for RSVA Accounts	N/A
Amount to be colleced from RSVA Accounts	N/A
Amount to be collected from Non-RSVA accounts	N/A

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

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

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442** **Extension: 24**	
Date:	**January 10, 2005**	

Approved Regulatory Asset Recovery from Sheet 4 *(either from Section 1 or Section 2)* **$ 693,808.73**

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	86,696,349	7,251	$2,506,308	37.9%	$263,120
General Service < 50 KW Class	0	49,705,336	1,525	$1,045,290	21.7%	$150,853
General Service > 50 KW Non-Time of Use	225,400	90,281,980	95	$1,000,666	39.5%	$274,002
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	125	45,066	48	$1,607	0.0%	$137
Street Lighting	5,151	1,877,220	2,058	$44,327	0.8%	$5,697
TOTALS		**228,605,950**	**10,977**	**$4,598,198.17**	**1.00**	**$693,809**
			Allocated Total for RSVA accounts ==========>			$693,809

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			$263,120
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$263,120	$0	$263,120
(D) Number of kWh	86,696,349		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0030		

General Service < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$150,853
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$150,853	$0	$150,853
(D) Number of kWh	49,705,336		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0030		

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			$274,002
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$274,002	$0	$274,002
(D) Number of kW	225,400		
(E) Incremental Distribution kW Rate ($/kW)	$1.2156		

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			$137
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$137	$0	$137
(D) Number of kW	125		
(E) Incremental Distribution kW Rate ($/kW)	$1.0926		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$5,697
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$5,697	$0	$5,697
(D) Number of kW	5,151		
(E) Incremental Distribution kW Rate ($/kW)	$1.1060		

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

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442** **Extension: 24**	
Date:	**January 10, 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	86,696,349	7,251	$2,506,308	54.5%	$0
General Service < 50 KW Class	0	49,705,336	1,525	$1,045,290	22.7%	$0
General Service > 50 KW Non-Time of Use	225,400	90,281,980	95	$1,000,666	21.8%	$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	125	45,066	48	$1,607	0.0%	$0
Street Lighting	5,151	1,877,220	2,058	$44,327	1.0%	$0
TOTALS		**228,605,950**	**10,977**	**$4,598,198**	**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	$0
(D) Number of kWh	86,696,349		
(E) Incremental Distribution kWh Rate ($/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	$0
(D) Number of kWh	49,705,336		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0000		

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

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

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	225,400		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kW	0		
(E) Incremental Distribution kW Rate ($/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 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	$0
(D) Number of kW	125		
(E) Incremental Distribution kW Rate ($/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	$0
(D) Number of kW	5,151		
(E) Incremental Distribution kW Rate ($/kW)	$0.0000		

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

Name of Utility: Lakeland Power Distrbution Ltd.
License Number: ED-2002-0540
Name of Contact: C. (Chris) Litschko
E- Mail Address: clitschko@lakelandpower.on.ca
Phone Number: (705)789-5442 **Extension:** 24
Date: January 10, 2005

2005.V1.1
RP-2005-0013
EB-2005-0045

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0132
MONTHLY SERVICE CHARGE (Per Customer)	$14.84

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0132
MONTHLY SERVICE CHARGE (Per Customer)	$14.84

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0100
MONTHLY SERVICE CHARGE (Per Customer)	$30.33

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.6841
MONTHLY SERVICE CHARGE (Per Customer)	$504.39

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.9680
MONTHLY SERVICE CHARGE (Per Customer)	$556.40

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	$5.5296
MONTHLY SERVICE CHARGE (Per Connection)	$1.29

OR

SENTINEL LIGHTS (TIME OF USE)

DISTRIBUTION KW RATE	$2.6473
MONTHLY SERVICE CHARGE (Per Connection)	$0.13

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.7688
MONTHLY SERVICE CHARGE (Per Connection)	$0.86

OR

STREET LIGHTING (TIME OF USE)

DISTRIBUTION KW RATE	$3.7688
MONTHLY SERVICE CHARGE (Per Connection)	$0.86

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442 Extension: 24**	
Date:	**January 10, 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	

Lakeland Power Distrbution Ltd.
RP-2005-0013 EB-2005-0045
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)	$14.84
Distribution Volumetric Rate	(per kWh)	$0.0132

RESIDENTIAL (Time of Use)

Monthly Service Charge	(per month)	$14.84
Distribution Volumetric Rate	(per kWh)	$0.0132

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$30.33
Distribution Volumetric Rate	(per kWh)	$0.0100

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$504.39
Distribution Volumetric Rate	(per kW)	$2.6841

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$556.40
Distribution Volumetric Rate	(per kW)	$0.9680

INTERMEDIATE USE

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

LARGE USE

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

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.29
Distribution Volumetric Rate	(per kW)	$5.5296

Lakeland Power Distrbution Ltd.
RP-2005-0013 EB-2005-0045
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)	$0.13
Distribution Volumetric Rate	(per kW)	$2.6473

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$0.86
Distribution Volumetric Rate	(per kW)	$3.7688

STREET LIGHTING (Time of Use)

Monthly Service Charge	(per month)	$0.86
Distribution Volumetric Rate	(per kW)	$3.7688

SHEET 12 - Current Rates as of April 1, 2004

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.1**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442 Extension: 24**	
Date:	**January 10, 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	$0.0093
Monthly Service Charge (Per Customer)	$18.45

RESIDENTIAL (TIME OF USE)

Distribution kWh Rate	$0.0093
Monthly Service Charge (Per Customer)	$18.45

GENERAL SERVICE < 50 KW

Distribution kWh Rate	$0.0070
Monthly Service Charge (Per Customer)	$37.54

GENERAL SERVICE > 50 KW (NON TIME OF USE)

Distribution KW Rate	$1.9585
Monthly Service Charge (Per Customer)	$620.81

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	$1.9585
Monthly Service Charge (Per Customer)	$620.81

INTERMEDIATE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SHEET 12 - Current Rates as of April 1, 2004

LARGE USE

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	$4.0083
Monthly Service Charge (Per Customer)	$1.66

OR

SENTINEL LIGHTS (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	$2.5956
Monthly Service Charge (Per Customer)	$1.07

OR

STREET LIGHTING (TIME OF USE)

Distribution KW Rate	
Monthly Service Charge (Per Customer)	

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Name of Utility:	**Lakeland Power Distrbution Ltd.**	**2005.V1.0**
License Number:	**ED-2002-0540**	**RP-2005-0013**
Name of Contact:	**C. (Chris) Litschko**	**EB-2005-0045**
E- Mail Address:	**clitschko@lakelandpower.on.ca**	
Phone Number:	**(705)789-5442** **Extension: 24**	
Date:	**January 10, 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 ($)**	**IMPACT (%)**
100	Monthly Service Charge	N/A	N/A	**$ 18.45**	Monthly Service Charge	N/A	N/A	**$ 14.84**		
	Distribution (kWh)	100	**$ 0.0093**	$ 0.93	Distribution (kWh)	100	**$ 0.0132**	$ 1.32		
			Sub-Total	**$ 19.38**			**Sub Total**	**$ 16.16**	**$ (3.22)**	**-16.64%**
	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			**$ 26.47**	**Adjusted 2005 Bill**			**$ 23.25**	**$ (3.22)**	**-12.18%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
250	Monthly Service Charge	N/A	N/A	**$ 18.45**	Monthly Service Charge	N/A	N/A	**$ 14.84**		
	Distribution (kWh)	250	**$0.0093**	$ 2.33	Distribution (kWh)	250	**$ 0.0132**	$ 3.30		
			Sub-Total	**$ 20.78**			**Sub Total**	**$ 18.13**	**$ (2.64)**	**-12.71%**
	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			**$ 38.50**	**Adjusted 2005 Bill**			**$ 35.86**	**$ (2.64)**	**-6.86%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
500	Monthly Service Charge	N/A	N/A	**$ 18.45**	Monthly Service Charge	N/A	N/A	**$ 14.84**		
	Distribution (kWh)	500	**$0.0093**	$ 4.65	Distribution (kWh)	500	**$ 0.0132**	$ 6.60		
			Sub-Total	**$ 23.10**			**Sub Total**	**$ 21.43**	**$ (1.67)**	**-7.22%**
	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			**$ 58.55**	**Adjusted 2005 Bill**			**$ 56.88**	**$ (1.67)**	**-2.85%**

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	$ 18.45	Monthly Service Charge	N/A	N/A	$ 14.84		
	Distribution (kWh)	750	$0.0093	$ 6.98	Distribution (kWh)	750	0.0132	$ 9.89		
			Sub-Total	$ 25.43			Sub Total	$ 24.73	$ (0.70)	-2.74%
	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			$ 78.60	Adjusted 2005 Bill			$ 77.90	$ (0.70)	-0.89%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 18.45	Monthly Service Charge	N/A	N/A	$ 14.84		
	Distribution (kWh)	1000	$0.0093	$ 9.30	Distribution (kWh)	1000	0.0132	$ 13.19		
			Sub-Total	$ 27.75			Sub Total	$ 28.03	$ 0.28	1.00%
	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			$ 100.65	Adjusted 2005 Bill			$ 100.93	$ 0.28	0.27%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,500	Monthly Service Charge	N/A	N/A	$ 18.45	Monthly Service Charge	N/A	N/A	$ 14.84		
	Distribution (kWh)	1500	$0.0093	$ 13.95	Distribution (kWh)	1500	0.0132	$ 19.79		
			Sub-Total	$ 32.40			Sub Total	$ 34.62	$ 2.22	6.86%
	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			$ 144.75	Adjusted 2005 Bill			$ 146.97	$ 2.22	1.54%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
2,000	Monthly Service Charge	N/A	N/A	$ 18.45	Monthly Service Charge	N/A	N/A	$ 14.84		
	Distribution (kWh)	2000	$0.0093	$ 18.60	Distribution (kWh)	2000	0.0132	$ 26.38		
			Sub-Total	$ 37.05			Sub Total	$ 41.22	$ 4.17	11.25%
	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			$ 188.85	Adjusted 2005 Bill			$ 193.02	$ 4.17	2.21%

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.

ENTER DESIRED CONSUMPTION LEVEL (kWh)		CURRENT 2004 BILL kWh	RATE $/kWh	CHARGE ($)		FUTURE 2005 BILL kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 37.54	Monthly Service Charge	N/A	N/A	$ 30.33		
	Distribution (kWh)	1000	$ 0.0070	$ 7.00	Distribution (kWh)	1000	$ 0.0100	$ 10.01		
			Sub-Total	$ 44.54			Sub Total	$ 40.33	$ (4.21)	-9.45%
	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			$ 114.44	Adjusted 2005 Bill			$ 110.23	$ (4.21)	-3.68%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		CURRENT 2004 BILL kWh	RATE $/kWh	CHARGE ($)		FUTURE 2005 BILL kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
2,000	Monthly Service Charge	N/A	N/A	$ 37.54	Monthly Service Charge	N/A	N/A	$ 30.33		
	Distribution (kWh)	2000	$0.0070	$ 14.00	Distribution (kWh)	2000	$0.0100	$ 20.01		
			Sub-Total	$ 51.54			Sub Total	$ 50.34	$ (1.20)	-2.33%
	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			$ 201.34	Adjusted 2005 Bill			$ 200.14	$ (1.20)	-0.60%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		CURRENT 2004 BILL kWh	RATE $/kWh	CHARGE ($)		FUTURE 2005 BILL kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
5,000	Monthly Service Charge	N/A	N/A	$ 37.54	Monthly Service Charge	N/A	N/A	$ 30.33		
	Distribution (kWh)	5000	$0.0070	$ 35.00	Distribution (kWh)	5000	$0.0100	$ 50.03		
			Sub-Total	$ 72.54			Sub Total	$ 80.36	$ 7.82	10.78%
	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			$ 456.04	Adjusted 2005 Bill			$ 463.86	$ 7.82	1.71%

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	$ 37.54	Monthly Service Charge	N/A	N/A	$ 30.33		
	Distribution (kWh)	10000	$0.0070	$ 70.00	Distribution (kWh)	10000	$0.0100	$ 100.06		
			Sub-Total	$ 107.54			Sub Total	$ 130.39	$ 22.85	21.25%
	Other Charges (kWh)	10000	$0.0229	$ 229.00	Other Charges (kWh)	10,000	$0.0229	$ 229.00		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	9,250	$0.0550	$ 508.75	Cost of Power (kWh)	9,250	$0.0550	$ 508.75		
	Current 2004 Bill			$ 880.54	Adjusted 2005 Bill			$ 903.39	$ 22.85	2.59%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
15,000	Monthly Service Charge	N/A	N/A	$ 37.54	Monthly Service Charge	N/A	N/A	$ 30.33		
	Distribution (kWh)	15000	$0.0070	$ 105.00	Distribution (kWh)	15000	$0.0100	$ 150.09		
			Sub-Total	$ 142.54			Sub Total	$ 180.42	$ 37.88	26.58%
	Other Charges (kWh)	15000	$0.0229	$ 343.50	Other Charges (kWh)	15,000	$0.0229	$ 343.50		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	14,250	$0.0550	$ 783.75	Cost of Power (kWh)	14,250	$0.0550	$ 783.75		
	Current 2004 Bill			$ 1,305.04	Adjusted 2005 Bill			$ 1,342.92	$ 37.88	2.90%

GENERAL SERVICE > 50 KW to 3000 KW

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

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
60	Monthly Service Charge	N/A	N/A	$ 620.81	Monthly Service Charge	N/A	N/A	$ 504.39		
kWh	Distribution (kW)	60	$1.9585	$ 117.51	Distribution (kW)	60	$2.6841	$ 161.05		
15,000			Sub-Total	$ 738.32			Sub Total	$ 665.44	$ (72.88)	-9.87%
	Other Charges (kW)	60	$3.9100	$ 234.60	Other Charges (kW)	60.00	$3.9100	$ 234.60		
	Other Charges (kWh)	15,000	$0.0132	$ 198.00	Other Charges (kWh)	15,000	$0.0132	$ 198.00		
	Cost of Power (kWh)	750	$0.0550	$ 41.25	Cost of Power (kWh)	750	$0.0550	$ 41.25		
	Current 2004 Bill			$ 1,212.17	Adjusted 2005 Bill			$ 1,139.29	$ (72.88)	-6.01%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
100	Monthly Service Charge	N/A	N/A	$ 620.81	Monthly Service Charge	N/A	N/A	$ 504.39		
kWh	Distribution (kW)	100	$1.9585	$ 195.85	Distribution (kW)	100	$2.6841	$ 268.41		
40,000			Sub-Total	$ 816.66			Sub Total	$ 772.80	$ (43.86)	-5.37%
	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			$ 3,935.66	Adjusted 2005 Bill			$ 3,891.80	$ (43.86)	-1.11%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
500	Monthly Service Charge	N/A	N/A	$ 620.81	Monthly Service Charge	N/A	N/A	$ 504.39		
kWh	Distribution (kW)	500	$1.9585	$ 979.25	Distribution (kW)	500	$2.6841	$ 1,342.05		
100,000			Sub-Total	$ 1,600.06			Sub Total	$ 1,846.44	$ 246.38	15.40%
	Other Charges (kW)	500	$3.9100	$ 1,955.00	Other Charges (kW)	500.00	$3.9100	$ 1,955.00		
	Other Charges (kWh)	100,000	$0.0132	$ 1,320.00	Other Charges (kWh)	100,000	$0.0132	$ 1,320.00		
	Cost of Power (kWh)	100,000	$0.0550	$ 5,500.00	Cost of Power (kWh)	100,000	$0.0550	$ 5,500.00		
	Current 2004 Bill			$ 10,375.06	Adjusted 2005 Bill			$ 10,621.44	$ 246.38	2.37%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 620.81	Monthly Service Charge	N/A	N/A	$ 504.39		
kWh	Distribution (kW)	1,000	$1.9585	$ 1,958.50	Distribution (kW)	1000	2.6841	$ 2,684.11		
400,000			Sub-Total	$ 2,579.31			Sub Total	$ 3,188.50	$ 609.19	23.62%
	Other Charges (kW)	1,000	3.9100	$ 3,910.00	Other Charges (kW)	1,000.00	3.9100	$ 3,910.00		
	Other Charges (kWh)	400,000	0.0132	$ 5,280.00	Other Charges (kWh)	400,000	0.0132	$ 5,280.00		
	Cost of Power (kWh)	400,000	0.0550	$ 22,000.00	Cost of Power (kWh)	400,000	0.0550	$ 22,000.00		
	Current 2004 Bill			$ 33,769.31	Adjusted 2005 Bill			$ 34,378.50	$ 609.19	1.80%

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	$ 620.81	Monthly Service Charge	N/A	N/A	$ 504.39		
kWh	Distribution (kW)	3,000	$1.9585	$ 5,875.50	Distribution (kW)	3000	2.6841	$ 8,052.32		
1,000,000			Sub-Total	$ 6,496.31			Sub Total	$ 8,556.71	$ 2,060.40	31.72%
	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			$ 86,426.31	Adjusted 2005 Bill			$ 88,486.71	$ 2,060.40	2.38%

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 (%)
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!		
1,800,000			Sub-Total	$ -			Sub Total	#VALUE!	#VALUE!	#VALUE!
	Other Charges (kW)	4,000	4.2138	$ 16,855.20	Other Charges (kWh)	4,000.00	4.2138	$ 16,855.20		
	Other Charges (kWh)	1,800,000	0.0132	$ 23,760.00	Other Charges (kWh)	1,800,000	0.0132	$ 23,760.00		
	Cost of Power (kWh)	1,800,000	0.0550	$ 99,000.00	Cost of Power (kWh)	1,800,000	0.0550	$ 99,000.00		
	Current 2004 Bill			$ 139,615.20	Adjusted 2005 Bill			#VALUE!	#VALUE!	#VALUE!

LARGE USE CLASS (> 5000 KW)

For the purpose of this estimate, Other Charges include Retail Transmission Rate of $0.047369/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
kW										
6,000	Monthly Service Charge	N/A	N/A	$ -	Monthly Service Charge	N/A	N/A			
kWh	Distribution (kW)	6,000	$0.0000	$ -	Distribution (kW)	6000		$ -		
2,800,000			Sub-Total	$ -			Sub Total	$ -	$ -	#DIV/0!
	Other Charges (kW)	6,000	0.0474	$ 284.21	Other Charges (kWh)	6,000.00	0.0474	$ 284.21		
	Other Charges (kWh)	2,800,000	0.0132	$ 36,960.00	Other Charges (kWh)	2,800,000	0.0132	$ 36,960.00		
	Cost of Power (kWh)	2,800,000	0.0550	$ 154,000.00	Cost of Power (kWh)	2,800,000	0.0550	$ 154,000.00		
	Current 2004 Bill			$ 191,244.21	Adjusted 2005 Bill			$ 191,244.21	$ -	0.00%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
kW										
15,000	Monthly Service Charge	N/A	N/A	$ -	Monthly Service Charge	N/A	N/A			
kWh	Distribution (kW)	15,000	$0.0000	$ -	Distribution (kW)	15000		$ -		
10,000,000			Sub-Total	$ -			Sub Total	$ -	$ -	#DIV/0!
	Other Charges (kW)	15,000	0.0474	$ 710.54	Other Charges (kWh)	15,000.00	0.0474	$ 710.54		
	Other Charges (kWh)	10,000,000	0.0132	$ 132,000.00	Other Charges (kWh)	10,000,000	0.0132	$ 132,000.00		
	Cost of Power (kWh)	10,000,000	0.0550	$ 550,000.00	Cost of Power (kWh)	10,000,000	0.0550	$ 550,000.00		
	Current 2004 Bill			$ 682,710.54	Adjusted 2005 Bill			$ 682,710.54	$ -	0.00%

Appendix 9 – 2005 PILs Proxy Model

SECTION 93 PILs TAX GROSS-UP	PROXY CALCULATION FOR 2005	PILS2005.V1.1

REGULATORY INFORMATION (REGINFO)

Utility Name:	Lakeland Power Distribution Ltd.	
File Number:	RP-2005-0013	
	EB-2005-0045	
Reporting period:	January 1, 2005 - December 31, 2005	
Days in reporting period:	365	
Total days in the calendar year:	365	

BACKGROUND

1. Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? (Yes or No)	Yes	
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	Dec-31	

MARR NO TAX CALCULATIONS
FROM SHEET #7 FINAL 2001 RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)

Rate base (wires-only)	$15,408,892.00		
Common Equity Ratio (CER)	50.00%		
1-CER	50.00%		
Target Return On Equity (%)	9.88%		
Debt rate	7.25%		
			Regulatory Income
Market Adjusted Revenue Requirement	$1,319,772		
1999 return from RUD Sheet #7	$832,386		$832,386
Total Incremental revenue	$487,386		
	Based on Board's Decision (RP-2000-0069)	*Board-Approved Amounts*	
Amount allowed in 2001, Year 1	$162,462		$162,462
Amount allowed in 2002, Year 2	$162,462		$162,462
Amount allowed in 2003, Year 3	$162,462		$162,462
Permanent Changes to Base Rate *(e.g. LPP 5% to 1.5%)*	$71,100	RP-2000-0222/EB-20	$71,100
C&DM Capital Portion from "C&DM TAX FORECAST" worksheet	82%		
Total Regulatory Income			**$1,390,872**
Equity	$7,704,446		
Return at target ROE	$761,199		
Debt	$7,704,446		
Deemed interest amount in EBIT	$558,572		

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Utility Name: Lakeland Power Distribution Ltd. Reporting Period: January 1, 2005 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365	ITEM	Proxy Calculation $	Comments
I) CORPORATE INCOME TAXES			
Regulatory Net Income	1	**$1,390,872**	
BOOK TO TAX ADJUSTMENTS			
Additions:			
Depreciation & Amortization	2	**$954,310**	
Employee Benefit Plans - Accrued, Not Paid	3	$0	
Tax reserves deducted in prior year	4	$0	
Reserves from financial statements-end of year	4	$0	
Regulatory Adjustments	5	$0	
Other Additions			
"Material" Items	6	$0	
Other Additions	6	$0	
"Material Items	6	$0	
Other Additions	6	$0	
Deductions:			
Capital Cost Allowance and CEC	7	**$667,669**	
Employee Benefit Plans - Paid Amounts	8	$0	
Items Capitalized for Regulatory Purposes	9	$0	
Regulatory Adjustments	10	$0	
Interest Expense Deemed	11	**$558,572**	
Tax reserves claimed in current year	4	$0	
Reserves from F/S beginning of year	4	$0	
Contributions to deferred income plans	3	$0	
Contributions to pension plans	3	$0	
Interest capitalized for accounting but deducted for tax	11	$0	
Other Deductions			
"Material" Items	12	$0	
C&DM 2005 Incremental OM&A expenses per C&DM Plan	12	**$22,502**	
Material Items	12	$0	
Other Deductions	12	$0	
REGULATORY TAXABLE INCOME		**$1,096,438**	
CORPORATE INCOME TAX RATE			
Deemed %	13	27.50%	
REGULATORY INCOME TAX		$301,521	
Taxable Income x Rate			
Miscellaneous Tax Credits	14	$0	
Total Regulatory Income Tax		**$301,521**	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Utility Name: Lakeland Power Distribution Ltd. Reporting Period: January 1, 2005 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365	ITEM	Proxy Calculation $	Comments
Percentage used to determine the exemptions for capital tax and large corporations tax		100%	
II) CAPITAL TAXES			
Ontario			
Rate Base	15	$15,408,892	
Less: Exemption	16	$7,500,000	
Deemed Taxable Capital		$7,908,892	
Rate (.3%)	17	0.3000%	
Net Amount (Taxable Capital x Rate)		**$23,727**	
Federal (LCT)			
Base	18	$15,408,892	
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		27.50%	
Income Tax (grossed-up)	22	$415,890	
LCT (grossed-up)	23	$0	
Ontario Capital Tax	24	$23,727	
Total S. 93 PILs Rate Adjustment ***(Enter this amount in the 2005 RAM, Sheet #4, cell G14)***	**25**	**$439,617**	

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates for 2005

Income Range	$0 to $400,000	$400,001 to $1,128,000	> $1,128,000
Income Tax Rate	18.62%	27.50%	36.12%
Capital Tax Rate	0.300%		
LCT Rate	0.175%		
Surtax	1.12%		
Ontario Capital Tax Exemption	$7,500,000		
Federal Large Corporations Tax Exemption	$50,000,000		

Conservation and Demand Management Tax Forecast

Utility Name: Lakeland Power Distribution Ltd.
File Number: RP-2005-0013
EB-2005-0045

	Jan - Dec 2005		Jan - Dec 2006		Jan - Sept 30th 2007		Total	
	$	%	$	%	$	%	$	%
Capital	$99,960	82%						0%
Tax Deductible Expense	$22,502	18%	$40,000	100%				0%
Total	**$122,462**	**100%**	**$40,000**	**100%**	**$0**	**0%**	**$162,462**	**0%**

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 deduc expense amount will be entered automatically into the TAXCALC worksheet, cell C44.

3. The amounts shown in the "Total" column should agree with the C&DM plan filed with or approved by the Board. The amount of the third tranche of MARR is the maximum amount unless the utility has applied for a lower amount.

Appendix 10 – 2005 Signed OEB Decision

RECEIVED MAR 30 2005

Ontario Energy Board
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

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



March 29, 2005

BY PRIORITY POST

Christopher Litschko
President & Chief Executive Officer
Lakeland Power Distribution Ltd.
5-45 Cairns Crescent
Huntsville ON
P1H 2M2

Dear Mr. Litschko:

Re: 2005 Electricity Distribution Rates
Board Decision and Order
Board File No. RP-2005-0013/EB-2005-0045

The Board has now issued its Decision and Order for the above referenced proceeding and a copy is enclosed.

Yours truly,

Peter H. O'Dell
Assistant Board Secretary

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2005-0013
EB-2005-0045

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 **Lakeland Power Distribution Ltd.** 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: $162,461
2005 PILs Proxy: $439,617
Regulatory Assets Second Tranche: $693,808

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

The Applicant was not specifically named in any of these submissions.

The full record of the proceeding is available for review at the Board's offices.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place a process which will address most of the issues raised by SEC on a comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

The Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

1) The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.

2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 29, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0045

March 29, 2005

ONTARIO ENERGY BOARD

Lakeland Power Distribution Ltd.

RP-2005-0013

Schedule of Changed Distribution Rates and Charges

EB-2005-0045

Effective Date: March 1, 2005

Implementation Date: April 1, 2005

RESIDENTIAL

Monthly Service Charge	(per month)	$14.84
Distribution Volumetric Rate	(per kWh)	$0.0132

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	$30.33
Distribution Volumetric Rate	(per kWh)	$0.0100

GENERAL SERVICE > 50 KW

Monthly Service Charge	(per month)	$504.39
Distribution Volumetric Rate	(per kW)	$2.6841

SENTINEL LIGHTS

Monthly Service Charge	(per connection)	$1.29
Distribution Volumetric Rate	(per kW)	$5.5296

STREET LIGHTING

Monthly Service Charge	(per connection)	$0.86
Distribution Volumetric Rate	(per kW)	$3.7688

Unmetered Scattered Loads

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

Monthly Service Charge	(per connection)	$30.33
Distribution Volumetric Rate	(per kWh)	$0.0100

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

Appendix 11 – 2001 SIMPILS True-up Model

	A	B	C	D	E
1	**PILs TAXES - ED-2002-0511**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Lakeland Power Distribution Ltd.**			Colour Code	
4	**Reporting period: 2001**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	92	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2001	
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)			15,408,892	
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			1,319,772	
42					
43	1999 return from RUD Sheet #7			832,386	832,386
44					
45	Total Incremental revenue			487,386	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			162,462	162,462
48	Amount allowed in 2002			162,462	0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			162,462	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**				994,848
55					
56	Equity			7,704,446	
57					
58	Return at target ROE			761,199	
59					
60	Debt			7,704,446	
61					
62	Deemed interest amount in 100% of MARR			558,572	
63					
64	Phase-in of interest - Year 1 (2001)			421,054	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			489,813	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			489,813	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			558,572	
71					
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - ED-2002-0511**	**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)				G-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Lakeland Power Distribution Ltd.**							
7	**Reporting period: 2001**							
8							**Column**	
9	**Days in reporting period:**	92	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	208,097		-327,549		-119,452	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	238,578		-42,908		195,670	
21	Employee Benefit Plans - Accrued, Not Paid	3	0		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	85,150		97,475		182,625	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	105,263		-42,118		63,145	
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"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		256,262		-425,814		-169,552	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%		0.0000%		40.62%	
54								
55	REGULATORY INCOME TAX		104,094		-104,094	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		104,094		-104,094	Actual	0	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	15,408,892		4,094,983		19,503,875	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-1,520,165		3,479,835	
68	Taxable Capital		10,408,892		2,574,818		16,024,040	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax (92/365)		7,871		4,246		12,117	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	15,408,892		997,219		16,406,111	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		5,408,892		997,219		6,406,111	
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)		12,170		-8,537		3,633	
82	Less: Federal Surtax 1.12% x Taxable Income	21	2,870		-2,870		0	
83								
84	Net LCT (92/365)		2,344		-5,667		3,633	
85								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up ~~(exclude surtax)~~		40.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	172,056			**Actual 2001**	0	
91	LCT (proxy tax is grossed-up)	23	3,875			**Actual 2001**	3,633	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	7,871			**Actual 2001**	12,117	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2001***	25	183,801			**Actual 2001**	15,750	
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 E206)**	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			

	A	B	C	D	E	F	G	H
1	**PILs TAXES - ED-2002-0511**	**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)				G-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Lakeland Power Distribution Ltd.**							
7	**Reporting period: 2001**							
8							**Column**	
9	**Days in reporting period:**	92	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
121								
122	Income Tax Rate from **2001** Utility's tax return			x	40.62%			
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)				39.50%			
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)			=	256,262			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	40.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	104,094			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	104,094			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	104,094			
147								
148	Regulatory Income Tax Variance			=	0			
149								
150	**Ontario Capital Tax**							
151	Base			=	15,408,892			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	10,408,892			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	7,871			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	7,871			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				15,408,892			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	5,408,892			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				3,068			
169	Less: Federal surtax			-	2,870			
170	Revised Net LCT			=	197			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C84)			-	2,344			
173	Regulatory Federal LCT Variance			=	-2,147			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				39.50%			
176								
177	**Income Tax (grossed-up)**			+	0			
178	**LCT (grossed-up)**			+	-3,548			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	-3,548			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	0			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	-3,548			
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)				558,572			
194	Interest phased-in (Cell C37)				105,263			
195								
196	Variance due to phase-in of debt component of MARR in rates				453,309			
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 G37+G42)				63,145			
202	Total deemed interest (REGINFO CELL D62)				558,572			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell E112)**				0			
207								
208	**Total Interest Variance**				453,309			
209								
210								
211								

	A	B	C	D	E	F
1	**PILs TAXES - ED-2002-0511**	**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	**Lakeland Power Distribution Ltd.**					
8	**Reporting period: 2001**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		92	days		
12						
13	**Please enter the Materiality Level :**		19,261	< - 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	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	4,437,941		4,437,941	
32	Distribution Revenue	+	337,001		337,001	
33	Other Income	+			0	
34	Miscellaneous income	+	121,767		121,767	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	4,437,941		4,437,941	
40	Administration	-	173,906		173,906	
41	Customer billing and collecting	-	111,432		111,432	
42	Operations and maintenance	-	88,212		88,212	
43	Amortization	-	195,670		195,670	
44	Ontario Capital Tax	-	9,000		9,000	
45		-			0	
46	Distribution	-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	-119,452	0	-119,452	
51	Less: Interest expense for accounting purposes	-	63,145		63,145	
52	Provision for payments in lieu of income taxes	-	3,100		3,100	
53	**Net Income (loss)**	=	-185,697	0	-185,697	
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	+	3,100	0	3,100	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	195,670	0	195,670	
62	Employee benefit plans-accrued, not paid	+	0	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*		198,770	0	198,770	
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 - Software expensed per F/S	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	198,770	0	198,770	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	

	A	B	C	D	E	F
1	**PILs TAXES - ED-2002-0511**	**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**	
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	-	182,625		182,625	
98	Cumulative eligible capital deduction	-	0		0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	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"***		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	182,625	0	182,625	
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	=	182,625	0	182,625	
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	=	-169,552	0	-169,552	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	-169,552	0	-169,552	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	0	0	0	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		28.12%		28.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		40.62%		40.62%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP FROM ABOVE:**					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	12,117		12,117	
158	Federal Large Corporations Tax	+	3,633		3,633	
159						
160	**Total income and capital taxes**	=	15,750	0	15,750	
161						

	A	B	C	D	E	F
1	**PILs TAXES - ED-2002-0511**	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	**Lakeland Power Distribution Ltd.**					
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	Other - Please describe				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	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - ED-2002-0511**	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	**Lakeland Power Distribution Ltd.**					
9	**Reporting period: 2001**					
10	**Number of days in taxation year:**		92			
11	**Materiality Level:**		19,261			
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		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		+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	**PILs TAXES - ED-2002-0511**	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	**Lakeland Power Distribution Ltd.**					
9	**Reporting period: 2001**					
10	**Number of days in taxation year:**		92			
11	**Materiality Level:**		19,261			
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		-				
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 - ED-2002-0511**					
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	**Lakeland Power Distribution Ltd.**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2001**					
12	**Number of days in taxation year:**		92			
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		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		0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**	+				
36	Interest and penalties on unpaid taxes	+				
37	Management bonuses unpaid after 180 days of year end	+				
38	**Ontario Capital Tax per books**	+				
39		+			0	
40	**Changes in Regulatory Asset balances**	+			0	
41	Pre-market energy variance	+	0		0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Limited Partnership Losses from Schedule 4	+	0		0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	0	0	0	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-	0		0	
54	Gain on disposal of assets per financial statements	-	0		0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	**Ontario Capital Tax per tax return**	-			0	
61		-			0	
62	**Changes in Regulatory Asset balances**	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69	Capital contributions s.13(7.4) Election	-			0	
70		-	0		0	
71		-	0		0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

PILs TAXES - ED-2002-0511
Corporate Tax Rates **Version 2009.1**
Exemptions, Deductions, or Thresholds
Lakeland Power Distribution Ltd.
Reporting period: 2001

Table 1

Rates Used in 2002 RAM PILs Applications for 2001 Q4

Income Range		0 to 50,000		50,000 to 175,000	>175,000
RAM 2002					
	Year				
Income Tax Rate					
Proxy Tax Year	*2002*				
Federal (Includes surtax)		13.12%		28.12%	28.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	40.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption **	MAX $10MM	10,000,000			

****Exemption amounts must agree with the Board-approved 2001 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2001 and Capital Tax Exemptions for 2001

Income Range		0 to 50,000		50,000 to 175,000	>175,000
Expected Rates					
	Year				
Income Tax Rate					
Current year	*2001*				
Federal (Includes surtax)	*2001*	13.12%		28.12%	28.12%
Ontario	*2001*	6.00%		6.00%	12.50%
Blended rate	*2001*	19.12%		34.12%	40.62%
Capital Tax Rate	*2001*	0.300%			
LCT rate	*2001*	0.225%			
Surtax	*2001*	1.12%			
Ontario Capital Tax Exemption *** 2001	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption *** 2001	MAX $10MM	10,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

Table 3

Input Information from Utility's Actual 2001 Tax Returns

Income Range		0 to 50,000		50,000 to 175,000	>175,000
	Year				
Income Tax Rate					
Current year	*2001*				
Federal (Includes surtax)		13.12%		22.12%	28.12%
Ontario		6.00%		9.75%	12.50%
Blended rate		19.12%		31.87%	40.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption *	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption *	MAX $10MM	10,000,000			

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**PILs TAXES - ED-2002-0511**														
2	**Analysis of PILs Tax Account 1562:**														
3	**Lakeland Power Distribution Ltd.**														**Version 2009.1**
4	**Reporting period: 2001**				**Sign Convention: + for increase; - for decrease**										**0**
5															
6															
7															
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	**Opening balance:**	=	0		183,800		180,252		364,052		410,002		410,002		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-	183,800				183,800		45,950		0		0		413,550
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-			0										0
15	**True-up Variance Adjustment (3)**	+/-													0
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**				-3,548										-3,548
17	**Deferral Account Variance Adjustment (5)**	+/-													0
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-													0
20	**PILs billed to (collected from) customers (8)**	-	0												0
21															
22	**Ending balance: # 1562**		183,800		180,252		364,052		410,002		410,002		410,002		410,002
23															
24															
25															

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.
For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Appendix 12 – 2002 SIMPILS True-up Model

	A	B	C	D	E
1	**PILs TAXES - EB-2008-381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: Lakeland Power Distribution Ltd**			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	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			15,408,892	
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			1,319,772	
42					
43	1999 return from RUD Sheet #7			832,386	832,386
44					
45	Total Incremental revenue			487,386	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			162,462	162,462
48	Amount allowed in 2002			162,462	162,462
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			162,462	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**				1,157,310
55					
56	Equity			7,704,446	
57					
58	Return at target ROE			761,199	
59					
60	Debt			7,704,446	
61					
62	Deemed interest amount in 100% of MARR			558,572	
63					
64	Phase-in of interest - Year 1 (2001)			421,054	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			489,813	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			489,813	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			558,572	
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: Lakeland Power Distribution Ltd**							
7	**Reporting period: 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	1,157,310		250,104		1,407,414	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	954,310		-115,275		839,035	
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	135,385		-135,385		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	667,669		125,248		792,917	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	49,439		-49,439		0	
37	Interest Expense Deemed/ Incurred	11	489,813		-244,615		245,198	
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"**				16,640		16,640	
49								
50	TAXABLE INCOME/ (LOSS)		1,040,084		151,610	Before loss C/F	1,191,694	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0001%		38.62%	
54								
55	REGULATORY INCOME TAX		401,680		-6,928	Actual	394,752	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		401,680		-6,928	Actual	394,752	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	15,408,892		2,661,751		18,070,643	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-1,478,253		3,521,747	
68	Taxable Capital		10,408,892		1,183,498		14,548,896	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		31,227		12,420		43,647	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	15,408,892		-164,780		15,244,112	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		-2,850,000		7,150,000	
77	Taxable Capital		5,408,892		-3,014,780		8,094,112	
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)		12,170		6,042		18,212	
82	Less: Federal Surtax 1.12% x Taxable Income	21	11,649		1,698		13,347	
83								
84	Net LCT		521		4,344		4,865	
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: Lakeland Power Distribution Ltd**							
7	**Reporting period: 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		39.74%					
89								
90	Income Tax (proxy tax is grossed-up)	22	666,579			**Actual 2002**	394,752	
91	LCT (proxy tax is grossed-up)	23	865			**Actual 2002**	6,764	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	31,227			**Actual 2002**	43,647	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	698,670			**Actual 2002**	445,163	
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			-135,385			
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			-49,439			
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		=	-85,946			
121								
122	Income Tax Rate (excluding surtax) from **2002** Utility's tax return			x	38.62%			
123								
124	Income Tax Effect on True-up adjustments			=	-33,192			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-33,192			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				-53,108			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,040,084			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	401,680			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	401,680			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	401,680			
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: Lakeland Power Distribution Ltd**							
7	**Reporting period: 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	15,408,892			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	10,408,892			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	31,227			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	31,227			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				15,408,892			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	5,408,892			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				12,170			
169	Less: Federal surtax			-	11,649			
170	Revised Net LCT			=	521			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	521			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
176								
177	**Income Tax (grossed-up)**			+	0			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	0			
182								
183	**TRUE-UP VARIANCE (from cell I130)**			+	-53,108			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	-53,108			
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)				558,572			
194	Interest phased-in (Cell C36)				489,813			
195								
196	Variance due to phase-in of debt component of MARR in rates				68,759			
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)				245,198			
202	Total deemed interest (REGINFO CELL D61)				558,572			
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**				68,759			
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: Lakeland Power Distribution Ltd**					
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 :**		19,261	< - 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	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	14,361,376		14,361,376	
32	Distribution Revenue	+	3,657,561		3,657,561	
33	Other Income	+	348,265		348,265	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	14,361,376		14,361,376	
40	Administration	-	775,395		775,395	
41	Customer billing and collecting	-	530,318		530,318	
42	Operations and maintenance	-	396,806		396,806	
43	Amortization	-	839,035		839,035	
44	Ontario Capital Tax	-	47,010		47,010	
45	Reg Assets	-			0	
46	Property Taxes	-	9,848		9,848	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	1,407,414	0	1,407,414	
51	Less: Interest expense for accounting purposes	-	245,198		245,198	
52	Provision for payments in lieu of income taxes	-	403,099		403,099	
53	**Net Income (loss)**	=	759,117	0	759,117	
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	+	403,099	0	403,099	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	839,035	0	839,035	
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*		1,242,134	0	1,242,134	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	1,242,134	0	1,242,134	
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	

	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**	
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						

	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**	
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	792,917		792,917	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	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"***		16,640	0	16,640	
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	=	809,557	0	809,557	
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	=	809,557	0	809,557	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	1,191,694	0	1,191,694	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	169,552		169,552	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	1,022,142	0	1,022,142	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	266,984		266,984	
143	Net Ontario Income Tax (Must agree with tax return)	+	127,768		127,768	
144	Subtotal	=	394,752	0	394,752	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	394,752	0	394,752	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		38.62%	**********	38.62%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	394,752	0	394,752	
157	Ontario Capital Tax	+	43,647		43,647	
158	Federal Large Corporations Tax	+	6,764		6,764	
159						
160	**Total income and capital taxes**	=	445,163	0	445,163	
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: Lakeland Power Distribution Ltd**					
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	Other - Please describe				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	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	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: Lakeland Power Distribution Ltd**					
9	**Reporting period: 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		19,261			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	

	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: Lakeland Power Distribution Ltd**					
9	**Reporting period: 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		19,261			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**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: Lakeland Power Distribution Ltd**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2002**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	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	-	16,640		16,640	
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	Non-capital losses of preceding taxation years	-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	**Ontario capital tax adjustments to current or prior year**	-			0	
65		-			0	
66	**Changes in Regulatory Asset balances**	-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	16,640	0	16,640	
74						
75						

PILs TAXES - EB-2008-381
Corporate Tax Rates **Version 2009.1**
Exemptions, Deductions, or Thresholds
Utility Name: Lakeland Power Distribution Ltd
Reporting period: 2002

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

Income Range / RAM 2002	Year	0 to 200,000		200,001 to 700,000	>700,000
Income Tax Rate					
Proxy Tax Year	*2002*				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption **	MAX $10MM	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002

Income Range / Expected Rates	Year	0 to 200,000		200,001 to 700,000	>700,000
Income Tax Rate					
Current year	*2002*				
Federal (Includes surtax)	*2002*	13.12%		26.12%	26.12%
Ontario	*2002*	6.00%		6.00%	12.50%
Blended rate	*2002*	19.12%		32.12%	38.62%
Capital Tax Rate	*2002*	0.300%			
LCT rate	*2002*	0.225%			
Surtax	*2002*	1.12%			
Ontario Capital Tax Exemption *** 2002	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption *** 2002	MAX $10MM	10,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

Table 3

Input Information from Utility's Actual 2002 Tax Returns

Income Range	Year	0 to 200,000		200,001 to 700,000	>700,000		
Income Tax Rate							
Current year	*2002*						
Federal (Includes surtax)		13.12%		22.12%	26.12%	26.12%	0.00%
Ontario		6.00%		9.75%	12.50%	12.50%	0.00%
Blended rate		19.12%		31.87%	38.62%	38.62%	0.00%
Capital Tax Rate		0.300%					
LCT rate		0.225%					
Surtax		1.12%					
Ontario Capital Tax Exemption *	MAX $5MM	3,521,747					
Federal Large Corporations Tax Exemption *	MAX $10MM	7,150,000					

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

	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: Lakeland Power Distribution Ltd**														**Version 2009.1**
4	**Reporting period: 2002**				**Sign Convention: + for increase; - for decrease**										**0**
5															
6															
7															
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	**Opening balance:**	=	0		0		0		0		0		0		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0		0		0		0
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-											-53,108		-53,108
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-											0		0
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-													0
20	**PILs billed to (collected from) customers (8)**	-	0												0
21															
22	**Ending balance: # 1562**		0		0		0		0		0		-53,108		-53,108

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.
For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Appendix 13 – 2003 SIMPILS True-up Model

	A	B	C	D	E
1	**PILs TAXES - EB-2008-381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: Lakeland Power Distribution Ltd**			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		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2003	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory**
27	**SHEET #7 FINAL RUD MODEL DATA**				**Income**
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			15,408,892	
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			1,319,772	
42					
43	1999 return from RUD Sheet #7			832,386	832,386
44					
45	Total Incremental revenue			487,386	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			162,462	162,462
48	Amount allowed in 2002			162,462	162,462
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			0	0
50	unless authorized by the Minister and the Board)				0
51	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**				1,157,310
55					
56	Equity			7,704,446	
57					
58	Return at target ROE			761,199	
59					
60	Debt			7,704,446	
61					
62	Deemed interest amount in 100% of MARR			558,572	
63					
64	Phase-in of interest - Year 1 (2001)			421,054	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			489,813	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			489,813	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			558,572	
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: Lakeland Power Distribution Ltd**							
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	1,157,310		792,907		1,950,217	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	954,310		-105,430		848,880	
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	135,385		-135,385		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"**				7,275		7,275	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	667,669		144,135		811,804	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	49,439		-49,439		0	
37	Interest Expense Deemed/ Incurred	11	489,813		-213,239		276,574	
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"**				5,991		5,991	
49								
50	TAXABLE INCOME/ (LOSS)		1,040,084		671,919	Before loss C/F	1,712,003	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.0000%		36.62%	
54								
55	REGULATORY INCOME TAX		401,680		225,255	Actual	626,935	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		401,680		225,255	Actual	626,935	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	15,408,892		17,230,678		32,639,570	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-313,562		4,686,438	
68	Taxable Capital		10,408,892		16,917,116		27,953,132	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		31,227		52,633		83,859	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	15,408,892		16,165,729		31,574,621	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		5,408,892		16,165,729		21,574,621	
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)		12,170		36,373		48,543	
82	Less: Federal Surtax 1.12% x Taxable Income	21	11,649		-11,649		0	
83								
84	Net LCT		521		48,022		48,543	
85								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		39.74%					
89								
90	Income Tax (proxy tax is grossed-up)	22	666,579			**Actual 2003**	626,935	
91	LCT (proxy tax is grossed-up)	23	865			**Actual 2003**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	31,227			**Actual 2003**	46,700	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	698,670			**Actual 2003**	673,635	
96	**RAM DECISION**							
97								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Lakeland Power Distribution Ltd**							
7	**Reporting period: 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-135,385			
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			-49,439			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-85,946			
121								
122	Income Tax Rate (excluding surtax) from **2003** Utility's tax return			x	36.62%			
123								
124	Income Tax Effect on True-up adjustments			=	-31,473			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-31,473			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**-48,796**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,040,084			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	380,879			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	380,879			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	401,680			
147								
148	Regulatory Income Tax Variance			=	-20,802			
149								
150	**Ontario Capital Tax**							
151	Base			=	15,408,892			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	10,408,892			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	31,227			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	31,227			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				15,408,892			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	5,408,892			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				12,170			
169	Less: Federal surtax			-	11,649			
170	Revised Net LCT			=	521			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	521			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	**Income Tax (grossed-up)**			+	-32,251			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**-32,251**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**-48,796**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**-81,047**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Lakeland Power Distribution Ltd**							
7	**Reporting period: 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				558,572			
194	Interest phased-in (Cell C36)				489,813			
195								
196	Variance due to phase-in of debt component of MARR in rates				68,759			
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)				276,574			
202	Deemed Interest				558,572			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				68,759			
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: Lakeland Power Distribution Ltd**					
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 :**		19,261	< - 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	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	13,912,321		13,912,321	
32	Distribution Revenue	+	4,396,933		4,396,933	
33	Other Income	+	433,535		433,535	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	13,912,321		13,912,321	
40	Administration	-	834,389		834,389	
41	Customer billing and collecting	-	473,757		473,757	
42	Operations and maintenance	-	667,480		667,480	
43	Amortization	-	848,880		848,880	
44	Ontario Capital Tax	-	44,532		44,532	
45	**Reg Asset movement**	-			0	
46	Property Taxes	-	11,213		11,213	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	1,950,217	0	1,950,217	
51	Less: Interest expense for accounting purposes	-	276,574		276,574	
52	Provision for payments in lieu of income taxes	-	622,254		622,254	
53	**Net Income (loss)**	=	1,051,389	0	1,051,389	
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	+	622,254	0	622,254	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	848,880	0	848,880	
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"***		7,275	0	7,275	
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*		1,478,409	0	1,478,409	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	1,478,409	0	1,478,409	
83						
84	Recap Material Additions:					
85			0	0	0	

	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**	
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	-	811,804		811,804	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	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"***		5,991	0	5,991	
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	=	817,795	0	817,795	
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	=	817,795	0	817,795	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	1,712,003	0	1,712,003	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	1,712,003	0	1,712,003	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	412,935		412,935	
143	Net Ontario Income Tax (Must agree with tax return)	+	214,000		214,000	
144	Subtotal	=	626,935	0	626,935	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	626,935	0	626,935	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		24.12%		24.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		36.62%		36.62%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	626,935	0	626,935	
157	Ontario Capital Tax	+	46,700		46,700	
158	Federal Large Corporations Tax	+	0		0	
159						
160	**Total income and capital taxes**	=	673,635	0	673,635	
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: Lakeland Power Distribution Ltd**					
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	Other - Please describe				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	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	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: Lakeland Power Distribution Ltd**					
9	**Reporting period: 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		19,261			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	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: Lakeland Power Distribution Ltd**					
9	**Reporting period: 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		19,261			
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		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-381**					
3	**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: Lakeland Power Distribution Ltd**				**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	+	4,476		4,476	
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		2,799		2,799	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	7,275	0	7,275	
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	-	5,937		5,937	
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	-	54		54	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	**Ontario capital tax adjustments to current or prior year**	-			0	
65		-			0	
66	**Changes in Regulatory Asset balances**	-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	5,991	0	5,991	
74						
75						

PILs TAXES - EB-2008-381
Corporate Tax Rates **Version 2009.1**
Exemptions, Deductions, or Thresholds
Utility Name: Lakeland Power Distribution Ltd
Reporting period: 2003

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

Income Range / RAM 2002	Year	0 to 200,000		200,001 to 700,000	>700000
Income Tax Rate					
Proxy Tax Year	***2002***				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	**MAX $5MM**	5,000,000			
Federal Large Corporations Tax Exemption **	**MAX $10MM**	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003

Income Range / Expected Rates	Year	0 to 200,000		200,001 to 700,000	>700000
Income Tax Rate					
Current year	***2003***				
Federal (Includes surtax)	***2003***	13.12%			24.12%
Ontario	***2003***	6.00%			12.50%
Blended rate	***2003***	19.12%		34.12%	36.62%
Capital Tax Rate	***2003***	0.300%			
LCT rate	***2003***	0.225%			
Surtax	***2003***	1.12%			
Ontario Capital Tax Exemption * 2003**	**MAX $5MM**	5,000,000			
Federal Large Corporations Tax Exemption * 2003**	**MAX $10MM**	10,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

Table 3

Input Information from Utility's Actual 2003 Tax Returns

Income Range / Year		0 to 200,000		200,001 to 700,000	>700,000		
Income Tax Rate							
Current year	***2003***						
Federal (Includes surtax)		13.12%		0.00%	24.12%	24.12%	0.00%
Ontario		6.00%		0.00%	12.50%	12.50%	0.00%
Blended rate		19.12%		0.00%	36.62%	36.62%	0.00%
Capital Tax Rate		0.300%					
LCT rate		0.225%					
Surtax		1.12%					
Ontario Capital Tax Exemption *	**MAX $5MM**	4,686,438					
Federal Large Corporations Tax Exemption *	**MAX $10MM**	10,000,000					

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

	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: Lakeland Power Distribution Ltd**														**Version 2009.1**
4	**Reporting period: 2003**				**Sign Convention: + for increase; - for decrease**										**0**
5															
6															
7															
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	**Opening balance:**	=	0		0		0		0		0		0		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0		0		0		0
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-											-48,796		-48,796
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-											-32,251		-32,251
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-													0
20	**PILs billed to (collected from) customers (8)**	-	0												0
21															
22	**Ending balance: # 1562**		0		0		0		0		0		-81,047		-81,047
23															
24	**RRR**						-128,645								
25							128,645								
26	**Uncollected PILs**														
27															
28	**NOTE:** The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	**Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:**														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(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.														
40	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
41															
42	(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														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.														
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
47															
48	(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														
49	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(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.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(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														
59	components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	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.														
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

Appendix 14 – 2004 SIMPILS True-up Model

	A	B	C	D	E
1	**PILs TAXES - EB-2008-381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: Lakeland Power Distribution Ltd.**			Colour Code	
4	**Reporting period: 2004**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	366	days		
7	**Total days in the calendar year:**	366	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	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		
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			15,408,892	
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			1,319,772	
42					
43	1999 return from RUD Sheet #7			832,386	832,386
44					
45	Total Incremental revenue			487,386	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			162,462	162,462
48	Amount allowed in 2002			162,462	162,462
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			162,462	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**				1,157,310
55					
56	Equity			7,704,446	
57					
58	Return at target ROE			761,199	
59					
60	Debt			7,704,446	
61					
62	Deemed interest amount in 100% of MARR			558,572	
63					
64	Phase-in of interest - Year 1 (2001)			421,054	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			489,813	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			489,813	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			558,572	
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: Lakeland Power Distribution Ltd.**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	1,157,310		708,663		1,865,973	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	954,310		-102,624		851,686	
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	135,385		-135,385		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	667,669		148,670		816,339	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	49,439		-49,439		0	
37	Interest Expense Deemed/ Incurred	11	489,813		-247,460		242,353	
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"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		1,040,084		618,883		1,658,967	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5001%		36.12%	
54								
55	REGULATORY INCOME TAX		401,680		197,537	Actual	599,217	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		401,680		197,537	Actual	599,217	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	15,408,892		19,091,058		34,499,950	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-315,157		4,684,843	
68	Taxable Capital		10,408,892		18,775,901		29,815,107	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		31,227		58,219		89,445	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	15,408,892		13,617,879		29,026,771	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		35,995,000		45,995,000	
77	Taxable Capital		5,408,892		49,612,879		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)		12,170		-12,170		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	11,649		-11,649		0	
83								
84	Net LCT		521		-521		0	
85								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		39.74%					
89								
90	Income Tax (proxy tax is grossed-up)	22	666,579			**Actual 2004**	599,217	
91	LCT (proxy tax is grossed-up)	23	865			**Actual 2004**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	31,227			**Actual 2004**	39,543	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	698,670			**Actual 2004**	638,760	
96	**RAM DECISION**							
97	RAM decision included error in formula - diff of $							

	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: Lakeland Power Distribution Ltd.**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-135,385			
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			-49,439			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-85,946			
121								
122	Income Tax Rate (excluding surtax) from **2004** Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-31,044			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-31,044			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				34.94%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**-47,715**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,040,084			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.06%			
139								
140	REVISED REGULATORY INCOME TAX			=	375,054			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	375,054			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	401,680			
147								
148	Regulatory Income Tax Variance			=	-26,626			
149								
150	**Ontario Capital Tax**							
151	Base			=	15,408,892			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	10,408,892			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	31,227			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	31,227			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				15,408,892			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-34,591,108			
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)			-	521			
173	Regulatory Federal LCT Variance			=	-521			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%			
176								
177	**Income Tax (grossed-up)**			+	-40,963			
178	**LCT (grossed-up)**			+	-865			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**-41,828**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**-47,715**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**-89,543**			
186	*(Deferral Account Variance + True-up Variance)*							
187								
188								

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Lakeland Power Distribution Ltd.**							
7	**Reporting period: 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
189								
190	**V) INTEREST PORTION OF TRUE-UP**							
191	**Variance Caused By Phase-in of Deemed Debt**							
192								
193	Total deemed interest (REGINFO)				558,572			
194	Interest phased-in (Cell C36)				489,813			
195								
196	Variance due to phase-in of debt component of MARR in rates				68,759			
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)				242,353			
202	Deemed Interest				558,572			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				68,759			

	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: Lakeland Power Distribution Ltd.**					
8	**Reporting period: 2004**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		366	days		
12						
13	**Please enter the Materiality Level :**		0	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	14,419,125		14,419,125	
32	Distribution Revenue	+	4,152,081		4,152,081	
33	Other Income	+	443,481		443,481	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	14,419,125		14,419,125	
40	Administration	-	639,974		639,974	
41	Customer billing and collecting	-	532,011		532,011	
42	Operations and maintenance	-	653,293		653,293	
43	Amortization	-	851,686		851,686	
44	Ontario Capital Tax	-	43,225		43,225	
45	Recovery of regulatory assets - expense	-			0	
46	Property taxes	-	9,400		9,400	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	1,865,973	0	1,865,973	
51	Less: Interest expense for accounting purposes	-	242,353		242,353	
52	Provision for payments in lieu of income taxes	-	599,217		599,217	
53	**Net Income (loss)**	=	1,024,403	0	1,024,403	
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	+	599,217	0	599,217	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	851,686	0	851,686	
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*		1,450,903	0	1,450,903	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	1,450,903	0	1,450,903	

	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**	
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	-	816,339		816,339	
98	Cumulative eligible capital deduction	-			0	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-			0	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	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"***		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	816,339	0	816,339	
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	=	816,339	0	816,339	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	*Total Other Deductions exceed materiality level*		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	1,658,967	0	1,658,967	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	1,658,967	0	1,658,967	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	366,962	0	366,962	
143	Net Ontario Income Tax (Must agree with tax return)	+	232,255	0	232,255	
144	Subtotal	=	599,217	0	599,217	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	599,217	0	599,217	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	599,217	0	599,217	
157	Ontario Capital Tax	+	39,543		39,543	
158	Federal Large Corporations Tax	+			0	
159						
160	**Total income and capital taxes**	=	638,760	0	638,760	
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: Lakeland Power Distribution Ltd.**					
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	Other - Please describe				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	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	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: Lakeland Power Distribution Ltd.**					
9	**Reporting period: 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		0			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	

	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: Lakeland Power Distribution Ltd.**					
9	**Reporting period: 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**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: Lakeland Power Distribution Ltd.**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2004**					
12	**Number of days in taxation year:**		366			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			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	**Ontario capital tax adjustments**				0	
39		+			0	
40	**Changes in Regulatory Asset balances**	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	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	**Ontario capital tax adjustments to current or prior year**	-			0	
61		-			0	
62	**Changes in Regulatory Asset balances**	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

PILs TAXES - EB-2008-381
Corporate Tax Rates **Version 2009.1**
Exemptions, Deductions, or Thresholds
Utility Name: Lakeland Power Distribution Ltd.
Reporting period: 2004

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

Income Range / RAM 2002	Year	0 to 200,000		200,001 to 700,000	>700000
Income Tax Rate					
Proxy Tax Year	*2002*				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption **	MAX $10MM	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004

Income Range / Expected Rates	Year	0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000
Income Tax Rate					
Current year	*2004*				
Federal (Includes surtax)	*2004*	13.12%	22.12%	22.12%	22.12%
Ontario	*2004*	5.50%	5.50%	9.75%	14.00%
Blended rate	*2004*	18.62%	27.62%	31.87%	36.12%
Capital Tax Rate	*2004*	0.300%			
LCT rate	*2004*	0.200%			
Surtax	*2004*	1.12%			
Ontario Capital Tax Exemption *** 2004	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption *** 2004	MAX $50MM	50,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

Table 3

Input Information from Utility's Actual 2004 Tax Returns

Income Range	Year	0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000		
Income Tax Rate							
Current year	*2004*						
Federal (Includes surtax)		13.12%	22.12%	22.29%	22.12%	22.12%	0.00%
Ontario		5.50%	5.50%	13.77%	14.00%	14.00%	0.00%
Blended rate		18.62%	27.62%	36.06%	36.12%	36.12%	0.00%
Capital Tax Rate		0.300%					
LCT rate		0.200%					
Surtax		1.12%					
Ontario Capital Tax Exemption *	MAX $5MM	4,684,843					
Federal Large Corporations Tax Exemption *	MAX $50MM	45,995,000					

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

	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: Lakeland Power Distribution Ltd.**														**Version 2009.1**
4	**Reporting period: 2004**				**Sign Convention: + for increase; - for decrease**										**0**
5															
6															
7															
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	**Opening balance:**	=	0		0		0		0		0		0		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-					0		0		0		0		0
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-											-47,715		-47,715
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-											-41,828		-41,828
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-													0
20	**PILs billed to (collected from) customers (8)**	-	0												0
21															
22	**Ending balance: # 1562**		0		0		0		0		0		-89,543		-89,543

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.
For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Appendix 15 – 2005 SIMPILS True-up Model

	A	B	C	D	E
1	**PILs TAXES - EB-2008-0381**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: Lakeland Power Distribution Ltd**			Colour Code	
4	**Reporting period: 2005**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
20	shared among the corporate group?	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			15,408,892	
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			1,319,772	
42					
43	1999 return from RUD Sheet #7			832,386	832,386
44					
45	Total Incremental revenue			487,386	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			162,462	162,462
48	Amount allowed in 2002			162,462	162,462
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			162462	162,462
52	Other Board-approved changes to MARR or incremental revenue			71100	71,100
53					0
54	**Total Regulatory Income**				1,390,872
55					
56	Equity			7,704,446	
57					
58	Return at target ROE			761,199	
59					
60	Debt			7,704,446	
61					
62	Deemed interest amount in 100% of MARR			558,572	
63					
64	Phase-in of interest - Year 1 (2001)			421,054	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			489,813	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			489,813	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			558,572	
71					
72					

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-0381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Lakeland Power Distribution Ltd**							
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	1,390,872		508,510		1,899,382	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	954,310		-55,407		898,903	
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"**				5,202		5,202	
31								
32	***Deductions: Input positive numbers***							
33	Capital Cost Allowance and CEC	7	667,669		113,001		780,670	
34	Employee Benefit Plans - Paid Amounts	8	0		0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	0		0		0	
37	Interest Expense Deemed/ Incurred	11	558,572		-374,085		184,487	
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	22,502		-22,502		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		1,096,439		741,891		1,838,330	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	27.50%		8.6200%		36.12%	
54								
55	REGULATORY INCOME TAX		301,521		362,483	Actual	664,004	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		301,521		362,483	Actual	664,004	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	15,408,892		19,642,062		35,050,954	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-544,072		6,955,928	
68	Taxable Capital		7,908,892		19,097,990		28,095,026	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		23,727		60,558		84,285	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	15,408,892		-15,408,892		0	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		-4,005,000		45,995,000	
77	Taxable Capital		0		-19,413,892		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								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		27.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	415,891			**Actual 2005**	664,004	
91	LCT (proxy tax is grossed-up)	23	0			**Actual 2005**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	23,727			**Actual 2005**	35,777	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2005***	25	439,617			**Actual 2005**	699,781	
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 I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			
121								
122	Income Tax Rate (excluding surtax) from **2005** Utility's tax return			x	36.12%			

	A	B	C	D	E	F	G	H
1	**PILs TAXES - EB-2008-0381**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: Lakeland Power Distribution Ltd**							
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								
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)				35.00%			
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)			=	1,096,439			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	396,034			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	396,034			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	301,521			
147								
148	Regulatory Income Tax Variance			=	94,513			
149								
150	**Ontario Capital Tax**							
151	Base			=	15,408,892			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	7,908,892			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	23,727			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	23,727			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				15,408,892			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-34,591,108			
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)				35.00%			
176								
177	**Income Tax (grossed-up)**			+	145,405			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**145,405**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**0**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**145,405**			
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)				558,572			
194	Interest phased-in (Cell C36)				489,813			
195								
196	Variance due to phase-in of debt component of MARR in rates				68,759			
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)				184,487			
202	Deemed Interest				558,572			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				68,759			
209								
210								
211								

	A	B	C	D	E	F	G
1	**PILs TAXES - EB-2008-0381**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3	(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: Lakeland Power Distribution Ltd**						
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 :**		**19,261**	< - 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	*Input unconsolidated financial statement data submitted with Tax returns.*						
24	*The actual categories of the income statements should be used.*						
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*						
26							
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*						
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*						
29							
30	**Income:**						
31	Energy Sales	+	16,629,039		16,629,039		
32	Distribution Revenue	+	3,947,257		3,947,257		
33	Other Income	+	811,720		811,720		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	**Costs and Expenses:**						
39	Cost of energy purchased	-	16,629,039		16,629,039		
40	Administration	-	591,056		591,056		
41	Customer billing and collecting	-	514,235		514,235		
42	Operations and maintenance	-	812,374		812,374		
43	Amortization	-	898,903		898,903		
44	Ontario Capital Tax	-	34,443		34,443		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47	Property Tax	-	8,584		8,584		
48		-			0		
49							
50	**Net Income Before Interest & Income Taxes EBIT**	=	1,899,382	0	1,899,382		
51	Less: Interest expense for accounting purposes	-	184,487		184,487		
52	Provision for payments in lieu of income taxes	-	664,004		664,004		**Does this include LCT? NO**
53	**Net Income (loss)**	=	1,050,891	0	1,050,891		
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	+	664,004	0	664,004		**Does this include LCT? NO**
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	898,903	0	898,903		
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-upmay apply (see A66)	+			0		
66	***Items on which true-up does not apply "TAXREC 3"***		5,202	0	5,202		
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*		1,568,109	0	1,568,109		
71							
72	*Other Additions: (Please explain the nature of the additions)*						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	*Total Other Additions*	=	0	0	0		
81							
82	Total Additions	=	1,568,109	0	1,568,109		
83							
84	Recap Material Additions:						

	A	B	C	D	E	F	G
1	**PILs TAXES - EB-2008-0381**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**		
4	**0**		**Return**				
5					**Version 2009.1**		
85			0	0	0		
86			0	0	0		
87			0	0	0		
88			0	0	0		
89			0	0	0		
90			0	0	0		
91			0	0	0		
92	*Total Other additions >materiality level*		0	0	0		
93	Other additions (less than materiality level)		0	0	0		
94	Total Other Additions		0	0	0		
95							
96	BOOK TO TAX DEDUCTIONS:						
97	Capital cost allowance	-	780,670		780,670		
98	Cumulative eligible capital deduction	-			0		
99	Employee benefit plans-paid amounts	-			0		
100	Items capitalized for regulatory purposes	-			0		
101	*Regulatory adjustments :*	-			0		
102	*CCA*	-			0		
103	*other deductions*	-			0		
104	*Tax reserves - end of year*	-	0	0	0		
105	*Reserves from financial statements- beginning of year*	-	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"***		0	0	0		
109	Interest capitalized for accounting deducted for tax	-			0		
110	Material deduction items from TAXREC 2	-	0	0	0		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	780,670	0	780,670		
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	=	780,670	0	780,670		
123							
124	Recap Material Deductions:						
125			0	0	0		
126			0	0	0		
127			0	0	0		
128			0	0	0		
129			0	0	0		
130	*Total Other Deductions exceed materiality level*		0	0	0		
131	Other Deductions less than materiality level		0	0	0		
132	Total Other Deductions		0	0	0		
133							
134	TAXABLE INCOME	=	1,838,330	0	1,838,330		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	1,838,330	0	1,838,330		
140							
141	**FROM ACTUAL TAX RETURNS**						
142	Net Federal Income Tax (Must agree with tax return)	+	406,638	0	406,638		
143	Net Ontario Income Tax (Must agree with tax return)	+	257,366	0	257,366		
144	Subtotal	=	664,004	0	664,004		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0		
146	**Total Income Tax**	=	664,004	0	664,004		
147							
148	**FROM ACTUAL TAX RETURNS**						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable
151	Blended Income Tax Rate		36.12%		36.12%		
152							
153	**Section F: Income and Capital Taxes**						
154							
155	**RECAP**						
156	Total Income Taxes	+	664,004	0	664,004		
157	Ontario Capital Tax	+	35,777		35,777		
158	Federal Large Corporations Tax	+	0		0		
159							
160	**Total income and capital taxes**	=	699,781	0	699,781		
161							

	A	B	C	D	E	F
1	**PILs TAXES - EB-2008-0381**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	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: Lakeland Power Distribution Ltd**					
8	**Reporting period: 2005**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)		0		0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts		0		0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts		0		0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**	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: Lakeland Power Distribution Ltd**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		19,261			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**	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: Lakeland Power Distribution Ltd**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		19,261			
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		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**PILs TAXES - EB-2008-0381**					
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: Lakeland Power Distribution Ltd**				**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		5,202		5,202	
37	Management bonuses unpaid after 180 days of year end				0	
38	**Ontario capital tax adjustments**				0	
39		+			0	
40	**Changes in Regulatory Asset balances**	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	5,202	0	5,202	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	**Ontario capital tax adjustments to current or prior year**	-			0	
61		-			0	
62	**Changes in Regulatory Asset balances**	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

PILs TAXES - EB-2008-0381

Corporate Tax Rates **Version 2009.1**

Exemptions, Deductions, or Thresholds

Utility Name: Lakeland Power Distribution Ltd

Reporting period: 2005

Table 1

Rates Used in 2005 RAM PILs Applications for 2005

Income Range		0 to 400,000		400,001 to 1,128,000	>1,128,000
RAM 2005					
	Year				
Income Tax Rate					
Proxy Tax Year	*2005*				
Federal (Includes surtax)		13.12%		17.75%	22.12%
and Ontario blended		5.50%		9.75%	14.00%
Blended rate		18.62%		27.50%	36.12%
Capital Tax Rate		0.300%			
LCT rate		0.175%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX $7.5MM	7,500,000			
Federal Large Corporations Tax Exemption **	MAX $50MM	50,000,000			

****Exemption amounts must agree with the Board-approved 2005 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005

Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000
Expected Rates					
	Year				
Income Tax Rate					
Current year	*2005*				
Federal (Includes surtax)	*2005*	13.12%	22.12%	22.12%	22.12%
Ontario	*2005*	5.50%	5.50%	9.75%	14.00%
Blended rate	*2005*	18.62%	27.62%	31.87%	36.12%
Capital Tax Rate	*2005*	0.300%			
LCT rate	*2005*	0.200%			
Surtax	*2005*	1.12%			
Ontario Capital Tax Exemption *** 2005	MAX $7.5MM	7,500,000			
Federal Large Corporations Tax Exemption *** 2005	MAX $50MM	50,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

Table 3

Input Information from Utility's Actual 2005 Tax Returns

Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000
	Year				
Income Tax Rate					
Current year	*2005*				
Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%
Ontario		5.50%	5.50%	14.00%	14.00%
Blended rate		18.62%	27.62%	36.12%	36.12%
Capital Tax Rate		0.300%			
LCT rate		0.200%			
Surtax		1.12%			
Ontario Capital Tax Exemption *	MAX $7.5MM	6,955,928			
Federal Large Corporations Tax Exemption *	MAX $50MM	45,995,000			

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**PILs TAXES - EB-2008-0381**														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: Lakeland Power Distribution Ltd**														**Version 2009.1**
4	**Reporting period: 2005**				**Sign Convention: + for increase; - for decrease**										**0**
5															
6															
7															
8	**Year start:**		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	**Year end:**		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	**Opening balance:**	=	0		184,910		271,207		151,698		66,176		-72,675		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-	183,800		698,639		882,439		744,589		174,660		146,539		2,830,666
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**										329,713				329,713
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-					0								0
15	**True-up Variance Adjustment (3)**	+/-			-3,548		-53,108		-48,796		-47,715		0		-153,167
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**										0				0
17	**Deferral Account Variance Adjustment (5)**	+/-			0		0		-32,251		-41,828		145,405		71,326
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-	1,110		19,614		11,686		4,389		-4,534		-5,676		26,589
20	**PILs billed to (collected from) customers (8)**	-	0		-628,408		-960,525		-753,453		-549,148		-198,502		-3,090,036
21															
22	**Ending balance: # 1562**		184,910		271,207		151,698		66,176		-72,675		15,091		15,091

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.
For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

Appendix 16 – 2001 Financial Statements, Tax Returns, Tax Assessments

Lakeland Power Distribution Ltd.

Financial Statements

For the period ended December 31, 2001
(Unaudited - see Notice To Reader)

Contents

Notice To Reader 2

Financial Statements

Balance Sheet 3

Statement of Operations and Deficit 4

Notes to Financial Statements 5

BDO

BDO Dunwoody LLP
Chartered Accountants
and Consultants

239 - 1 Manitoba Street
Bracebridge Ontario Canada P1L 1S2
Telephone: (705) 645-5215
Telefax: (705) 645-8125

Notice To Reader

We have compiled the balance sheet of Lakeland Power Distribution Ltd. as at December 31, 2001 and the statement of operations and deficit for the three months then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

BDO Dunwoody LLP

Chartered Accountants

Bracebridge, Ontario
March 15, 2002

Lakeland Power Distribution Ltd.
Balance Sheet
(Unaudited - see Notice To Reader)

December 31	2001
Assets	
Current	
Cash	$ 1,929,214
Accounts receivable	1,501,526
Unbilled service revenue	1,565,948
Inventory	218,529
Other current assets	185,393
	5,400,610
Capital assets (Note 1)	12,640,358
Qualifying transition costs	311,250
	$ 18,352,218
Liabilities and Shareholder's Equity	
Current	
Accounts payable and accrued liabilities	$ 1,863,441
Other current liabilities	253,513
Payments in lieu of corporate taxes liability	12,100
Due to related companies	408,617
Current portion of promissory note	2,500,000
	5,037,671
Promissory note	3,875,000
Customer deposits	319,295
Other non-current liabilities	36,019
	9,267,985
Shareholder's equity	
Share capital (Note 2)	9,226,787
Deficit	(142,554)
	9,084,233
	$ 18,352,218

On behalf of the Board:

_____ Director

_____ Director

BDO

Lakeland Power Distribution Ltd.
Statement of Operations and Deficit
(Unaudited - see Notice To Reader)

For the three months ended December 31	2001
Service revenue	
Residential	$ 1,679,032
General	2,475,165
Street lighting	36,322
	4,190,519
Service revenue adjustment	584,423
	4,774,942
Cost of power	
Power purchased - Ontario Power Generation Inc.	4,131,909
Power purchased - Bracebridge Generation Ltd.	306,032
	4,437,941
Gross margin on service revenue	337,001
Other revenues	
Other operating revenue	33,882
Other income	65,114
Investment income	22,771
	458,768
Expenses	
Distribution	85,697
Billing and collecting	111,432
Community relations	2,515
Administrative and general	171,638
Amortization	195,670
Interest	63,145
Taxes other than income taxes	2,268
Payment in lieu of capital tax	9,000
	641,365
Net loss from operations	(182,597)
Payment in lieu of income tax	3,100
Net loss for the three months	(185,697)
Retained earnings, beginning of period	43,143
Deficit, end of period	$ (142,554)

BDO

Lakeland Power Distribution Ltd.
Notes to Financial Statements
(Unaudited - see Notice To Reader)

December 31, 2001

1. Capital Assets

	2001	
	Asset Cost	Accumulated Amortization
Distribution Plant		
Land rights	$ 473,852	$ 8,651
Buildings and fixtures	147,907	3,614
Distribution station equipment	931,045	72,321
Poles, towers and fixtures	3,352,953	421,884
Underground conduits	2,511,912	195,205
Conductors and devices	2,519,712	8,975
Line transformers	2,309,093	158,414
Meters	826,902	81,476
New distribution service	39,622	2,341
	13,112,998	952,881
General Plant		
Land	226,661	-
Buildings and fixtures	84,753	3,200
Office furniture and equipment	89,459	15,564
Computer hardware	104,707	50,140
Transportation equipment	260,139	41,351
Stores equipment	2,762	1,227
Tools and garage equipment	82,409	36,332
Communication equipment	45,697	5,924
	896,587	153,738
	14,009,585	1,106,619
Less contributed capital in aid of construction	273,632	11,024
	$ 13,735,953	$ 1,095,595
		$ 12,640,358

BDO

Lakeland Power Distribution Ltd.
Notes to Financial Statements
(Unaudited - see Notice To Reader)

December 31, 2001

2. Share Capital

Authorized

Unlimited	Common shares	

		2001
Issued		
7,428	Common shares	$ 9,226,787

BDO

T2 CORPORATION INCOME TAX RETURN

200 Code 0101

Canada Customs and Revenue Agency / Agence des douanes et du revenu du Canada

055 Do not use this area

CLIENT COPY

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and the *General Index of Financial Information* (GIFI) to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

Identification

Business Number (BN) 001 896499613RC0001

Corporation's name

002 LAKELAND POWER DISTRIBUTION LTD.

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 5-45 CAIRNS CRESCENT

012

City	Province, territory, or state
015 HUNTSVILLE	016 ON
Country (other than Canada)	**Postal Code/ZIP code**
017 CA	018 P1H-2M2

Mailing address (if different from head office address)

Has the address changed since the last time we were notified?

020 1 Yes ☐ 2 No ☒

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal code/ZIP code**
027	028

Location of books and records

031 5-45 CAIRNS CRESCENT

032

City	Province, territory, or state
035 HUNTSVILLE	036 ON
Country (other than Canada)	**Postal Code/ZIP code**
037 CA	038 P1H-2M2

040 **Type of corporation at the end of the taxation year**

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

If the type of corporation changed during the taxation year, please provide the effective date of the change ..... 043 _____ YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year end
060 2001-10-01	061 2001-12-31
YYYY/MM/DD	YYYY/MM/DD

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

If *yes*, provide the date control was acquired ..... 065 _____ YYYY/MM/DD

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

Is this the first year of filing after:

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

If *yes*, please provide Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year?

If *yes*, please provide Schedule 24 ..... 072 1 Yes ☐ 2 No ☒

Is this the final taxation year before amalgamation? ..... 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? ..... 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If *no*, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty?

If *yes*, please provide Schedule 91 ..... 082 1 Yes ☐ 2 No ☒

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

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

Do not use this area

091	092	093	094	095	096
097					

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules.
Schedules - Answer the following questions. For each *yes* response, attach to the T2 return the schedule that applies.

Guide	item		Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's-length transactions with non-residents	162		11
33	If you answered *yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's-length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172		—
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	202		2
82,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
69-76	Is the corporation claiming any type of losses?	204	X	4
131	Is the corporation claiming a provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
102	i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210		10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
149	Is the corporation an investment corporation or a mutual fund corporation?	218		18
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	220		20 *
117	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
110	Does the corporation have any Canadian manufacturing and processing profits?	227		27
120	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661
123	Is the corporation subject to gross Part I.3 tax?	233	X	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236		36
123	Is the corporation claiming a surtax credit?	237		37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
127	Is the corporation claiming a Part I tax credit?	242		42
128	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
127	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
127	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Corporation's name	Business Number	Taxation year-end
LAKELAND POWER DISTRIBUTION LTD.	896499613RC0001	2001-12-31

Attachments - continued from page 2

Guide	Item	Yes	Schedule
129	Is the corporation subject to Part XIII.1 tax?		92 *
152	Is the corporation claiming a film or video production services tax credit refund?		T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		T1134-A
44	Did the corporation have any controlled foreign affiliates?		T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		T1135
44	Did the corporation transfer or loan property to a non-resident trust?		T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
—	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
—	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		T1146
—	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
—	Is the corporation claiming the BC mining exploration tax credit?		421
—	Is the corporation claiming the BC SR&ED tax credit?		T666

Additional information

Is the corporation inactive?	280	1 Yes		2 No	X
Has the major business activity changed since the last return was filed? (enter *yes* for first time filers)	281	1 Yes		2 No	X

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

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

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

284	HYDRO POWER	285	100 %
286		287	0 %
288		289	0 %

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes		2 No	X
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes		2 No	X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI		300	-169,552	A
Deduct: Charitable donations from Schedule 2	311		0	
Gifts to Canada or a province from Schedule 2	312		0	
Cultural gifts from Schedule 2	313		0	
Ecological gifts from Schedule 2	314		0	
Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3	320		0	
Part VI.1 tax deduction from Schedule 43	325		0	
Non-capital losses of preceding taxation years from Schedule 4	331		0	
Net-capital losses of preceding taxation years from Schedule 4	332		0	
Restricted farm losses of preceding taxation years from Schedule 4	333		0	
Farm losses of preceding taxation years from Schedule 4	334		0	
Limited partnership losses of preceding taxation years from Schedule 4	335		0	
Taxable capital gains or taxable dividends allocated from a central credit union	340		0	
Prospector's and grubstaker's shares	350		0	
Subtotal			0	B
Subtotal (amount A minus amount B)			0	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions		355	0	D
Taxable income (amount C plus amount D)		360	0	
Income exempt under paragraph 149(1)(t)		370	0	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			0	Z

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7	400	0	A
Taxable income from line 360 or amount Z on page 3, whichever applies, **minus** 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and **minus** any amount that, because of federal law is exempt from Part I tax	405	0	B
Business limit (for associated corporations, enter business limit from Schedule 23)	410	0	C

Reduction to business limit:

Amount C 0 x 415 *** 0 D / 11,250 = 0 E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	0	F
Small business deduction - 16.00% of the least of amounts A, B, C, and F (enter amount G on line 9 of page 7)	430	0	G

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

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

*** **Large corporation tax for preceding year** - Enter the total gross Part I.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425)	0 x 3/2 =		0	A
Net active business income (amount from line 400) *			0	B
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt for Part I Tax	0	C		
Deduct: Aggregate investment income (amount from line 440 of page 6)	0	D		
Amount C minus amount D (if negative, enter "0")	0		0	E
The least of amounts A, B, or E above			0	F
Amount Z from Part 9 of Schedule 27	0 x 100/7 =		0	G
Amount QQ from Part 13 of Schedule 27	0	H		
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =		0	I
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	0	J		
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction	0	K		
Total of amounts G, H, I, J, and K	0		0	L
Amount F minus amount L (if negative, enter "0")			0	M

Amount M 0 x (Number of days in the taxation year after December 31, 2000 / Number of days in the taxation year) 92/92 = 0 N

Accelerated tax reduction - 7% of amount N (enter amount O on line 637 of page 7) 0 O

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

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

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 or amount Z of page 3				0 A
Amount Z from Part 9 of Schedule 27	0 x 100/7		0 B	
Amount QQ from Part 13 of Schedule 27			0 C	
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =		0 D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			0 E	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4			0 F	
Aggregate investment income form line 440 of page 6			0 G	
Amount used to calculate the accelerated tax reduction (amount M of page 4)			0 H	
Total of amounts B, C, D, E, F, G, and H			0	0 I
Amount A minus amount I (if negative, enter "0")				0 J

Amount J	0 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	92 / 92	x 1% =		0 K
Amount J	0 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 92	x 3% =		0 L
Amount J	0 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 92	x 5% =		0 M
Amount J	0 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0 / 92	x 7% =		0 N

General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N (enter amount O on line 638 of page 7) ..... 0 O

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 or amount Z of page 3				0 A
Amount Z from Part 9 of Schedule 27	0 x 100/7		0 B	
Amount QQ from Part 13 of Schedule 27			0 C	
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =		0 D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			0 E	
Total of amounts B, C, D, and E			0	0 F
Amount A minus amount F (if negative, enter "0")				0 G

Amount G	0 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	92 / 92	x 1% =		0 H
Amount G	0 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 92	x 3% =		0 I
Amount G	0 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 92	x 5% =		0 J
Amount G	0 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0 / 92	x 7% =		0 K

General tax reduction - Total of amounts H, I, J and K (enter amount L on line 639 of page 7) ..... 0 L

Corporation's name	Business Number	Taxation year-end
LAKELAND POWER DISTRIBUTION LTD.	896499613RC0001	2001-12-31

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (amount P from Part 1 of Schedule 7) .... 440 0 x 26 2/3% = ... 0 A

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

Foreign investment income (amount O from Part 1 of Schedule 7) ..... 445 0 x 9 1/3% = ... 0

(if negative, enter "0") 0 — 0 B

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

Taxable income from line 360 on page 3 0

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 ... 0

Foreign non-business income tax credit from line 632 of page 7 ..... 0 x 25/9 = 0

Foreign business income tax credit from line 636 of page 7 ..... 0 x 10/4 = 0

0 — 0

0 x 26 2/3% = 0 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 0

Deduct corporate surtax from line 600 of page 7 0

Net amount ..... 0 — 0 E

Refundable portion of Part I tax - The least of amounts C, D, and E ..... 450 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 0

Deduct dividend refund for the previous taxation year 465 0

0 — 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 0

Total Part IV tax payable from line 360 on page 2 of Schedule 3 0

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480 0

0 — 0 B

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B 485 0

Dividend refund

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 .... 0 x 1/3 = 0 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above ..... 0 B

Dividend refund - Lesser of amounts A and B (enter this amount on line 784 of page 8) 0

Corporation's name	Business Number	Taxation year-end
LAKELAND POWER DISTRIBUTION LTD.	896499613RC0001	2001-12-31

Part I tax

Base amount of Part I tax - 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 0 A

Corporate surtax calculation

Base amount from line A above 0 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 0 2
Investment corporation deduction from line 620 below 0 3
Federal logging tax credit from line 640 below 0 4
Federal qualifying environmental trust tax credit from line 648 below 0 5

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

28.00 % of taxable income from line 360 of page 3 ..... 0 a
28.00 % of taxed capital gains ..... 0 b
Part I tax otherwise payable ..... 0 c
(line A **plus** lines C and D **minus** line F)
0 6

Total of lines 2 to 6 ..... 0 7

Net amount (line 1 minus line 7) 0 8

Corporate surtax - 4.00% of the amount on line 8 ..... 600 0 B

Recapture of investment tax credit from line XX in Part 16 of Schedule 31 ..... 602 0 C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income
(for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6 ..... 0 i
Taxable income from line 360 on page 3 0

Deduct:

The least of amounts on lines 400, 405, 410, and 425 of page 4 .. 0
Net amount ..... 0 0 ii

Refundable tax on CCPC's investment income - 6 2/3% of the lesser of amounts i or ii ..... 604 0 D

Subtotal (add lines A, B, C, and D) 0 E

Deduct:

Small business deduction from line 430 of page 4 ..... 0 9
Federal tax abatement 608 0
Manufacturing and processing profits deduction from amount BB or amount VV of Schedule 27 ..... 616 0
Investment corporation deduction 620 0
(taxed capital gains 624 0)
Additional deduction - credit unions from Schedule 17 ..... 628 0
Federal foreign non-business income tax credit from Schedule 21 ..... 632 0
Federal foreign business income tax credit from Schedule 21 ..... 636 0
Accelerated tax reduction from amount O of page 4 ..... 637 0
General tax reduction for CCPCs from amount O of page 5 ..... 638 0
General tax reduction from amount L of page 5 ..... 639 0
Federal logging tax credit from Schedule 21 ..... 640 0
Federal political contribution tax credit 644 0
Federal political contributions 646 0
Federal qualifying environmental trust tax credit 648 0
Investment tax credit from Schedule 31 ..... 652 0
Subtotal 0 0 F

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) ..... 0 G

Corporation's name
LAKELAND POWER DISTRICTION LTD.

Business Number
896499613RC0001

Taxation year-end
2001-12-31

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	0
Part I.3 tax payable from Schedule 33, 34, or 35	704	3,633
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		3,633

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0	
		0	0
Total tax payable	770		3,633 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0	
Dividend refund from page 6	784	0	
Federal capital gains refund from Schedule 18	788	0	
Federal qualifying environmental trust tax credit refund	792	0	
Canadian film or video production tax credit refund from Form T1131	796	0	
Film or video production services tax credit refund from Form T1177	797	0	
Tax withheld at source	800	0	
Total payments on which tax has been withheld 801		0	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0	
Provincial and territorial capital gains refund from Schedule 18	808	0	
Provincial and territorial refundable tax credits from Schedule 5	812	0	
Royalties deductible under Syncrude Remission Order 815		0	
Tax remitted under Syncrude Remission Order	816	0	
Tax instalments paid	840	3,633	
Total credits	890	3,633	3,633 B
Balance (line A minus line B)			0

Refund code 894 0 Overpayment 0

Direct deposit request

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

☐ Start ☐ Change information 910 _____ Branch number

914 _____ Institution number 918 _____ Account number

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.

Enter the amount on whichever line applies.
We do not charge or refund a difference of less than $2.

Balance unpaid 0

Enclosed payment 898 0

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 LITSCHKO (Last name in block letters) 951 CHRIS (First name in block letters) 954 PRESIDENT (Position, office or rank)

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

955 _____ Date (yyyy/mm/dd) _____ Signature of an authorized signing officer of the corporation

956 705-789-5442 Telephone number

Is the contact person the same as the authorized signing officer? If *no*, complete the information below 957 1 Yes ☒ 2 No ☐

958 _____ Name in block letters

959 _____ Telephone number

Language of correspondence - Langue de correspondance

990 Please indicate the language of your choice. Indiquer la langue de correspondance de votre choix. 1 English/Anglais ☒ 2 Français/French ☐

LAKELAND POWER DISTRIBUTION LTD. Sch. 141
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NOTES CHECKLIST
(1998 and later taxation years)

- This form is to be used by all corporations that do not use a software package to prepare financial statement information and are not eligible to use the GIFI-Short form.
- Use this schedule to report a notes checklist for the corporation's financial statement information.
- For more information, see the "Guide to the General Index of Financial Information (GIFI) for Corporations" and the "T2 Corporation Income Tax Guide."
- The following questions have to be answered:
  - questions 100, 101, and 108;
  - if you answer "yes" to question 101, you have to answer questions 102 to 107;
  - if you answer "yes" to question 108, you have to answer question 109.

Part 1 - Involvement of accountant

Who reported on or prepared the corporation's financial statements? 100

Tick only one of the following:

		[X]
An independent auditor with a report that expressed no reservation	1	[ ]
An independent auditor with a report that expressed a reservation	2	[ ]
An independent accountant with a review engagement report that expressed no reservation	3	[ ]
An independent accountant with a review engagement report that expressed a reservation	4	[ ]
An independent accountant who conducted a compilation engagement with no review	5	[X]
An independent accountant with a compilation and review engagement resulting in no reservation	6	[ ]
An independent accountant with a compilation and review engagement resulting in a reservation	7	[ ]
Prepared by an employee/associate/management of the company, or a person for the company, without a review/audit by an independent accountant/auditor	8	[ ]

Part 2 - Other information

		Yes/No
Were notes to the financial statements prepared?	101	[Y]
Are any values presented at other than cost?	102	[N]
Has there been a change in accounting policies since the last return?	103	[N]
Are subsequent events mentioned in the notes?	104	[N]
Is re-evaluation of asset information mentioned in the notes?	105	[N]
Is contingent liability information mentioned in the notes?	106	[N]
Is information regarding commitments mentioned in the notes?	107	[N]
Does the corporation have investments in joint venture(s) or partnership(s)?	108	[N]
If "yes," are you filing financial statements of the joint venture(s) or partnership(s)?	109	[ ]

LAKELAND POWER DISTRIBUTION LTD. Sch. 001
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

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

Net income (loss) after taxes and extraordinary items per financial statements			-185,697	A
Additions:				
Provision for income taxes - current	101	3,100		
Amortization of tangible assets	104	195,670		
Subtotal of additions		198,770	198,770	
Other Additions:				
Miscellaneous Other Additions:				
Subtotal of Other Additions	199	0	0	
Total Additions	500	198,770	198,770	
Deductions:				
Capital cost allowance from Schedule 8	403	182,625		
Subtotal of Deductions		182,625	182,625	
Other Deductions:				
Miscellaneous Other Deductions:				
Subtotal of Other Deductions	499	0	0	
Total Deductions	510	182,625	182,625	
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)			-169,552	

T2 SCH 1 E (01) (Ce formulaire existe en français.)

LAKELAND POWER DISTRIBUTION LTD. Sch. 004
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION (2000 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-169,552
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)	0	0
Subtotal (if positive, enter "0")		-169,552
Deduct: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
Subtotal		-169,552
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		-169,552

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		0	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	0	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	169,552	169,552

LAKELAND POWER DISTRIBUTION LTD. Sch. 004
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Continuity of non-capital losses and request for a carryback (cont'd)

Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130	0	
Amount applied against taxable dividends subject to Part IV tax	135	0	
Section 80 - Adjustments for forgiven amounts	140	0	
Subsection 111(10) - Adjustments for fuel tax rebate		0	
Other adjustments	150	0	0
		Subtotal	169,552
Deduct - Request to carry back non-capital loss to:			
First preceding taxation year to reduce taxable income	901	0	
Second preceding taxation year to reduce taxable income	902	0	
Third preceding taxation year to reduce taxable income	903	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	0	0
Non-capital losses - Closing balance	180		169,552

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 Yes [ ]

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200	0	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205	0	
Current-year capital loss (from Schedule 6 calculation)	210	0	0
Add:			
Allowable business investment loss expired as non-capital loss	0 x 4/3	220	0
		Subtotal	0
Deduct:			
Amount applied against current-year capital gain (see note 1)	225	0	
Section 80 - Adjustments for forgiven amounts	240	0	
Other adjustments	250	0	0
		Subtotal	0

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)	Inclusion Rate		Amount carried back (100%)	
First preceding taxation year	0	.0000	951	0	
Second preceding taxation year	0	.0000	952	0	
Third preceding taxation year	0	.0000	953	0	0
Capital losses - Closing balance			280		0

LAKELAND POWER DISTRIBUTION LTD. Sch. 004
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Part 2 - Capital losses

Continuity of capital losses and request for a carryback (cont'd)

Capital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.
Capital losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.
For taxation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determine by dividing the total taxable capital gain by the total capital gain.

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2

Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 3 - Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	300	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	305	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 retum)	330	0	
Amount applied against taxable dividends subject to Part IV tax	335	0	
Section 80 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:
Is the corporation exempt from the restricted farm loss rules?
(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

LAKELAND POWER DISTRIBUTION LTD. Sch. 004
Account/Business No.: 896499613RC0001 Year Ended: 2011-12-31

Part 4 - Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485		0 A	
Minus the deductible farm loss:				
$2,500 plus B or C, whichever is less			2,500	
(Amount A above 0 - $2,500) divided by 2 =		0 B		
		6,250 C	0	2,500
Current-year restricted farm loss (enter this amount on line 410)				0

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year		0	
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0
		Subtotal	0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941	0	
Second preceding taxation year to reduce farming income	942	0	
Third preceding taxation year to reduce farming income	943	0	0
Restricted farm losses - Closing balance	480		0

Note

The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			0
Deduct: Listed personal property loss expired after seven taxation years	500		0
Listed personal property losses at beginning of taxation year	502		0
Add: Current-year listed personal property loss (from Schedule 6)	510		0
		Subtotal	0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	550	0	0
		Subtotal	0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961	0	
Second preceding taxation year to reduce listed personal property gains	962	0	
Third preceding taxation year to reduce listed personal property gains	963	0	0
Listed personal property losses - Closing balance	580		0

LAKELAND POWER DISTRIBUTION LTD. Sch. 004-Non.
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Part 6 - Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	169,552	0	0	N/A	0	169,552
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0
1995	0	N/A	0	N/A	0	0	0 *
Total	0	169,552	0	0	0	0	169,552

Farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	0	0
2001	0	N/A	0	N/A	0	0	0
2000	0	N/A	0	N/A	0	0	0
1999	0	N/A	0	N/A	0	0	0
1998	0	N/A	0	N/A	0	0	0
1997	0	N/A	0	N/A	0	0	0
1996	0	N/A	0	N/A	0	0	0
1995	0	N/A	0	N/A	0	0	0
1994	0	N/A	0	N/A	0	0	0
1993	0	N/A	0	N/A	0	0	0
1992	0	N/A	0	N/A	0	0	0 *
Total	0	0	0	0	0	0	0

Restricted farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	N/A	0
2001	0	N/A	0	N/A	0	N/A	0
2000	0	N/A	0	N/A	0	N/A	0
1999	0	N/A	0	N/A	0	N/A	0
1998	0	N/A	0	N/A	0	N/A	0
1997	0	N/A	0	N/A	0	N/A	0
1996	0	N/A	0	N/A	0	N/A	0
1995	0	N/A	0	N/A	0	N/A	0
1994	0	N/A	0	N/A	0	N/A	0
1993	0	N/A	0	N/A	0	N/A	0
1992	0	N/A	0	N/A	0	N/A	0 *
Total	0	0	0	0	0	N/A	0

* This balance expires this year and will not be available next year

LAKELAND POWER DISTRIBUTION LTD. Sch. 008
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5q)? [101] N

Class No. [200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203] - [207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
1	0	13,191,753	0	0	312,839	4	0	0	129,848	13,061,905
1	0	232,660	0	0	5,832	4	0	0	2,287	230,373
10	0	104,707	0	0	14,654	30	0	0	6,810	97,897
10	0	260,139	0	0	76,063	30	0	0	13,919	246,220
1	0	1,867,447	0	0	0	4	0	0	18,828	1,848,619
8	0	220,327	0	0	3,458	20	0	0	10,933	209,394
Total	0	15,877,033	0	0	412,846		0	0	182,625	15,694,408

Dec 31 2001

1/2 of 2001 Additions

LAKELAND POWER DISTRIBUTION LTD.
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31 Sch. 009
RELATED AND ASSOCIATED CORPORATIONS

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
- associated corporation(s)

Name	Ctry of resi-dence	Business Number (Note)	Rela-tion-ship Code	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of pre-ferred shares owned	Book value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
LAKELAND HOLDING LTD.	CA	865749568RC0001	1	7,428	100.00	0	0.00	9,226,787
LAKELAND ENERGY LTD.	CA	896502416RC0001	3	0	0.00	0	0.00	0
RACEBRIDGE GENERATION LTD.	CA	896501210RC0001	3	0	0.00	0	0.00	0

Note: Enter "NR" if a corporation is not registered.
Relationship code:
1 - Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

The relationship code represents the relationship that the corporation named has to the filing corporation. For example, if the corporation is the parent corporation of the filing corporation, then the relationship code is "1".

Schedule 9

LAKELAND POWER DISTRIBUTION LTD.
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31 Sch. 023

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS (CCPC's) TO ALLOCATE THE BUSINESS LIMIT (1998 and later taxation years)

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.

- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation".

Column 4: Enter the amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 can not exceed $200,000.

Column 5: Complete column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Column 6: Enter the gross Part I.3 tax of the prior year. This is used for the business limit reduction.

Allocation of business limit

Date filed (for departmental use only)	025	Year Month Day
Enter the calendar year to which the agreement applies	050	Year 2001
Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?	075	[Y/N] [N]

LAKELAND POWER DISTRICTUTION LTD. Sch. 023
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Association code	Business limit allocated (Note 1)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year (Notes 2 & 3)
100	200	300	400	500	
LAKELAND POWER DISTRIBUTION LT	896499613RC0001	1	0	2001-12-31	0
See attached			200,000		0
			---		---
	Totals (not to exceed $200,000)		200,000		0
			=======		=======

Note 1:
Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Note 2:
Reduction to the business limit under subsection 125(5.1)
The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return.
The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note 3:
If the taxation year of the associated corporation was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

LAKELAND POWER DISTRIBUTION LTD. Sch. 023 - Supp.
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31
AGREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6
Name of associated corporation	Business Number of associated corporation	Asso-ciation code	Business limit allocated (Note)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year
[100]	[200]	[300]	[400]	[500]	
LAKELAND HOLDING LTD.	865749568RC0001	1	0	2001-12-31	0
LAKELAND ENERGY LTD.	896502416RC0001	1	0	2001-12-31	0
BRACEBRIDGE GENERATION LTD.	896501210RC0001	1	200,000	2001-12-31	0
TOTALS			200,000		0

Note: Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Reduction to the business limit under subsection 125(5.1)

The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return. The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Schedule 23-Supplementary

LAKELAND POWER DISTRIBUTION LTD.
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31 Sch. 033

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

PART I.3 TAX ON LARGE CORPORATIONS
(1998 and later taxation years)

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" within six months of the end of the taxation year.

		Year	Month	Day
Filing date (for departmental use only)	100			

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	538,261
Capital stock (or members' contributions if incorporated without share capital)	103	9,226,787
Retained earnings	104	0
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	408,617
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	6,375,000
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

LAKELAND POWER DISTRIBUTION LTD. Sch. 033
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Part 1 - Capital (cont'd)

Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111 and 112) in respect of the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	0		
	Subtotal	16,548,665	16,548,665	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121	0		
Any deficit deducted in computing the shareholders' equity	122	142,554		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	0		
The amount of deferred unrealized foreign exchange losses	124	0		
	Subtotal	142,554	142,554	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		16,406,111	

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	0
A loan or advance to another corporation (other than a financial institution)	402	0
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403	0
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)]	406	0
An interest in a partnership	407	0
Investment allowance for the year	490	0

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)		16,406,111	C
Deduct: Investment allowance for the year (line 490)		0	D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500	16,406,111	

LAKELAND POWER DISTRIBUTION LTD. Sch. 033
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year.

Taxable capital for the year (line 500)	16,406,111	X	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	690	16,406,111
			Taxable income		1,000				

Notes:
1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		0
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	0	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada	712	0	
Total amount of carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year in Canada	713	0	
Total deductions (add lines 711, 712, and 713)		0	0 E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		0

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)			16,406,111
Deduct: Capital deduction claimed for the year (enter $10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801		10,000,000
Excess of taxable capital employed in Canada over capital deduction	811		6,406,111

Gross Part I.3 tax: Line 811 6,406,111 x .2250% = 14,414 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 14,414 x (Number of days in the year: 92 / 365) = 3,633 G

Gross Part I.3 tax (amount F or G, whichever applies)	820		3,633

LAKELAND POWER DISTRICT LTD. Sch. 033
Account/Business No.: 896499613RC0001 Year Ended: 2001 12 31

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable

For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a)	line 600 from the T2 return			0	
b)	line 700 from the T2 return			0	0 H

In any other case, the lesser of c and d below:

			line 690 of this schedule				
c)	line 600 from the T2 return	0	x 16,406,111 / 16,406,111	=	0		
			line 500 of this schedule				
d)	line 700 from the T2 return				0	0	I

Current year surtax credit (amount H or I, whichever applies) 830 0

Part 8 - Calculation of Part I.3 tax credit available for carry- forward

Amount on line 830		0	
Less: Part I.3 tax before deducting surtax credits (line 820)		3,633	J
	Net amount	-3,633	K

If the amount on line K is "positive," it represents the amount of Part I.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part I.3 tax credit balance ..... 0 L

If the amount on line K is "negative," it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year ..... 3,633 M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		0	
Less: Part I.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)		0	
Current year unused surtax credit (enter this amount on Schedule 37)	850	0	

LAKELAND POWER DISTRIBUTION LTD. Sch. 033
Account/Business No.: 896499613RC0001 Year Ended: 2001 12 31

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			3,633	N
Deduct the following amounts:				
Current year surtax credit applied (the lesser of lines 820 and 830)	861	0		
Unused surtax credit from prior years applied	862	0		
Total (cannot exceed amount on line 820)		0	0	O
Net Part I.3 tax payable (amount N minus amount O)				
Enter this amount at line 704 of the T2 return	870		3,633	

LAKELAND POWER DISTRIBUTION LTD.
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31 Sch. 036

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
(1998 and later taxation years)

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.
  Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? ..... [Y/N] [N]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.

- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.

- In accordance with subsection 181.5(7) of the federal "Income Tax Act", a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

- Attach additional schedules if space for agreement is not sufficient.

Agreement

		Year Month Day
Date filed (for departmental use only)	010	
Is this an amended agreement?	020	[Y/N] [N]
Enter the calendar year to which the agreement applies	030	Year 2001

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (Note 1)	Allocation of capital deduction for the year $	Taxation year end to which this agreement applies (Note 2)
200	300	400	500
LAKELAND POWER DISTRIBUTION LT	896499613RC0001	10,000,000	2001-12-31
		0	

Total (not to exceed $10,000,000)		10,000,000	
		==========	

Note 1: If a corporation is not registered enter, "NR".

Note 2: An entry is only required for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

LAKELAND POWER DISTRIBUTION LTD.
Account/Business No.: 896499613RC0001 Year Ended: 2001-12-31
AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

SCH. 036 Supp.

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.
- In accordance with subsection 181.5(7) of the federal Income Tax Act, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Names of all corporations which are members of the related group	Business Number (Note 1)	Allocation of capital deduction for the year	Taxation year end to which this agreement applies (Note 2)
[200]	[300]	[400]	[500]
TOTAL		0	

Note 1: If a corporation is not registered, enter "NR".

Note 2: An entry is only required for a corporation that has more than one taxation ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Schedule 36 - Supplementary

LAKELAND POWER DISTRICTION LTD.
Account/Business No.: 896499613RC0001 Year Ended: 2001 12 31 Sch. 050

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION
(1998 and later taxation years)

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
LAKELAND HOLDING LTD.	865749568RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "SB" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

T2 SCH 50 (99)

I.AI..AND POWER DISTRIBUTION LTD.
Account/Business No.: 896499613RC0001 Year Ended: 2001 12 31

Schedule of Instalment Remittances

Name of Corporation Contact: . . . . . .
Telephone Number: . . . . . .

Effective Interest Date	Description (Instalment Remittance, Split Payment, Assessed Credit)		Amount of Credit
	instal		3,633
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
	Total amount of instalments claimed	(A)	3,633
	Total instalments credited to the taxation year per T9	(B)	3,633

TRANSFER

Account Number	Taxation Year End	Amount	Effective Interest Date	Description
From:				
		0		
To:				

CLIENT COPY

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Revised 2001 CT23 Corporations Tax Annual Return

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the Exempt from Filing (EFF) declaration on page 2 or file the CT23 Return, together with the applicable schedules. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return (see page 2).

The **Annual Return** (common page 1 and MCBS Schedules A or K) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? *(Refer to Guide)* Yes [X] No [ ]

Corporation's Legal Name *(including punctuation)* and Mailing Address

LAKELAND POWER DISTRIBUTION LTD.

5-45 CAIRNS CRESCENT

HUNTSVILLE
ON CA P1H-2M2

Ontario Corporations Tax Account No. (MOF)
7228492

This CT23 Return covers the Taxation Year
Start: year month day 2001-10-01
End: year month day 2001-12-31

Has address changed since last filed CT23 Return? Yes [ ]
Date of Change: year month day

Date of Incorporation or Amalgamation
year month day 2000-09-01

Registered/Head Office Address

5-45 CAIRNS CRESCENT

HUNTSVILLE
ON CA P1H-2M2

Ontario Corporation No. (MCBS) 1436405

Location of Books and Records

5-45 CAIRNS CRESCENT

HUNTSVILLE
ON CA P1H-2M2

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter 896499613RC0001

Name of person to contact regarding this CT23 Return: CHRIS LITSCHKO
Telephone No.: 705-789-5442
Fax No.:

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
(Not Applicable) [X]

Former Corporation Name *(Extra-Provincial Corporations only)* *(Not Applicable)* [X] (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS).

No. of Schedule(s): 0

[X] No change

Preferred Language/*Langue de préférence*
English *anglais* [X] French *français* [ ]

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

CHRIS LITSCHKO

Title: D [ ] Director O [X] Officer P [ ] Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001 12 31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1 [X] 1 Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

[ ] 2 Other Private

[ ] 3 Public

[ ] 4 Non-share Capital

[ ] 5 Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent): 100%

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
if applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
if applicable, enter

Specify major business activity

2

[ ] 1 Family Farm Corporation s.1 (2)
[ ] 2 Family Fishing Corporation s.1 (2)
[ ] 3 Mortgage Investment Corporation s.47
[ ] 4 Credit Union s.51
[ ] 5 Bank Mortgage Subsidiary s.61 (4)
[ ] 6 Bank s.1 (2)
[ ] 7 Loan and Trust Corporation s.61 (4)
[ ] 8 Non-resident Corporation s.2(2)(a) or (b)
[ ] 9 Non-resident Corporation s.2(2)(c)
[ ] 10 Mutual Fund Corporation s.48
[ ] 11 Non-resident owned investment Corporation s.49
[ ] 12 Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
[ ] 14 Bare Trustee Corporation
[ ] 15 Branch of Non-residents s.63(1)
[ ] 16 Financial institution prescribed by Regulation only
[ ] 17 Investment Dealer
[ ] 18 Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
[X] 19 Hydro successor, Municipal Electrical Utility or subsidiary of either
[ ] 20 Producer and seller of steam for uses other than for the generation of electricity
[ ] 21 Insurance Exchange s.74.4
[ ] 22 Farm Feeder Finance Co-operative Corporation
[ ] 23 Professional Corporation (incorporated professionals only)

Please "X" box(es) if applicable:

[ ] First Year of Filing
[ ] Amended Return
[X] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)

Date Control was acquired
year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[ ]	[X]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End	CT23 Page 4 of 24
LAKELAND POWER DISTRIBUTION LTD.	7228492	2011-12-31	DOLLARS ONLY

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Inter. Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16)	±	From	690	-169,552.
Subtract: Charitable donations	–		1	0.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)*	–		2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–		3	0.
Subtract: Ontario political contributions *(Attach schedule)*	–		4	0.
Subtract: Federal Part VI.1 tax 0. X 9/4	–		5	0.
Subtract: Prior years' losses applied – Non-capital losses	–	From	704	0.
Net capital losses (From 715 page 17) 0. X inclusion rate 50.000000%	= –		714	0.
Farm losses	–	From	724	0.
Restricted farm losses	–	From	734	0.
Limited partnership losses	–	From	754	0.
Taxable income (Non-capital loss)	=		10	-169,552.
Addition to taxable income for unused foreign tax deduction for federal purposes	+		11	0.
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=		20	0.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 15.5000%	x	Days before May 2, 2000 22: 0	+ 73: 92	Total Days	=	+ 23	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 14.5000%	x	Days after May 1, 2000 and before Jan 1, 2001 24: 0	+ 73: 92	Total Days	=	+ 25	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 14.0000%	x	Days after Dec 31, 2000 and before Oct 1, 2001 26: 0	+ 73: 92	Total Days	=	+ 27	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 12.5000%	x	Days after Sept 30, 2001 and before Jan 1, 2003 28: 92	+ 73: 92	Total Days	=	+ 29	0.
From 10 (or 20 if applicable)	0.	x 30	100.0000%	x 11.0000%	x	Days after Dec 31, 2002 and before Jan 1, 2004 31: 0	+ 73: 92	Total Days	=	+ 32	0.

Ontario Allocation

Income Tax Payable (before deduction of tax credits) 23 + 25 + 27 + 29 + 32 = 40 0.

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [ ] Yes [X] No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	0.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51 0.		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52 0.		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	– 53 0.		
Federal Business limit for the year before the application of fed.s.125(5.1)	= 0.	54	0.
(not exceeding $ 200,000) *(Attach federal T2 SCH 23 if associated)*	+ 55 0.		
Add: Ontario enhancement of federal business limit			

Number of Days in Taxation Year

40,000 x	Days after Dec 31, 2000 and before Oct 1, 2001: 0	+ 73: 92	Total Days			
X From 55	0	+ 200,000		= + 42	0.
80,000 x	Days after Sept 30, 2001 and before Jan 1, 2003: 92	+ 73: 92	Total Days			
X From 55	0	+ 200,000		= + 43	0.
120,000 x	Days after Dec 31, 2002 and before Jan 1, 2004: 0	+ 73: 92	Total Days			
X From 55	0	+ 200,000		= + 46	0.

Ontario enhancement of federal business limit	42 + 43 + 46	=	0.	+ 44	0.
Business Limit for Ontario purposes	55 + 44	=	0.	45	0.
Income eligible for the IDSBC	From 30	100.0000% * Ontario Allocation	x 56	0.	= 60 0.

Least of 50, 54 or 45

* **Note:** *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001-12-31

DOLLARS ONLY

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

Number of Days in Taxation Year

			Days after		Total Days			
7.00%	x	74	Dec 31, 1998 and before Jan 1, 2000: 0	+ 73	92	= + 75	.0000.
7.50%	x	76	Dec 31, 1999 and before Oct 1, 2001: 0	+ 73	92	= + 77	.0000.
6.50%	x	28	Sept 30, 2001 and before Jan 1, 2003: 92	+ 73	92	= + 79	6.5000.
5.50%	x	31	Dec 31, 2002 and before Jan 1, 2004: 0	+ 73	92	= + 89	.0000.

IDSBC Rate for Taxation Year [75] + [77] + [79] + [89] = [78] 6.5000.

Claim From [60] 0. x From [78] 6.5000% = [70] 0.

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in [114] below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

** **Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** Taxable Income of the corporation From [10] (or [20] if applicable) + [80] 0.

If you are a member of an associated group (X) [81] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Income (if loss, enter nil) **
See attached			+ [82] 202,125.
			+ [83] .
			+ [84] .

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] 202,125.

Number of Days in Taxation Year

			Days before Jan 1, 2001		Total Days		
Subtract: 200,000	x	558	0	+ 73	92	= + 111	0.
240,000	x	26	Dec 31, 2000 and before Oct 1, 2001: 0	+ 73	92	= + 112	0.
280,000	x	28	Sept 30, 2001 and before Jan 1, 2003: 92	+ 73	92	= + 113	280,000.
320,000	x	31	Dec 31, 2002 and before Jan 1, 2004: 0	+ 73	92	= + 115	0.

[111] + [112] + [113] + [115] = 280,000. − [114] 280,000.

(If negative, enter nil) = [86] 0.

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax

			Days after		Total Days		
4.67%	x	74	Dec 31, 1998 and before Jan 1, 2000: 0	+ 73	92	= + 92	.0000
5.00%	x	76	Dec. 31, 1999 and before Oct 1, 2001: 0	+ 73	92	= + 93	.0000
4.3330%	x	28	Sept 30, 2001 and before Jan 1, 2003: 92	+ 73	92	= + 95	4.3330
3.6670%	x	31	Dec 31, 2002 and before Jan 1, 2004: 0	+ 73	92	= + 96	.0000

Specified rate of surtax for Taxation Year [92] + [93] + [95] + [96] = [94] 4.3330

From [86] 0. x From [94] 4.3330% = [87] 0.

From [87] 0. x From [60] 0. + From [114] 280,000. = [88] 0.

Surtax Lesser of [70] or [88] = [100] 0

Continued on Page 6

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End	CT23 Page 6 of 24
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001-12-31	DOLLARS ONLY

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule)* ..... 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

The whole of the active business income qualifies as Eligible Canadian Profits if: a) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and b) the total active business income is $250,000 or less.

Eligible Canadian Profits			+	120	0.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)			− From 56		0.
Add: Adjustment for Surtax on Canadian-controlled private corporations					
From 100 0. + From 30 100.0000 % * Ontario Allocation + From 78 6.5000 % =		121	0.		
Lesser of 56 or 121			+	122	0.
120 − 56 + 122			=	130	0.
Taxable Income			+ From	10	-169,552.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)			− From	56	0.
Add: Adjustments for Surtax on Canadian-controlled private corporations			+ From	122	0.
Subtract: Taxable Income From 10 -169,552. X Allocation % to jurisdictions outside Canada	.0000 %		−	140	0.
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses			−	141	0.
10 − 56 + 122 − 140 − 141			=	142	0.

Claim

Number of Days in Taxation Year

143 0. Lesser of 130 or 142	X From 30 100.0000 % * Ontario Allocation	X 2.0000 % X	Days before Oct 1, 2001: 152 0 +	Total Days: 73 92	= +	153	0.
143 0. Lesser of 130 or 142	X From 30 100.0000 % * Ontario Allocation	X 1.5000 % X	Days after Sept 30, 2001 and before Jan 1, 2003: 28 0 +	73 92	= +	154	0.
143 0. Lesser of 130 or 142	X From 30 100.0000 % * Ontario Allocation	X 1.0000 % X	Days after Dec 31, 2002 and before Jan 1, 2004: 31 0 +	73 92	= +	155	0.

M&P claim for taxation year 153 + 154 + 155 ..... = 160 0.

* **Note:** *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations ..... = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity ..... = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) *(Attach schedule)*. 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 − 70 + 100 − 110 − 160 − 161 − 162 − 170 − 180 ..... = 190 0.

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.
Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* ..... + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible Credit From 5799 Summary Schedule F ..... + 192 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible Credit From 5899 Claim Form Certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* ..... + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed graduate students.
No. of Graduates From 6596
194 0
Eligible Credit From 6599 Summary Schedule G ..... + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* ..... + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 Claim Form Certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* ..... + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* ..... + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.
Eligible Credit From 7300 Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* ..... + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* ..... + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* ..... + 201 0.

Other (specify) _____ ..... + 201.1 0.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 0.

Specified Tax Credits ***Applied to reduce Income Tax*** ..... = 225 0.

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** ..... = 230 0.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in 230 to Income Tax in ***Summary*** section on ***Page 18.***

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on ***Page 8.***

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Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if ***either*** Total Assets [249] exceeds $5,000,000 ***or*** Total Revenue [250] exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation	+ [240]	18,352,218.
* Total Revenue of the corporation	+ [241]	19,427,161.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total assets	* Total Revenue
See attached			+ [243] 16,842,113.	+ [244] 329,209.
			+ [245] .	+ [246] .
			+ [247] .	+ [248] .

Aggregate Total Assets	[240] + [243] + [245] + [247] , etc.	= [249] 35,194,331.
Aggregate Total Revenue	[241] + [244] + [246] + [248] , etc.	= [250] 19,756,370.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 19, 20 and 21 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 19.)*

Gross CMT Payable	CMT Base From [2135]	0. (If negative, enter zero)	X From [30]	100.0000% (Ontario Allocation)	X 4% = [276]	0.
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*					– [277]	0.
Subtract: Income Tax					– From [190]	0.
Net CMT Payable (if negative, enter Nil on Page 18.)					= [280]	0.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from ***Page 7*** to ***Income tax Summary, on Page 18.***

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to ***Page 18*** and transfer [280] to ***Page 18***, and to ***Schedule D: Continuity of CMT Credit Carryovers,*** on ***Page 21.***

CMT Credit Carryover available From [2307] 0.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits)			+ From [190]	0.
Gross CMT Payable	+ From [276]	0.		
Subtract: Foreign Tax Credit for CMT purposes	– From [277]	0.		
If [276] – [277] is negative, enter NIL in [290]	=	0.	– [290]	0.
Income Tax eligible for CMT Credit			= [300]	0.
B. Income tax (after deduction of specified credits)			+ From [230]	0.
Subtract: CMT credit used to reduce income taxes			– [310]	0.
Income Tax			= [320]	0.

Transfer to page 18

If A & B apply, [310] ***cannot exceed the lesser of*** [230], [300] ***and your CMT credit carryover available*** [2307].

If only B applies, [310] ***cannot exceed the lesser of*** [230] ***and your CMT credit carryover available*** [2307].

Capital Tax *(Refer to Guide)*

If your corporation is a Financial institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in [480] and [430] are both $1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in [480] and [430] are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in [550] on Page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, In addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

Paid-up capital stock	+	350	9,226,787.
Retained earnings (if deficit, deduct)	±	351	-142,554.
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+	352	0.
Loans and advances *(Attach schedule)*	+	353	408,617.
Bank loans	+	354	6,375,000.
Bankers acceptances	+	355	0.
Bonds and debentures payable	+	356	0.
Mortgages payable	+	357	0.
Lien notes payable	+	358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	+	359	355,314.
Contingent, investment, inventory and similar reserves	+	360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)*	+	361	0.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	+	362	0.
Subtotal	=	370	16,223,164.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	–	371	-3,280,711.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	–	372	0.
Total Paid-up Capital	=	380	19,503,875.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	–	381	0.
Net Paid-up Capital	=	390	19,503,875.

Eligible Investments *(Refer to Guide)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 *(Refer to Guide)*	+	400	0.
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+	402	0.
Mortgages due from other corporations	+	403	0.
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+	404	0.
Loans and advances to unrelated corporations	+	405	0.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+	406	0.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+	407	0.
Total Eligible Investments	=	410	0.

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Capital Tax *continued from Page 9*

Total Assets

Total Assets per balance sheet	+	420	18,352,218.
Mortgages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	–	423	0.
Total Assets as adjusted	=	430	18,352,218.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	–	441	-3,280,711.
Subtract: Appraisal surplus if booked	–	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	21,632,929.

Investment Allowance (410 + 450) x 390 ..... Not to exceed 410	=	460	0.
Taxable Capital 390 – 460	=	470	19,503,875.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	4,896,709.
Total Assets (as adjusted) From	430	18,352,218.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B and select and complete the one specific subsection (e.g. B4) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C. Next review, and if applicable, complete Section D. If Section D is not applicable review Section E and complete the applicable subsection: either E1 or E2. Note: If the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year end is before January 1, 2001 and 430 and 480 are both $1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B2. If the taxation year end is after December 31, 2000 and 430 and 480 are both $1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B3. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B4. If taxable capital, 470 on page 10 is $2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

continued on Page 11

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Capital Tax Calculation *continued from page 10*

B5. If taxable capital, 470 exceeds $2,000,000 but is $5,000,000 or less, complete the following calculations and transfer the total from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = + 490 0.

Deduct:

[$2,400,000 – From 470 0. x 1.5% = – 492 0.] *If 2,400,000 – 470 is negative, enter NIL in 492*

Days in taxation year after May 4, 1999 and before Jan 1, 2000 552

(504 = 490 – 492) = 504 0. x From 30 100.0000% Ontario Allocation x 0 / ** 365 (366 if leap year) = + 505 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = + 490 0.

Deduct:

[$2,800,000 – From 470 0. x 0.75% = – 493 0.] *If 2,800,000 – 470 is negative, enter NIL in 493*

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553

(506 = 490 – 493) = 506 0. x From 30 100.0000% Ontario Allocation x 0 / ** 365 (366 if leap year) = + 507 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = + 490 0.

Deduct:

[$3,200,000 – From 470 0. x 0.5% = – 495 0.] *If 3,200,000 – 470 is negative, enter NIL in 495*

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 554

(509 = 490 – 495) = 509 0. x From 30 100.0000% Ontario Allocation x 0 / ** 365 (366 if leap year) = + 522 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose taxable capital is $5,000,000 or less and that is not associated, is NIL. ..... + 0.

Total Capital Tax for the taxation year 505 + 507 + 522 ..... = 508 0.

Transfer to 543 *on page 13 and complete the return from that point.*

B6. If 470 exceeds **$5,000,000,** complete the following calculations and transfer the amount from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 0. x From 30 100.0000% Ontario Allocation x .3000% x Days in taxation year before Oct 1, 2001 559 0 / ** 365 (366 if leap year) ..... = + 502 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 0.

Exemption – 0.

= 471 0. x From 30 100.0000% Ontario Allocation x .3000% x Days in taxation year after Sept 30, 2001 560 92 / ** 365 (366 if leap year) ..... = + 523 0.

Total Capital Tax for the taxation year 502 + 523 ..... = 508 0.

Transfer to 543 *on page 13 and complete the return from that point.*

*** If floating taxation year, refer to Guide.***

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Capital Tax Calculation *continued from page 11*

SECTION C

If the corporation is a member of an associated group and/or partnership, complete the following two aggregate taxable capital calculations as applicable, and (x) 510 X (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation ..... + From 470 19,503,875.

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada		Taxable Capital
See attached	+	531 8,520,260.
Aggregate Taxable Capital 470 + 531	=	540 28,024,135.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL.
Enter NIL in 523 in E1(d) or E2(b), as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From 470 19,503,875. + From 540 28,024,135. x 5,000,000 ..... = 541 3,479,835.
Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners with no permanent establishment in Canada		Taxable Capital
	+	514 0.
Total Aggregate Taxable Capital 540 + 514	=	520 28,024,135.

If 520 is greater than $2,000,000 and less than $3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From 470 19,503,875. + From 520 0. = 521 .0000.
Transfer to Section E1(a) and/or (b) and/or (c) as applicable

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 is *$2,000,000 or less.*

Enter NIL in 550 and complete the return from that point.

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Capital Tax Calculation *continued from Page 12*

SECTION E

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at [520] *exceeds $2,000,000.*

E1. If the total aggregate taxable capital [520] exceeds **$2,000,000** but is **$3,200,000** or less, complete the following calculations and transfer the total From [508] to [543] and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From [470] 0. x .3000% = + [490] 0.

Deduct:

$2,400,000 − [From 520] 0. x 1.5% x [From 521] .0000 = − [492] 0.

If 2,400,000 − [520] is negative, enter NIL in [492]

([504] = [490] − [492]) = [504] 0. x [From 30] 100.0000% Ontario Allocation x Days in taxation year after May 4, 1999 and before Jan 1, 2000 [552] 0 ** 365 (366 if leap year) = + [505] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From [470] 0. x .3000% = + [490] 0.

Deduct:

$2,800,000 − [From 520] 0. x 0.75% x [From 521] .0000 = − [493] 0.

If 2,800,000 − [520] is negative, enter NIL in [493]

([506] = [490] − [493]) = [506] 0. x [From 30] 100.0000% Ontario Allocation x Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 [553] 0 ** 365 (366 if leap year) = + [507] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From [470] 0. x .3000% = + [490] 0.

Deduct:

$3,200,000 − [From 520] 0. x 0.5% x [From 521] .0000 = − [495] 0.

If 3,200,000 − [520] is negative, enter NIL in [495]

([509] = [490] − [495]) = [509] 0. x [From 30] 100.0000% Ontario Allocation x Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 [557] 0 ** 365 (366 if leap year) = + [522] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at [540] is $5,000,000 or less is NIL. Enter NIL ..... = + [523] 0.

Total Capital Tax for the taxation year [505] + [507] + [522] + [523] ..... = [508] 0.

Transfer to [543] *and complete the return from that point.*

E2. If the total aggregate taxable capital at [520] exceeds **$3,200,000** complete the following calculations and transfer the total From [508] to [543], and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From [470] 19,503,875. x [From 30] 100.0000% Ontario Allocation x .3000% x Days in taxation year before Oct 1, 2001 [555] 0 ** 365 (366 if leap year) ..... = + [502] 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From [470] 19,503,875.

From [541] (section C) − 3,479,835.

= [471] 16,024,040. x From [30] 100.0000% Ontario Allocation x .3000% x Days in taxation year after Sept 30, 2001 [560] 92 ** 365 (366 if leap year) = + [523] 12,117.

Total Capital Tax for the taxation year [502] + [523] ..... = [508] 12,117.

Transfer to [543] *and complete the return from that point.*

** *If floating taxation year, refer to Guide.*

Capital Tax *before application of specified credits* ..... = [543] 12,117.

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* ..... − [546] 0.

Capital Tax [543] − [546] ..... = [550] 12,117.

Transfer to Page 18

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Capital Tax *continued from page 13*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in [550] on page 13, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. x 0.00% X From [30] ____% x [555] 0 + ** 0 (366 if leap year) = + [569] 0.

Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1 — Ontario Allocation — Days in taxation year

[570] 0. x [571] 0.00% X From [30] ____% x [555] 0 + ** 0 (366 if leap year) = + [574] 0.

Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount — Capital Tax Rate *(Refer to Guide)* — Ontario Allocation — Days in taxation year

Capital Tax for Financial Institutions – other than Credit Unions (before Sections II) [569] + [574] = [575] 0.

***** If floating taxation year, refer to Guide.***

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments ..... – [585] 0.

Financial institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) [ ] Yes

Capital Tax – Financial Institutions [575] – [585] ..... = [586] 0.

Transfer to [543] on Page13

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements ..... [587] 0. x 2% .... = [588] 0.

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* ..... – [589] 0.

Premium Tax [588] – [589] ..... = [590] 0.

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Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End	CT23 Page 15 of 24
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001-12-31	DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 -169,552.
Transfer to page 16

Add:

Federal capital cost allowance	+ 601	182,625.
Federal cumulative eligible capital deduction	+ 602	0.
Ontario taxable capital gain	+ 603	0.
Federal non allowable reserves. Balance beginning of year	+ 604	0.
Federal allowable reserves. Balance end of year	+ 605	0.
Ontario non-allowable reserves. Balance end of year	+ 606	0.
Ontario allowable reserves. Balance beginning of year	+ 607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	0.
Federal resource allowance	+ 609	0.
Federal depletion allowance	+ 810	0.
Federal foreign exploration and development expenses	+ 811	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

			Days before May 2, 2000		Total Days		
612	0. x 5 ÷ 15.5000 x	22	0	÷ 73	92	= + 630	0.
			Days after May 1, 2000 and before Jan 1, 2001		Total Days		
612	0. x 5 ÷ 14.5000 x	24	0	÷ 73	92	= + 631	0.
			Days after Dec 31, 2000 and before Oct 1, 2001		Total Days		
612	0. x 5 ÷ 14.0000 x	26	0	÷ 73	92	= + 632	0.
			Days after Sept 30, 2001 and before Jan 1, 2003		Total Days		
612	0. x 5 ÷ 12.5000 x	28	92	÷ 73	92	= + 633	0.
			Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
612	0. x 5 ÷ 11.0000 x	31	0	÷ 73	92	= + 634	0.

Total add-back amount for Management fees, etc. 630 + 631 + 632 + 633 + 634 = 0. + 613 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 0.

Federal Scientific Research Expenses claimed in year from federal form T661 0.

Negative Ontario SR&ED Pool amounts from Ontario schedule 161 line 473 + 0.

= 0. + 615 0.

Subtotal of Additions 601 to 611 + 613 + 620 + 614 + 615 = 182,625. 640 182,625.
Transfer to page 16

continued on Page 16

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End	CT23 Page 16 of 24
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001-12-31	DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 15

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 -169,552.

Subtotal of Additions ..... From + 640 182,625.

Deduct:

Ontario capital cost allowance	+ 650	182,625.
Ontario cumulative eligible capital deduction	+ 651	0.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves. Balance beginning of year	+ 653	0.
Ontario allowable reserves. Balance end of year	+ 654	0.
Federal non-allowable reserves. Balance end of year	+ 655	0.
Federal allowable reserves. Balance beginning of year	+ 656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	0.
Ontario depletion allowance	+ 658	0.
Ontario resource allowance	+ 659	0.
Ontario research and development super allowance *(Attach schedule)*	+ 660	0.
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	+ 874	0.
Ontario current cost adjustment *(Attach schedule)*	+ 661	0.

Ontario New Technology Tax Incentive (ONTTI) Gross-up
Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year ..... 662 0.

ONTTI Gross-up deduction calculation:

[From 662 0. x (Gross-up of CCA 100 / From 30 .0000 Ontario Allocation)] – From 662 0. = 663 0.

Workplace Child Care Tax Incentive: (***Applies*** to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: [665 0. x 30.00% x (100 / From 30 100.0000 Ontario Allocation)] = 666 0.

Workplace Accessibility Tax Incentive: (***Applies*** to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: [667 0. x 100.00% x (100 / From 30 100.0000 Ontario Allocation)] = 668 0.

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (***Applies*** to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.) *(Refer to Guide)*

Qualifying expenditures: [670 0. x 30.00% x (100 / From 30 100.0000 Ontario Allocation)] = 671 0.

Educational Technology Tax Incentive: (***Applies*** to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: [672 0. x 15.00% x (100 / From 30 100.0000 Ontario Allocation)] = 673 0.

Ontario allowable business investment loss	+ 678	0.
Ontario Scientific Research Expenses claimed in the year from Ontario form CT161	+ 679	0.
Total of other deductions allowed by Ontario *(Attach schedule)*	+ 664	0.

Subtotal of Deductions

650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 664 ..... = 182,625. 680 182,625.

Net income (loss) for Ontario Purposes 600 + 640 – 680 ..... = 690 -169,552.

Transfer to Page 4

Corporation's Legal Name	Ontario corporations Tax Account No. (MOF)	Taxation Year End	CT23 Page 17 of 24
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001-12-31	DOLLARS ONLY

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 0	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 169,552	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 169,552	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 0	715 (4) 0	724 0	734 (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 18 0	716 (2) to Page 18 0	726 (2) to Page 18 0	736 (2) to Page 18 0	746 0	
Subtotal	707 0	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 169,552	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 1993-09-30				850 0	870 0
801 1994-09-30				851 0	871 0
802 1995-09-30				852 0	872 0
803 1996-09-30	820 0	830 0	840 0	853 0	873 0
804 1997-09-30	821 0	831 0	841 0	854 0	874 0
805 1998-09-30	822 0	832 0	842 0	855 0	875 0
806 1999-09-30	823 0	833 0	843 0	856 0	876 0
807 2000-09-30	824 0	834 0	844 0	857 0	877 0
808 2001-09-30	825 0	835 0	845 0	858 0	878 0
809 2001-12-31	826 169,552	836 0	846 0	859 0	879 0
Total	829 169,552	839 0	849 0	869 0	889 0

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End	CT23 Page 18 of 24
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001-12-31	DOLLARS ONLY

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Predecessor Ontario Corporation's Tax Account No. (MOF)		Taxation Year Ending (year month day)	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss				910 169,552	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income							
i) 3rd preceding		901		911 0	921 0	931 0	941 0
ii) 2nd preceding		902		912 0	922 0	932 0	942 0
iii) 1st preceding		903		913 0	923 0	933 0	943 0
Total loss to be carried back				From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward				919 169,552	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		0.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		12,117.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		12,117.
Subtract: Payments	– 960		11,367.
Capital Gains Refund (s.48)	– 965		0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985		0.
Specified Tax Credits *(Refer to Guide)*	– 955		0.
Other (specify) _____	–		0.
Balance	= 970		750.
If payment due	Enclosed * 990		750.
If overpayment: Refund *(Refer to Guide)*	= 975		0.
Apply to (year month day)	980		0.

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the MINISTER OF FINANCE*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

CHRIS LITSCHKO

Title

PRESIDENT

Full Residence Address

22 Daleman Dr.

Bracebridge

ON CA P1L-1A6

Signature | Date

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRICTION LTD.	7228492	2001 12 31

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP)				± 2100	-185,697.
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes		+ 2101	0.		
Provision for deferred income taxes (credits)		+ 2102	0.		
Equity income from corporations		+ 2103	0.		
Share of partnership(s)/joint venture(s) income		+ 2104	0.		
Dividends received/receivable deductible under fed.s.112		+ 2105	0.		
Dividends received/receivable deductible under fed.s.113		+ 2106	0.		
Dividends received/receivable deductible under fed.s.83(2)		+ 2107	0.		
Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1)	0. X 9/4	+ 2108	0.		
Subtotal		=	0.	- 2109	0.
Add (to extent reflected in net income/loss):					
Provision for current taxes		+ 2110	3,100.		
Provision for deferred income taxes (debits)		+ 2111	0.		
Equity losses from corporations		+ 2112	0.		
Share of partnership(s)/joint venture(s) losses		+ 2113	0.		
Dividends that have been deducted to arrive at net income per Financial Statements. ***Applies*** to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1) (excluding dividends under fed.s.137(4.1))		+ 2114	0.		
Subtotal		=	3,100.	+ 2115	3,100.
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85		+ 2116	0. or	- 2117	0.
** Fed.s.85.1		+ 2118	0. or	- 2119	0.
** Fed.s.97		+ 2120	0. or	- 2121	0.
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years		+ 2122	0. or	- 2123	0.
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years		+ 2124	0. or	- 2125	0.
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years		+ 2126	0. or	- 2127	0.
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income				- 2150	0.
Subtotal (Additions)		=	0.	+ 2128	0.
Subtotal (Subtractions)		=	0.	- 2129	0.
** Other adjustments				± 2130	0.
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130				= 2131	-182,597.
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss				± 2132	0.
Adjusted net income (loss) (if loss, transfer to 2202 *in Schedule B: Continuity of CMT Losses Carried Forward, Page 20.)*				= 2133	-182,597.
Deduct: * CMT losses: pre-1994 Loss		+ From 2210	0.		
* CMT losses: other eligible losses		+ From 2211	0.		
		=	0.	- 2134	0.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base	= 2135	0.

Transfer to CMT Base on Page 8

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001-12-31

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2) ..... + 2201 **0.**

Add:

Current year's losses	+ 2202	182,597.	
Losses from predecessor corporations on amalgamation (3)	+ 2203	0.	
Losses from predecessor corporations on wind-up (3)	+ 2204	0.	

Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes

Subtotal ..... = 182,597. + 2207 **182,597.**

Adjustments (attach schedule) ..... ± 2208 **0.**

CMT losses available 2201 + 2207 ± 2208 ..... = 2209 **182,597.**

Subtract:

Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210	0.	
Other eligible losses utilized during the year to reduce adjusted net income (4)	+ 2211	0.	
Losses expired during the year	+ 2212	0.	

Subtotal ..... = 0. – 2213 **0.**

Balances at End of Year (5) 2209 – 2213 ..... = 2214 **182,597.**

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	2000-12-31	2260 0	2280 0
2241	2001-12-31	2261 182,597	2281 0
2242		2262 0	2282 0
2243		2263 0	2283 0
2244		2264 0	2284 0
2245		2265 0	2285 0
2246		2266 0	2286 0
2247		2267 0	2287 0
2248		2268 0	2288 0
2249		2269 0	2289 0
Totals		2270 182,597	2290 0

The sum of amounts 2270 + 2290 ***must equal amount in*** 2214.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2001-12-31

DOLLARS ONLY

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1)				+ 2301	0.
Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL)	+ From 280	0.			
CMT Credit Carryovers from predecessor corporations (2)	+ 2302	0.			
Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes					
Subtotal	=	0.	+ 2305		0.
Adjustments *(Attach schedule)*				± 2306	0.
CMT credit carryover available 2301 + 2305 ± 2306				= 2307	0.
				Transfer to Page 8	
Subtract: CMT Credit utilized during the year to reduce income tax (Page 8)	+ From 310	0.			
CMT Credit expired during the year	+ 2308	0.			
Subtotal	=	0.	– 2309		0.
Balance at End of Year (3) 2307 – 2309				= 2310	0.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	2000-12-31	2360 0	2380 0
2341	2001-12-31	2361 0	2381 0
2342		2362 0	2382 0
2343		2363 0	2383 0
2344		2364 0	2384 0
2345		2365 0	2385 0
2346		2366 0	2386 0
2347		2367 0	2387 0
2348		2368 0	2388 0
2349		2369 0	2389 0
Totals		2370 0	2390 0

The sum of amounts 2370 + 2390 ***must equal amount in*** 2310.

LAKELAND POWER DISTRIBUTION LTD. CT23 Supp.

Corp. Tax Acct. No. : 7228492 Year Ended: 2001-12-31

ONTARIO CT23 SUPPLEMENTARY - LIST OF ASSOCIATED CORPORATIONS

Name of Associated Corporation	Ontario Corp. Tax Number	Taxation Year end	Taxable Capital	Total Assets (Note 1)	Total Revenue (Note 1)	Taxable Income (Note 2)	No Perm Estab in Canada
LAKELAND HOLDING LTD.	7228479	2001-12-31	25,383	12,585,041	3,477		0
LAKELAND ENERGY LTD.	7228467	2001-12-31	283,302	259,296	13,260		1,841
BRACEBRIDGE GENERATION LTD.	7228480	2001-12-31	8,211,575	3,997,776	312,472		200,284
TOTALS			8,520,260	16,842,113	329,209		202,125

Note 1: Enter total assets and total revenues only if "Corporate Minimum Tax (CMT)" is applicable.

Note 2: Enter Taxable Income amounts only if "Surtax on a CCPC" is applicable (i.e. IDSBC is applicable).

Ontario CT23 Supplementary

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	0	13,191,753	0	0	13,191,753	6,595,876	6,595,877	4	0	0	129,848	13,061,905
1	0	232,660	0	0	232,660	116,330	116,330	4	0	0	2,287	230,373
10	0	104,707	0	0	104,707	52,353	52,354	30	0	0	6,810	97,897
10	0	260,139	0	0	260,139	130,069	130,070	30	0	0	13,919	246,220
1	0	1,867,447	0	0	1,867,447	933,723	933,724	4	0	0	18,828	1,848,619
8	0	220,327	0	0	220,327	110,163	110,164	20	0	0	10,933	209,394
Total	0	15,877,033	0	0	15,877,033	7,938,514	7,938,519		0	0	182,625	15,694,408
							Enter in boxes		[650]	[650]	[650] on the CT23	

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Lakeland Power Distribution Ltd.
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Filed: November 10, 2011
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Detach and return this REMITTANCE FORM with your payment.

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Account No
1800128

35
PX5005

LAKELAND POWER DISTRIBUTION LTD.
CHRIS LITSCHKO
5-45 CAIRNS CRES

HUNTSVILLE ON
P1H 2M2

Taxation Year End: (YYYYMMDD) 2000

Payment Amount: $

Taxation Year End: (YYYYMMDD) 20061231

Payment Amount: $ 10,254.00

Total Payment Enclosed: $ 10,254.00

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2001/10/01 **to** 2001/12/31

	Account No.	Reassessment Date (year month day)	Page
LAKELAND POWER DISTRIBUTION LTD.	**1800128**		1 of 1

REASSESSMENT NO. 16 REPLACING ASSESSMENT DATED:

Tax: Federal and Provincial PIL		15,750.00
Total Reassessment Liability		15,750.00

SUMMARY OF 2001/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	15,750.00CR	
Sub-Total		15,750.00CR
TAXATION YEAR BALANCE		0.00

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Tax Assessment as per Company Estimate.

Addition to
Apr 1/2006
$ 10,254.00

IMRF

APPROVED BY	ACCT. CHG'D.
	1.20.6110.100
DATE PAID	CHEQUE No.

Tax (Re)Assessment Enquiries:
- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:
- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036

PX5005

Appendix 17 – 2002 Financial Statements, Tax Returns, Tax Assessments

May 23/03

Lakeland Power Distribution Ltd.
Financial Statements
For the year ended December 31, 2002

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BDO

BDO Dunwoody LLP
Chartered Accountants
and Consultants

239-1 Manitoba Street
Bracebridge Ontario Canada P1L 1S2
Telephone: (705) 645-5215
Telefax: (705) 645-8125

Auditors' Report

To the Shareholder of
Lakeland Power Distribution Ltd.

We have audited the balance sheet of Lakeland Power Distribution Ltd. as at December 31, 2002 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Lakeland Power Distribution Ltd. as at December 31, 2002 and the result of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody LLP

Chartered Accountants

Bracebridge, Ontario
March 28, 2003

Lakeland Power Distribution Ltd.
Balance Sheet

December 31	2002	2001
Assets		
Current		
Cash	$ 42,732	$ 1,929,214
Accounts receivable (Note 1)	1,207,867	1,501,526
Unbilled service revenue	2,977,007	1,565,948
Inventory	212,444	218,529
Other current assets	207,912	185,393
	4,647,962	5,400,610
Capital assets (Note 2)	12,718,595	12,640,358
Regulatory assets (Note 3)	944,838	311,250
	$ 18,311,395	$ 18,352,218
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities (Note 4)	$ 2,048,180	$ 1,863,439
Other current liabilities	621,655	490,513
Payment in lieu of corporate taxes liability	397,452	12,100
Due to related companies (Note 5)	420,569	408,617
Current portion of long-term debt (Note 6)	-	2,500,000
	3,487,856	5,274,669
Long-term debt (Note 6)	4,875,000	3,875,000
Customer deposits	306,168	319,295
Other non-current liabilities	36,019	36,019
	8,705,043	9,504,983
Shareholder's equity		
Share capital (Note 7)	9,226,787	9,226,787
Retained earnings (deficit)	379,565	(379,552)
	9,606,352	8,847,235
	$ 18,311,395	$ 18,352,218

On behalf of the Board:

_____ Director

_____ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

BDO

Lakeland Power Distribution Ltd.
Statement of Operations and Retained Earnings

For the year ended December 31	2002	2001
Revenue	**$ 18,018,937**	$ 17,670,630
Direct costs	**14,361,376**	15,104,612
	3,657,561	2,566,018
Other revenues		
Other operating revenue (Schedule 1)	**168,191**	173,441
Other income (Schedule 1)	**124,151**	128,761
Investment income	**39,283**	79,558
Gain on disposal of capital assets	**16,640**	5,603
	4,005,826	2,953,381
Expenses		
Distribution (Schedule 1)	**460,995**	543,774
Billing and collecting (Schedule 1)	**530,318**	460,470
Community relations	**9,892**	5,081
Administrative and general (Schedule 1)	**775,395**	563,789
Amortization	**764,954**	788,869
Interest	**245,198**	332,578
Payments in lieu of capital tax	**47,010**	9,000
Taxes other than income taxes	**9,848**	9,073
	2,843,610	2,712,634
Net income from operations for the year	**1,162,216**	240,747
Payments in lieu of income taxes	**403,099**	3,100
Net income for the year	**759,117**	237,647
Deficit, beginning of year	**(379,552)**	(617,199)
Retained earnings (deficit), end of year	**$ 379,565**	$ (379,552)

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

BDO

Lakeland Power Distribution Ltd.
Statement of Cash Flows

For the year ended December 31	2002	2001
Cash provided by (used in)		
Operating activities		
Net loss for the year	$ 759,117	$ 237,647
Adjustments for		
Amortization	839,035	819,997
Gain on disposal of capital assets	(16,640)	(5,603)
	1,581,512	1,052,041
Changes in non-cash working capital balances		
Accounts receivable	293,659	(117,272)
Unbilled service revenue	(1,411,058)	(143,530)
Inventory	6,084	3,321
Other current assets	(22,519)	28,383
Accounts payable and accrued liabilities	184,748	(339,774)
Other current liabilities	131,142	65,044
Payments in lieu of corporate taxes liability	385,352	12,100
	1,148,920	560,313
Customer deposits	(13,127)	14,670
Retail settlement variance accounts	(535,144)	-
	600,649	574,983
Investing activities		
Proceeds on sale of capital assets	16,640	5,603
Purchase of capital assets	(1,502,047)	(578,721)
Contributions received in aid of construction	584,768	158,811
Qualifying transition costs incurred	(98,444)	(166,715)
	(999,083)	(581,022)
Financing activities		
Decrease in promissory note	(2,500,000)	(1,000)
Advance from related company	1,000,000	-
Advances from (to) related companies	11,952	(15,542)
	(1,488,048)	(16,542)
Decrease in cash and cash equivalents during the year	(1,886,482)	(22,581)
Cash and cash equivalents, beginning of year	1,929,214	1,951,795
Cash and cash equivalents, end of year	$ 42,732	$ 1,929,214

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2002

Nature of Business

The company is incorporated under the laws of Ontario and operates as a local distribution company distributing hydro electric power to users in Bracebridge, Huntsville, Sundridge, Burk's Falls and Magnetawan, Ontario.

The corporation is a Municipal owned government business enterprise and is therefore exempt from income tax under the Income Tax Act.

Revenue Recognition

Revenue is recorded in the period in which the electricity is provided. Revenue is accrued from the last meter reading to the end of the year and reflected in unbilled revenue.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Inventory

Inventory consists of repair parts, supplies and materials valued at the lower of average cost and replacement cost.

Capital Assets

Capital assets are recorded at cost. Amortization is provided on the straight line basis over the estimated useful life of the assets as follows:

Land rights	-	75 years
Buildings and fixtures	- 30 &	50 years
Distribution station equipment	-	25 years
Poles, towers and fixtures	-	25 years
Underground conduits	-	25 years
Conductors and devices	-	25 years
Line transformers	-	25 years
Meters	-	25 years
New services distribution	-	25 years
Office furniture and equipment	-	10 years
Computer hardware and software	-	5 years
Transportation equipment	- 5 &	8 years
Stores equipment	-	10 years
Tools and garage equipment	-	10 years
Communication equipment	-	10 years

Contributions in Aid of Construction

Contributions received in aid of construction are netted against capital assets. These revenues are amortized on the same basis as the capital assets to which they relate.

BDO

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2002

Regulatory Assets

These assets are intended to be recovered through future rate applications and are subject to review by the Ontario Energy Board (OEB) on a per item basis to determine their eligibility for recovery through rates. If recovery through future rates was no longer considered probable, the amounts would be charged to the results of operations in the period in which such assessment was made.

Qualifying Transition Costs

These costs reflect amounts incurred to prepare for the opening of the electricity market to competition.

Retail Settlement Variance Accounts

These accounts reflect the difference between the cost of electricity and the amounts billed to consumers beginning May 1, 2002, the date the market became open to competition.

Pre-Market Opening Energy Variance Accounts

These accounts reflect the difference between the cost of electricity paid to Ontario Power Generation and the amounts billed to consumers for electricity usage for the period January 1, 2001 to April 30, 2002

Corporate Taxes

Under the Electricity Act, 1998, the company is required to make payments in lieu of corporate taxes to Ontario Electricity Financial Corporation (OEFC). These payments are calculated in accordance with rules contained in the Income Tax Act as modified by the Electricity Act, 1998, and related regulations. The company, as a rate-regulated enterprise, provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be recovered from future customers.

Financial Instruments

The company's financial instruments consist of cash, accounts receivable, bank indebtedness, accounts payable, amounts due to related parties and long-term debt. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank balances.

BDO

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2002

1. Accounts Receivable

	2002	2001
Electrical energy	$ 938,373	$ 1,147,494
Street lighting	1,796	4,567
Sundry	266,574	173,205
GST receivable	25,250	184,020
	1,231,993	1,509,286
Allowance for doubtful accounts	(24,126)	(7,760)
	$ 1,207,867	$ 1,501,526

BDO

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2002

2. Capital Assets

	2002		2001	
	Asset Cost	Accumulated Amortization	Asset Cost	Accumulated Amortization
Distribution Plant				
Land rights	$ 474,177	$ 15,147	$ 473,852	$ 8,651
Buildings and fixtures	147,907	7,229	147,907	3,614
Distribution station equipment	945,007	127,206	931,045	72,321
Poles, towers and fixtures	3,622,583	623,118	3,352,953	421,884
Underground conduits	2,662,877	318,301	2,511,912	195,205
Conductors and devices	2,902,429	128,892	2,519,712	8,975
Line transformers	2,514,742	316,526	2,309,093	158,414
Meters	929,831	125,919	826,902	81,476
New services distribution	139,086	8,617	39,622	2,341
	14,338,639	1,670,955	13,112,998	952,881
General Plant				
Land	226,661	-	226,661	-
Buildings and fixtures	110,778	7,268	84,753	3,200
Office furniture and equipment	89,459	27,316	89,459	15,564
Computer hardware	133,743	84,958	104,707	50,140
Transportation equipment	436,926	109,780	260,139	41,351
Stores equipment	2,762	2,148	2,762	1,227
Tools and garage equipment	109,648	64,260	82,409	36,332
Computer software	8,764	1,753	-	-
Communication equipment	54,247	11,551	45,697	5,924
	1,172,988	309,034	896,587	153,738
	15,511,627	1,979,989	14,009,585	1,106,619
Less contributions in aid of construction	858,399	45,356	273,632	11,024
	$ 14,653,228	$ 1,934,633	$ 13,735,953	$ 1,095,595
		$ 12,718,595		$ 12,640,358

BDO

December 31, 2002

3. Regulatory Assets

Qualifying transition costs	$	409,694	$	311,250
Retail settlement variance accounts		594,035		-
Pre-market opening energy variance accounts		841,109		381,685
		1,844,838		692,935
Allowance for uncertainty of recovery		(900,000)		(381,685)
	$	944,838	$	311,250

Although these assets are expected to be recovered through future rate increases, there remains uncertainty as to the timing and amount that will be approved for recovery. Legislation in the form of Bill 210 was implemented December 9, 2002, which froze rates effective May 1, 2002 until April 30, 2006. Accordingly, an allowance of $900,000 has been set up by a charge to operations as follows:

2001	$	381,685
2002		518,315
	$	900,000

4. Accounts Payable and Accrued Liabilities

		2002		2001
Power	$	1,785,764	$	1,747,119
Other trade		262,416		116,320
	$	2,048,180	$	1,863,439

Included in the above amount for power is $70,217 (2001 - $119,614) which is due to Bracebridge Generation Ltd., a related company, as described in Note 5. Total power purchased from Bracebridge Generation Ltd. in 2002 was $651,307 (2001 - $937,382). These transactions have been measured at the exchange amount.

December 31, 2002

5. Due to Related Companies

	2002	2001
Due to (from) Lakeland Energy Ltd.	$ -	$ (11,952)
Due to Bracebridge Generation Ltd.	420,569	420,569
	$ 420,569	$ 408,617

Lakeland Power Distribution Ltd., Lakeland Energy Ltd. and Bracebridge Generation Ltd. are all wholly-owned subsidiaries of Lakeland Holding Ltd. During the period, Lakeland Power Distribution Ltd. purchased all of the electricity generated by Bracebridge Generation Ltd. on the same terms that it purchases electricity from third party suppliers. The balances due to (from) related companies above are interest free and due on demand.

6. Long-Term Debt

	2002	2001
Loan payable - Bracebridge Generation Ltd., a related company, interest only at 5%, no specific terms of principal repayment, not due within one year	$ 1,000,000	$ -
TD Canada Trust revolving loan	3,875,000	6,375,000
	4,875,000	6,375,000
Less current portion	-	(2,500,000)
	$ 4,875,000	$ 3,875,000

The above TD Canada Trust revolving loan is comprised of three amounts. Interest only payments are payable monthly. $1,162,500 of the total loan bears interest at 3.85% and is due March 11, 2003. $1,937,500 of the total loan bears interest at 5.05% and is due March 11, 2004, and the balance of $775,000 bears interest at 5.65% and is due March 11, 2005.

The amount of $1,162,500 was refinanced March 11, 2003, and now bears interest at a floating rate of prime plus .75% and is due March 11, 2005.

Security is provided by a General Security Agreement conveying a first floating and fixed charge over all assets and evidence of adequate liability insurance.

The agreement covering the above facility contains certain restrictions regarding interest coverage and debt ratio tests.

December 31, 2002

7. Share Capital

Authorized

Unlimited Common shares

Issued

		2002	2001
7,428	Common shares	$ 9,226,787	$ 9,226,787

8. Statement of Cash Flows Supplementary Information

During the year the company paid the following amounts in cash:

	2002	2001
Interest	$ 245,198	$ 332,158
Payments in lieu of corporate taxes	$ 68,390	$ NIL

9. Pension Plan

Substantially all of the employees of Lakeland Power Distribution Ltd. are members of the Ontario Municipal Employees Retirement System which is a multi-employer final earnings contributory pension plan. An actuarial report, dated December 31, 1999 determined that the plan was fully funded as of that date and no contributions are required until approximately June 2002. No contributions were required to be paid in 2002. Contributions have commenced in January 2003.

10. Contingency

A class action claiming $500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code. The Electricity Distributors Association (formerly Municipal Electric Association) is undertaking the defence of this class action. At this time, it is not possible to quantify the effect, if any, on the financial statements of the company.

Lakeland Power Distribution Ltd.
Schedule 1 - Other Revenue and Expenses

For the year ended December 31	2002	2001
Other Operating Revenue		
Rent from electric property	$ 87,630	$ 66,748
Late payment charges	68,631	93,923
Miscellaneous service revenues	11,930	12,770
	$ 168,191	$ 173,441
Other Income		
Revenue from merchandise, jobbing, etc.	$ 43,993	$ 7,744
Sale of scrap metal	2,123	1,254
OPGI - Action Settlement	32,322	34,615
Arrears certification	2,620	2,880
Overhead expansion assistance	43,093	82,268
	$ 124,151	$ 128,761
Distribution Expense		
Operations - meters	$ 44,469	$ 44,811
Operations - pole rental	26,703	22,738
Maintenance of station equipment	6,554	3,120
Maintenance supervision and engineering	59,610	93,107
Maintenance of overhead services	256,062	289,525
Maintenance of underground services	27,022	59,779
Maintenance of line transformers	24,183	27,292
Maintenance of meters	16,392	3,402
	$ 460,995	$ 543,774
Billing and Collecting Expense		
Supervision	$ 83,972	$ 72,893
Meter reading	160,806	192,479
Customer billing	222,130	153,837
Collections	63,410	41,261
	$ 530,318	$ 460,470
Administration and General Expense		
Executive salaries and expenses	$ 130,556	$ 89,004
Administrative salaries and expenses	173,437	142,146
Office supplies	108,060	113,071
Rents	34,965	30,800
Outside services	67,632	87,722
Maintenance	23,726	30,601
Emera fees	47,803	-
General and miscellaneous	189,216	70,445
	$ 775,395	$ 563,789

BDO

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN
(2001 and later taxation years)

Schedule 200

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide.*

You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business number (BN) (item 11) **001** 89649 9613 RC 0001

Corporation's name (item 12)

002 LAKELAND POWER DISTRIBUTION LTD.

Has the corporation changed its name since the last time we were notified? **003** ☐ Yes ☒ No

If *yes*, do you have a copy of the articles of amendment? **004** ☐ Yes ☐ No

Address of head office (item 13)

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

011 5-45 CAIRNS CRESCENT

012

City: 015 HUNTSVILLE — Province: 016 ON

Country (other than Canada): 017 — Postal code: 018 P1H 2M2

Mailing address (if different from head office address) (item 14)

Has the address changed since the last time we were notified?

020 Yes ☐ No ☒

021 C/o

022 5-45 CAIRNS CRESCENT

023

City: 025 HUNTSVILLE — Province: 026 ON

Country (other than Canada): 027 — Postal code: 028 P1H 2M2

Location of books and records (item 15)

031 5-45 CAIRNS CRESCENT

032

City: 035 HUNTSVILLE — Province: 036 ON

Country (other than Canada): 037 — Postal code: 038 P1H 2M2

040 Type of corporation at end of taxation year (item 16)

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

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

To which taxation year does this return apply? (item 17)

From **060** 2002/01/01 to **061** 2002/12/31

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

If *yes*, provide date control was acquired **065**

Is the corporation a professional corporation that is a member of a partnership? (item 18) **067** ☐ Yes ☒ No

Is this the first year of filing after:

Incorporation? (item 19) **070** ☐ Yes ☒ No

Amalgamation? (item 20) **071** ☐ Yes ☒ No

If *yes*, please provide Schedule 24

Has there been a wind-up of a subsidiary under section 88 during the current taxation year?(item 21)

If *yes*, please provide Schedule 24 **072** ☐ Yes ☒ No

Is this the final taxation year before amalgamation? (item 22) **076** ☐ Yes ☒ No

Is this the final return up to dissolution? (item 23) **078** ☐ Yes ☒ No

Is the corporation a resident of Canada? (item 24) **080** ☒ Yes ☐ No

If *no*, give the country of residence. **081**

Is the non-resident corporation claiming an exemption under an Income Tax treaty? (item 24)

If *yes*, please provide Schedule 91 **082** ☐ Yes ☒ No

If the corporation is exempt from tax under section 149, tick one of the following boxes: (item 25)

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

Do not use this area

091	092	093	094	095	096
097					

Attachments

Guide	Item		Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160	X	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
33	If you answered *yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from a retirement compensation arrangement?	172		-----
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on financial statements different from the net income for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations or gifts of cultural or ecological property?	202		2
82,104	Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203		3
69-76	Is the corporation claiming any type of losses?	204	X	4
131	Is the corporation claiming a provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
102	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other than dividends), (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210		10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing?	217		17
149	is the corporation an investment corporation or a mutual fund corporation?	218		18
130	Is the corporation carrying on business in Canada while not a Canadian corporation?	220		20 *
117	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221		21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
110	Does the corporation have any Canadian manufacturing and processing profits?	227		27
120	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661/T665
123	Is the corporation subject to Part 1.3 tax?	233	X	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	X	36
123	Is the corporation claiming a surtax credit?	237		37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
127	Is the corporation claiming a Part I tax credit?	242		42
128	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
127	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
127	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Attachments - Continued from page 2

Guide item	Yes	Schedule
129 Is the corporation subject to Part XIII.1 tax?	☐	92 *
152 Is the corporation claiming a film or video production services tax credit refund?	☐	T1177
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	☐	T1134-A
44 Did the corporation have any controlled foreign affiliates?	☐	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount over $100,000	☐	T1135
44 Did the corporation transfer or loan property to a non-resident trust?	☐	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	☐	T1142
- Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	☐	T1145
- Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	☐	T1146
- Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	☐	T1174

Additional information

Is the corporation inactive? (item 48)	280	1 Yes ☐	2 No ☒
Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49)	281	1 Yes ☐	2 No ☒

What is the corporation's major business activity? (item 50) **282** _____
(Only complete if *yes* was entered at line 281.)

If the major activity involves the resale of goods, indicate whether is is wholesale or retail (item 51) **283** 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or service provided, giving the approximate percentage of the total revenue that each product or service represents. (item 52)

284	HYDRO POWER	**285**	100.000 %
286		**287**	%
288		**289**	%

Did the corporation immigrate to Canada during the taxation year? (item 53)	291	1 Yes ☐	2 No ☒
Did the corporation emigrate from Canada during the taxation year? (item 54)	292	1 Yes ☐	2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements or GIFI (item 77)	300		1,191,695	A
Deduct: Charitable donations from Schedule 2 (item 78)	311			
Gifts to Canada or a province from Schedule 2 (item 79)	312			
Cultural gifts from Schedule 2 (item 80)	313			
Ecological gifts from Schedule 2 (item 81)	314			
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82)	320			
Part VI.1 tax deduction from Schedule 43 (item 83)	325			
Non-capital losses of preceding taxation years from Schedule 4 (item 84)	331	169,552		
Net capital losses of preceding taxation years from Schedule 4 (item 85)	332			
Restricted farm losses of prior taxation years from Schedule 4 (item 86)	333			
Farm losses of prior taxation years from Schedule 4 (item 87)	334			
Limited partnership losses of prior years from Schedule 4 (item 88)	335			
Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	340			
Prospector's and grubstaker's shares (item 90)	350			
Subtotal		169,552	169,552	B
Subtotal			1,022,143	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91)	355			D
Taxable income (amount C plus amount D) (item 92)	360		1,022,143	
Income exempt under paragraph 149(1)(t) (item 93)	370			
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94)				Z

Small business deduction

Canadian-controlled private corporations throughout the taxation year

Income from active business carried on in Canada from Schedule 7 (item 95)	400	1,191,695	A
Taxable income from line 360 or amount Z, whichever applies, **minus** 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96)	405	1,022,143	B
Business limit (for associated corporations, enter business limit from Schedule 23) (item 97)	410		C

Reduction to business limit: (item 98)

Amount C _____ X 415 *** 22,893 / 11,250 D = _____ E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	0	F
Small business deduction - 16% of the least of amounts A, B, C, and F (enter amount G of line 9 on page 7)	430	0	G

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

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

*** **Large corporation tax for preceding year** - Enter the total gross Part I.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction (item 99)

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425)	x 3/2 =		A
Net active business income (amount from line 400)*			B
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of line 636** on page 7 and minus any amount that, because of federal law is exempt from Part I tax	C		
Deduct:			
Aggregate investment income (amount from line 440)	D		
Amount C minus amount D (if negative, enter "0")	▶		E
The least of amounts A, B, or E above			F
Amount Z from Part 9 of Schedule 27 _____	x 100 / 7 =	G	
Amount QQ from Part 13 of Schedule 27		H	
Resource allowance (amount from line 346 of Schedule 1) _____	x 3 =	I	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		J	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction		K	
Total of amounts G, H, I, J, and K	▶		L
Amount F minus amount L (if negative, enter "0")			M
Amount M _____ x Days in the taxation year after December 31, 2000 / Days in the taxation year _____	=		N
Accelerated tax reduction - 7% of amount N (Enter amount O on line 637 of page 7)			O

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

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

General tax reduction for Canadian-controlled private corporations (item 100)

Canadian-controlled private corporations throughout taxation year

Taxable income from line 360 or amount Z of page 3				1,022,143 A
Amount Z from Part 9 of Schedule 27		x 100 / 7 =	B	
Amount QQ from Part 13 of Schedule 27			C	
Resource allowance (amount from line 346 of Schedule 1)		x 3 =	D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction			F	
Aggregate investment income from line 440 of page 6			G	
Amount used to calculate the accelerated tax reduction (amount M on page 4)			H	
Total of amounts B, C, D, E, F, G, and H			▶	I
Amount A minus amount I (if negative, enter "0")				1,022,143 J

Amount J 1,022,143 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	365	x 1% =	K
Amount J 1,022,143 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	365 / 365	x 3% =	30,664 L
Amount J 1,022,143 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365	x 5% =	M

General tax reduction for Canadian-controlled private corporations 30,664 N
(enter amount N on line 638 of page 7)

General tax reduction (item 101)

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 or amount Z of page 3				A
Amount Z from Part 9 of Schedule 27		x 100 / 7 =	B	
Amount QQ from Part 13 of Schedule 27			C	
Resource allowance (amount from line 346 of Schedule 1)		x 3 =	D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E	
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction			E1	
Total of amounts B, C, D, E and E1			▶	F
Amount A minus amount F (if negative, enter "0")				G

Amount G x	Number of days in the taxation year in 2001 / Number of days in the taxation year		x 1% =	H
Amount G x	Number of days in the taxation year in 2002 / Number of days in the taxation year		x 3% =	I
Amount G x	Number of days in the taxation year in 2003 / Number of days in the taxation year		x 5% =	J

General tax reduction - K
(enter amount K on line 639 of page 7)

Refundable portion of Part I tax (item 102)

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (Amount P from Part 1 of Schedule 7)	440	X 26 2/3 % =		A
Foreign non-business income tax credit from line 632 on page 7				
Deduct:				
Foreign investment income (Amount O from Part 1 of Schedule 7)	445	X 9 1/3 % = (if negative, enter "0")		B
Amount A **minus** amount B (if negative, enter "0")				C
Taxable income from line 360 on page 3			1,022,143	
Deduct:				
Least of amounts on lines 400, 405, 410, and 425 on page 4				
Foreign non-business income tax credit from line 632 on page 7		x 25/9 =		
Foreign business income tax credit from line 636 on page 7		x 10/4 =		
			1,022,143	X 26 2/3% = 272,571 D
Part I tax payable minus investment tax credit refund (line 700 minus line 780 on page 8)			266,984	
Deduct corporate surtax from line 600 on page 7			11,448	
Net amount			255,536	255,536 E
Refundable portion of Part I tax - the least of amounts C, D, and E			450	0 F

Refundable dividend tax on hand (item 103)

Refundable dividend tax on hand at the end of the preceding tax year	460		
Deduct dividend refund for the previous taxation year	465		A
Add the total of:			
Refundable portion of Part I tax from line 450 above			
Total Part IV tax payable from line 360 on page 2 of Schedule 3			
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	480		B
Refundable dividend tax on hand at the end of the taxation year - Amount A plus Amount B		485	0

Dividend refund (item 104)

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3	X 1/3	A
Refundable dividend tax on hand at the end of the taxation year from line 485 above		B
Dividend refund - Lesser of amounts A and B (enter this amount on line 784 on page 8)		0

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2002/12/31 Printed: 2003/05/19 08:33

Part I tax

Base amount of Part I tax - 38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 105) — 550 — 388,414 — A

Corporate surtax calculation (item 106)

Base amount from line A above		388,414	1
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page 3		102,214	2
Investment corporation deduction from line 620 below			3
Federal logging tax credit from line 640 below			4
Federal qualifying environment trust tax credit from line 648 below			5
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b and c below on line 6:			
28% of taxable income from line 360 on page 3	a		
28% of taxed capital gains	b		6
Part I tax otherwise payable (line A **plus** line C and D **minus** line F)	255,536 c		
Total of lines 2 to 6		102,214	7
Net amount (line 1 minus line 7)		286,200	8

Corporate surtax - 4% of the amount on line 8 — 600 — 11,448 — B

Recapture of investment tax credit from line XX in Part 16 on page 8 of Schedule 31 (item 107) — 602 — C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income (for a CCPC throughout the taxation year) (item 108)

Aggregate investment income from line 440 on page 6			i
Taxable income from line 360 on page 4	1,022,143		
Deduct: The least of amounts on lines 400, 405, 410, and 425 on page 4			
Net amount	1,022,143	1,022,143	ii

Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of amounts i or ii — 604 — D

Subtotal (add lines A, B, C, and D) — 399,862 — E

Deduct:

Small business deduction from line 430 on page 4			9
Federal tax abatement (item 109)	608	102,214	
Manufacturing and processing profits deduction from amount BB or VV of Schedule 27 (item 110)	616		
Investment corporation deduction (item 111)	620		
(Taxed capital gains 624)			
Additional deduction - credit unions from Schedule 17 (item 112)	628		
Federal foreign non-business income tax credit from Schedule 21 (item 113)	632		
Federal foreign business income tax credit from Schedule 21 (item 114)	636		
Accelerated tax reduction from amount O of page 4 (item 115)	637		
General tax reduction for CCPC's from amount N of page 5 (item 116)	638	30,664	
General tax reduction from amount K of page 5 (item 116)	639		
Federal logging tax credit from Schedule 21 (item 117)	640		
Federal political contribution tax credit (item 118)	644		
Federal political contributions 646			
Federal qualifying environmental trust tax credit (item 119)	648		
Investment tax credit from Schedule 31 (item 120)	652		
Subtotal		132,878	132,878 F

Part I tax payable - Line E minus line F (enter amount G on line 700 on page 8) (item 121) — 266,984 — G

Summary of tax and credits

Federal tax

Part I tax payable from page 5 (item 122)	700	266,984
Part I.3 tax payable from Schedule 33, 34, or 35 (item 123)	704	6,764
Part II tax payable from Schedule 46 (item 124)	708	
Part IV tax payable from Schedule 3 (item 125)	712	
Part IV.1 tax payable from Schedule 43 (item 126)	716	
Part VI tax payable from Schedule 38 (item 127)	720	
Part VI.1 tax payable from Schedule 43 (item 128)	724	
Part XIII.1 tax payable from Schedule 92 (item 129)	727	
Part XIV tax payable from Schedule 20 (item 130)	728	
Total federal tax		273,748

Add provincial and territorial tax

Provincial or territorial jurisdiction (item 131) 750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 132)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 146)	765	
Total tax payable	770	273,748 A

Deduct other credits

Investment tax credit refund from Schedule 31 (items 147)	780		
Dividend refund from Page 4 (items 148)	784		
Federal capital gains refund from Schedule 18 (item 149)	788		
Federal qualifying environmental trust tax credit refund (item 150)	792		
Canadian film or video production tax credit refund from Form T1131 (item 151)	796		
Film or video production services tax credit refund from Form T1177 (item 152)	797		
Tax withheld at source (item 153)	800		
Total payments on which tax has been withheld (item 153)	801		
Allowable refund for non-resident-owned investment corporations - Schedule 26 (item 154)	804		
Provincial and territorial capital gains refund from Schedule 18 (item 155)	808		
Provincial and territorial refundable tax credits from Schedule 5 (item 156)	812		
Royalties deductible under Syncrude Remission Order	815		
Tax remitted under Syncrude Remission Order (item 157)	816		
Tax instalments paid (item 158)	840	273,748	
Total credits	890	273,748	273,748 B
Balance (line A minus line B)			0 I

Refund Code (item 159) 894 ☐ Overpayment (item 162)

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

Direct Deposit Request (item 163)

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

Balance unpaid (item 162)

Enclosed payment (item 161) 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 is due? (item 160) 896 1 Yes ☐ 2 No ☒ NA ☐

Certification (item 164)

950 LITSCHKO Surname 951 CHRIS First name 954 PRESIDENT Position, office or rank

955 2003/05/19 Date 956 (705) 789-5442 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 (item 165)

990 Language of choice/Langue de choix 1 English / Anglais ☒ 2 Français / French ☐

Prepared without audit based on information provided by the taxpayer.

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2002/12/31 Printed: 2003/05/19 08:33

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraordinary items per financial statements			A	759,118
Add:				
Provision for income taxes - current	101	403,099		
Amortization of tangible assets	104	839,035		
Total of fields 101 to 199	500	1,242,134	▶	1,242,134
Deduct:				
Gain on disposal of assets per financial statements	401	16,640		
Capital cost allowance - Schedule 8	403	792,917		
Total of fields 401 to 499	510	809,557	▶	809,557
Net income (loss) for income tax purposes (enter on line 300 of the T2 return)				1,191,695

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

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NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Schedule 4

Part 1 - Non-capital loss

Non-capital loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31							
2001/12/31	169,552					169,552	
2002/12/31							
Totals	169,552					169,552	

Current year non-capital loss

Net income (loss) for income tax purposes		1,191,695
Deduct:		
Net capital losses deducted in the year		
Taxable dividends deductible under sections 112, 113 or subsection 138(6)		
Amount of Part VI.1 tax deductible		
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)		
Subtotal - if positive, enter "0"		
Deduct: Section 110.5 - addition for foreign tax credits		
Add: Current year farm loss		
Current year non-capital loss (if positive, enter "0")		

Non-capital loss continuity and carry-back request

Non-capital losses at end of preceding taxation year		169,552	
Losses expired after 7 years	100 -		
Non-capital losses - beginning balance	102 =	169,552	169,552
Transfers from wind-up of wholly-owned subsidiary and amalgamation	105 +		
Current year non-capital loss from above	110		
Deduct - Non-capital loss carry back to:			
1st preceding taxation year against taxable income	901		
2nd preceding taxation year against taxable income	902		
3rd preceding taxation year against taxable income	903		
1st preceding taxation year against taxable dividends subject to Part IV tax	911		
2nd preceding taxation year against taxable dividends subject to Part IV tax	912		
3rd preceding taxation year against taxable dividends subject to Part IV tax	913		
Current year non-capital loss net of carryback			+
		Subtotal	= 169,552
Deduct:			
Amount applied against taxable income (enter on line 331 of T2 return)	130	169,552	
Amount applied against dividends subject to Part IV tax	135		
Section 80 adjustments	140		
Other adjustments	150		
		169,552	- 169,552
Non-capital losses - ending balance	180 =		

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 ☐ Yes

Loss from a wholly-owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 2 - Farm loss

Farm loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31							
2001/12/31							
2002/12/31							
Totals							

Farm loss continuity and carry-back request

Farm losses at end of preceding taxation year			
Losses expired after 10 years	300	-	
Farm losses - beginning balance	302	=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation	305	+	
Current year farm loss	310		
Deduct - Farm loss carry back to:			
1st preceding taxation year against taxable income	921		
2nd preceding taxation year against taxable income	922		
3rd preceding taxation year against taxable income	923		
1st preceding taxation year against taxable dividends subject to Part IV tax	931		
2nd preceding taxation year against taxable dividends subject to Part IV tax	932		
3rd preceding taxation year against taxable dividends subject to Part IV tax	933		
Subtotal			
Current year farm loss net of carry-back		+	
Subtotal		=	
Deduct:			
Amount applied against taxable income (enter on line 334 of T2 return)	330		
Amount applied against dividends subject to Part IV tax	335		
Section 80 adjustments	340		
Other adjustments	350		
		-	
Farm losses - ending balance	380	=	

NON-CAPITAL LOSS CONTINUITY AND CARRY BACK

Part 3 - Restricted farm loss

Restricted farm loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31							
2001/12/31							
2002/12/31							
Totals							

Current year restricted farm loss

Net loss from farming business			485
Deductible farm loss:			
Net loss from above	A		
$2,500 plus 1/2 (A - $2,500)	B	2,500	
Maximum deduction	C	8,750	
Deductible farm loss (lesser of A, B, and C)			-
Current year restricted farm loss			

Restricted farm loss continuity and carry-back request

Restricted farm losses at end of preceding taxation year			
Losses expired after 10 years	400	-	
Restricted farm losses - beginning balance	402	=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation			405 +
Current year restricted farm loss (enter on line 233 of Schedule 1)	410		
Deduct - Restricted farm loss carry back to:			
1st preceding taxation year against farming income	941		
2nd preceding taxation year against farming income	942		
3rd preceding taxation year against farming income	943		
Current year restricted farm loss net of carry-back			+
Deduct:			
Amount applied against taxable income (enter on line 333 of T2 return)	430		
Section 80 adjustments	440		
Other adjustments	450		
			-
Restricted farm losses - ending balance			480 =

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CAPITAL COST ALLOWANCE

Schedule 8

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

1 Class **200**	2 UCC at start of year **201**	3 Cost of additions in the year **203**	4 Net adjustments **205**	5 Proceeds of dispositions in the year **207**	7 Adjustment for additions (1/2 x (col 3 - 5)) **211**	8 Base amount for CCA	9 Rate % **212**	10 CCA for the year (col 8 x 9 or a lower amount) **217**	11 Recapture of CCA **213**	12 Terminal loss **215**	13 UCC at the end of the year **220**
1	13,061,905	140,572			70,286	13,132,191	4	525,288			12,677,189
1	230,373	26,025			13,013	243,385	4	9,735			246,663
10	97,897	29,036			14,518	112,415	30	33,725			93,208
10	246,220	176,789			88,395	334,614	30	100,384			322,625
1	1,848,619					1,848,619	4	73,945			1,774,674
8	209,394	35,788			17,894	227,288	20	45,458			199,724
12		8,764			4,382	4,382	100	4,382			4,382
Totals	15,694,408	416,974			208,488	15,902,894		792,917			15,318,465

Lakeland Power Distribution Ltd.
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RELATED AND ASSOCIATED CORPORATIONS

Schedule 9

This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name 100	Country (if not Canada) 200	Business # (Canadian corporation only) 300	Code note 1 400	Common shares		Preferred shares		Book value of capital stock 700
				# owned 500	% owned 550	# owned 600	% owned 650	
LAKELAND HOLDING LTD.	CA	86574 9568 RC 0001	1					
LAKELAND ENERGY LTD.	CA	89650 2416 RC 0001	3					
BRACEBRIDGE GENERATION LTD.	CA	89650 1210 RC 0001	3					
		RC	0					

Note 1 : Enter the code number of the relationship that applies: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

Lakeland Power Distribution Ltd.
2012 IRM3 EB-2011-0180
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Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

AGREEMENT AMONG ASSOCIATED CCPCs TO ALLOCATE THE BUSINESS LIMIT

Schedule 23

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.
- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) not to be associated for purposes of the small business deduction.
Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").
Column 3: Enter the code that applies to each corporation:
1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction.
3 - non-CCPC that is "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation"
Column 4: Enter the amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 cannot exceed $200,000.
Column 5: Complete column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Allocation of the business limit

Date filed (for departmental use only) **025** _____

Enter the calendar year to which the agreement applies **050** 2002

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? **075** ☐ 1 Yes ☒ 2 No

1 Names of associated corporations 100	2 Business Number 200	3 Association code 300	4 Allocation of business limit * 400	5 Year end to which this agreement applies 500
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC 0001	1		
LAKELAND HOLDING LTD.	86574 9568 RC 0001	1		
LAKELAND ENERGY LTD.	89650 2416 RC 0001	1		
BRACEBRIDGE GENERATION LTD.	89650 1210 RC 0001	1	200,000	
	RC	0		
		TOTALS	$ 200,000	

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box. $ _____

Names of all the corporations in the group	Last taxation year ending in the preceding calendar year: Taxable income	Grossed-up taxable income	Reduced business limit	Gross Part I.3 tax for business limit reduction	Current year: Grossed-up reduced business limit
LAKELAND POWER DISTRIBUTION LTD.				14,414	
LAKELAND HOLDING LTD.				48	
LAKELAND ENERGY LTD.				571	
BRACEBRIDGE GENERATION LTD.	200,284	200,284	200,000	7,860	200,000
TOTALS	$ 200,284	$ 200,284	$ 200,000	$ 22,893	$ 200,000

* Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 364.

Reduction to the business limit under subsection 125(5.1)

The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before deduction of the surtax credits) for its last taxation year ending in the preceding calendar year. The amount to be entered at line 415 of the T2 return includes the gross Part I.3 tax payable for each corporation that has an "associated code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note: If the taxation year of any of the associated corporations was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

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PART I.3 TAX ON LARGE CORPORATIONS

Schedule 33

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- Subsection 181(1) defines the terms "financial institution", "long-term debt" and "reserves".
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt (as defined by subsection 128(3)) at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax return* within six months from the end of the taxation year.

Filing date (for departmental use only) 100 _____

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:				
Reserves that have not been deducted in computing income for the year under Part I	101			
Capital stock (or members' contributions if incorporated without share capital)	103	9,226,787		
Retained earnings	104	379,569		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	1,420,569		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	3,875,000		
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	342,187		
Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) in respect of the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112			
Subtotal		15,244,112	15,244,112	A
Deduct the following amount:				
Deferred tax debit balance at the end of the year	121			
Any deficit deducted in computing the shareholders' equity	122			
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above.	123			
The amount of deferred unrealized foreign exchange losses	124			
Subtotal				B
Capital for the year (amount A minus amount B) (if negative, enter "0")			190 15,244,112	

Note: lines 101, 107, 108, 109, 111, and 112 are determined as follows:
- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

PART I.3 TAX ON LARGE CORPORATIONS

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership	407	
Investment allowance for the year	490	

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)		15,244,112	C
Deduct: Investment allowance for the year (line 490)			D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500	15,244,112	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year:

Taxable capital for the year (line 500) 15,244,112 x (Taxable income earned in Canada / Taxable income) 610 1,022,143 / 1,022,143 = 690 15,244,112

Notes: 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0" it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		
Deduct the following amounts:			
Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711		
Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada	712		
Total amount of carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year in Canada	713		
Total deductions (add lines 711, 712, and 713)			E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		

PART I.3 TAX ON LARGE CORPORATIONS

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)			15,244,112
Deduct: Capital deduction claimed for the year (Enter $10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801	7,150,000	
Excess of taxable capital employed in Canada over capital deduction	811	8,094,112	
Gross Part I.3 Tax: Line 811 8,094,112 x .00225 =			18,212 F
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows: Amount F 18,212 X Number of days in the year ( ) / 365 =			G
Gross Part I.3 tax (Amount F or G, whichever applies)	820		18,212

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax equals current year Canadian surtax payable.

Canadian surtax payable:

For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return	1			
b) line 700 plus line 660 from the T2 return	2			
Lesser of lines 1 and 2				H
In any other case, the lesser of lines c and d below:				
c) line 600 from your T2 return 11,448 x (line 690 / line 500)	3	11,448		
d) line 700 plus line 660 from the T2 return	4	266,984		
Lesser of lines 3 and 4		11,448	11,448	I
Current year surtax credit (amount H or I, whichever applies)	830		11,448	

Part 8 - Calculation of Part I.3 tax credit available for carry-forward

Amount on line 830	11,448	
Less: Part I.3 tax before deducting surtax credits (line 820)	18,212	J
Net amount	(6,764)	K
If amount on line K is *positive*, it represents the amount of Part I.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part I.3 tax credit balance.		L
Note: The portion of amount K carried forward should be entered at line 660 of the T2 return. If amount on line K is *negative*, it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year.	6,764	M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		
Less: Part I.3 tax credits claimed (carried forward from taxation years prior to 1992, see amount L above)		
Current year unused surtax credit (enter this amount on Schedule 37)	850	

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			18,212	N
Deduct: the following amounts:				
Current year surtax credit applied (the lesser of lines 820 and 830)	861	11,448		
Unused surtax credit from prior years applied	862			
Total (cannot exceed amount on line 820)		11,448	11,448	O
Net Part I.3 tax payable (amount N minus amount O) Enter this amount at line 704 of the T2 return	870		6,764	

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AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Schedule 36

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Date filed (for departmental use only)	010	
Is this an amended agreement?	020	☐ 1 Yes ☒ 2 No
Enter the calendar year to which the agreement applies	030	2002

AGREEMENT

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group 200	Business number 300	Allocation of capital deduction for the year 400	Taxation year-end to which this agreement applies * 500
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC 0001	7,150,000	YYYY/MM/DD
BRACEBRIDGE GENERATION LTD.	89650 1210 RC 0001	2,850,000	YYYY/MM/DD
	RC	0	YYYY/MM/DD
TOTAL (not to exceed $10,000,000)		$ 10,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to another corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

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SHAREHOLDER INFORMATION

Schedule 50

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder 100	Business Number * 200	Social Insurance Number * 300	Percentage common shares 400	Percentage preferred shares 500
LAKELAND HOLDING LTD.	86574 9568 RC 0001		100.000	
	RC			

* If the shareholder is a trust, fields 200 and 300 will be blank.

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

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BALANCE SHEET INFORMATION

Schedule 100

Assets	Code	Amount
Cash and deposits	1000	42,732
Accounts Receivable	1060	1,207,867
Inventories	1120	212,444
Other current assets	1480	2,977,007
Prepaid expenses	1484	207,912
Land	1600	226,661
Buildings	1680	258,685
Accumulated amortization of buildings	1681	(14,497)
Machinery, equipment, furniture and fixtures	1740	256,115
Accumulated amortization of machinery, equipment, furniture and fixtures	1741	(239,811)
Motor vehicles	1742	436,926
Accumulated amortization of motor vehicles	1743	(109,780)
Computer equipment / software	1774	142,507
Accumulated amortization of computer equipment / software	1775	(86,711)
Other tangible capital assets	1900	12,858,157
Accumulated amortization of other tangible capital assets	1901	(1,468,686)
Rights	2024	474,177
Accumulated amortization of rights	2025	(15,147)
Other long term assets	2420	944,839
Total assets	2599	18,311,397

Liabilities	Code	Amount
Bank overdraft	2600	
Amounts payable and accrued liabilities	2620	2,048,179
Taxes payable	2680	397,452
Due to related parties	2860	420,569
Other current liabilities	2960	621,655
Chartered bank loan	3143	3,875,000
Deferred income	3220	306,168
Amounts owing to related Canadian parties	3301	1,000,000
Other long term liabilities	3320	36,019
Total liabilities	3499	8,705,042

Equity	Code	Amount
Common shares	3500	9,226,787
Retained earnings / deficit	3600	379,569
Total equity	3620	9,606,356
Total liabilities and equity	3640	18,311,398

Retained earnings	Code	Amount
Retained earnings/deficit-start	3660	(379,549)
Net income / loss	3680	759,118
Total retained earnings	3849	379,569

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INCOME STATEMENT INFORMATION

Schedule 125

Details

Operating name, if different from the corporations' legal name

0001 _____

Description of operation, if filing multiple Schedules 125

0002 _____

Revenue	Code	Amount
Trade sales of goods and services	8000	18,018,937
Total sales of goods and services	8089	18,018,937
Other revenue	8230	348,265
Total revenue	8299	18,367,202

Cost of sales	Code	Amount
Opening inventory	8300	
Purchases / cost of materials	8320	14,361,376
Cost of sales	8518	14,361,376
Gross profit / loss (item 8089 - item 8518)	8519	3,657,561

Operating expenses	Code	Amount
Advertising and promotion	8520	9,892
Amortization of tangible assets	8670	764,954
Interest on long term debt	8714	245,198
Office expenses	8810	775,394
Repairs and maintenance	8960	460,995
Property taxes	9180	56,858
Other expenses	9270	530,318
Total operating expenses	9367	2,843,609
Total expenses	9368	17,204,985
Net non-farming income	9369	1,162,217

Farming revenue	Code	Amount
Grains and oilseeds	9370	
Total farm revenue	9659	

Farming expenses	Code	Amount
Crop expenses	9660	
Total farm expenses	9898	
Net farm income	9899	
Net income / loss before taxes and extraordinary items	9970	1,162,217

Summary

Complete this section if only one Schedule 125 is filed, Schedule 140 is used to summarize the information from multiple Schedules 125.

Extraordinary items	9975 -	
Legal settlements	9976 -	
Unrealized gains / losses	9980 +	
Unusual items	9985 -	
Current income taxes	9990 -	403,099
Deferred income tax provision	9995 -	
Net income / loss after taxes and extraordinary items	9999 =	759,118

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

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NOTES CHECKLIST

Schedule 141

Involvement of accountant

0100 Who reported on/prepared the corporation's financial statements?

1	an independent auditor with a report that expressed no reservation	☒
2	an independent auditor with a report that expressed a reservation	☐
3	an independent accountant with a review engagement report that expressed no reservation	☐
4	an independent accountant with a review engagement report that expressed a reservation	☐
5	an independent accountant who conducted a compilation engagement with no review	☐
6	an independant accountant with a compilation engagement and review engagement resulting in no reservation	☐
7	an independant accountant with a compilation engagement and review engagement resulting in a reservation	☐
8	prepared by an employee/associate/management of the company, or a person on behalf of the company, without the involvement of an independent accountant	☐

Other information

Were any notes to the financial statements prepared?	**101**	☒ Yes	☐ No
If *yes*, complete the following:			
Are any values presented at other than cost?	**102**	☐ Yes	☒ No
Has there been a change in accounting policies since the last return?	**103**	☐ Yes	☒ No
Are subsequent events mentioned in the notes?	**104**	☐ Yes	☒ No
Is re-evaluation of asset information mentioned in the notes?	**105**	☐ Yes	☒ No
Is contingent liability mentioned in the notes?	**106**	☐ Yes	☒ No
Is information regarding commitments mentioned in the notes?	**107**	☒ Yes	☐ No
Does the corporation have investments in joint venture(s) or partnerships?	**108**	☐ Yes	☒ No
If *yes*, are you filing financial statements of the joint venture(s) or partnership(s)?	**109**	☐ Yes	☐ No

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BUSINESS CONSENT FORM

Use this form to consent to the release of confidential information about your Business Number (BN) account(s) to the representative named below, or to cancel consent for an existing representative.

- Complete Parts 1, 2, and 5 to name a representative.
- Complete Parts 3, 4, and 5 to cancel consent for an existing representative.
- Complete all parts of this form if you want to both name a new representative and cancel consent for an existing representative.

If you have questions, such as where to send this form, call us at 1-800-959-5525.

Part 1 – Consent to release of information to a representative

Client's name: LAKELAND POWER DISTRIBUTION LTD. Business Number: 896499613

I consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

BDO Dunwoody LLP

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to specify a particular individual of that firm, enter that individual's first and last name.

(705) 645-5215 — Representative's telephone number

(705) 645-8125 — Representative's fax number

Part 2 – Details of consent

A. Which accounts?

I request that this consent apply to all accounts. [X] OR

I request that this consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to authorize access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 [ ]	RC _____	RC _____
GST/HST	RT0001 [ ]	RT _____	RT _____
Payroll deductions	RP0001 [ ]	RP _____	RP _____
Import/Export	RM0001 [ ]	RM _____	RM _____

B. Which years?

I request that this consent apply to all years. [X] OR

I request that this consent apply only to the following years:

1. All year-ends up to: [ ]
2. All year-ends beginning in: [ ] and all years after that.
3. The following year-ends only: [ ] [ ]
   [ ] [ ]

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

BUSINESS CONSENT FORM

Part 3 – Cancellation of consent to release of information to a representative

Client's name: LAKELAND POWER DISTRIBUTION LTD. Business Number: 896499613

I cancel all previous consents for all representatives. ☐ OR

I cancel my consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to cancel the consent for a particular individual of that firm, enter that individual's first and last name.

( ) -
Representative's telephone number

( ) -
Representative's fax number

Part 4 – Details of cancellation of consent

A. Which accounts?

I request that this cancellation of consent apply to all accounts. ☐ OR

I request that this cancellation of consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to cancel access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC	RC
GST/HST	RT0001 ☐	RT	RT
Payroll deductions	RP0001 ☐	RP	RP
Import/Export	RM0001 ☐	RM	RM

B. Which years?

I request that this consent apply to all years. ☐ OR

I request that this consent apply only to the following years:

1. All year-ends up to:
2. All year-ends beginning in: and all years after that.
3. The following year-ends only:

Part 5 – Signature

Print your name CHRIS LITSCHKO Title PRESIDENT

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here ▶ Date 2003/05/19

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2001 (Revised) CT23 Corporations Tax and Annual Return

For taxation years commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the MCBS Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-18, together with the applicable schedules on pages 19-22. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return** (see page 2).
The **Annual Return** (common page 1 and MCBS Schedules A or K on pages 23 and 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? *(Refer to Guide)* Yes [X] No [ ]

Corporation's legal name and mailing address
LAKELAND POWER DISTRIBUTION LTD.

5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Ontario Corporations Tax Account No. (MOF): 7228492

This CT23 Return covers the Taxation Year
Start: 2002/01/01
End: 2002/12/31

Has address changed since last filed return? Yes [ ] Date of change

Date of Incorporation or Amalgamation: 2000/09/01

Registered/Head Office Address
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Ontario Corporation No. (MCBS): 1436405

Location of books and records
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Canada Customs and Revenue Agency Business No.: 89649963RC0001

Name of person to contact regarding this Return	Telephone no.	Fax no.
CHRIS LITSCHKO	(705) 789-5442	( ) -

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario (*Extra-Provincial Corporations only*) (MCBS)

City	Province	Country	Postal code

If not incorporated in Ontario, indicate date Ontario business activity commenced and ceased:
Commenced
Ceased
(Not Applicable) [X]

Former Corporation Name (*Extra-Provincial Corporations only*) — ***Not applicable*** [ ] (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). ▸ No. of Schedule(s): 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check [✓] this box. Schedule(s) A and K are not required (MCBS). ▸ [X] No Change

Preferred Language / *Langue de préférence*
English [X] anglais French [ ] français

Ministry Use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person
CHRIS LITSCHKO

Title: D [ ] Director O [X] Officer P [ ] Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Lakeland Power Distribution Ltd.
2012 IRM3 EB-2011-0180
Filed: November 10, 2011
Page 434 of 690

Taxation Year End

Exempt From Filing (EFF) Corporations Tax Return Declaration

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)

I, _____ declare that:

The above corporation satisfies **all** of the exempt from filing criteria (a) through (f) below for the taxation year and therefore qualifies under the *Corporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Criteria for exempt from filing status:

a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year;
b) had no Ontario taxable income for the taxation year (subject to the provisions in NOTE 2 below);
c) had no Ontario Corporations Tax payable for the taxation year;
d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the *Income Tax Act*(Canada));
e) had provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and
f) is NOT subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose total assets exceed $5 million or whose total revenues exceed $10 million for the taxation year).

NOTE 1: Filing of this declaration and the Annual Return does NOT constitute the filing of a Corporations Tax Return under section 75 of the *Corporations Tax Act*.

Signature	Title/Relationship to Corporation	Telephone number	Date
		( ) -	

Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.

NOTE 2: EFF corporations filing losses to be carried back and applied to prior years or applied to future years, *must file a tax return* completed with all the related schedules for the taxation year of the loss and for the taxation year to which the loss is being applied.

The following 3 items MUST be completed if the EFF declaration only is being submitted at this time. In cases where the annual return, which includes page 1, is **also** being filed, completion of these fields is NOT necessary

1. Corporation's Mailing Address

City Province Country Postal code

2. Ontario Corporation No. (MCBS)

3. Canada Customs and Revenue Agency Business No.
RC

A corporation **must file** an **Exempt From Filing Corporations Tax Return Declaration** form for each taxation year that the corporation is exempt from filing, within 6 months after the end of its taxation year, to the address shown at the top of Page 1.

If you check "Yes" to ALL of the following criteria you are eligible to file the CT23 Short-Form Corporations Tax Return. To obtain a copy contact the Revenue Operations and Client Services Branch. *(Refer to Guide)*

Yes	No	
☒	☐	(a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. Indicate Share Capital with full voting rights owned by Canadian Residents 100 % (nearest whole percent)
☐	☒	(b) The corporation's taxable income for the taxation year is $200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. *(Refer to guide)*
☐	☒	(c) The corporation is NOT a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.
☐	☒	(d) The corporation's taxation year ends on or after January 1, 2000 and its gross revenue and total assets are each $1,000,000 or less and the corporation is not a financial institution; **OR** The corporation's taxation year ends on or after January 1, 2001, and its gross revenue and total assets are each $1,500,000 or less and the corporation is not a financial institution.
☒	☐	(e) The corporation is NOT claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax Credit (CETC) or Graduate Transitions Tax Credit (GTTC).
☒	☐	(f) The corporation's Ontario allocation factor is 100%.

NOTE: Family Farm or Fishing corporations that have a year ending on or after January 1, 2000 and that are NOT subject to the Corporate Minimum Tax, may also use the **CT23 Short-Form Corporations Tax Return** if the corporation checks "Yes" to (a),(b),(c), (e) and (f) above.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation - Please check (✓) box(es) if applicable in sections 1 & 2

[1]
- 1 [X] Canadian-controlled private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.)(fed.s.125(7)(b))
- 2 [ ] Other Private
- 3 [ ] Public
- 4 [ ] Non-share Capital
- 5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian residents. (nearest %) 100 %

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office No.)

Ontario Employer Health Tax Account No.
(Use Head Office No.)

Specify major business activity

[2]
- 1 [ ] Family Farm Corporation s.1(2)
- 2 [ ] Family Fishing Corporation s.1(2)
- 3 [ ] Mortgage Investment Corp s.47
- 4 [ ] Credit Union s.51
- 5 [ ] Bank Mortgage Subsidiary s.61(4)
- 6 [ ] Bank s.1(2)
- 7 [ ] Loan and Trust Corporation s.61(4)
- 8 [ ] Non-resident Corp s.2(2)(a) or (b)
- 9 [ ] Non-resident Corporation s.2(2)(c)
- 10 [ ] Mutual Fund Corporation s.48
- 11 [ ] Non-resident owned investment Corp s.49
- 12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
- 14 [ ] Bare Trustee Corporation
- 15 [ ] Branch of Non-resident s.63(1)
- 16 [ ] Financial institutions prescribed by Regulation only
- 17 [ ] Investment Dealer
- 18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
- 19 [X] Hydro successor, Municipal Electrical Utility or subsidary of either
- 20 [ ] Producer and seller of steam for uses other than for the generation of electricity
- 21 [ ] Insurance Exchange s.74.4
- 22 [ ] Farm Feeder Finance Co-operative Corporation
- 23 [ ] Professional Corporation (incorporated professionals only)

Please check (✓) box(es) if applicable:

- [ ] First Year of Filing
- [ ] Amended Return
- [ ] Taxation Year End has changed - Canada Customs and Revenue Agency approval required
- [ ] Final Taxation Year up to Dissolution (wind-up)
- [ ] Final Taxation Year before Amalgamation
- [ ] Floating Fiscal Year End
- [ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
- [ ] Acquisition of Control fed s.249(4)

Date control was acquired: _____

Was the corporation inactive throughout the taxation year?		Yes [ ]	No [X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?		Yes [X]	No [ ]
Are you requesting a refund due to:	the Carry-back of a Loss?	Yes [ ]	No [X]
	an Overpayment?	Yes [X]	No [ ]
	a Specified Refundable Tax Credit?	Yes [ ]	No [X]
Are you a Member of a Partnership or a Joint Venture?		Yes [ ]	No [X]

Income Tax

Allocation - If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Inter.Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16)	From 690	±	1,191,695
Subtract: Charitable donations	1	-	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)*	2	-	
Subtract: Taxable dividends deductible, per federal T2 SCH 3	3	-	
Subtract: Ontario political contributions *(Attach schedule)*	4	-	
Subtract: Federal Part VI.1 tax _____ X 9/4	5	-	
Subtract: Prior years' losses applied - Non-capital losses	From 704	-	169,552
Net capital losses (page 17) From 715 _____ X inclusion rate 50.000000 %	714	-	
Farm losses	From 724	-	
Restricted farm losses	From 734	-	
Limited partnership losses	From 754	-	
Taxable income (Non-capital loss)	10	=	1,022,143
Addition to taxable income for unused foreign tax deduction for federal purposes	11	+	
Adjusted taxable income 10 + 11 (if **10** is negative, enter **11**)	20	=	1,022,143

Taxable Income — **Number of days in Taxation Year**

From **10** (or **20**)	1,022,143	X	100.0000 % Ontario Allocation	X 14.5 % X	Days after May 1, 2000 and before Jan 1, 2001 **24**	÷	Total days **73** 365	=	**25**	+
From **10** (or **20**)	1,022,143	X	100.0000 % Ontario Allocation	X 14.0 % X	Days after Dec 31, 2000 and before Oct 1, 2001 **26**	÷	Total days **73** 365	=	**27**	+
From **10** (or **20**)	1,022,143	X	100.0000 % Ontario Allocation	X 12.5 % X	Days after Sept 30, 2001 and before Jan 1, 2003 **28** 365	÷	Total days **73** 365	=	**29**	+ 127,768
From **10** (or **20**)	1,022,143	X	100.0000 % Ontario Allocation	X 11.0 % X	Days after Dec 31, 2002 and before Jan 1, 2004 **31**	÷	Total days **73** 365	=	**32**	+

Taxable Income Payable (before deduction of tax credits) **25 + 27 + 29 + 32** — **40** = 127,768

Incentive Deduction for Small Business Corporations (IDSBC)(s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the year? (✓) ☐ Yes ☒ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			**50** 1,191,695
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	**51**	+ 1,022,143	
Add: Losses of other years deducted for federal purposes (fed.s.111)	**52**	+ 169,552	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	**53**	- 169,552	
		= 1,022,143 ▸ **54**	1,022,143
Federal Business limit for the year before application of fed.s.125(5.1) (not exceeding $200,000) *(Attach T2 SCH 23 if associated)*	**55**	+	

Add: Ontario enhancement of federal business limit

Number of days in Taxation Year

40,000 X	Days from **26** above	÷	Total Days **73** 365	X	From **55**	÷200,000	**42**	+		
80,000 X	Days from **28** above 365	÷	Total Days **73** 365	X	From **55**	÷200,000	**43**	+		
120,000 X	Days from **31** above	÷	Total Days **73** 365	X	From **55**	÷200,000	**46**	+		

Ontario enhancement of federal business limit **42 + 43 + 46** = _____

	44	+	
Business Limit for Ontario purposes 55 + 44		= ▸	**45**
Income eligible for the IDSBC From **30** 100.0000 % *Ontario Allocation X	**56** Least of **50**, **54** or **45**		**60** =

***Note**: Ontario Allocation for IDSBC purposes may differ from **30** if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

Calculation of IDSBC Rate

Number of Days in Taxation Year

7.5% X 76	Days after Dec 31, 1999 and before Oct 1, 2001	÷	Total Days 365	77 +			
6.5 % X 28	Days after Sept 30, 2001 and before Jan 1, 2003 365	÷	Total Days 365	79 +	6.5000		
5.5 % X 31	Days after Dec 31, 2002 and before Jan 1, 2004	÷	Total Days 365	89 +			
				78 =	6.5000		

IDSBC Rate for Taxation Year 77 + 79 + 89

Claim From 60 _____ X From 78 6.5000 % 70 =

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in **114** below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

*** Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Associated corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** Taxable income of the corporation From **10** (or **20** if applicable) **80** + 1,022,143

If you are a member of an associated group (✓) **81** ☒ (Yes)

Taxable income of associated corporations *(Attach schedule)* **82** + 203,267

Aggregate Taxable Income **85** = 1,225,410

Number of days in Taxation Year

Subtract: 200,000 X 558	Days before Jan 1, 2001	÷	Total Days 73 365 =	111 +			
240,000 X 26	Days after Dec 31, 2000 and before Oct 1, 2001	÷	Total Days 73 365 =	112 +			
280,000 X 28	Days after Sept 30, 2001 and before Jan 1, 2003 365	÷	Total Days 73 365 =	113 +	280,000		
320,000 X 31	Days after Dec 31, 2002 and before Jan 1, 2004	÷	Total Days 73 365 =	115 +			
	111 + 112 + 113 + 115		=	280,000 ▶		114 -	280,000
(If negative, enter nil)						86 =	945,410

Calculation of Specified Rate for Surtax

Number of Days in Taxation Year

5.0% X 76	Days after Dec 31, 1999 and before Oct 1, 2001	÷	Total Days 365	93 +			
4.333% X 28	Days after Sept 30, 2001 and before Jan 1, 2003 365	÷	Total Days 365	95 +	4.3330		
3.667% X 31	Days after Dec 31, 2002 and before Jan 1, 2004	÷	Total Days 365	96 +			
				94 =	4.3330		

Specified rate of surtax for Taxation Year **93 + 95 + 96** **87** = 40,965

From **86** 945,410 X From **94** 4.3330 % = ÷ From **114** 280,000 **88** = _____

Surtax: Lesser of **70** or **88** **100** =

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule)* 110

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing, is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits 120 +

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) From 56 -

Add: Adjustment for Surtax on Canadian-controlled private corporations
From 100 ÷ From 30 100.0000 % ÷ From 78 6.5000 % = 121
*Ontario Allocation

Lesser of 56 or 121 122 +

120 - 56 + 122 130 =

Taxable income	From 10 +	1,022,143
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From 56 -	
Add: Adjustments for Surtax on Canadian-controlled private corporations	From 122 +	
Subtract: Taxable income 10 X Allocation % to jurisdictions outside Canada	140 -	
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses	141 -	
10 - 56 + 122 - 140 - 141	142 =	1,022,143

Number of Days in Taxation Year

Claim 143 X From 30 100.0000 % 2.0% X 152 (Days before Oct 1, 2001) ÷ 73 365 (Total Days) = 153 +
*Ontario Allocation

Claim 143 X From 30 100.0000 % 1.5% X 28 365 (Days after Sept 30, 2001 and before Jan 1, 2003) ÷ 73 365 (Total Days) = 154 +
*Ontario Allocation

Claim 143 X From 30 100.0000 % 1.0% X 31 (Days after Dec 31, 2002 and before Jan 1, 2004) ÷ 73 365 (Total Days) = 155 +
*Ontario Allocation

M&P claim for taxation year **153 + 154 + 155** 160 =

Note:* *Ontario Allocation for M&P Credit purposes may differ from **30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1)).*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations 161 =

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity 162 =

Note: The M&P for corporations that generate electrical energy for sale, or produce steam for use in the generation of electrical energy for sale, or produce steam for uses other than the generation of electrity, has not yet received legislative authority at the time of printing. (Refer to Guide.)

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) *(Attach schedule).* 170

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible credit 175 Credit claimed 180

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 -170 - 180 190 = 127,768

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.
Eligible credit from **5620** OITC claim form *(Attach original Claim Form)* — **191** +

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible credit from **5798** Summary Schedule F — **192** +

Ontario Film and Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible credit from **5899** Claim Form Certified by Ontario Film Development Corp.
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* — **193** +

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed graduate students. No. of Graduates from **6596** **194**
Eligible Credit from **6598** Summary Schedule G — **195** +

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.
Eligible Credit from **6900** OBPTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* — **196** +

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit from **6700** Claim Form certified by Ontario Film Development Corp.
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* — **197** +

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit from **7100** OBRITC Claim Form *(Attach original Claim Form)* — **198** +

Ontario Production Services Tax credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.
Eligible Credit from **7300** Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* — **199** +

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit from **7400** Claim Form certified by Ontario Film Development Corporation
*(Retain original Claim Form. Do **not** submit the Claim Form with the CT23 Tax Return.)* — **200** +

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect to eligible Canadian sound recordings.
Eligible Credit from **7500** OSRTC Claim Form *(Attach **only** the original Claim Form. Retain the Certification Form)* — **201** +

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 — **220** =

Specified Tax Credits *Applied to reduce Income Tax* — **225** =

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss — 230 = 127,768

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on ***page 18***.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B on ***Page 8***.

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if ***either*** Total Assets **249** exceeds $5,000,000 ***or*** Total Revenue **250** exceeds $10,000,000.
* These amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

*** Total Assets of the corporation**	**240** +	18,311,397	
*** Total Revenue of the corporation**			**241** + 18,367,202
If you are a member of an associated group (✓) **242** [X] (Yes)			
Total Assets of associated corporations *(Attach schedule)*	**243** +	17,179,898	
Total Revenue of associated corporations *(Attach schedule)*			**244** + 804,514
Aggregate Total Assets	**249** =	35,491,295	
Aggregate Total Revenue			**250** = 19,171,716

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on pages 19, 20 and 21 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on page 19.)*

Gross CMT Payable	CMT Base From **2135** 979,620 X If negative, enter zero	From **30** 100.0000 % X 4% Ontario Allocation		**276** =	39,185
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*				**277** -	
Subtract: Income Tax				From **190** -	127,768
Net CMT Payable (if negative, enter Nil on page 18.)				**280** =	

If **280** is less than zero and you do not have a CMT credit carryover, transfer **230** from ***Page 7 to Income Tax Summary, on Page 18.***

If **280** is less than zero and you have a CMT credit carryover, complete A & B below.

If **280** is greater than or equal to zero, transfer **230** to ***Page 18*** and transfer **280** to ***Page 18, and to Schedule D: Continuity of CMT Credit Carryovers, on Page 21.***

CMT Credit Carryover available			From **2307**	
Application of CMT Credit Carryovers				
A. Income Tax (before deduction of specified credits)			From **190** +	127,768
Gross CMT payable	From **276** +	39,185		
Subtract: Foreign Tax Credit for CMT purposes	From **277** -			
If **276 - 277** is negative, enter NIL in **290**	=	39,185 ▶	**290** -	39,185
Income Tax eligible for CMT Credit			**300** =	88,583
B. Income Tax (after deduction of specified credits)			From **230** +	127,768
Subtract: CMT credit used to reduce income taxes			**310** -	
Income Tax			**320** =	127,768

Transfer to Page 18

If A & B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 2307.
If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 2307.

Capital Tax *(Refer to Guide)*

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both $1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16).

Any assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater of** (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

Paid-up capital stock	350 +	9,226,787
Retained earnings (if deficit, deduct)	351 ±	379,569
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	352 +	
Loans and advances *(Attach schedule)*	353 +	1,420,569
Bank loans	354 +	3,875,000
Bankers acceptances	355 +	
Bonds and debentures payable	356 +	
Mortgages payable	357 +	
Lien notes payable	358 +	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporation tax)	359 +	342,187
Contingent, investment, inventory and similar reserves	360 +	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)*	361 +	
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	362 +	
Subtotal	370 =	15,244,112
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	371 -	(2,826,531)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	372 -	
Total Paid-up Capital	380 =	18,070,643
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	381 -	
Net Paid-up Capital	390 =	18,070,643

Eligible Investments *(Refer to Guide)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 *(Refer to Guide)*	400 +	
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	402 +	
Mortgages due from other corporations	403 +	
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	404 +	
Loans and advances to unrelated corporations	405 +	
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	406 +	
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	407 +	
Total Eligible Investments	410 =	

Total Assets

Total Assets per balance sheet	420	+	18,311,397
Mortgages or other liabilities deducted from assets	421	+	
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	422	+	
Subtract: Investment in partnership(s)/joint venture(s)	423	-	
Total Assets as adjusted	430	=	18,311,397
Amounts in **360** and **361** (if deducted from assets)	440	+	
Subtract: Amounts in **371, 372** and **381**	441	-	(2,826,531)
Subtract: Appraisal surplus if booked	442	-	
Add or Subtract: Other adjustments (specify on an attached schedule)	443	±	
Total Assets	450	=	21,137,928

Investment Allowance (410 ÷ 450) X 390	Not to exceed 410	460	=
Taxable Capital 390 - 460		470	= 18,070,643

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation	18,367,202		
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue *(Attach schedule)*			
Aggregate of Gross Revenue	18,367,202	480	18,367,202
Total Assets (as adjusted)	From	430	18,311,397

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union** that is not a Financial Institution, complete only Section A below.

OR **If the corporation is NOT a member of an associated group and/or partnership,** review only the capital tax calculations in *Section B on pages 10 to 11* and select and complete the one specific subsection (e.g. B4) that applies to the corporation.

OR **If the corporation IS a member of an associated group and/or partnership,** complete Section C on page 12. Next review, and if applicable, complete Section D on page 12. If Section D is not applicable review Section E on page 13 and complete the applicable subsection: either E1 or E2. **Note:** if the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in **550** on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership

B1. If the taxation year ends before January 1, 2001 and **430** and **480** are both $1,000,000 or less, enter NIL in **550** on page 13 and complete the return from that point.

B2. If the taxation year end is after December 31, 2000 and **430** and **480** are both $1,500,000 or less, enter NIL in **550** on page 13 and complete the return from that point.

B3. If the taxation year commences after September 30, 2001 and **430** and **480** on page 10 of the 2001 CT23 are both $3,000,000 or less, enter NIL in **550** on page 13 of the 2001 CT23 and complete the return from that point.

B4. If taxable capital, **470** on page 10, is $2,000,000 or less, enter NIL in **550** on page 13 and complete the return from that point.

B5. If taxable capital, **470** on page 10, exceeds **$2,000,000** but is **$5,000,000 or less**, complete the following calculations and transfer the total from **508** to **543** on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(a) From **470** _____ x 0.3% = **490** + _____

Deduct:

($2,800,000 - From **470** _____) x 0.75% = **493** - _____ (NIL if negative)

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001

(**506** = **490** - **493**) **506** = _____ x From **30** _____% x **553** _____ = **507** + _____

Ontario Allocation **365/366

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(b) From **470** _____ x 0.3% = **490** + _____

Deduct:

($3,200,000 - From **470** _____) x 0.5% = **495** - _____ (NIL if negative)

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001

(**509** = **490** - **495**) **509** = _____ x From **30** _____% x **558** _____ = **522** + _____

Ontario Allocation ** 365/366

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(c) Capital Tax for that portion of a taxation year after September 30, 2001 for a corporation whose taxable capital is $5,000,000 or less and that is not associated, is NIL. + 0

Total Capital Tax for the taxation year 507 + 522 **508** = _____

*Transfer to **543** on Page 13 and complete the return from that point.*

B6. If taxable capital, **470** on page 10 exceeds **$5,000,000**, complete the following calculation and transfer the amount from **508** to **543** on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From **470** _____ x From **30** _____ x 0.3% x **559** _____ **502** + _____

Ontario Allocation Days in taxation year before October 1, 2001 **365/366

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) + From **470** _____

\- 5,000,000

= **471** _____ x From **30** _____ x 0.3% x **560** _____ **523** + _____

Ontario Allocation Days in taxation year after September 30, 2001 **365/366

Total Capital Tax for the taxation year 502 + 523 **508** = _____

Transfer to **543** and complete the return from that point

** *If floating taxation year, refer to Guide*

SECTION C

If the corporation is a member of an associated group and/or partnership, complete the following, and (✓) **510** [X] (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation	From **470** +	18,070,643

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations *(Attach schedule)*	**531** +	7,585,151
Aggregate Taxable Capital **470 + 531**	**540** =	25,655,794

If **540** above is $5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL. Enter NIL in **523** in E1(c) or E2(b) as applicable.

If **540** above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From **470** 18,070,643 ÷ From **540** 25,655,794 X 5,000,000 **541** = 3,521,747

Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Taxable Capital of associated corporations *(Attach schedule)*	**514** +	
Total Aggregate Taxable Capital **540 + 514**	**520** =	25,655,794

If **520** above is greater than $2,000,000, and less than $3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From **470** _____ ÷ From **520** _____ **521** = _____

Transfer to section E1(a) and/or (b) as applicable

Note: 521 cannot exceed 1.00000

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital, 520 is *$2,000,000 or less.*

Enter NIL in **550** on page 13 and complete the return from that point.

SECTION E

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital, 520 *on page 12, exceeds $2,000,000.*

E1. If aggregate taxable capital **520** exceeds **$2,000,000** but is **$3,200,000 or less**, complete the following calculations and transfer the total from **508** to **543** and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(a) From **470** _____ x 0.3% _____ = **490** + _____

Deduct:

($2,800,000 - From **520** _____) x 0.75% x From **521** _____ = **493** - _____

(**506 = 490 - 493**) **506** = _____

x **30** _____ % (Ontario Allocation) x **553** _____ (**365/366) = **507** + _____

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(b) From **470** _____ x 0.3% _____ = **490** + _____

Deduct:

($3,200,000 - From **520** _____) x 0.5% x From **521** _____ = **495** - _____

(**509 = 490 - 495**) **509** = _____

x **30** _____ % (Ontario Allocation) x **557** _____ (**365/366) = **522** + _____

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(c) Capital tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at **540** is $5,000,000 or less, is NIL. **523** + 0

Total Capital Tax for the taxation year 507 + 522 + 523 **508** = _____

Transfer to **543** and complete the return from that point

E2. If the aggregate taxable capital **520** on page 12, exceeds **$3,200,000** complete the following calculation and transfer the amount from **508** to **543** on this page, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From **470** 18,070,643 x From **30** 100.0000 (Ontario Allocation) x 0.3% x **555** _____ (365/366) = **502** + _____

Days in taxation year before Oct. 1, 2001

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) + From **470** 18,070,643
- From **541** 3,521,747
471 14,548,896 x From **30** 100.0000 (Ontario Allocation) x 0.3% x **560** 365 (365/366) = **523** + 43,647

Days in taxation year after September 30, 2001 =

Total Capital Tax for the taxation year 502 + 523 **508** = 43,647

Transfer to **543** and complete the return from that point

** *If floating taxation year, refer to Guide*

Capital Tax *before application of specified credits* **543** = 43,647

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* **546** -

Capital Tax: 543 - 546 **550** = 43,647

Transfer to Page 18

I.1. Credit Unions Only

For taxation years commencing **after May 4, 1999** enter NIL in **550** on page 13, and complete the return from that point.

I.2 Other than Credit Unions

*(Retain details of calculations for amounts in boxes **565** and **570**. Do not submit with this tax return.)*

565 _____ (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) x 0.6% x From **30** 100.0000 % (Ontario Allocation) x **555** Days in taxation year 365 ÷ **365/366 = **569** + _____

570 _____ (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) x **571** _____ (Capital Tax Rate *(Refer to Guide)*) x From **30** 100.0000 % (Ontario Allocation) x **555** Days in taxation year 365 ÷ **365/366 = **574** + _____

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574 **575** = _____

***** If floating taxation year, refer to Guide***

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculations and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments **585** - _____

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (✓) ☐ Yes

Capital Tax - Financial Institutions 575 - 585 **586** = _____

*Transfer to **543** on Page 13*

Premium Tax (s.74.2 & 74.3) *(refer to Guide)*

(1) Uninsured Benefits Arrangements **587** _____ x 2% **588** = _____
Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in **588** and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in **588**.)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to guide)* **589** - _____

Premium Tax 588 - 589 **590** = _____

Transfer to Page 18

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1	**600** ±	1,191,695

Transfer to Page 16

Add:

Federal capital cost allowance	**601** +	792,917
Federal cumulative eligible capital deduction	**602** +	
Ontario taxable capital gain	**603** +	
Federal non-allowable reserves. Balance beginning of year	**604** +	
Federal allowable reserves. Balance end of year	**605** +	
Ontario non-allowable reserves. Balance end of year	**606** +	
Ontario allowable reserves. Balance beginning of year	**607** +	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	**608** +	
Federal resource allowance	**609** +	
Federal depletion allowance	**610** +	
Federal foreign exploration and development expenses	**611** +	

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of days in Taxation Year

612	X 5/14.5 X	Days after May 1, 2000 and before Jan 1, 2001 **24**	÷	Total days **73**	365	= +	**631**	
612	X 5/14.0 X	Days after Dec 31, 2000 and before Oct. 1, 2001 **26**	÷	Total days **73**	365	= +	**632**	
612	X 5/12.5 X	Days after Sept. 30, 2001 and before Jan. 1, 2003 365	÷	Total days **73**	365	= +	**633**	
612	X 5/11.0 X	Days after Dec. 31, 2002 and before Jan. 1, 2004 **31**	÷	Total days **73**	365	= +	**634**	

Total add-back amount for Management fees, etc. **631 + 632 + 633 + 634** =	▶ **613** +		
Federal Scientific Research Expenses claimed in year from fed form T661	**615** +		
Federal allowable business investment loss	**620** +		
Total of other items not allowed by Ontario but allowed federally *(Attach schedule)*	**614** +		
Sub Total of Additions 601 to 615 + 620	=	792,917 **640**	792,917

Transfer to Page 16

Reconcile net income (loss) for Federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 SCH 1	From 600 ±	1,191,695
Sub Total of Additions	From 640 =	792,917

Deduct:

Ontario capital cost allowance	650 +	792,917
Ontario cumulative eligible capital deduction	651 +	
Federal taxable capital gain	652 +	
Ontario non-allowable reserves. Balance beginning of year	653 +	
Ontario allowable reserves. Balance end of year	654 +	
Federal non-allowable reserves. Balance end of year	655 +	
Federal allowable reserves. Balance beginning of year	656 +	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	657 +	
Ontario depletion allowance	658 +	
Ontario resource allowance	659 +	
Ontario research and development super allowance *(Attach schedule)*	660 +	
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	674 +	
Ontario current cost adjustment *(Attach schedule)*	661 +	
Ontario Scientific Research Expenses claimed in year from Ont form CT161	679 +	

Ontario New Technology Tax Incentive (ONTTI) Gross-up
Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year **662** _____

ONTTI Gross-up deduction calculation:

From **662** _____ x 100/ **30** 100.0000 (Ontario allocation) - From **662** _____ **663** =

Workplace Child Care Tax Incentive: (*Applies* to qualifying expenditures incurred after May 5, 1998)

Qualifying expenditures **665** _____ x 30% x 100/ **30** 100.0000 (Ontario Allocation) **666** =

Workplace Accessibility Tax Incentive: (*Applies* to qualifying expenditures incurred after July 1, 1998)

Qualifying expenditures: **667** _____ x 100% x 100/ **30** 100.0000 (Ontario Allocation) **668** =

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI): (*Applies* to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.) *(Refer to Guide)*

Qualifying expenditures **670** _____ x 30% x 100/ **30** 100.0000 (Ontario Allocation) **671** =

Educational Technology Tax Incentive (*Applies* to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures **672** _____ x 15% x 100/ **30** 100.0000 (Ontario Allocation) **673** =

Ontario allowable business investment loss	678 +	
Total of other deductions allowed by Ontario *(Attach schedule)*	664 +	

Sub Total of Deductions 650 to 660 + 674 + 661 + 679 + 663 + 666 + 668 + 671 + 673 + 678 + 664	=	792,917 **680**	792,917
Net income (loss) for Ontario purposes 600 + 640 - 680		**690** =	1,191,695

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Client: LAKELAND POWER DISTRIBUTION LTD. Ontario Account # 7228492 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 169,552	710 (2)	720 (2)	730	740	750
Add: Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract: Utilized during the year to reduce taxable income	704 169,552	715 (4)	724	734 (4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce income (5)	706 (2) To Pg 18	716 (2) To Pg 18	726 (2) To Pg 18	736 (2) To Pg 18	746	
Subtotal	707 169,552	717	727	737	747	757
Balance at End of Year	709	719	729	739	749	759

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by s.34.

(3) Include losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amounts from **11** if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in **709** must equal total of **829** + **839**.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804	821	831	841	854	874
805	822	832	842	855	875
806	823	833	843	856	876
807 2000/12/31	824	834	844	857	877
808 2001/12/31	825	835	845	858	878
809 2002/12/31	826	836	846	859	879
Total	829	839	849	869	889

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carryback adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Minister of Finance***.
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
	910	920	930	940
Total amount of loss				
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income.				
Predecessor Corporation's Account No. (MOF) / **Taxation Year Ending**	911	921	931	941
i) 3rd preceding 901				
	912	922	932	942
ii) 2nd preceding 902 2000/12/31				
	913	923	933	943
iii) 1st preceding 903 2001/12/31				
	From 706	From 716	From 726	From 736
Total loss to be carried back				
	919	929	939	949
Balance of loss available for carryforward				

Summary

Income Tax	From 230 or 320	+	127,768
Corporate Minimum Tax	From 280	+	
Capital Tax	From 550	+	43,647
Premium Tax	From 590	+	
Total Tax Payable	950	=	171,415
Subtract: Payments	960	-	174,752
Capital Gains Refund (s.48)	965	-	
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	985	-	
Specified Tax Credits *(Refer to Guide)*	955	-	
Balance	970	=	(3,337)
If payment due Enclosed *	990		
If overpayment: Refund	975	=	3,337
Apply to	980		

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the MINISTER OF FINANCE*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name
CHRIS LITSCHKO

Title
PRESIDENT

Full Residence Address
22 Daleman Dr.
Bracebridge

City

Province	Country	Postal Code
ON	CA	P1L 1A6

Signature

Date
2003/05/19

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Client: LAKELAND POWER DISTRIBUTION LTD. Ontario Account # 7228492 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net income/(loss) (unconsolidated, determined in accordance with GAAP)				2100 ±	759,118
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes		2101 +			
Provision for deferred income taxes (credits)		2102 +			
Equity income from corporations		2103 +			
Share of partnership(s)/joint venture(s) income		2104 +			
Dividends received/receivable deductible under fed.s.112		2105 +			
Dividends received/receivable deductible under fed.s.113		2106 +			
Dividends received/receivable deductible under fed.s.83(2)		2107 +			
Federal Part VI.1 tax on dividends declared and paid after May 5, 1997, under fed.s.191.1(1)	x 9/4 =	2108 +			
Subtotal		=		2109 -	
Add (to extent reflected in net income/loss):					
Provision for current taxes		2110 +	403,099		
Provision for deferred income taxes (debits)		2111 +			
Equity losses from corporations		2112 +			
Share of partnership(s)/joint venture(s) losses		2113 +			
Dividends that have been deducted to arrive at net income per Financial Statements. **Applies** to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1) (excluding dividends under fed.s.137(4.1))		2114 +			
Subtotal		=	403,099	2115 +	403,099
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85	2116 +		or 2117 -		
** Fed.s.85.1	2118 +		or 2119 -		
** Fed.s.97	2120 +		or 2121 -		
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	2122 +		or 2123 -		
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	2124 +		or 2125 -		
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4) and 44 for current/prior years	2126 +		or 2127 -		
Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income		2150 -			
Subtotal (Additions)	=			2128 +	
Subtotal (Subtractions)		=		2129 -	
** Other adjustments				2130 ±	
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130				2131 =	1,162,217
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss *(Attach schedule)*				2132 ±	
Adjusted net income (loss) (if loss, transfer to **2202** in **Schedule B**)				2133 =	1,162,217
Deduct: CMT losses: pre-1994 Loss *		From 2210 +			
CMT losses: other eligible losses *		2211 +	182,597		
		=	182,597	2134 -	182,597

* CMT losses applied cannot exceed adjusted net income or increase a loss
** Retain calculations. Do not submit with this tax return.

CMT Base	2135 =	979,620

Transfer to CMT Base on page 8

Corporate Minimum Tax (CMT)

Schedule B: Continuity of CMT Losses Carried Forward

CMT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
							Expired
2000/12/31	182,597					182,597	
2001/12/31							
2002/12/31							
Totals	182,597					182,597	

Balance at Beginning of year (1),(2)			**2201** +	182,597
Add: Current year's losses		**2202** +		
Losses from predecessor corporations on amalgamation (3)		**2203** +		
Losses from predecessor corporations on wind-up (3)		**2204** +		
Amalgamation (✓) **2205** ☐ Yes Wind-up (✓) **2206** ☐ Yes				
Subtotal		=	▶ **2207** +	
Adjustments (attach schedule)			**2208** ±	
CMT losses available 2201 + 2207 ± 2208			**2209** =	182,597
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income		**2210** +		
Other eligible losses utilized during the year to reduce adjusted net income (4)		**2211** +	182,597	
Losses expired during the year		**2212** +		
Subtotal		=	182,597 ▶ **2213** -	182,597
Balances at End of Year (5) **2209 - 2213**			**2214** =	

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisitions of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income **2133** and CMT losses available **2209**.

(5) Amount in **2214** must equal sum of **2270** and **2290**.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first)	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	**2260**	**2280**
2241	**2261**	**2281**
2242	**2262**	**2282**
2243	**2263**	**2283**
2244	**2264**	**2284**
2245	**2265**	**2285**
2246	**2266**	**2286**
2247 2000/12/31	**2267**	**2287**
2248 2001/12/31	**2268**	**2288**
2249 2002/12/31	**2269**	**2289**
Totals	**2270**	**2290**

The sum of amounts 2270 + 2290 must equal the amount in 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
2001/12/31							
2002/12/31							
Totals							

Balance at Beginning of year (1) **2301** +

Add: Current year's CMT Credit (**280** on page 8. If negative, enter NIL) From **280** +

CMT Credit Carryovers from predecessor corporations (2) **2302** +

Amalgamation (✓) **2303** ☐ Yes Wind-up (✓) **2304** ☐ Yes

Subtotal = **2305** +

Adjustments *(Attach schedule)* **2306** ±

CMT credit carryover available 2301 + 2305 ± 2306 **2307** =

Transfer to Page 8

Subtract: CMT credit utilized during the year to reduce income tax (Page 8) From **310** +

CMT credit expired during the year **2308** +

Subtotal = **2309** -

Balance at End of Year (3) **2307 - 2309** **2310** =

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in **2310** must equal the sum of **2370 + 2390**.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Origin (oldest year first)		CMT Credit Carryovers of Corporation		CMT Credit Carryovers of Predecessor Corporations	
2340		2360		2380	
2341		2361		2281	
2342		2362		2382	
2343		2363		2383	
2344		2364		2384	
2345		2365		2385	
2346		2366		2386	
2347		2367		2387	
2348	2001/12/31	2368		2388	
2349	2002/12/31	2369		2389	
Totals		2370		2390	

The sum of amounts 2370 and 2390 must equal the amount in 2310.

Client: LAKELAND POWER DISTRIBUTION LTD. Ontario Account # 7228492 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

OS4N
Schedule 4

Ontario non-capital loss continuity

Part 1: Non-capital loss

Non-capital loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
2000/12/31							
2001/12/31	169,552					169,552	
2002/12/31							
Totals	169,552					169,552	

Current year non-capital loss

Net income (loss) for Ontario tax purposes		1,191,695
Deduct:		
Net capital losses deducted in the year		
Taxable dividends deductible under sections 112, 113 or subsection 138(6)		
Amount of Part VI.1 tax deductible		
Subtotal - if positive, enter "0"		
Deduct: Section 110.5 - addition for foreign tax credits		
Add: Current year farm loss		
Current year non-capital loss (if positive, enter "0")		

Non-capital loss continuity and carry-back request

Non-capital losses at end of preceding taxation year		169,552	
Losses expired after 7 years		-	
Non-capital losses - beginning balance		= 169,552	169,552
Transfers from wind-up of wholly-owned subsidiary and amalgamation			+
Current year non-capital loss from above			
Deduct - Non-capital loss carry back to:			
1st preceding taxation year against taxable income			
2nd preceding taxation year against taxable income			
3rd preceding taxation year against taxable income			
Current year non-capital loss net of carryback			+
		Subtotal	= 169,552
Deduct:			
Amount applied against taxable income (enter on line 704 of the CT23)		169,552	
Section 80 adjustments			
Other adjustments			
		169,552	- 169,552
Non-capital losses - ending balance			=

OS4N
Schedule 4

Ontario non-capital loss continuity

Part 2 - Farm loss

Farm loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
2000/12/31							
2001/12/31							
2002/12/31							
Totals							

Farm loss continuity and carry-back request

Farm losses at end of preceding taxation year		
Losses expired after 10 years	-	
Farm losses - beginning balance	=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		+
Current year farm loss		
Deduct - Farm loss carry back to:		
1st preceding taxation year against taxable income		
2nd preceding taxation year against taxable income		
3rd preceding taxation year against taxable income		
Subtotal		
Current year farm loss net of carry-back		+
Subtotal		=
Deduct:		
Amount applied against taxable income (enter on line 724 of the CT23)		
Section 80 adjustments		
Other adjustments		
		-
Farm losses - ending balance		=

OS4N
Schedule 4

Ontario non-capital loss continuity

Part 3 - Restricted farm loss

Restricted farm loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
2000/12/31							
2001/12/31							
2002/12/31							
Totals							

Current year restricted farm loss

Net loss from farming business			
Deductible farm loss:			
Net loss from above	A		
$2,500 plus 1/2 (A - $2,500)	B	2,500	
Maximum deduction	C	8,750	
Deductible farm loss (lesser of A, B, and C)			-
Current year restricted farm loss			

Restricted farm loss continuity and carry-back request

Restricted farm losses at end of preceding taxation year			
Losses expired after 10 years		-	
Restricted farm losses - beginning balance		=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation			+
Current year restricted farm loss			
Deduct - Restricted farm loss carry back to:			
1st preceding taxation year against farming income			
2nd preceding taxation year against farming income			
3rd preceding taxation year against farming income			
Current year restricted farm loss net of carry-back			+
Deduct:			
Amount applied against taxable income (enter on line 734 of the CT23)			
Section 80 adjustments			
Other adjustments			
			-
Restricted farm losses - ending balance			=

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Surtax on Canadian-Controlled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2002/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
LAKELAND HOLDING LTD.	7228479	2002/12/31	
LAKELAND ENERGY LTD.	7228467	2002/12/31	
BRACEBRIDGE GENERATION LTD.	7228480	2002/12/31	203,267
		Total	203,267

*Transfer to **85** on the CT23*

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Capital Cost Allowance
Schedule 8

ONTARIO CAPITAL COST ALLOWANCE

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2002/12/31

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

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year	3 Cost of acquisitions during the the year See note 1 below	4 Net adjustments	5 Proceeds of dispositions during the year	6 Ontario undepreciated capital cost (col 2 + 3 or col 2 - 4 - 5)	7 50% rule See note 2 below	8 Reduced undepreciated capital cost (col 6 - 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (col 8 x 9 or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (col 6 - 12)
1	13,061,905	140,572			13,202,477	70,286	13,132,191	4			525,288	12,677,189
1	230,373	26,025			256,398	13,013	243,385	4			9,735	246,663
10	97,897	29,036			126,933	14,518	112,415	30			33,725	93,208
10	246,220	176,789			423,009	88,395	334,614	30			100,384	322,625
1	1,848,619				1,848,619		1,848,619	4			73,945	1,774,674
8	209,394	35,788			245,182	17,894	227,288	20			45,458	199,724
12		8,764			8,764	4,382	4,382	100			4,382	4,382
Totals	15,694,408	416,974				208,488	15,902,894				792,917	15,318,465

Enter in box **650** on the CT23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Lakeland Power Distribution Ltd.
2012 IRM3 EB-2011-0180
Filed: November 10, 2011
Page 475 of 690

Client: LAKELAND POWER DISTRIBUTION LTD. Ontario Account # 7228492 Year-end: 2002/12/31 Printed: 2003/05/19 08:34

Details of Associated Ontario Corporations

Names of associated corporations (Canadian and foreign)	Permanent establishment in Canada?	Ontario Account Number	Taxation Year End
LAKELAND HOLDING LTD.	YES	7228479	2002/12/31
LAKELAND ENERGY LTD.	YES	7228467	2002/12/31
BRACEBRIDGE GENERATION LTD.	YES	7228480	2002/12/31
	YES		

Names of associated corporations	Surtax on CCPCs	Corporate Minimum Tax		Capital Tax
	Taxable income	Total Assets	Total Revenue	Taxable Capital
LAKELAND HOLDING LTD.		12,582,966	35,414	23,309
LAKELAND ENERGY LTD.		277,169	57,824	261,242
BRACEBRIDGE GENERATION LTD.	203,267	4,319,763	711,276	7,300,600
Totals	203,267	17,179,898	804,514	7,585,151

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9

Taxable Capital of Associated Corporations

(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2002/12/31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
LAKELAND HOLDING LTD.	7228479	2002/12/31	23,309
LAKELAND ENERGY LTD.	7228467	2002/12/31	261,242
BRACEBRIDGE GENERATION LTD.	7228480	2002/12/31	7,300,600
		Aggregate of taxable capital	7,585,151

Transfer to **540** of the CT23

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax - Associated Corporation

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2002/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
LAKELAND HOLDING LTD.	7228479	2002/12/31	12,582,966	35,414
LAKELAND ENERGY LTD.	7228467	2002/12/31	277,169	57,824
BRACEBRIDGE GENERATION LTD.	7228480	2002/12/31	4,319,763	711,276
		Totals	17,179,898	804,514
			*Transfer to **249** of the CT23*	*Transfer to **250** of the CT23*

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. **Note: This authorization is valid until the client or authorized signing person cancels it in writing. Please complete a separate form for each representative.**

The purpose of this form is:
[X] **To authorize** a third party representative or [ ] **To cancel** a third party representative

1. Client identification

Name
LAKELAND POWER DISTRIBUTION LTD.

Ontario Corporations Tax Account Number 7228492

2. Authorized third party identification

Authorized individuals' name

Address Phone number ( ) -

Authorized firm's name
BDO Dunwoody LLP

Address Phone number
239-1 Manitoba Street Bracebridge, Ontario P1L 1S2 (705) 645-5215

3. Details of authorization

Indicate the period for which authorization or cancellation applies:

All years [X]

OR

Specific years _____ _____

_____ _____

OR

All years prior to _____

4. Authorized signature (client or authorized signing officer)

CHRIS LITSCHKO — Name
(705) 789-5442 — Telephone number
2003/05/19 — Date signed

_____ — Signature of client or authorized signing officer
PRESIDENT — Position, office or rank

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 642
33 King Street West
Oshawa ON L1H 8T1

CT23 - Certification Form Diskette Filing

Corporations Tax Account Number
7228492

Return I.D. # *(Ministry Use Only)*

Please check appropriate boxes if applicable:

- ☐ First year of filing
- ☐ Amended return
- ☐ Taxation year end has changed (approval by CCRA required)
- ☐ Exempt from filing
- ☐ Final taxation year up to Dissolution
- ☐ Final taxation year before Amalgamation
- ☐ Floating Fiscal year end
- ☒ Subject to CMT
- ☐ Change of Control fed.s.249(4)

Date Control was acquired: _____

Date of incorporation
2000/09/01

Return for taxation year
Start 2002/01/01
End 2002/12/31

CCRA Business No.
896499613RC0001

Jurisdiction Incorporated
ONTARIO

Corporation's legal name and mailing address
LAKELAND POWER DISTRIBUTION LTD.
Care of

Address
5-45 CAIRNS CRESCENT

Change of information? Yes ☐ No ☒

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Transmitter Details

Transmitter number	A0008000
Transmitter name	BDO Dunwoody LLP
Name of person to contact	
Telephone number	(705) 645-5215
Facsimile number	(705) 645-8125
Transmitter Address	239-1 Manitoba Street Bracebridge, Ontario P1L 1S2
Disk Reference Number	

Aggregate of Total Revenue	210	19,171,716
Aggregate of Total Assets	209	35,491,295
Taxable Income (Non-capital Loss)	10	1,022,143
Total Tax Payable	950	171,415
Payments:	990	174,752
Enclosed:		
Apply to: Year		
Apply Amount:		

975 Refund: Yes ☒ No ☐
If Yes, Due to:
Loss Carryback: Yes ☐ No ☒
Overpayment: Yes ☒ No ☐
Refundable tax credit Yes ☐ No ☒

Certification

I am an authorized signing officer of the Corporation. I certify that this Return, including all schedules and statements filed with or as part of this Return, has been examined by me and is a true, correct and complete Return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the Corporations Tax Act. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name
CHRIS LITSCHKO

Title
PRESIDENT

Full Residence address
22 Daleman Dr.
Bracebridge

City

Province	Country	Postal code
ON	CA	P1L 1A6

Signature

Phone Number	Date
(705) 789-5442	2003/05/19

ProFile Version 2002.3.1 Approval code 0090

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records

Notice of Assessment

Electricity Act, 1998 & *Corporations Tax Act, R.S.O. 1990*

from 2002/01/01 to 2002/12/31

	Account No.	Assessment Date (year, month, day)	Page
LAKELAND POWER DISTRIBUTION LTD.	1800128	2003/07/18	1 of 1

ASSESSMENT NO. 28

Tax: Federal and Provincial PIL		445,163.00
Assessment Interest		2,799.70
Total Assessment Liability		447,962.70

SUMMARY OF 2002/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	448,500.00CR	
Sub-Total		448,500.00CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		537.30CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

Appendix 18 – 2003 Financial Statements, Tax Returns, Tax Assessments

Lakeland Power Distribution Ltd.
Financial Statements
For the year ended December 31, 2003

Contents

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Financial Statements

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Summary of Significant Accounting Policies 6

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BDO

BDO
Driving growth

BDO Dunwoody LLP
Chartered Accountants
and Advisors

239-1 Manitoba Street
Bracebridge Ontario Canada P1L 1S2
Telephone: (705) 645-5215
Telefax: (705) 645-8125

www.bdo.ca

Auditors' Report

To the Shareholder of
Lakeland Power Distribution Ltd.

We have audited the balance sheet of Lakeland Power Distribution Ltd. as at December 31, 2003 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Lakeland Power Distribution Ltd. as at December 31, 2003 and the result of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody LLP

Chartered Accountants

Bracebridge, Ontario
March 22, 2004

Lakeland Power Distribution Ltd.
Balance Sheet

December 31	2003	2002
Assets		
Current		
Cash	$ 1,278,479	$ 42,732
Accounts receivable (Note 1)	1,576,843	1,207,867
Unbilled service revenue	1,788,425	2,977,007
Inventory	207,889	212,444
Other current assets	264,314	207,912
	5,115,950	4,647,962
Capital assets (Note 2)	12,495,147	12,259,565
Regulatory assets (Note 3)	1,667,585	944,838
Other assets (Note 4)	460,850	459,030
	$ 19,739,532	$ 18,311,395
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities (Note 5)	$ 3,335,185	$ 2,669,834
Payment in lieu of corporate taxes liability	144,699	397,452
Due to related company (Note 6)	420,569	420,569
	3,900,453	3,487,855
Long-term debt (Note 7)	4,875,000	4,875,000
Customer deposits	270,318	306,168
Other non-current liabilities	36,019	36,019
	9,081,790	8,705,042
Shareholder's equity		
Share capital (Note 8)	9,226,787	9,226,787
Retained earnings	1,430,955	379,566
	10,657,742	9,606,353
	$ 19,739,532	$ 18,311,395

On behalf of the Board:

_____ Director

_____ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

BDO

Lakeland Power Distribution Ltd.
Statement of Operations and Retained Earnings

For the year ended December 31	2003	2002
Revenue	**$ 18,309,254**	$ 18,018,937
Direct costs	**13,912,321**	14,361,376
	4,396,933	3,657,561
Other revenues		
Other operating revenue (Schedule 1)	**229,890**	168,191
Other income (Schedule 1)	**91,501**	124,151
Investment income	**106,207**	39,283
Gain on disposal of capital assets	**5,937**	16,640
	4,830,468	4,005,826
Expenses		
Distribution (Schedule 1)	**727,693**	460,995
Billing and collecting (Schedule 1)	**473,757**	530,318
Community relations	**11,566**	9,892
Administration and general (Schedule 1)	**834,389**	775,394
Amortization (Note 9)	**777,101**	764,954
Interest	**276,574**	245,198
Payments in lieu of capital tax	**44,532**	47,010
Taxes other than income taxes	**11,213**	9,848
	3,156,825	2,843,609
Net income from operations for the year	**1,673,643**	1,162,217
Payments in lieu of income taxes	**622,254**	403,099
Net income for the year	**1,051,389**	759,118
Retained earnings (deficit), beginning of year	**379,566**	(379,552)
Retained earnings, end of year	**$ 1,430,955**	$ 379,566

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

Lakeland Power Distribution Ltd.
Statement of Cash Flows

For the year ended December 31	2003	2002
Cash provided by (used in)		
Operating activities		
Net income for the year	**$ 1,051,389**	$ 759,118
Adjustments for		
Amortization	**848,880**	839,035
Gain on disposal of capital assets	**(5,937)**	(16,640)
	1,894,332	1,581,513
Changes in non-cash working capital balances		
Accounts receivable	**(368,976)**	293,659
Unbilled service revenue	**1,188,582**	(1,411,058)
Inventory	**4,556**	6,084
Other current assets	**(56,402)**	(22,519)
Accounts payable and accrued liabilities	**27,236**	184,747
Other current liabilities	**638,113**	131,142
Payments in lieu of corporate taxes liability	**(252,753)**	385,352
	3,074,688	1,148,920
Customer deposits	**(35,850)**	(13,127)
Retail settlement variance accounts	**(722,747)**	(535,144)
	2,316,091	600,649
Investing activities		
Proceeds on sale of capital assets	**11,573**	16,640
Purchase of capital assets	**(1,209,329)**	(1,502,047)
Contributions received in aid of construction	**117,412**	584,768
Qualifying transition costs incurred	**-**	(98,444)
	(1,080,344)	(999,083)
Financing activities		
Decrease in promissory note	**-**	(2,500,000)
Advance from related company	**-**	1,000,000
Advances from related companies	**-**	11,952
	-	(1,488,048)
Change in cash and cash equivalents during the year	**1,235,747**	(1,886,482)
Cash and cash equivalents, beginning of year	**42,732**	1,929,214
Cash and cash equivalents, end of year	**$ 1,278,479**	$ 42,732

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

BDO

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2003

Nature of Business

The company is incorporated under the laws of Ontario and operates as a local distribution company distributing hydro electric power to users in Bracebridge, Huntsville, Sundridge, Burk's Falls and Magnetawan, Ontario.

The corporation is a municipally owned government business enterprise and is therefore exempt from income tax under the Income Tax Act.

Revenue Recognition

Revenue is recorded in the period in which the electricity is provided. Revenue is accrued from the last meter reading to the end of the year and reflected in unbilled revenue.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Inventory

Inventory consists of repair parts, supplies and materials valued at the lower of average cost and replacement cost.

Capital Assets

Capital assets are recorded at cost. Amortization is provided on the straight line basis over the estimated useful life of the assets as follows:

Land rights	-	75 years
Buildings and fixtures	- 30 &	50 years
Distribution station equipment	-	25 years
Poles, towers and fixtures	-	25 years
Underground conduits	-	25 years
Conductors and devices	-	25 years
Line transformers	-	25 years
Meters	-	25 years
New services distribution	-	25 years
Office furniture and equipment	-	10 years
Computer hardware and software	-	5 years
Transportation equipment	- 5 &	8 years
Stores equipment	-	10 years
Tools and garage equipment	-	10 years
Communication equipment	-	10 years

Intangible Assets

Intangible assets are recorded at cost and are amortized over the useful life of the asset. If the life of the asset is indefinite no amortization is taken.

Contributions in Aid of Construction

Contributions received in aid of construction are netted against capital assets. These revenues are amortized on the same basis as the capital assets to which they relate.

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2003

Regulatory Assets

These assets are intended to be recovered through future rate applications and are subject to review by the Ontario Energy Board (OEB) on a per item basis to determine their eligibility for recovery through rates. If recovery through future rates was no longer considered probable, the amounts would be charged to the results of operations in the period in which such assessment was made.

Qualifying Transition Costs

These costs reflect amounts incurred to prepare for the opening of the electricity market to competition.

Retail Settlement Variance Accounts

These accounts reflect the difference between the cost of electricity and the amounts billed to consumers beginning May 1, 2002, the date the market became open to competition.

Pre-Market Opening Energy Variance Accounts

These accounts reflect the difference between the cost of electricity paid to Ontario Power Generation and the amounts billed to consumers for electricity usage for the period January 1, 2001 to April 30, 2002.

Corporate Taxes

Under the Electricity Act, 1998, the company is required to make payments in lieu of corporate taxes to Ontario Electricity Financial Corporation (OEFC). These payments are calculated in accordance with rules contained in the Income Tax Act as modified by the Electricity Act, 1998, and related regulations. The company, as a rate-regulated enterprise, provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be recovered from future customers.

Financial Instruments

The company's financial instruments consist of cash, accounts receivable, accounts payable, amounts due to related parties and long-term debt. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank balances.

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2003

1. Accounts Receivable

	2003	2002
Electrical energy	$ 1,455,627	$ 938,373
Street lighting	-	1,796
Sundry	139,360	266,574
GST receivable	-	25,250
	1,594,987	1,231,993
Allowance for doubtful accounts	(18,144)	(24,126)
	$ 1,576,843	$ 1,207,867

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2003

2. Capital Assets

	2003		2002	
	Asset Cost	Accumulated Amortization	Asset Cost	Accumulated Amortization
Distribution Plant				
Buildings and fixtures	$ 181,155	$ 10,843	$ 147,907	$ 7,229
Distribution station equipment	983,988	183,650	945,007	127,206
Poles, towers and fixtures	4,007,029	839,730	3,622,583	623,118
Underground conduits	2,701,518	442,942	2,662,877	318,301
Conductors and devices	3,078,974	255,860	2,902,429	128,892
Line transformers	2,727,149	483,134	2,514,742	316,526
Meters	964,267	171,740	929,831	125,919
New services distribution	171,979	15,474	139,086	8,617
	14,816,059	2,403,373	13,864,462	1,655,808
General Plant				
Land	276,661	-	226,661	-
Buildings and fixtures	110,778	12,388	110,778	7,268
Office furniture and equipment	90,079	39,131	89,459	27,316
Computer hardware	175,959	108,059	133,743	84,958
Transportation equipment	503,554	165,064	436,926	109,780
Stores equipment	2,762	2,762	2,762	2,148
Tools and garage equipment	134,926	83,868	109,648	64,260
Computer software	41,496	10,052	8,764	1,753
Communication equipment	78,599	19,604	54,247	11,551
	1,414,814	440,928	1,172,988	309,034
	16,230,873	2,844,301	15,037,450	1,964,842
Less contributions in aid of construction	975,811	84,386	858,399	45,356
	$ 15,255,062	$ 2,759,915	$ 14,179,051	$ 1,919,486
		$ 12,495,147		$ 12,259,565

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2003

3. Regulatory Assets

Qualifying transition costs	**$ 409,694**	$ 409,694
Retail settlement variance accounts	**1,316,782**	594,035
Pre-market opening energy variance accounts	**841,109**	841,109
	2,567,585	1,844,838
Allowance for uncertainty of recovery	**(900,000)**	(900,000)
	$ 1,667,585	$ 944,838

Although these assets are expected to be recovered through future rate increases, there remains uncertainty as to the timing and amount that will be approved for recovery. Legislation in the form of Bill 210 was implemented December 9, 2002, which froze rates effective May 1, 2002 until April 30, 2006. Accordingly, an allowance of $900,000 was set up by a charge to operations as follows:

2001	$ 381,685
2002	518,315
	$ 900,000

Subsequent to December 31, 2003, regulatory assets were allowed to be recovered over a period of time.

4. Other Assets

	2003		2002	
	Asset Cost	**Accumulated Amortization**	Asset Cost	Accumulated Amortization
Intangible assets				
Land rights	**$ 475,997**	**$ 15,147**	$ 474,177	$ 15,147
		$ 460,850		$ 459,030

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2003

5. Accounts Payable and Accrued Liabilities

	2003	2002
Power	$ 1,537,957	$ 1,785,764
Shared distribution charges	1,000,000	400,000
Customer credit balances	151,212	119,129
Other trade	646,016	364,941
	$ 3,335,185	$ 2,669,834

Included in the above amount for power is $109,963 (2002 - $70,217) which is due to Bracebridge Generation Ltd., a related company, as described in Note 6. Total power purchased from Bracebridge Generation Ltd. in 2003 was $738,605 (2002 - $651,307). These transactions have been measured at the exchange amount.

6. Due to Related Company

	2003	2002
Due to Bracebridge Generation Ltd.	$ 420,569	$ 420,569

Lakeland Power Distribution Ltd., Lakeland Energy Ltd. and Bracebridge Generation Ltd. are all wholly-owned subsidiaries of Lakeland Holding Ltd. During the year, Lakeland Power Distribution Ltd. purchased all of the electricity generated by Bracebridge Generation Ltd. on the same terms that it purchases electricity from third party suppliers. The balance due to related company above is non-interest bearing and due on demand.

December 31, 2003

7. Long-Term Debt

	2003	2002
Loan payable - Bracebridge Generation Ltd., a related company, interest only at 5%, no specific terms of principal repayment, not due within one year	**$ 1,000,000**	$ 1,000,000
Chartered bank revolving loan	**3,875,000**	3,875,000
	$ 4,875,000	$ 4,875,000

The above chartered bank revolving loan is comprised of three amounts. Interest only payments are payable monthly. $1,162,500 of the total loan bears floating interest at prime plus 0.75% and is due March 11, 2005. $1,937,500 of the total loan bears fixed interest at 5.05% and was due March 11, 2004. The balance $775,000 bears fixed interest at 5.65% and is due March 11, 2005.

Subsequent to the date of these financial statements, the loan in the amount of $1,937,500 was refinanced at a fixed interest rate of 3.13% and is due March 11, 2005.

Security for the chartered bank revolving loan is provided by a General Security Agreement conveying a first floating and fixed charge over all assets and evidence of adequate liability insurance.

The agreement covering the above facility contains certain restrictions regarding interest coverage and debt ratio tests.

The company also holds a letter of credit with a chartered bank in the amount of $1,216,009 which bears interest at 0.50% per annum. The purpose of this facility is to finance IMO Prudential requirements.

8. Share Capital

Authorized

Unlimited Common shares

		2003	2002
Issued			
7,428	Common shares	**$ 9,226,787**	$ 9,226,787

December 31, 2003

9. Amortization of Capital Assets

Total amortization of capital assets amounted to $848,880 for the year (2002 - $839,035). Transportation and communication equipment amortization of $71,779 (2002 - $74,080) has been expensed to operating lines where the equipment was used.

10. Statement of Cash Flows Supplementary Information

During the year, the company paid the following amounts in cash:

	2003	2002
Interest	**$ 276,574**	$ 245,198
Payments in lieu of corporate taxes	**$ 878,091**	$ 68,390

11. Pension Plan

The company makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of substantially all members of its staff. This plan is a defined benefit plan which specifies the amount of the retirement to be received by the employees based on the length of service and rates of pay. The amount contributed to OMERS in 2003 was $19,690 (2002 - $nil). As of January 1, 2003, OMERS announced the end of the contribution holiday. Contributions have resumed at approximately 1/3 normal rates. For employees who have a normal retirement age of 65, contributions have resumed at 2.1% of employee's salary up to $39,900 and 2.6% after that. For employees who have a normal retirement age of 60, contributions have resumed at 2.43% of salary up to $39,900 and 2.93% after that. Full contribution rates are to resume January 1, 2004.

12. Contingency

A class action claiming $500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code. The Electricity Distributors Association (formerly Municipal Electric Association) is undertaking the defence of this class action. At this time, it is not possible to quantify the effect of this action, if any, on the financial statements of the company.

Lakeland Power Distribution Ltd.
Schedule 1 - Other Revenue and Expenses

For the year ended December 31	2003	2002
Other Operating Revenue		
Rent from electric property	$ 88,968	$ 87,630
Late payment charges	92,604	68,631
Miscellaneous service revenues	48,318	11,930
	$ 229,890	$ 168,191
Other Income		
Miscellaneous	$ 60,161	$ 46,116
OPGI - Action Settlement	-	32,322
Arrears certification	-	2,620
Overhead expansion assistance	31,340	43,093
	$ 91,501	$ 124,151
Distribution Expense		
Operations - meters	$ 53,554	$ 44,469
Operations - pole rental	24,004	26,703
Maintenance of station equipment	25,177	6,554
Maintenance supervision and engineering	106,090	59,610
Maintenance of overhead services	379,769	256,062
Maintenance of underground services	53,538	27,022
Maintenance of line transformers	33,807	24,183
Maintenance of meters	51,754	16,392
	$ 727,693	$ 460,995
Billing and Collecting Expense		
Supervision	$ 72,597	$ 83,972
Meter reading	137,650	160,806
Customer billing	219,362	222,130
Collections	44,148	63,410
	$ 473,757	$ 530,318
Administration and General Expense		
Salaries and related expenses	$ 279,434	$ 303,992
Office supplies	135,554	108,060
Rents	32,762	34,965
Outside services	132,179	67,632
Maintenance	25,998	23,726
EMERA fees	51,299	47,803
General and miscellaneous	177,163	189,216
	$ 834,389	$ 775,394

BDO

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

P I L

Schedule 200

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

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

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Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business number (BN) (item 11) **001** 89649 9613 RC 0001

Corporation's name (item 12)

002 LAKELAND POWER DISTRIBUTION LTD.

Has the corporation changed its name since the last time we were notified? **003** ☐ Yes ☒ No

If *yes*, do you have a copy of the articles of amendment? **004** ☐ Yes ☐ No

Address of head office (item 13)

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

011 5-45 CAIRNS CRESCENT

012

City: **015** HUNTSVILLE — Province, territory, or state: **016** ON

Country (other than Canada): **017** — Postal code/Zip code: **018** P1H 2M2

Mailing address (if different from head office address) (item 14)

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

021 C/o

022 5-45 CAIRNS CRESCENT

023

City: **025** HUNTSVILLE — Province, territory, or state: **026** ON

Country (other than Canada): **027** — Postal code/Zip code: **028** P1H 2M2

Location of books and records (item 15)

031 5-45 CAIRNS CRESCENT

032

City: **035** HUNTSVILLE — Province, territory, or state: **036** ON

Country (other than Canada): **037** — Postal code/Zip code: **038** P1H 2M2

040 Type of corporation at end of taxation year (item 16)

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

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

To which taxation year does this return apply? (item 17)

From **060** 2003/01/01 to **061** 2003/12/31

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

If *yes*, provide date control was acquired **065**

Is the corporation a professional corporation that is a member of a partnership? (item 18) **067** ☐ Yes ☒ No

Is this the first year of filing after:

Incorporation? (item 19) **070** ☐ Yes ☒ No

Amalgamation? (item 20) **071** ☐ Yes ☒ No

If *yes*, complete Schedule 24

Has there been a wind-up of a subsidiary under section 88 during the current taxation year?(item 21)

If *yes*, complete Schedule 24 **072** ☐ Yes ☒ No

Is this the final taxation year before amalgamation? (item 22) **076** ☐ Yes ☒ No

Is this the final return up to dissolution? (item 23) **078** ☐ Yes ☒ No

Is the corporation a resident of Canada? (item 24) **080** ☒ Yes ☐ No

If *no*, give the country of residence. **081**

Is the non-resident corporation claiming an exemption under an income tax treaty? (item 24) **082** ☐ Yes ☒ No

If *yes*, complete Schedule 91

If the corporation is exempt from tax under section 149, tick one of the following boxes: (item 25)

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

Do not use this area

091	092	093	094	095	096
097					

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2003/12/31 Printed: 2004/05/27 13:20

Attachments

Guide	item		Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160	X	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
33	If you answered *yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from a retirement compensation arrangement?	172		-----
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on financial statements different from the net income for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of cultural or ecological property?	202		2
82,104	Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203		3
69-76	Is the corporation claiming any type of losses?	204		4
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
103	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other than dividends), (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210		10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
150	is the corporation an investment corporation or a mutual fund corporation?	218		18
131	Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
118	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221		21
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
111	Does the corporation have any Canadian manufacturing and processing profits?	227		27
121	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661/T665
124	Is the corporation subject to Part 1.3 tax?	233	X	33/34/35
124	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	X	36
124	Is the corporation claiming a surtax credit?	237		37
128	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
128	Is the corporation claiming a Part I tax credit?	242		42
129	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
125	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
128	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
128	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40

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Attachments - Continued from page 2

Guide item			Yes	Schedule
128	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252	☐	41
152	Is the corporation claiming a Canadian film or video production tax credit refund?	253	☐	T1131
130	Is the corporation subject to Part XIII.1 tax?		☐	92 *
153	Is the corporation claiming a film or video production services tax credit refund?		☐	T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		☐	T1134-A
44	Did the corporation have any controlled foreign affiliates?		☐	T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		☐	T1135
44	Did the corporation transfer or loan property to a non-resident trust?		☐	T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		☐	T1142
-	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		☐	T1145
-	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		☐	T1146
-	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		☐	T1174

Additional information

Is the corporation inactive? (item 48)	280	1 Yes ☐	2 No ☒
Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49)	281	1 Yes ☐	2 No ☒

What is the corporation's major business activity? (item 50) **282** _____
(Only complete if *yes* was entered at line 281.)

If the major activity involves the resale of goods, indicate whether is is wholesale or retail (item 51) **283** 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or service provided, giving the approximate percentage of the total revenue that each product or service represents. (item 52)	284	HYDRO POWER	285	100.000 %
	286		287	%
	288		289	%

Did the corporation immigrate to Canada during the taxation year? (item 53)	291	1 Yes ☐	2 No ☒
Did the corporation emigrate from Canada during the taxation year? (item 54)	292	1 Yes ☐	2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements or GIFI (item 77)		300	1,712,002	A
Deduct: Charitable donations from Schedule 2 (item 78)	311			
Gifts to Canada or a province, or a territory from Schedule 2 (item 79)	312			
Cultural gifts from Schedule 2 (item 80)	313			
Ecological gifts from Schedule 2 (item 81)	314			
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82)	320			
Part VI.1 tax deduction from Schedule 43 (item 83)*	325			
Non-capital losses of preceding taxation years from Schedule 4 (item 84)	331			
Net capital losses of preceding taxation years from Schedule 4 (item 85)	332			
Restricted farm losses of prior taxation years from Schedule 4 (item 86)	333			
Farm losses of prior taxation years from Schedule 4 (item 87)	334			
Limited partnership losses of prior years from Schedule 4 (item 88)	335			
Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	340			
Prospector's and grubstaker's shares (item 90)	350			
Subtotal				B
Subtotal (amount A minus amount B) (if negative, enter "0")			1,712,002	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91)		355		D
Taxable income (amount C plus amount D) (item 92)		360	1,712,002	
Income exempt under paragraph 149(1)(t) (item 93)		370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94)				Z

* If the taxation year ends after December 31, 2002, use "3" Instead of "9/4" in the calculation of the Part VI.1 tax deduction indicated in item 83 of the *T2 Corporation Income Tax Guide*.

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2003/12/31 Printed: 2004/05/27 13:20

Small business deduction

Canadian-controlled private corporations throughout the taxation year

Income from active business carried on in Canada from Schedule 7 (item 95) — **400** 1,712,002 A

Taxable income from line 360 on page 3, **minus** 10/3 the amount at line 632* on page 7, **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96) — **405** 1,712,002 B

Calculation of the business limit: (item 97)

for all CCPCs, calculate the amount at line 4 below

$200,000 x	Number of days in the taxation year before 2003 / Number of days in the taxation year		=		1
$225,000 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365 / 365	=	225,000	2
$250,000 x	Number of days in the taxation year in 2004 / Number of days in the taxation year	365	=		3
	Add amounts at line 1, 2, and 3			225,000	4

Business limit (see notes 1 and 2 below) — **410** 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 like 410.

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

Business limit reduction: (item 98)

Amount C _____ X **415 ***** 18,818 D / 11,250 = _____ E

Reduced business limit (amount C minus amount E) (if negative, enter "0") — **425** 0 F

Small business deduction - 16% of the least of amounts A, B, C, and F — **430** 0 G

(enter amount G of line 9 on page 7)

Accelerated tax reduction (item 99)

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425) _____ x _____ = _____ A

Net active business income (amount from line 400)* _____ 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 (item 96) _____ C

Deduct:

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

Amount C minus amount D (if negative, enter "0") _____ ▶ _____ 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 on page 5 _____ 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, 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% of amount M _____ N

(Enter amount N on line 637 of page 7)

* 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 (item 100)

Taxable resource income — 435 — A

Amount A _____ x Number of days in the taxation year in 2003 / Number of days in the taxation year (365 / 365) x 1% = _____ B

Amount A _____ x Number of days in the taxation year in 2004 / Number of days in the taxation year (_____ / 365) x 2% = _____ C

Resource deduction - amount B plus amount C — 438 — D
(enter amount D on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations (item 101)

Canadian-controlled private corporations throughout taxation year

Taxable income from line 360 page 3 — 1,712,002 A

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

Amount QQ from Part 13 of Schedule 27 _____ C

Taxable resource income from line 435 above _____ D

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

Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less _____ F

Aggregate investment income from line 440 of page 6 _____ G

Amount used to calculate the accelerated tax reduction (amount M of page 4) _____ H

Total of amounts B, C, D, E, F, G, and H _____ ▶ _____ I

Amount A minus amount I (if negative, enter "0") — 1,712,002 J

Amount J 1,712,002 x Number of days in the taxation year in 2001 / Number of days in the taxation year (_____ / 365) x 1% = _____ K

Amount J 1,712,002 x Number of days in the taxation year in 2002 / Number of days in the taxation year (_____ / 365) x 3% = _____ L

Amount J 1,712,002 x Number of days in the taxation year in 2003 / Number of days in the taxation year (365 / 365) x 5% = 85,600 M

Amount J 1,712,002 x Number of days in the taxation year after 2003 / Number of days in the taxation year (_____ / 365) x 7% = _____ N

General tax reduction for Canadian-controlled private corporations - total of amounts K, L, M and N — 85,600 O
(enter amount O on line 638 of page 7)

General tax reduction (item 102)

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 on page 3 _____ A

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

Amount QQ from Part 13 of Schedule 27 _____ C

Taxable resource income from line 435 above _____ D

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

Total of amounts B, C, D and E _____ ▶ _____ F

Amount A minus amount F (if negative, enter "0") _____ G

Amount G _____ x Number of days in the taxation year in 2001 / Number of days in the taxation year (_____) x 1% = _____ H

Amount G _____ x Number of days in the taxation year in 2002 / Number of days in the taxation year (_____) x 3% = _____ I

Amount G _____ x Number of days in the taxation year in 2003 / Number of days in the taxation year (_____) x 5% = _____ J

Amount G _____ x Number of days in the taxation year after 2003 / Number of days in the taxation year (_____) x 7% = _____ K

General tax reduction - total of amounts H, I, J and K _____ L
(enter amount L on line 639 of page 7)

Refundable portion of Part I tax (item 103)

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (Amount P from Part 1 of Schedule 7)	440		X 26 2/3 % =	A
Foreign non-business income tax credit from line 632 on page 7				
Deduct:				
Foreign investment income (Amount O from Part 1 of Schedule 7)	445		X 9 1/3 % = (if negative, enter "0")	B
Amount A **minus** amount B (if negative, enter "0")				C
Taxable income from line 360 on page 3		1,712,002		
Deduct:				
Least of amounts on lines 400, 405, 410, and 425 on page 4				
Foreign non-business income tax credit from line 632 on page 7	x 25/9 =			
Foreign business income tax credit from line 636 on page 7	x 3 =			
		1,712,002	X 26 2/3% =	456,534 D
Part I tax payable minus investment tax credit refund (line 700 minus line 780 on page 8)		412,935		
Deduct corporate surtax from line 600 on page 7		19,174		
Net amount		393,761		393,761 E
Refundable portion of Part I tax - the least of amounts C, D, and E			450	0 F

Refundable dividend tax on hand (item 104)

Refundable dividend tax on hand at the end of the preceding tax year	460		
Deduct dividend refund for the previous taxation year	465		A
Add the total of:			
Refundable portion of Part I tax from line 450 above			
Total Part IV tax payable from line 360 on page 2 of Schedule 3			
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	480		B
Refundable dividend tax on hand at the end of the taxation year - amount A plus amount B	485		0

Dividend refund (item 105)

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3		X 1/3	A
Refundable dividend tax on hand at the end of the taxation year from line 485 above			B
Dividend refund - Lesser of amounts A and B (enter this amount on line 784 on page 8)			0

Part I tax

Base amount of Part I tax - 38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 106) **550** 650,561 A

Corporate surtax calculation (item 107)

Base amount from line A above		650,561	1
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page 3		171,200	2
Investment corporation deduction from line 620 below			3
Federal logging tax credit from line 640 below			4
Federal qualifying environment trust tax credit from line 648 below			5
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b and c below on line 6:			
28% of taxable income from line 360 on page 3	a		
28% of taxed capital gains	b		6
Part I tax otherwise payable (line A **plus** line C and D **minus** line F)	393,761 c		
Total of lines 2 to 6		171,200	7
Net amount (line **1** minus line **7**)		479,361	8

Corporate surtax - 4% of the amount on line 8 **600** 19,174 B

Recapture of investment tax credit from line PPP in Part 21 on page 8 of Schedule 31 (item 108) **602** C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income (for a CCPC throughout the taxation year) (item 109)

Aggregate investment income from line 440 on page 6			i
Taxable income from line 360 on page 4	1,712,002		
Deduct: The least of amounts on lines 400, 405, 410, and 425 on page 4			
Net amount	1,712,002 ▶	1,712,002	ii

Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of amounts i or ii **604** D

Subtotal (add lines A, B, C, and D) 669,735 E

Deduct:

Small business deduction from line 430 on page 4			9
Federal tax abatement (item 110)	**608**	171,200	
Manufacturing and processing profits deduction from amount BB of Schedule 27 (item 111)	**616**		
Investment corporation deduction (item 112)	**620**		
(Taxed capital gains **624**)			
Additional deduction - credit unions from Schedule 17 (item 113)	**628**		
Federal foreign non-business income tax credit from Schedule 21 (item 114)	**632**		
Federal foreign business income tax credit from Schedule 21 (item 115)	**636**		
Accelerated tax reduction from amount N of page 4 (item 116)	**637**		
Resource deduction from line 438 of page 5			10
General tax reduction for CCPC's from amount O of page 5 (item 117)	**638**	85,600	
General tax reduction from amount L of page 5 (item 117)	**639**		
Federal logging tax credit from Schedule 21 (item 118)	**640**		
Federal political contribution tax credit (item 119)	**644**		
Federal political contributions **646**			
Federal qualifying environmental trust tax credit (item 120)	**648**		
Investment tax credit from Schedule 31 (item 121)	**652**		
Subtotal		256,800 ▶	256,800 F

Part I tax payable - Line E minus line F (enter amount G on line 700 on page 8) (item 122) 412,935 G

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2003/12/31 Printed: 2004/05/27 13:20

Summary of tax and credits

Federal tax

Part I tax payable from page 7 (item 123)	700	412,935
Part I.3 tax payable from Schedule 33, 34, or 35 (item 124)	704	
Part II surtax tax payable from Schedule 46 (item 125)	708	
Part IV tax payable from Schedule 3 (item 126)	712	
Part IV.1 tax payable from Schedule 43 (item 127)	716	
Part VI tax payable from Schedule 38 (item 128)	720	
Part VI.1 tax payable from Schedule 43 (item 129)	724	
Part XIII.1 tax payable from Schedule 92 (item 130)	727	
Part XIV tax payable from Schedule 20 (item 131)	728	
Total federal tax		412,935

Add provincial and territorial tax

Provincial or territorial jurisdiction (item 132) 750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 133)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 147)	765	
Total tax payable	770	412,935 A

Deduct other credits

Investment tax credit refund from Schedule 31 (items 148)	780		
Dividend refund from Page 4 (items 149)	784		
Federal capital gains refund from Schedule 18 (item 150)	788		
Federal qualifying environmental trust tax credit refund (item 151)	792		
Canadian film or video production tax credit refund from Form T1131 (item 152)	796		
Film or video production services tax credit refund from Form T1177 (item 153)	797		
Tax withheld at source (item 154)	800		
Total payments on which tax has been withheld (item 154)	801		
Allowable refund for non-resident-owned investment corporations - Schedule 26 (item 155)	804		
Provincial and territorial capital gains refund from Schedule 18 (item 156)	808		
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812		
Royalties deductible under Syncrude Remission Order	815		
Tax remitted under Syncrude Remission Order (item 158)	816		
Tax instalments paid (item 159)	840	412,935	
Total credits	890	412,935	412,935 B
Balance (line A minus line B)			0 I

Refund Code (item 160) 894 1 Overpayment (item 163)

Direct Deposit Request (item 164)

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.
We do not charge or refund a difference of less than $2.

Balance unpaid (item 163)
Enclosed payment (item 162) 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 is due? (item 161) 896 1 Yes ☐ 2 No ☒ NA ☐

Certification (item 165)

950 LITSCHKO Surname
951 CHRIS First name
954 PRESIDENT Position, office or rank
955 2004/05/27 Date
956 (705) 789-5442 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 (item 166)

990 Language of choice/Langue de choix 1 English / Anglais ☒ 2 Français / French ☐

T2 F (02) CP13 - RETAIN ON FILE. DO NOT SUBMIT TO THE CCRA

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraordinary items per financial statements			**A**	1,051,388
Add:				
Provision for income taxes - current	**101**	622,254		
Interest and penalties on taxes	**103**	2,799		
Amortization of tangible assets	**104**	848,880		
Total of fields 201 to 294	**199**	4,476		
Total of fields 101 to 199	**500**	1,478,409	▶	1,478,409
Deduct:				
Gain on disposal of assets per financial statements	**401**	5,937		
Capital cost allowance - Schedule 8	**403**	811,804		
Total of fields 300 to 394	**499**	54		
Total of fields 401 to 499	**510**	817,795	▶	817,795
Net income (loss) for income tax purposes (enter on line 300 of the T2 return)				1,712,002

Add:

Other additions:

602 INCOME FROM T5013		**292**	4,476
Total of fields 201 to 294 (Enter this amount at line 199)			4,476

Deduct:

Other deductions:

700 CCA FROM T5013		**390**	54
Total of fields 300 to 394 (Enter this amount at line 499)			54

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CAPITAL COST ALLOWANCE

Schedule 8

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

? Class **200**	2 UCC at start of year **201**	3 Cost of additions in the year **203**	4 Net adjustments **205**	5 Proceeds of dispositions in the year **207**	7 Adjustment for additions (1/2 x (col 3 - 5)) **211**	8 Base amount for CCA	9 Rate % **212**	10 CCA for the year (col 8 x 9 or a lower amount) **217**	11 Recapture of CCA **213**	12 Terminal loss **215**	13 UCC at the end of the year **220**
	12,677,189	804,048			402,024	13,079,213	4	523,169			12,958,068
	246,663	32,312			16,156	262,819	4	10,513			268,462
0	93,208	42,215			21,108	114,315	30	34,295			101,128
0	322,625	80,715		11,573	34,571	357,196	30	107,159			284,608
	1,774,674					1,774,674	4	70,987			1,703,687
	199,724	49,896			24,948	224,672	20	44,934			204,686
2	4,382	32,731			16,366	20,747	100	20,747			16,366
otals	15,318,465	1,041,917		11,573	515,173	15,833,636		811,804			15,537,005

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RELATED AND ASSOCIATED CORPORATIONS

Schedule 9

This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name 100	Country (if not Canada) 200	Business # (Canadian corporation only) 300	Code note 1 400	Common shares		Preferred shares		Book value of capital stock 700
				# owned 500	% owned 550	# owned 600	% owned 650	
LAKELAND HOLDING LTD.		86574 9568 RC 0001	1					
LAKELAND ENERGY LTD.		89650 2416 RC 0001	3					
BRACEBRIDGE GENERATION LTD.		89650 1210 RC 0001	3					
		RC	0					

Note 1 : Enter the code number of the relationship that applies: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

Lakeland Power Distribution Ltd.
2012 IRM3 EB-2011-0180
Filed: November 10, 2011
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AGREEMENT AMONG ASSOCIATED CCPCs TO ALLOCATE THE BUSINESS LIMIT (2003 and later taxation years)

Schedule 23

Allocation of the business limit

Date filed (for departmental use only) 025 _____

Enter the calendar year to which the agreement applies 050 2003

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? 075 ☐ 1 Yes ☒ 2 No

	1 Names of associated corporations 100	2 Business Number 200	3 Association code 300
1	LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC 0001	1
2	LAKELAND HOLDING LTD.	86574 9568 RC 0001	1
3	LAKELAND ENERGY LTD.	89650 2416 RC 0001	1
4	BRACEBRIDGE GENERATION LTD.	89650 1210 RC 0001	1
		RC	0

Allocate business limit using: ☒ % ☐ $

	Taxation year Start	End	4 Business limit for the year (before allocation) $	Allocating business limit 5 Percentage of the business limit (%) 350	6 Allocation of business limit * $ 400	Provincial allocation for Alberta and Ontario (based on $200,000)	7 Year end to which this agreement applies if more than one taxation year end in a calendar year 500
1	2003/01/01	2003/12/31	225,000				
2	2003/01/01	2003/12/31	225,000				
3	2003/01/01	2003/12/31	225,000				
4	2003/01/01	2003/12/31	225,000	100.000	225,000	200,000	
TOTALS				100.000	A 225,000	200,000	

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box. $ _____

	Last taxation year ending in the preceding calendar year				Current year
	Taxable income	Grossed-up taxable income	Reduced business limit	Gross Part I.3 tax for business limit reduction	Grossed-up reduced business limit
1	1,022,143	1,022,143		18,212	
2				44	
3				562	
4					
TOTALS	1,022,143	1,022,143		18,818	

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PART I.3 TAX ON LARGE CORPORATIONS

Schedule 33

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act.*
- Subsection 181(1) defines the terms "financial institution", "long-term debt" and "reserves".
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt (as defined by subsection 128(3)) at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax return* within six months from the end of the taxation year.

Filing date (for departmental use only) **100** _____

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101			
Capital stock (or members' contributions if incorporated without share capital)	103	9,226,787		
Retained earnings	104	1,430,956		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	1,420,569		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	3,875,000		
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	306,337		
Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112			
Subtotal		16,259,649	16,259,649	A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121			
Any deficit deducted in computing the shareholders' equity	122			
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above.	123			
The amount of deferred unrealized foreign exchange losses	124			
Subtotal				B

Capital for the year (amount A minus amount B) (if negative, enter "0") **190** 16,259,649

Note: lines 101, 107, 108, 109, 111, and 112 are determined as follows:
- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership

PART I.3 TAX ON LARGE CORPORATIONS

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership (see note 1)	407	
Investment allowance for the year	490	

Part 3 - Taxable capital

Capital for the year (line 190)		16,259,649	C
Deduct: Investment allowance for the year (line 490)			D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	500	16,259,649	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500) 16,259,649 x (Taxable income earned in Canada / Taxable income) 610 1,712,002 / 1,712,002 = 690 16,259,649

Notes: 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0" it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		
Deduct the following amounts:			
Corporation's indebtedness at the end of the year (other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)) that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711		
Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712		
Total amount of carrying value at the end of the year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713		
Total deductions (add lines 711, 712, and 713)			E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		

PART I.3 TAX ON LARGE CORPORATIONS

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)			16,259,649
Deduct: Capital deduction claimed for the year (Enter $10,000,000 or the amount allocated)	801		7,746,260
Excess of taxable capital employed in Canada over capital deduction	811		8,513,389
Gross Part I.3 Tax: Line 811 8,513,389 x .00225 =			19,155 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:
Amount F _____ X Number of days in the year (_____) / 365 = _____ G

Gross Part I.3 tax for purposes of the unused surtax credit (Amount F or G, whichever applies)	820	19,155
Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)		16,259,649
Deduct: Capital deduction claimed for the year (enter the amount allocated on Schedule 36)		7,746,260
Excess of taxable capital employed in Canada over capital deduction		8,513,389

Excess 8,513,389 x (Number of days in the taxation year before 2004 / Number of days in the taxation year) 365/365 x 0.00225 = 19,155

Excess 8,513,389 x (Number of days in the taxation year in 2004 / Number of days in the taxation year) ___/365 x 0.00200 = _____

Subtotal 19,155

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:
Subtotal _____ X Number of days in the year (_____) / 365 = _____

Gross Part I.3 tax 19,155

Part 6 - Calculation of current year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return		1		
b) line 700 from the T2 return		2		
Lesser of lines 1 and 2				H
In any other case, the lesser of lines c and d below:				
c) line 600 from your T2 return	19,174 x (line 690 / line 500)	3	19,174	
d) line 700 from the T2 return		4	412,935	
Lesser of lines 3 and 4			19,174	19,174 I

Current year surtax credit available (amount H or I, whichever applies)	830	19,174

Part 7 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)		19,174
Less: Gross Part I.3 tax (line 820)		19,155
Current-year unused surtax credit (if negative, enter "0")	850	19

Enter this amount at line 600 on Schedule 37

Part 8 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)				19,155 J
Deduct: the following amounts:				
Current year surtax credit applied (the lesser of lines 820 and 830)	861	19,155		
Unused surtax credit from prior years applied	862			
Subtotal (cannot exceed amount on line 820)			19,155	19,155 K
Net Part I.3 tax payable (amount J minus amount K) Enter this amount at line 704 of the T2 return	870			

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AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Schedule 36

- Members of a related group of corporations should use this schedule to allocate the capital deduction among the members of the related group. **Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Date filed (for departmental use only)	**010**	
Is this an amended agreement?	**020**	☐ 1 Yes ☒ 2 No
Enter the calendar year to which the agreement applies	**030**	2003

AGREEMENT

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group **200**	Business number **300**	Allocation of capital deduction for the year **400**	Taxation year-end to which this agreement applies * **500**
LAKELAND POWER DISTRIBUTION LTD.	89649 9613 RC 0001	7,746,260	YYYY/MM/DD
BRACEBRIDGE GENERATION LTD.	89650 1210 RC 0001	2,072,518	YYYY/MM/DD
LAKELAND HOLDING LTD.	86574 9568 RC 0001	19,633	YYYY/MM/DD
LAKELAND ENERGY LTD.	89650 2416 RC 0001	161,589	YYYY/MM/DD
	RC	0	YYYY/MM/DD
	TOTAL	$ 10,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to another corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2003/12/31 Printed: 2004/05/27 13:20

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SHAREHOLDER INFORMATION

Schedule 50

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder **100**	Business Number * **200**	Social Insurance Number * **300**	Percentage common shares **400**	Percentage preferred shares **500**
LAKELAND HOLDING LTD.	86574 9568 RC 0001		100.000	
	RC			

* If the shareholder is a trust, enter NR at field 200 or NA at field 300.

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BALANCE SHEET INFORMATION

Schedule 100

Assets	Code	Amount
Cash and deposits	1000	1,278,479
Accounts Receivable	1060	1,576,844
Inventories	1120	207,889
Other current assets	1480	1,788,425
Prepaid expenses	1484	264,314
Land	1600	276,661
Buildings	1680	291,933
Accumulated amortization of buildings	1681	(23,232)
Machinery, equipment, furniture and fixtures	1740	306,366
Accumulated amortization of machinery, equipment, furniture and fixtures	1741	(145,365)
Motor vehicles	1742	503,554
Accumulated amortization of motor vehicles	1743	(165,064)
Computer equipment / software	1774	217,454
Accumulated amortization of computer equipment / software	1775	(118,111)
Other tangible capital assets	1900	13,659,092
Accumulated amortization of other tangible capital assets	1901	(2,308,144)
Rights	2024	475,997
Accumulated amortization of rights	2025	(15,147)
Other long term assets	2420	1,667,585
Total assets	2599	19,739,530

Liabilities	Code	Amount
Bank overdraft	2600	
Amounts payable and accrued liabilities	2620	2,075,414
Taxes payable	2680	144,699
Due to related parties	2860	420,569
Current portion of long term liability	2920	1,937,500
Other current liabilities	2960	1,259,767
Chartered bank loan	3143	1,937,500
Deferred income	3220	270,318
Amounts owing to related Canadian parties	3301	1,000,000
Other long term liabilities	3320	36,019
Total liabilities	3499	9,081,786

Equity	Code	Amount
Common shares	3500	9,226,787
Retained earnings / deficit	3600	1,430,956
Total equity	3620	10,657,743
Total liabilities and equity	3640	19,739,529

Retained earnings	Code	Amount
Retained earnings/deficit-start	3660	379,568
Net income / loss	3680	1,051,388
Total retained earnings	3849	1,430,956

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INCOME STATEMENT INFORMATION

Schedule 125

Details

Operating name, if different from the corporations' legal name

0001

Description of operation, if filing multiple Schedules 125

0002

Revenue	Code	Amount
Trade sales of goods and services	**8000**	18,309,254
Total sales of goods and services	**8089**	18,309,254
Realized gains / losses on disposal of assets	8210	5,937
Other revenue	8230	427,598
Total revenue	**8299**	18,742,789

Cost of sales	Code	Amount
Opening inventory	**8300**	
Purchases / cost of materials	8320	13,912,321
Cost of sales	**8518**	13,912,321
Gross profit / loss (item 8089 - item 8518)	**8519**	4,396,933

Operating expenses	Code	Amount
Advertising and promotion	8520	11,566
Amortization of tangible assets	8670	777,101
Interest on long term debt	8714	276,574
Office expenses	8810	834,389
Repairs and maintenance	8960	727,693
Property taxes	9180	55,745
Other expenses	9270	473,758
Total operating expenses	**9367**	3,156,826
Total expenses	**9368**	17,069,147
Net non-farming income	**9369**	1,673,642

Farming revenue	Code	Amount
Grains and oilseeds	**9370**	
Total farm revenue	**9659**	

Farming expenses	Code	Amount
Crop expenses	**9660**	
Total farm expenses	**9898**	
Net farm income	**9899**	
Net income / loss before taxes and extraordinary items	**9970**	1,673,642

Summary

Complete this section if only one Schedule 125 is filed, Schedule 140 is used to summarize the information from multiple Schedules 125.

Extraordinary items	**9975** -	
Legal settlements	**9976** -	
Unrealized gains / losses	**9980** +	
Unusual items	**9985** -	
Current income taxes	**9990** -	622,254
Deferred income tax provision	**9995** -	
Net income / loss after taxes and extraordinary items	**9999** =	1,051,388

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

NOTES CHECKLIST

Schedule 141

Involvement of accountant

0100 Who reported on/prepared the corporation's financial statements?

1	an independent auditor with a report that expressed no reservation	☒
2	an independent auditor with a report that expressed a reservation	☐
3	an independent accountant with a review engagement report that expressed no reservation	☐
4	an independent accountant with a review engagement report that expressed a reservation	☐
5	an independent accountant who conducted a compilation engagement with no review	☐
6	an independant accountant with a compilation engagement and review engagement resulting in no reservation	☐
7	an independant accountant with a compilation engagement and review engagement resulting in a reservation	☐
8	prepared by an employee/associate/management of the company, or a person on behalf of the company, without the involvement of an independent accountant	☐

Other information

Were any notes to the financial statements prepared?	**101**	☒ Yes	☐ No
If *yes*, complete the following:			
Are any values presented at other than cost?	**102**	☐ Yes	☒ No
Has there been a change in accounting policies since the last return?	**103**	☐ Yes	☒ No
Are subsequent events mentioned in the notes?	**104**	☐ Yes	☒ No
Is re-evaluation of asset information mentioned in the notes?	**105**	☐ Yes	☒ No
Is contingent liability mentioned in the notes?	**106**	☐ Yes	☒ No
Is information regarding commitments mentioned in the notes?	**107**	☐ Yes	☒ No
Does the corporation have investments in joint venture(s) or partnerships?	**108**	☐ Yes	☒ No
If *yes*, are you filing financial statements of the joint venture(s) or partnership(s)?	**109**	☐ Yes	☐ No

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BUSINESS CONSENT FORM

Use this form to consent to the release of confidential information about your Business Number (BN) account(s) to the representative named below, or to cancel consent for an existing representative.

- Complete Parts 1, 2, and 5 to name a representative.
- Complete Parts 3, 4, and 5 to cancel consent for an existing representative.
- Complete all parts of this form if you want to both name a new representative and cancel consent for an existing representative.

If you have questions, such as where to send this form, call us at 1-800-959-5525.

Part 1 – Consent to release of information to a representative

Client's name: LAKELAND POWER DISTRIBUTION LTD. Business Number: 896499613

I consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

BDO Dunwoody LLP

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to specify a particular individual of that firm, enter that individual's first and last name.

(705) 645-5215
Representative's telephone number

(705) 645-8125
Representative's fax number

Part 2 – Details of consent

A. Which accounts?

I request that this consent apply to all accounts. ☒ OR

I request that this consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to authorize access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC	RC
GST/HST	RT0001 ☐	RT	RT
Payroll deductions	RP0001 ☐	RP	RP
Import/Export	RM0001 ☐	RM	RM

B. Which years?

I request that this consent apply to all years. ☒ OR

I request that this consent apply only to the following years:

1. All year-ends up to:
2. All year-ends beginning in: and all years after that.
3. The following year-ends only:

BUSINESS CONSENT FORM

Part 3 – Cancellation of consent to release of information to a representative

Client's name: LAKELAND POWER DISTRIBUTION LTD. Business Number: 896499613

I cancel all previous consents for all representatives. ☐ OR

I cancel my consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to cancel the consent for a particular individual of that firm, enter that individual's first and last name.

( ) - Representative's telephone number

( ) - Representative's fax number

Part 4 – Details of cancellation of consent

A. Which accounts?

I request that this cancellation of consent apply to all accounts. ☐ OR

I request that this cancellation of consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to cancel access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC	RC
GST/HST	RT0001 ☐	RT	RT
Payroll deductions	RP0001 ☐	RP	RP
Import/Export	RM0001 ☐	RM	RM

B. Which years?

I request that this consent apply to all years. ☐ OR

I request that this consent apply only to the following years:

1. All year-ends up to:
2. All year-ends beginning in: and all years after that.
3. The following year-ends only:

Part 5 – Signature

Print your name CHRIS LITSCHKO Title PRESIDENT

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here ▶ Date 2004/05/27

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2003/12/31 Printed: 2004/05/27 13:20

TaxPaid

Tax instalments paid

Jurisdiction	Description	Date	Amount
FEDERAL	PIL PAYMENT	2003/12/31	412,935
ONTARIO	PIL PAYMENT	2004/02/02	52,641
ONTARIO	PIL PAYMENT	2003/12/31	114,076
ONTARIO		2004/04/13	92,034
FEDERAL			
		Total	671,686

* Enter Québec instalments paid on form CO-1027.VE

Summary by jurisdiction

Federal	412,935	Manitoba	
British Columbia		Ontario	258,751
Alberta			
Saskatchewan			

Instalments

Federal tax instalments

Instalment base

Year-end	Estimate for current year 2004/12/31	First instalment base 2003/12/31	Second instalment base 2002/12/31
Taxable income		1,712,002	1,022,143
Base amount of Part I tax		650,561	388,414
Corporate surtax		19,174	11,448
Refundable tax on CCPC's investment income			
Small business deduction			
Federal tax abatement		171,200	102,214
Manufacturing and processing profits deduction			
Foreign tax credits			
Tax reductions		85,600	30,664
Political contribution tax credit			
Investment tax credit			
Other credits			
Part I tax payable		412,935	266,984
Part I.3 tax payable			6,764
Part VI tax payable			
Part VI.1 tax payable			
Net provincial or territorial tax payable			
Total tax payable		412,935	273,748
Days in taxation year	365	365	365
Tax payable adjusted for short taxation years		412,935	273,748
Estimated credits for the current year:			
Investment tax credit refund			
Dividend refund			
Other			
Total estimated credits			
Instalment base		412,935	273,748
Monthly payment		34,411	22,812

Instalment payment options

- ☐ 1. based on estimated taxes for the current year
- ☐ 2. based on the first instalment base
- ☒ 3. based on the first and second instalment base
- ☐ 4. instalments are not required

Instalment payments

Date	Instalments required	Instalments paid	Instalments payable
2004/01/31	22,812		
2004/02/29	22,812		
2004/03/31	36,731		
2004/04/30	36,731		
2004/05/31	36,731		155,817
2004/06/30	36,731		36,731
2004/07/31	36,731		36,731
2004/08/31	36,731		36,731
2004/09/30	36,731		36,731
2004/10/31	36,731		36,731
2004/11/30	36,731		36,731
2004/12/31	36,731		36,731
Total	412,934		412,934

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2003/12/31 Printed: 2004/05/27 13:20

Summary

Tax Summary

Tax year ending 2003/12/31

Taxable income

Net income for tax purposes		1,712,002
Charitable donations and gifts	-	
Taxable dividends	-	
Losses of prior years	-	
Other adjustments	±	
Taxable income	=	1,712,002

Part I tax

38% of taxable income		650,561
Surtax	+	19,174
Refundable tax on CCPC investment income	+	
Active business income 1,712,002		
Small business deduction	-	
Federal tax abatement	-	171,200
Manufacturing and processing deduction	-	
Foreign tax credits	-	
Political contribution tax credit	-	
Investment tax credit	-	
Other deductions and credits	-	85,600
Part I tax	=	412,935

Tax payable

Part I tax		412,935
Part I.3 tax (large corporations tax)	+	
Taxable dividends received		
Part IV tax	+	
Other federal tax payable	+	
Subtotal	=	412,935
Provincial and territorial tax (except QC,ON,AB)	+	
Provincial tax on large corporations (NB,NS)	+	
Tax payable	+	412,935
Tax instalments paid	-	412,935
Investment tax credit refund	-	
Taxable dividends paid		
Dividend refund	-	
Other refundable credits	-	
Balance owing (refund) on federal return	=	
Provincial income tax (ON,AB,QC)		214,000
Capital and other provincial taxes	+	46,700
Tax instalments and credits	-	258,751
Other provincial taxes	=	1,949
Total balance owing (refund)		1,949

Provincial tax

	Taxable income	Income tax	Capital and other provincial taxes	Tax instalments and credits	Net provincial tax
Newfoundland					
Prince Edward Island					
Nova Scotia					
New Brunswick					
Manitoba					
Saskatchewan					
British Columbia					
Yukon Territory					
Northwest Territories					
Schedule 5 provincial tax payable					
Ontario	1,712,002	214,000	46,700	258,751	1,949
Alberta					
Québec					
Totals		214,000	46,700	258,751	1,949

Loss carryforwards

Capital	
Non-capital	
Farm	
Restricted farm	
Limited partnership	
Listed personal property	

Other carryforwards

Capital dividend account	
Refundable dividend tax on hand (net of dividend refund)	
Unused Part 1.3 tax credit	
Unused surtax credits	19
Foreign business tax credits	
Donations and gifts	
Investment tax credits	

5Year

5 Year Tax Summary

Years Ending:		2003/12/31		2002/12/31		2001/12/31		2000/12/31	
Taxable income									
Net Income for tax purposes		1,712,002		1,191,695		(169,552)		(104,601)	
Charitable donations and gifts	-		-		-		-		-
Taxable dividends	-		-		-		-		-
Losses of other years	-		-	169,552	-		-		-
Other adjustments	±		±		±		±		±
Taxable income	=	1,712,002	=	1,022,143	=		=		=
Active business income		1,712,002		1,191,695					
Part I tax									
38% of taxable income		650,561		388,414					
Surtax	+	19,174	+	11,448	+		+		+
Refundable tax on CCPC investment income	+		+		+		+		+
Small business deduction	-		-		-		-		-
Federal tax abatement	-	171,200	-	102,214	-		-		-
Manufacturing and processing deduction	-		-		-		-		-
Foreign tax credits	-		-		-		-		-
Political contribution tax credit	-		-		-		-		-
Investment tax credit	-		-		-		-		-
Other deductions and credits	-	85,600	-	30,664	-		-		-
Part I tax	=	412,935	=	266,984	=		=		=
Tax payable									
Part I tax		412,935		266,984					
Part I.3 tax	+		+	6,764	+	3,633	+	4,247	+
Part IV tax	+		+		+		+		+
Other federal tax payable	+		+		+		+		+
Subtotal	=	412,935	=	273,748	=	3,633	=	4,247	=
Provincial and territorial tax (except QC,ON,AB)	+		+		+		+		+
Provincial tax on large corporations (NB,NS)	+		+		+		+		+
Tax payable	=	412,935	=	273,748	=	3,633	=		=
Tax instalments made	-	412,935	-	273,748	-	3,633	-		-
Investment tax credit refund	-		-		-		-		-
Dividend refund	-		-		-		-		-
Other refundable credits	-		-		-		-		-
Balance owing (refund)	=		=		=		=		=
Provincial income tax (ON,AB,QC)		214,000		127,768					
Capital and other provincial taxes	+	46,700	+	43,647	+	12,117	+		+
Tax instalments and credits	-	258,751	-	174,752	-	11,367	-		-
Other provincial taxes	=	1,949	=	(3,337)	=	750	=		=
Total taxes owing (refund)		1,949		(3,337)		750			

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2003 CT23 Corporations Tax and Annual Return

For taxation years commencing after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)

P1L

CLIENT COPY

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17, together with the applicable schedules on pages 18-21. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file th CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedule A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* ☒ Yes ☐ No **Page 1 of 24**

Ministry Use

Corporation's Legal Name *(including punctuation)*
LAKELAND POWER DISTRIBUTION LTD.

Ontario Corporations Tax Account No. (MOF)
7228492

Mailing address
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

This CT23 Return covers the Taxation Year
Start 2003/01/01
End 2003/12/31

Has the mailing address changed since last filed CT23 Return? ☐ Yes | Date of change

Date of Incorporation or Amalgamation
2000/09/01

Registered/Head Office Address
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Ontario Corporation No. (MCBS) 1436405

Location of Books and Records
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Canada Customs and Revenue Agency Business No.
896499613RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
CHRIS LITSCHKO	(705) 789-5442	( ) -

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario (*Extra-Provincial Corporations only*) (MCBS)

City	Province	Country	Postal code

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced
Ceased
☒ ***Not Applicable***

Former Corporation Name (*Extra-Provincial Corporations only*) ☐ ***Not applicable*** (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). ▸

No. of Schedule(s): 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check ☑ this box. Schedule(s) A and K are not required (MCBS). ▸ ☒ **No Change**

Preferred Language / *Langue de préférence*
☒ English anglais ☐ French français

Ministry Use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person
CHRIS LITSCHKO

Title: D ☐ Director O ☐ Officer P ☐ Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Client: LAKELAND POWER DISTRIBUTION LTD. Ontario Account # 7228492 Year-end: 2003/12/31 Printed: 2004/05/27 13:20

Taxation Year End

Exempt From Filing (EFF) Corporations Tax Return Declaration

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)

I, _____ declare that:

The above corporation satisfies **all** of the exempt from filing criteria (a) through (f) below for the taxation year and therefore qualifies under the *Corporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Criteria for exempt from filing status:

a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year;
b) had no Ontario taxable income for the taxation year (subject to the provisions in NOTE 2 below);
c) had no Ontario Corporations Tax payable for the taxation year;
d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the *Income Tax Act* (Canada));
e) had provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and
f) is NOT subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose total assets exceed $5 million or whose total revenues exceed $10 million for the taxation year).

Signature	Title/Relationship to Corporation	Telephone number	Date
		( ) -	

Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.

NOTE 1: Filing of this declaration and the Annual Return does not constitute the filing of a Corporations Tax Return under section 75 of the *Corporations Tax Act*.

NOTE 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements:

1. If a corporation has a loss in the current taxation year that is to be carried back and applied to a previous taxation year(s), regardless of whether the loss is the same as for federal purposes or not, a CT23 tax return is required for the current taxation year. The corporation must also provide information indicating that the loss is to be carried back and specify the year and the amount of loss to be carried back to each taxation year.
2. If a corporation has a prior year loss, that is not the same for both federal and Ontario purposes and the corporation is applying a loss carryforward from the prior year to the current year, a CT23 tax return is required for the current taxation year, and if not previously filed, a CT23 tax return for the prior taxation year in which the loss was incurred is also required. Although a tax return for the loss year is not required where the loss is not being applied, the Corporations Tax Branch will accept the filing of a tax return for a loss year at the time the loss is incurred.
3. If a corporation has a prior year loss, that is the same for both federal and Ontario purposes, but in the current taxation year the corporation is applying a different amount of loss for Ontario than the loss amount being applied for federal income tax purposes, the corporation is required to file a CT23 tax return for the current taxation year only.

The following 3 items MUST be completed if the EFF declaration only is being submitted at this time. In cases where the annual return, which includes page 1, is **also** being filed, completion of these fields is NOT necessary.

1. Corporation's Mailing Address

City Province Country Postal code

2. Ontario Corporation No. (MCBS)

3. Canada Customs and Revenue Agency Business No.
RC

A corporation must file an Exempt From Filing Corporations Tax Return Declaration form for each taxation year that the corporation is exempt from filing, within 6 months after the end of its taxation year, to the address shown at the top of Page 1.

If you check "Yes" to ALL of the following criteria, you are eligible to file the CT23 Short-Form Corporation Tax Return. To obtain a copy, contact the Ministry Information Centre at the numbers listed on page 2 of the Guide.

Yes	No		
☒	☐	(a)	The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. Indicate Share Capital with full voting rights owned by Canadian Residents (nearest whole percentage) 100 %
☐	☒	(b)	The corporation's taxable income for the taxation year is $200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. (*Refer to guide*)
☐	☒	(c)	The corporation is NOT a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.
☐	☒	(d)	The corporation's taxation year ends on or after January 1, 2001, and its gross revenue and total assets are each $1,500,000 or less and the corporation is not a financial institution; OR The corporation's taxation year commences after September 30, 2001, and its gross revenue and total assets are each $3,000,000 or less and the corporation is not a financial institution.
☒	☐	(e)	The corporation is NOT claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax Credit (CETC) or Graduate Transitions Tax Credit (GTTC).
☒	☐	(f)	The corporation's Ontario allocation factor is 100%.

NOTE: Family Farm or Fishing corporations that have a taxation year ending on or after January 1, 2000 and that are NOT subject to the Corporate Minimum Tax, may also use the **CT23 Short-Form Corporations Tax Return** if the corporation checks "Yes" to (a), (b), (c), (e) and (f) above.

CLIENT COPY

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation - Please check (✓) box(es) if applicable in sections 1 & 2

[1] 1 [X] Canadian-controlled private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian residents. (nearest %) 100 %

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office No.)

Ontario Employer Health Tax Account No.
(Use Head Office No.)

Specify major business activity

[2] 1 [ ] Family Farm Corporation s.1(2)
2 [ ] Family Fishing Corporation s.1(2)
3 [ ] Mortgage Investment Corp s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61(4)
6 [ ] Bank s.1(2)
7 [ ] Loan and Trust Corporation s.61(4)
8 [ ] Non-resident Corp s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned investment Corp s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-resident s.63(1)
16 [ ] Financial institutions prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [X] Hydro successor, Municipal Electrical Utility or subsidary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Please check (✓) box(es) if applicable:

[ ] First Year of Filing

[ ] Amended Return

[ ] Taxation Year End has changed - Canada Customs and Revenue Agency approval required

[ ] Final Taxation Year up to Dissolution(wind-up) (Note: For discontinued businesses, see Guide.)

[ ] Final Taxation Year before Amalgamation

[ ] Floating Fiscal Year End

[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario

[ ] Acquisition of Control fed s.249(4)

Date control was acquired: _____

Was the corporation inactive throughout the taxation year?		Yes [ ]	No [X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?		Yes [X]	No [ ]
Are you requesting a refund due to:	the Carry-back of a Loss?	Yes [ ]	No [X]
	an Overpayment?	Yes [ ]	No [X]
	a Specified Refundable Tax Credit?	Yes [ ]	No [X]
Are you a Member of a Partnership or a Joint Venture?		Yes [ ]	No [X]

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Int.B. 3008).

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	From 690	±	1,712,002
Subtract: Charitable donations	1	-	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	2	-	
Subtract: Taxable dividends deductible, per federal T2 SCH 3	3	-	
Subtract: Ontario political contributions *(Attach schedule* 2A) (Int.B. 3002)	4	-	
Subtract: Federal Part VI.1 tax _____ X 9/3	5	-	
Subtract: Prior years' losses applied - Non-capital losses	From 704	-	
From 715 Net capital losses (page 16) _____ X inclusion rate 50.000000 %	714	-	
Farm losses	From 724	-	
Restricted farm losses	From 734	-	
Limited partnership losses	From 754	-	
Taxable income (Non-capital loss)	10	=	1,712,002
Addition to taxable income for unused foreign tax deduction for federal purposes	11	+	
Adjusted taxable income 10 + 11 (if **10** is negative, enter **11**)	20	=	1,712,002

Taxable Income

				Number of days in Taxation Year						
				Days after Sept 30, 2001 and before Jan 1, 2004		Total days				
From **10** (or **20**)	1,712,002	X **30** Ontario Allocation 100.0000 %	X 12.5 % X	**33** 365	÷	**73** 365	=	**29** +	214,000
				Days after Dec 31, 2003		Total days			
From **10** (or **20**)	1,712,002	X **30** Ontario Allocation 100.0000 %	X 14.0 % X	**34**	÷	**73** 365	=	**32** +	
Income Tax Payable (before deduction of tax credits) **29 + 32**								**40** =	214,000

Incentive Deduction for Small Business Corporations (IDSBC)(s.41) *(If this section is not completed, the IDSBC will be denied.)*

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the year? (✓) ☐ Yes ☒ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			**50**	1,712,002
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	**51**	+ 1,712,002		
Add: Losses of other years deducted for federal purposes (fed.s.111)	**52**	+		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	**53**	-		
	= 1,712,002		**54**	1,712,002
Federal Business limit for the year before application of fed.s.125(5.1) (not exceeding $200,000)	**55**	+		

Add: Ontario enhancement of federal business limit

Number of days in Taxation Year

	Days after Sept. 30, 2001 and before Jan. 1, 2003		Total Days		From					
80,000 X	**28**	÷	**73** 365	X	**55**	÷200,000	**43** +			
	Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days		From					
120,000 X	**31** 365	÷	**73** 365	X	**55**	÷200,000	**46** +			
	Days after Dec. 31, 2003		Total Days		From					
200,000 X	**34**	÷	**73** 365	X	**55**	÷200,000	**47** +			

Ontario enhancement of federal business limit **43 + 46 + 47** =		**44**	+	
Business Limit for Ontario purposes 55 + 44		=	**45**	
Income eligible for the IDSBC From **30** 100.0000 % *Ontario Allocation X	**56** Least of **50, 54** or **45**		**60**	=

***Note**: Ontario Allocation for IDSBC purposes may differ from **30** if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

Income Tax *continued from Page 4*

Number of Days in Taxation Year

Calculation of IDSBC Rate

6.5 % X **28**	Days after Sept 30, 2001 and before Jan 1, 2003	÷ **73**	Total Days 365	= **79**	+			
7.0 % X **31**	Days after Dec 31, 2002 and before Jan 1, 2004 365	÷ **73**	Total Days 365	= **89**	+	7.0000		
8.5 % X **34**	Days after Dec 31, 2003	÷ **73**	Total Days 365	= **90**	+			
IDSBC Rate for Taxation Year 79 + 89 + 90						**78**	=	7.0000
Claim	From **60**	X From **78** 7.0000 %				**70**	=	

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in **114** below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

***** Short Taxation Years*** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Associated corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

**** Taxable Income of the corporation**	From **10** (or **20** if applicable)	**80**	+ 1,712,002
If you are a member of an associated group (✓) **81** ☒ (Yes)			
Taxable income of associated corporations *(Attach schedule)*		**82**	+ 309,842
Aggregate Taxable Income		**85**	= 2,021,844

Number of days in Taxation Year

Subtract: 280,000 X	**28**	Days after Sept 30, 2001 and before Jan 1, 2003 ÷	**73**	Total Days 365 =	**113** +			
320,000 X	**31**	Days after Dec 31, 2002 and before Jan 1, 2004 365 ÷	**73**	Total Days 365 =	**115** +	320,000		
400,000 X	**34**	Days after Dec 31, 2003 ÷	**73**	Total Days 365 =	**116** +			
			113 + 115 + 116	=	320,000 ▶	**114**	-	320,000
(If negative, enter nil)						**86**	=	1,701,844

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax

4.333% X **28**	Days after Sept 30, 2001 and before Jan 1, 2003 ÷	**73**	Total Days 365	= **95**	+			
4.667% X **31**	Days after Dec 31, 2002 and before Jan 1, 2004 365 ÷	**73**	Total Days 365	= **96**	+	4.6670		
4.667% X **34**	Days after Dec 31, 2003 ÷	**73**	Total Days 365	= **97**	+			
Specified rate of surtax for Taxation Year 95 + 96 + 97						**94**	=	4.6670
From **86** 1,701,844 X From **94** 4.6670 % =						**87**	=	79,425
From **87** 79,425 X From **60**	÷ From **114** 320,000					**88**	=	

Surtax: Lesser of **70** or **88** **100** =

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)*

110

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing, is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits		120 +	
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From 56 -		
Add: Adjustment for Surtax on Canadian-controlled private corporations From **100** _____ ÷ From **30** 100.0000 % ÷ From **78** 7.0000 % = **121** _____ *Ontario Allocation			
Lesser of **56** or **121**		122 +	
120 - 56 + 122		130 =	
Taxable income	From **10** +		1,712,002
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From **56** -		
Add: Adjustments for Surtax on Canadian-controlled private corporations	From **122** +		
Subtract: Taxable income **10** X Allocation % to jurisdictions outside Canada		140 -	
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses		141 -	
10 - 56 + 122 - 140 - 141		142 =	1,712,002

Claim

Number of Days in Taxation Year

			Days after Sept 30, 2001 and before Jan 1, 2004		Total Days		
143 _____ Lesser of 130 or 142	X From **30** 100.0000 % X 1.5% X *Ontario Allocation	**33** 365 ÷	**73** 365 =	**154** +			
		Days after Dec 31, 2003		Total Days			
143 _____ Lesser of 130 or 142	X From **30** 100.0000 % X 2.0% X *Ontario Allocation	**34** _____ ÷	**73** 365 =	**156** +			
M&P claim for taxation year **154 + 156**						160 =	

***Note:** Ontario Allocation for M&P Credit purposes may differ from **30** if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1)).*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations

161

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity

162

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) *(Attach schedule).* 170

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible credit **175** _____ Credit claimed **180**

Subtotal of Income Tax **40 - 70 + 100 - 110 - 160 - 161 - 162 -170 - 180**

190 = 214,000

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.
Eligible credit from **5620** OITC claim form *(Attach original Claim Form)* **191** +

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible credit from **5798** Summary Schedule F **192** +

Ontario Film and Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible credit from **5899** either Claim Form from Ontario Media Development Corporation (OMDC) **or** Ministry of Finance (MFO) CT Schedule 193/199, as applicable.
(Attach the original Certification/Claim Form received from the OMDC ***or*** *the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* **193** +

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed post secondary graduate.
No. of Graduates from **6596** **194**
Eligible Credit from **6598** Summary Schedule G **195** +

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit from **6900** OBPTC Claim Form *(Attach* ***both*** *the original Claim Form and the Certification Form)* **196** +

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit from **6700** Claim Form Certified by Ontario Media Development Corporation
(Attach the original Claim/Certification Form with the CT23 Tax Return.) **197** +

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit from **7100** OBRITC Claim Form *(Attach original Claim Form)* **198** +

Ontario Production Services Tax credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit from **7300** either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MFO) CT Schedule 193/199, as applicable
(Attach the original Certification/Claim Form received from the OMDC ***or*** *the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* **199** +

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit from **7400** Claim Form certified by Ontario Media Development Corporation
(Attach original Claim/Certification Form.) **200** +

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit from **7500** OSRTC Claim Form *(Attach* ***both*** *the original Claim Form and the Certification Form)* **201** +

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 **220** =

Specified Tax Credits ***Applied to reduce Income Tax*** **225** =

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative) **230** = 214,000

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on ***Page 17***.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B on ***Page 8***.

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if ***either*** Total Assets **249** exceeds $5,000,000 ***or*** Total Revenue **250** exceeds $10,000,000.
* These amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

*** Total Assets of the corporation**	**240** +	19,739,530		
*** Total Revenue of the corporation**			**241** +	18,742,789
If you are a member of an associated group (✓) **242** ☒ (Yes)				
Total Assets of associated corporations *(Attach schedule)*	**243** +	6,261,407		
Total Revenue of associated corporations *(Attach schedule)*			**244** +	1,118,702
Aggregate Total Assets	**249** =	26,000,937		
Aggregate Total Revenue			**250** =	19,861,491

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on pages 18, 19 and 20 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on page 18.)*

Gross CMT Payable	CMT Base From **2135** 1,673,642 (If negative, enter zero)	X	From **30** 100.0000 (Ontario Allocation)	% X 4%	**276** =	66,946
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*					**277** -	
Subtract: Income Tax					From **190** -	214,000
Net CMT Payable (if negative, enter Nil on page 17.)					**280** =	

If **280** is less than zero and you do not have a CMT credit carryover, transfer **230** from ***Page 7*** to ***Income Tax Summary, on Page 17.***

If **280** is less than zero and you have a CMT credit carryover, complete A & B below.

If **280** is greater than or equal to zero, transfer **230** to ***Page 17*** and transfer **280** to ***Page 17, and*** to ***Schedule D: Continuity of CMT Credit Carryovers, on Page 20.***

CMT Credit Carryover available	From **2307**	

Application of CMT Credit Carryovers

A.	Income Tax (before deduction of specified credits)			From **190** +	214,000	
	Gross CMT payable	From **276** +	66,946			
	Subtract: Foreign Tax Credit for CMT purposes	From **277** -				
	If **276 - 277** is negative, enter NIL in **290**	=	66,946 ▶	**290** -	66,946	
	Income Tax eligible for CMT Credit			**300** =	147,054	
B.	Income Tax (after deduction of specified credits)			From **230** +	214,000	
	Subtract: CMT credit used to reduce income taxes			**310** -		
	Income Tax			**320** =	214,000	

Transfer to Page 17

If A & B apply, **310** ***cannot exceed the lesser of*** **230, 300** ***and your CMT credit carryover available*** **2307.**
If only B applies, **310** ***cannot exceed the lesser of*** **230** ***and your CMT credit carryover available*** **2307.**

Capital Tax *(Refer to Guide and Int.B. 3011)*

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both $3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation.

If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012 and 3015)	350 +	9,226,787
Retained earnings (if deficit, deduct) (Int.B. 3012)	351 ±	1,430,956
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352 +	
Loans and advances *(Attach schedule)*(Int.B. 3013)	353 +	1,420,569
Bank loans (Int.B. 3013)	354 +	3,875,000
Bankers acceptances (Int.B. 3013)	355 +	
Bonds and debentures payable (Int.B. 3013)	356 +	
Mortgages payable (Int.B. 3013)	357 +	
Lien notes payable (Int.B. 3013)	358 +	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	359 +	306,337
Contingent, investment, inventory and similar reserves (Int.B. 3012)	360 +	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012)	361 +	
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017)	362 +	
Subtotal	370 =	16,259,649
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012)	371 -	(2,857,670)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	372 -	
Total Paid-up Capital	380 =	19,117,319
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	381 -	
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	382 -	
Net Paid-up Capital	390 =	19,117,319

Eligible Investments *(Refer to Guide and Int.B. 3015)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	402 +	
Mortgages due from other corporations	403 +	
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	404 +	
Loans and advances to unrelated corporations	405 +	
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	406 +	
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	407 +	
Total Eligible Investments	410 =	

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015)

Total Assets per balance sheet	420	+	19,739,530
Mortgages or other liabilities deducted from assets	421	+	
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	422	+	
Subtract: Investment in partnership(s)/joint venture(s)	423	-	
Total Assets as adjusted	430	=	19,739,530
Amounts in **360** and **361** (if deducted from assets)	440	+	
Subtract: Amounts in **371**, **372** and **381**	441	-	(2,857,670)
Subtract: Appraisal surplus if booked	442	-	
Add or Subtract: Other adjustments (specify on an attached schedule)	443	±	
Total Assets	450	=	22,597,200

Investment Allowance (410 ÷ 450) X 390 — Not to exceed 410	460	=	
Taxable Capital 390 - 460	470	=	19,117,319

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation	18,742,789		
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue *(Attach schedule)*			
Aggregate of Gross Revenue	18,742,789	480	18,742,789
Total Assets (as adjusted)	From	430	19,739,530

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.

(Financial Institutions use calculations on page 13.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11. and if applicable, complete Section D or Section E on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 2003 CT23 guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in **550** on page 12 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership

B1. If the taxation year commences after September 30, 2001 and **430** and **480** on page 10 are both $3,000,000 or less, enter NIL in **550** on page 12 and complete the return from that point.

B2. If taxable capital, **470** on page 10, is **$5,000,000 or less**, enter NIL in **550** on page 12 and complete the return from that point.

B3. If taxable capital, **470** on page 10 exceeds **$5,000,000**, complete the following calculation and transfer the amount from **523** to **543** on page 12, and complete the return from that point.

+ From **470** _____

\- _____

= **471** _____ x From **30** 100.0000 (Ontario Allocation) x 0.3% x **555** _____ 365 (Days in taxation year / **365/366) = **523** + _____

Transfer to 543 on page 12 and complete the return from that point

**** If floating taxation year, refer to Guide.**

continued on Page 11

Capital Tax Calculation *continued from page 10*

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

C1. ☐ **509** (✓ if applicable) — **All corporations that you are associated with do not have a permanent establishment in Canada.**
If taxable capital **470** on page 10 is $5,000,000 or less, enter NIL in **550** on page 12 and complete the return from that point.
If taxable capital **470** on page 10 exceeds $5,000,000 proceed to **Section D**, enter $5,000,000 in **542** Section D, and complete Section D and the return from that point

C2. ☒ **524** (✓ if applicable) — **One or more of the corporations that you are associated with maintains a permanent establishment in Canada**
If the taxation year **ends before January 1, 2003**, you must complete the *Calculation* below.
If the taxation year **ends after December 31, 2002**, you and your associated group may continue to allocate the $5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group **may file an election** under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the $15,000 capital tax effect, relating to the $5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation ***Do NOT complete this calculation if ss.69(2.1) election is filed***

Taxable Capital form **470** on page 10	From **470**	+	19,117,319

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations *(Attach schedule)*	**531**	+	7,803,279
Total Aggregate Taxable Capital **470 + 531**	**540**	=	26,920,598

If **540** above is $5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL.
Enter NIL in **523** in section D on page 12, as applicable.
If **540** above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under Section D on page 12.

From **470** 19,117,319 ÷ From **540** 26,920,598 X 5,000,000 **541** = 3,550,686

Transfer to Section 542 in D on page 12

Ss.69(2.1) Election Filed

☐ **591** (✓ if applicable) — **Election filed.** ***Attach a copy of the election with this CT23 Return.***
Proceed to **Section E** on page 12.

Capital Tax Calculation *continued from page 11*

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, 540 on *page 11* exceeds $5,000,000.

Complete the following calculation and transfer the amount From **523** to **543**, and complete the return from that point.

+ From **470**	19,117,319											
- **542**	3,550,686											
= **471**	15,566,633	x	From **30**	100.0000 % Ontario Allocation	x	0.3%	x	**555** Days in the taxation year 365 ** (365/366)	= **523** +	46,700	Total Capital Tax for the taxation year *Transfer to 543 and complete the return from that point*

SECTION E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From **470**		X From **30**	100.0000	x 0.3%	= **561** +	
- Capital tax deduction relating to your corporation's capital tax deduction, on ss.69(2.1) election form					From **995** -	
					562 =	

Capital Tax	**562**	X	**555** Days in taxation year 365 ** (365/366)	= **563** +		*Transfer to 543 and complete the return from that poi*

**** If floating taxation year, refer to Guide**

Capital Tax *before application of specified credits*	**543**	=	46,700
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	**546**	-	
Capital Tax 543 - 546 *(amount cannot be negative)*	**550**	=	46,700

Transfer to page 17

Capital Tax *continued from page 12*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions Only

For taxation years commencing **after May 4, 1999** enter NIL in **550** on page 12, and complete the return from that point.

I.2 Other than Credit Unions

*(Retain details of calculations for amounts in boxes **565** and **570**. Do not submit with this tax return.)*

565 _____ (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) x 0.6% x From **30** _____ % (Ontario Allocation) x **555** _____ (Days in taxation year) ÷ **365/366 = **569** +

570 _____ (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) x **571** _____ (Capital Tax Rate *(Refer to Guide)*) x From **30** _____ % (Ontario Allocation) x **555** _____ (Days in taxation year) ÷ **365/366 = **574** +

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574 **575** =

***** If floating taxation year, refer to Guide.***

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments **585** -

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)?(✓) ☐ Yes

Capital Tax - Financial Institutions 575 - 585 **586** =

*Transfer to **543** on Page 12*

Premium Tax (s.74.2 & 74.3) *(refer to Guide)*

(1) Uninsured Benefits Arrangements **587** _____ x 2% **588** =
Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in **588** and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in **588.**)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to guide)* **589** -

Premium Tax 588 - 589 **590** =

Transfer to Page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1	**600**	±	1,712,002
			Transfer to Page 15

Add:

Federal capital cost allowance	**601**	+	811,804
Federal cumulative eligible capital deduction	**602**	+	
Ontario taxable capital gain	**603**	+	
Federal non-allowable reserves. Balance beginning of year	**604**	+	
Federal allowable reserves. Balance end of year	**605**	+	
Ontario non-allowable reserves. Balance end of year	**606**	+	
Ontario allowable reserves. Balance beginning of year	**607**	+	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	**608**	+	
Federal resource allowance	**609**	+	
Federal depletion allowance	**610**	+	
Federal foreign exploration and development expenses	**611**	+	
Management fees, rents, royalties and similar payments to non-arms' length non-residents			

Number of days in Taxation Year

		Days after Sept. 30, 2001 and before Jan. 1, 2004			Total days			
612		X 5/12.5 X	**33**	365	÷ **73**	365	=	**633** +	
		Days after Dec. 31, 2003			Total days			
612		X 5/14.0 X	**34**		÷ **73**	365	=	**634** +	

Total add-back amount for Management fees, etc. **633 + 634** =		**613**	+	
Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in **473** from Ont. CT23 schedule 161		**615**	+	
Add any negative amount in **473** from Ont. CT23 Schedule 161		**616**	+	
Federal allowable business investment loss		**620**	+	
Total of other items not allowed by Ontario but allowed federally *(Attach schedule)*		**614**	+	
Sub Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614			= 811,804	**640** 811,804
				Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under **675**)	**650**	+	811,804
Ontario cumulative eligible capital deduction	**651**	+	
Federal taxable capital gain	**652**	+	
Ontario non-allowable reserves. Balance beginning of year	**653**	+	
Ontario allowable reserves. Balance end of year	**654**	+	
Federal non-allowable reserves. Balance end of year	**655**	+	
Federal allowable reserves. Balance beginning of year	**656**	+	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	**657**	+	
Ontario depletion allowance	**658**	+	
Ontario resource allowance	**659**	+	
Ontario current cost adjustment *(Attach schedule)*	**661**	+	
Incentive for new electricity supply (section 13.6 deduction from income) (***Applies*** only to electrical generating corporations.)	**674**	+	
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	**675**	+	
Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675	**681**		811,804
			Transfer to Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Continued from page 14

Net income (loss) for federal income tax purposes, per federal T2 SCH 1	From **600** ±	1,712,002
Sub Total of Additions	From **640** =	811,804
Sub Total of deductions on page 14	From **681** =	811,804

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(***Applies*** only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year **662** _____

ONTTI Gross-up deduction calculation:

From **662** _____ Gross-up of CCA x 100/ **30** 100.0000 Ontario allocation - From **662** _____ **663** =

Workplace Child Care Tax Incentive

Qualifying expenditures: **665** _____ x 30% x 100/ **30** 100.0000 Ontario Allocation **666** =

Workplace Accessibility Tax Incentive

Qualifying expenditures: **667** _____ x 100% x 100/ **30** 100.0000 Ontario Allocation **668** =

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI): (***Applies*** to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures **670** _____ x 30% x 100/ **30** 100.0000 Ontario Allocation **671** =

Educational Technology Tax Incentive (***Applies*** to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures **672** _____ x 15% x 100/ **30** 100.0000 Ontario Allocation **673** =

Ontario allowable business investment loss	**678** +	
Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161	**679** +	
Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003)	**677** +	
Total of other deductions allowed by Ontario *(Attach schedule)*	**664** +	

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664	=	811,804 **680**	811,804

Net income (loss) for Ontario purposes **600 + 640 - 680** **690** = 1,712,002

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add: Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract: Utilized during the year to reduce taxable income	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce income (5)	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8)	719	729	739	749	759

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by s.34.

(3) Include losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amounts from **11** if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in **709** must equal total of **829** + **839**.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804	821	831	841	854	874
805	822	832	842	855	875
806 2000/12/31	823	833	843	856	876
807 2001/12/31	824	834	844	857	877
808 2002/12/31	825	835	845	858	878
809 2003/12/31	826	836	846	859	879
Total	829	839	849	869	889

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carryback adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Minister of Finance***.
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
	910	920	930	940
Total amount of loss				
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income. Predecessor Corporation's Account No. (MOF) / Taxation Year Ending	911	921	931	941
i) 3rd preceding 901 2000/12/31				
	912	922	932	942
ii) 2nd preceding 902 2001/12/31				
	913	923	933	943
iii) 1st preceding 903 2002/12/31				
	From 706	From 716	From 726	From 736
Total loss to be carried back				
	919	929	939	949
Balance of loss available for carryforward				

Summary

Income Tax	From **230** or **320**	+	214,000
Corporate Minimum Tax	From **280**	+	
Capital Tax	From **550**	+	46,700
Premium Tax	From **590**	+	
Total Tax Payable	**950**	=	260,700
Subtract: Payments	**960**	-	258,751
Capital Gains Refund (s.48)	**965**	-	
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	**985**	-	
Specified Tax Credits *(Refer to Guide)*	**955**	-	
Balance	**970**	=	1,949
If payment due Enclosed *	**990**		
If overpayment: Refund *(Refer to Guide)*	**975**	=	
Apply to	**980**		

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the Minister of Finance*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order. (Refer to guide for other payment methods.)

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name
CHRIS LITSCHKO

Title
PRESIDENT

Full Residence Address
22 Daleman Dr.
Bracebridge
City

Province	Country	Postal Code
ON	CA	P1L 1A6

Signature | Date 2004/05/27

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net income/(loss) (unconsolidated, determined in accordance with GAAP)				2100 ±	1,051,388
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	2101 +				
Provision for deferred income taxes (credits) / benefit of future income taxes	2102 +				
Equity income from corporations	2103 +				
Share of partnership(s)/joint venture(s) income	2104 +				
Dividends received/receivable deductible under fed.s.112	2105 +				
Dividends received/receivable deductible under fed.s.113	2106 +				
Dividends received/receivable deductible under fed.s.83(2)	2107 +				
Federal Part VI.1 tax on dividends declared and paid, under fed.s.191.1(1) x 9/3 =	2108 +				
Subtotal		=		2109 -	
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	2110 +	622,254			
Provision for deferred income taxes (debits) / cost of future income taxes	2111 +				
Equity losses from corporations	2112 +				
Share of partnership(s)/joint venture(s) losses	2113 +				
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	2114 +				
Subtotal		=	622,254	2115 +	622,254
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85	2116 +		or 2117 -		
** Fed.s.85.1	2118 +		or 2119 -		
** Fed.s.97	2120 +		or 2121 -		
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	2122 +		or 2123 -		
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	2124 +		or 2125 -		
** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	2126 +		or 2127 -		
Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	2150 -				
Subtotal (Additions)	=			2128 +	
Subtotal (Subtractions)		=		2129 -	
** Other adjustments				2130 ±	
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130				2131 =	1,673,642
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss				2132 ±	
Adjusted net income (loss) (if loss, transfer to **2202** in **Schedule B**)				2133 =	1,673,642
Deduct: CMT losses: pre-1994 Loss *	From 2210 +				
CMT losses: other eligible losses *	2211 +				
	=			2134 -	

* CMT losses applied cannot exceed adjusted net income or increase a loss
** Retain calculations. Do not submit with this tax return.

CMT Base	2135 =	1,673,642

Transfer to CMT Base on page 8

Corporate Minimum Tax (CMT)

Schedule B: Continuity of CMT Losses Carried Forward



CMT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
							Expired
2000/12/31							
2001/12/31							
2002/12/31							
2003/12/31							
Totals							

Balance at Beginning of year (1), (2) **2201** +

Add: Current year's losses **2202** +

Losses from predecessor corporations on amalgamation (3) **2203** +

Losses from predecessor corporations on wind-up (3) **2204** +

Amalgamation (✓) **2205** ☐ Yes Wind-up (✓) **2206** ☐ Yes

Subtotal = ▸ **2207** +

Adjustments (attach schedule) **2208** ±

CMT losses available 2201 + 2207 ± 2208 **2209** =

Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income **2210** +

Other eligible losses utilized during the year to reduce adjusted net income (4) **2211** +

Losses expired during the year **2212** +

Subtotal = ▸ **2213** -

Balances at End of Year (5) **2209 - 2213** **2214** =

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisitions of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income **2133** and CMT losses available **2209**.

(5) Amount in **2214** must equal sum of **2270** and **2290**.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first)	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	**2260**	**2280**
2241	**2261**	**2281**
2242	**2262**	**2282**
2243	**2263**	**2283**
2244	**2264**	**2284**
2245	**2265**	**2285**
2246 2000/12/31	**2266**	**2286**
2247 2001/12/31	**2267**	**2287**
2248 2002/12/31	**2268**	**2288**
2249 2003/12/31	**2269**	**2289**
Totals	**2270**	**2290**

The sum of amounts 2270 + 2290 must equal amount in 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
2001/12/31							
2002/12/31							
2003/12/31							
Totals							

Balance at Beginning of year (1) **2301** +

Add: Current year's CMT Credit (**280** on page 8. If negative, enter NIL) From **280** +

CMT Credit Carryovers from predecessor corporations (2) **2302** +

Amalgamation (✓) **2303** ☐ Yes Wind-up (✓) **2304** ☐ Yes

Subtotal = ▸ **2305** +

Adjustments *(Attach schedule)* **2306** ±

CMT credit carryover available 2301 + 2305 ± 2306 **2307** =

Transfer to Page 8

Subtract: CMT credit utilized during the year to reduce income tax (Page 8) From **310** +

CMT credit expired during the year **2308** +

Subtotal = ▸ **2309** -

Balance at End of Year (3) **2307 - 2309** **2310** =

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in **2310** must equal the sum of **2370 + 2390**.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Origin (oldest year first)		CMT Credit Carryovers of Corporation		CMT Credit Carryovers of Predecessor Corporations	
2340		**2360**		**2380**	
2341		**2361**		**2281**	
2342		**2362**		**2382**	
2343		**2363**		**2383**	
2344		**2364**		**2384**	
2345		**2365**		**2385**	
2346		**2366**		**2386**	
2347	2001/12/31	**2367**		**2387**	
2348	2002/12/31	**2368**		**2388**	
2349	2003/12/31	**2369**		**2389**	
Totals		**2370**		**2390**	

The sum of amounts 2370 and 2390 must equal the amount in 2310.

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Capital Cost Allowance
Schedule 8

ONTARIO CAPITAL COST ALLOWANCE

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2003/12/31

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

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year	3 Cost of acquisitions during the the year See note 1 below	4 Net adjustments	5 Proceeds of dispositions during the year	6 Ontario undepreciated capital cost (col 2 + 3 or col 2 - 4 - 5)	7 50% rule See note 2 below	8 Reduced undepreciated capital cost (col 6 - 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (col 8 x 9 or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (col 6 - 12)
1	12,677,189	804,048			13,481,237	402,024	13,079,213	4			523,169	12,958,068
1	246,663	32,312			278,975	16,156	262,819	4			10,513	268,462
10	93,208	42,215			135,423	21,108	114,315	30			34,295	101,128
10	322,625	80,715		11,573	391,767	34,571	357,196	30			107,159	284,608
1	1,774,674				1,774,674		1,774,674	4			70,987	1,703,687
8	199,724	49,896			249,620	24,948	224,672	20			44,934	204,686
12	4,382	32,731			37,113	16,366	20,747	100			20,747	16,366
Totals	15,318,465	1,041,917		11,573		515,173	15,833,636				811,804	15,537,005

Enter in box **650** on the CT23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Lakeland Power Distribution Ltd.
2012 IRM3 EB-2011-0180
Filed: November 10, 2011
Page 543 of 690

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Surtax on Canadian-Controlled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2003/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
LAKELAND HOLDING LTD.	7228479	2003/12/31	
LAKELAND ENERGY LTD.	7228467	2003/12/31	24,870
BRACEBRIDGE GENERATION LTD.	7228480	2003/12/31	284,972
		Total	309,842

*Transfer to **85** on the CT23*

Client: LAKELAND POWER DISTRIBUTION LTD. CCRA Business # 896499613 Year-end: 2003/12/31 Printed: 2004/05/27 13:20

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9

Taxable Capital of Associated Corporations

(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2003/12/31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
LAKELAND HOLDING LTD.	7228479	2003/12/31	23,539
LAKELAND ENERGY LTD.	7228467	2003/12/31	286,103
BRACEBRIDGE GENERATION LTD.	7228480	2003/12/31	7,493,637
		Aggregate of taxable capital	7,803,279

Transfer to **540** of the CT23

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Paid-Up Capital: Loans and Advances

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2003/12/31

Loans or Advances Credited or Advanced to Corporation
(includes accounts payable to related parties outstanding at the taxation year end for 120 days or more and accounts payable to non-related parties outstanding for 365 days or more at the taxation year end)

BRACEBRIDGE GENERATION	1,000,000
BRACEBRIDGE GENERATION	420,569
Total	1,420,569

*Transfer to **353** on the CT23*

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax - Associated Corporation

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	7228492	2003/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
LAKELAND HOLDING LTD.	7228479	2003/12/31	1,258,196	40,764
LAKELAND ENERGY LTD.	7228467	2003/12/31	312,353	274,008
BRACEBRIDGE GENERATION LTD.	7228480	2003/12/31	4,690,858	803,930
		Totals	6,261,407	1,118,702
			*Transfer to **249** of the CT23*	*Transfer to **250** of the CT23*

OConsent

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. **Note: This authorization is valid until the client or authorized signing person cancels it in writing. Please complete a separate form for each representative.**

The purpose of this form is:
☒ **To authorize** a third party representative or ☐ **To cancel** a third party representative

1. Client identification

Name
LAKELAND POWER DISTRIBUTION LTD.

Ontario Corporations Tax Account Number 7228492

2. Authorized third party identification

Authorized individuals' name

Address Phone number ( ) -

Authorized firm's name
BDO Dunwoody LLP

Address Phone number
239-1 Manitoba Street Bracebridge, Ontario P1L 1S2 (705) 645-5215

3. Details of authorization

Indicate the period for which authorization or cancellation applies:

All years ☒

OR

Specific years

OR

All years prior to

4. Authorized signature (client or authorized signing officer)

CHRIS LITSCHKO
Name

(705) 789-5442
Telephone number

2004/05/27
Date signed

Signature of client or authorized signing officer

PRESIDENT
Position, office or rank

Ontario tax instalments

Instalment base

	Estimate for current year	First instalment base	Second instalment base
Year-end	2004/12/31	2003/12/31	2002/12/31
Taxable income		1,712,002	1,022,143
Base amount of tax		214,000	127,768
Small business tax credit			
Surtax on CCPCs			
Manufacturing and processing profits credit			
Foreign tax credit			
Specified tax credits			
Other tax credits			
Income tax payable		214,000	127,768
Corporate minimum tax payable			
Capital tax payable		46,700	43,647
Premium tax payable			
Total tax payable		260,700	171,415
Days in taxation year	365	365	365
Tax payable adjusted for short taxation years		260,700	171,415
Estimated tax credits for the current year			
Instalment base		260,700	171,415
Monthly payment		21,725	14,285
Quarterly payment		65,175	42,854

Instalment payment options

- ☐ 1. based on estimated taxes for the current year
- ☐ 2. based on the first instalment base
- ☒ 3. based on the first and second instalment base
- ☐ 4. instalments are not required

Instalment payments

Date	Instalments required	Instalments paid	Instalments payable
2004/01/31	14,285		
2004/02/29	14,285		
2004/03/31	23,213		
2004/04/30	23,213		
2004/05/31	23,213		98,209
2004/06/30	23,213		23,213
2004/07/31	23,213		23,213
2004/08/31	23,213		23,213
2004/09/30	23,213		23,213
2004/10/31	23,213		23,213
2004/11/30	23,213		23,213
2004/12/31	23,213		23,213
Total	260,700		260,700

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion

Notice of Assessment

Electricity Act, 1998 *Corporations Tax Act, R.S.O. 1990*

from 2003/01/01 to 2003/12/31

Account No.	Assessment Date (year, month, day)	Page
1800128	2004/11/15	1 of 1

LAKELAND POWER DISTRIBUTION LTD.

ASSESSMENT NO. 48

Tax: Federal and Provincial PIL	673,635.00
Assessment Interest	126.22CR
Total Assessment Liability	673,508.78

SUMMARY OF 2003/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	673,635.00CR	
Sub-Total		673,635.00CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		126.22CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

As per 3100 Schedule
Dec 104.
$59,944.00

MNRF

APPROVED BY	ACCT. CHG'D.
	1.20.6105.100
DATE PAID	CHEQUE No.
2004/12/08	15622

PJ 1213
CD 1599

Tax (Re)Assessment Enquiries:
- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:
- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

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Appendix 19 – 2004 Financial Statements, Tax Returns, Tax Assessments

Lakeland Power Distribution Ltd.
Financial Statements
For the year ended December 31, 2004

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Financial Statements

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Summary of Significant Accounting Policies 6

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BDO

BDO Dunwoody LLP
Chartered Accountants
and Advisors

Driving growth

275 Manitoba Street
Bracebridge Ontario Canada P1L 1S2
Telephone: (705) 645-5215
Telefax: (705) 645-8125

www.bdo.ca

Auditors' Report

To the Shareholder of
Lakeland Power Distribution Ltd.

We have audited the balance sheet of Lakeland Power Distribution Ltd. as at December 31, 2004 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Lakeland Power Distribution Ltd. as at December 31, 2004 and the result of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody LLP

Chartered Accountants

Bracebridge, Ontario
February 14, 2005

Lakeland Power Distribution Ltd.
Balance Sheet

December 31	2004	2003
Assets		
Current		
Cash	$ 1,269,051	$ 1,278,479
Accounts receivable (Note 1)	1,947,854	1,576,843
Unbilled service revenue	2,070,148	1,783,425
Inventory	213,103	207,889
Other current assets	314,662	264,314
	5,814,818	5,115,950
Capital assets (Note 2)	12,444,235	12,495,147
Regulatory assets (Note 3)	2,234,773	1,667,585
Other assets (Note 4)	461,295	460,850
	$ 20,955,121	$ 19,739,532
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities (Note 5)	$ 5,153,703	$ 3,335,185
Payments in lieu of corporate taxes payable	19,524	144,699
Due to related company (Note 6)	-	420,569
	5,173,227	3,900,453
Long-term debt (Note 7)	3,875,000	4,875,000
Customer deposits	188,730	270,318
Other non-current liabilities	36,019	36,019
	9,272,976	9,081,790
Shareholder's equity		
Share capital (Note 8)	9,226,787	9,226,787
Retained earnings	2,455,358	1,430,955
	11,682,145	10,657,742
	$ 20,955,121	$ 19,739,532

On behalf of the Board:

_____ Director

_____ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

Lakeland Power Distribution Ltd.
Statement of Operations and Retained Earnings

For the year ended December 31	2004	2003
Revenue	**$ 18,571,206**	$ 18,309,254
Direct costs	**14,419,125**	13,912,321
	4,152,081	4,396,933
Other revenues		
Investment income	**171,126**	106,207
Gain on disposal of capital assets	**-**	5,937
Other income (Schedule 1)	**24,345**	91,501
Other operating revenue (Schedule 1)	**248,010**	229,890
	4,595,562	4,830,468
Expenses		
Administration and general (Schedule 1)	**639,974**	834,389
Amortization (Note 9)	**774,234**	777,101
Billing and collecting (Schedule 1)	**532,011**	473,757
Community relations	**15,320**	11,566
Distribution (Schedule 1)	**715,425**	727,693
Interest	**242,353**	276,574
Payments in lieu of capital tax	**43,225**	44,532
Taxes other than income taxes	**9,400**	11,213
	2,971,942	3,156,825
Net income from operations for the year	**1,623,620**	1,673,643
Payments in lieu of income taxes	**599,217**	622,254
Net income for the year	**1,024,403**	1,051,389
Retained earnings, beginning of year	**1,430,955**	379,566
Retained earnings, end of year	**$ 2,455,358**	$ 1,430,955

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

BDO

Lakeland Power Distribution Ltd.
Statement of Cash Flows

For the year ended December 31	2004	2003
Cash provided by (used in)		
Operating activities		
Net income for the year	**$ 1,024,403**	$ 1,051,389
Adjustments for		
Amortization (Note 9)	**851,687**	848,880
Gain on disposal of capital assets	**-**	(5,937)
	1,876,090	1,894,332
Changes in non-cash working capital balances		
Accounts receivable	**(371,011)**	(368,975)
Unbilled service revenue	**(281,723)**	1,188,582
Inventory	**(5,215)**	4,556
Other current assets	**(50,348)**	(56,402)
Accounts payable and accrued liabilities	**1,818,519**	665,348
Payments in lieu of corporate taxes payable	**(125,175)**	(252,753)
	2,861,137	3,074,688
Customer deposits	**(81,589)**	(35,850)
Retail settlement variance accounts	**(942,686)**	(722,747)
	1,836,862	2,316,091
Investing activities		
Proceeds on sale of capital assets	**-**	11,573
Purchase of capital assets	**(1,214,934)**	(1,209,329)
Contributions received in aid of construction	**413,714**	117,412
Recovery of rate regulated assets	**375,499**	-
	(425,721)	(1,080,344)
Financing activities		
Advances to related company	**(1,420,569)**	-
Increase (decrease) in cash and cash equivalents during the year	**(9,428)**	1,235,747
Cash and cash equivalents, beginning of year	**1,278,479**	42,732
Cash and cash equivalents, end of year	**$ 1,269,051**	$ 1,278,479

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

BDO

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2004

Nature of Business

The company is incorporated under the laws of Ontario and operates as a local distribution company distributing hydro electric power to users in Bracebridge, Huntsville, Sundridge, Burk's Falls and Magnetawan, Ontario.

The corporation is a municipally owned government business enterprise and is therefore exempt from income tax under the Income Tax Act of Canada.

Revenue Recognition

Revenue is recognized as power is transmitted and delivered to customers. Revenues are recognized on the accrual basis, which includes an estimate of electricity consumed by customers in the year, but billed subsequent to year end. This revenue is recorded as unbilled service revenue.

Contracted service revenue is recognized on the completed contract basis.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Financial Instruments

The company's financial instruments consist of cash, accounts receivable, accounts payable and long-term debt. The carrying value of financial instruments approximates their fair value due to their short term nature. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Corporate Taxes

Under the Electricity Act, 1998, the company is required to make payments in lieu of corporate taxes to Ontario Electricity Financial Corporation (OEFC). These payments are calculated in accordance with rules contained in the Income Tax Act as modified by the Electricity Act, 1998, and related regulations. The company, as a rate-regulated enterprise, provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be recovered from future customers.

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2004

Inventory

Inventory consists of repair parts, supplies and materials valued at the lower of average cost and replacement cost.

Capital Assets

Capital assets are recorded at cost, which includes internal labour and allocated overhead. Amortization is provided on the straight line basis over the estimated useful life of the assets as follows:

Distribution Plant			
Buildings and fixtures	- 30 &	50	years
Conductors and devices	-	25	years
Distribution station equipment	-	25	years
Line transformers	-	25	years
Meters	-	25	years
New services distribution	-	25	years
Poles, towers and fixtures	-	25	years
Underground conduits	-	25	years
General Plant			
Buildings and fixtures	- 30 &	50	years
Communication equipment	-	10	years
Computer hardware and software	-	5	years
Office furniture and equipment	-	10	years
Stores equipment	-	10	years
Tools and garage equipment	-	10	years
Transportation equipment	- 5 &	8	years

Contributions in Aid of Construction

Certain capital assets may be acquired or constructed with financial assistance in the form of non-refundable contributions from customers. These contributions are netted against capital assets and amortized on the same basis as the capital assets to which they relate.

Impairment of Long-lived Assets

As of January 1, 2004, the company adopted the recommendations of the Canadian Institute of Chartered Accountants (CICA) on accounting for impairment of long-lived assets which requires the company to test for impairment loss of long-lived assets whenever events or changes in circumstances occur which may cause their carrying value to exceed the total undiscounted cash flows expected from their use and eventual disposition. An impairment loss, if any, is determined as the excess of the carrying value of the asset over its fair value.

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2004

Asset Retirement Obligations

As of January 1, 2004, the company adopted the recommendations of CICA on accounting for asset retirement obligations. The recommendations required total retirement costs to be recorded as a liability at fair value, with a corresponding increase to capital assets. The company recognizes asset retirement obligations in the period in which they are incurred if a reasonable estimate of fair value can be determined. While some of the company's long-lived tangible assets will have future legal retirement obligations, the date of removal of the assets cannot be reasonably determined at this time. An asset retirement obligation and offsetting capital asset will be recognized when the timing and amount can be reasonably determined.

Intangible Assets

Intangible assets are recorded at cost and are amortized over the useful life of the asset. If the life of the asset is indefinite, no amortization is taken.

Regulatory Assets

The rates of the company's electricity transmission and distribution businesses are subject to regulation by the Ontario Energy Board (OEB). The OEB has the general power to include or exclude costs, revenues, losses or gains in the rates of a specific period, resulting in a change in the timing of accounting recognition from that which would have applied in an unregulated company. Such change in timing gives rise to the recognition of regulatory assets. The company's regulatory assets represent certain amounts receivable from future customers. Specific regulatory assets are described below and disclosed in (Note 3). The company continually assesses the likelihood of recovery of each of its regulatory assets.

Qualifying Transition Costs

These costs reflect amounts incurred to prepare for the opening of the electricity market to competition.

Retail Settlement Variance Accounts

These accounts reflect the difference between the cost of electricity and the amounts billed to consumers beginning May 1, 2002, the date the market became open to competition.

Pre-Market Opening Energy Variance Accounts

These accounts reflect the difference between the cost of electricity paid to Ontario Power Generation and the amounts billed to consumers for electricity usage for the period January 1, 2001 to April 30, 2002.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank balances.

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2004

1. Accounts Receivable

	2004	2003
Electrical energy	$ 1,597,923	$ 1,455,627
GST receivable	145,125	-
Sundry	229,782	139,360
	1,972,830	1,594,987
Allowance for doubtful accounts	(24,976)	(18,144)
	$ 1,947,854	$ 1,576,843

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2004

2. Capital Assets

	2004		2003	
	Asset Cost	**Accumulated Amortization**	Asset Cost	Accumulated Amortization
Distribution Plant				
Buildings and fixtures	**$ 566,876**	**$ 22,328**	$ 181,155	$ 10,843
Conductors and devices	**3,248,437**	**386,225**	3,078,974	255,860
Distribution station equipment	**1,007,240**	**240,559**	983,988	183,650
Line transformers	**2,944,442**	**654,090**	2,727,149	483,134
Meters	**959,199**	**217,459**	964,267	171,740
New services distribution	**203,463**	**22,980**	171,979	15,474
Poles, towers and fixtures	**4,239,030**	**1,060,983**	4,007,029	839,730
Underground conduits	**2,729,727**	**568,147**	2,701,518	442,942
	15,898,414	**3,172,771**	14,816,059	2,403,373
General Plant				
Land	**276,661**	**-**	276,661	-
Buildings and fixtures	**110,778**	**16,083**	110,778	12,388
Communication equipment	**99,803**	**28,718**	78,599	19,604
Computer hardware	**199,287**	**133,492**	175,959	108,059
Computer software	**80,846**	**22,286**	41,496	10,052
Office furniture and equipment	**96,962**	**51,289**	90,079	39,131
Stores equipment	**7,615**	**3,004**	2,762	2,762
Tools and garage equipment	**143,609**	**90,525**	134,926	83,868
Transportation equipment	**531,389**	**233,399**	503,554	165,064
	1,546,950	**578,796**	1,414,814	440,928
	17,445,364	**3,751,567**	16,230,873	2,844,301
Less contributions in aid of construction	**1,389,525**	**139,963**	975,811	84,386
	$ 16,055,839	**$ 3,611,604**	$ 15,255,062	$ 2,759,915
		$ 12,444,235		$ 12,495,147

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Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2004

3. Regulatory Assets

	2004	2003
Qualifying transition costs	**$ 409,694**	$ 409,694
Retail settlement variance accounts	**1,993,469**	1,316,782
Pre-market opening energy variance accounts	**841,109**	841,109
	3,244,272	2,567,585
Recovery of regulatory assets	**(375,499)**	-
	2,868,773	2,567,585
Allowance for uncertainty of recovery	**(634,000)**	(900,000)
	$ 2,234,773	$ 1,667,585

Although these assets are expected to be recovered from future customers, there remains uncertainty as to the timing and amount that will be approved for recovery based on the fact that future rates are subject to approval by the OEB. Accordingly, an allowance (recovery) was recorded by a charge to operations as follows.

2001	$ 381,685
2002	518,315
2004	(266,000)
	$ 634,000

4. Other Assets

	2004		2003	
	Asset Cost	**Accumulated Amortization**	Asset Cost	Accumulated Amortization
Intangible assets				
Land rights	**$ 476,442**	**$ 15,147**	$ 475,997	$ 15,147
		$ 461,295		$ 460,850

December 31, 2004

5. Accounts Payable and Accrued Liabilities

	2004	2003
Customer credit balances	**$ 120,459**	$ 151,212
Other trade	**391,694**	646,016
Power	**3,098,595**	1,537,957
Shared distribution charges	**1,542,955**	1,000,000
	$ 5,153,703	$ 3,335,185

Included in the above amount for power is $49,652 (2003 - $109,963) which is due to Bracebridge Generation Ltd., a related company, as described in (Note 6). Total power purchased from Bracebridge Generation Ltd. in 2004 was $602,328 (2003 - $738,605). These transactions have been measured at the exchange amount.

Included in the above amount for other trade is $50,000 (2003 - $50,000) in interest on long-term debt (Note 7) which is due to Bracebridge Generation Ltd., a related company.

6. Due to Related Company

	2004	2003
Due to Bracebridge Generation Ltd.	**$ -**	$ 420,569

Lakeland Power Distribution Ltd., Lakeland Energy Ltd. and Bracebridge Generation Ltd. are all wholly-owned subsidiaries of Lakeland Holding Ltd. During the year, Lakeland Power Distribution Ltd. purchased all of the electricity generated by Bracebridge Generation Ltd. on the same terms that it purchases electricity from third party suppliers.

December 31, 2004

7. Long-Term Debt

	2004	2003
Loan payable - Bracebridge Generation Ltd., a related company, interest only at 5%	$ -	$ 1,000,000
Chartered bank revolving loan	**3,875,000**	3,875,000
	$ 3,875,000	$ 4,875,000

The above chartered bank revolving loan is comprised of three amounts. Interest only payments are payable monthly. $1,162,500 of the total loan bears floating interest at prime plus 0.75% and is due March 11, 2005. $1,937,500 of the total loan bears fixed interest at 3.15% and is due March 11, 2005. The balance $775,000 bears fixed interest at 5.65% and is due March 11, 2005.

Subsequent to the year end, the due dates noted above, with respect to amounts owing to the chartered bank, have been extended for an additional 36 months.

Security for the chartered bank revolving loan is provided by a General Security Agreement conveying a first floating and fixed charge over all assets and evidence of adequate liability insurance.

The agreement covering the above facility contains certain restrictions regarding interest coverage and debt ratio tests.

8. Share Capital

Authorized

		2004	2003
Unlimited	Common shares		
Issued			
7,428	Common shares	**$ 9,226,787**	$ 9,226,787

December 31, 2004

9. Amortization of Capital Assets

Total amortization of capital assets amounted to $851,687 for the year (2003 - $848,880). Transportation and communication equipment amortization of $77,453 (2003 - $71,779) has been expensed to operating lines where the equipment was used.

10. Statement of Cash Flows Supplementary Information

During the year, the company paid the following amounts in cash:

	2004	2003
Interest	$ 242,353	$ 276,574
Payments in lieu of corporate taxes	$ 620,993	$ 878,091

11. Pension Plan

The company makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of substantially all members of its staff. This plan is a defined benefit plan which specifies the amount of the retirement to be received by the employees based on the length of service and rates of pay. The amount contributed to OMERS in 2004 was $67,255 (2003 - $19,690). Full contribution rates have resumed as of January 1, 2004. For employees who have a normal retirement age of 65, contributions have resumed at 6.0% of employee's salary up to $40,500 and 8.8% after that. For employees who have a normal retirement age of 60, contributions have resumed at 7.3% of salary up to $40,500 and 9.8% after that. There is no increase in rates for 2005.

12. Contingency

A class action claiming $500 million in restitution payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code. The Electricity Distributors Association (formerly Municipal Electric Association) is undertaking the defence of this class action. At this time, it is not possible to quantify the effect of this action, if any, on the financial statements of the company.

Lakeland Power Distribution Ltd.
Schedule 1 - Other Revenues and Expenses

For the year ended December 31	2004	2003
Other Income		
Miscellaneous	$ 16,510	$ 60,161
Overhead expansion assistance	7,835	31,340
	$ 24,345	$ 91,501
Other Operating Revenue		
Late payment charges	$ 91,290	$ 92,604
Miscellaneous service revenues	67,278	48,318
Rent from electric property	89,442	88,968
	$ 248,010	$ 229,890
Administration and General Expense		
Reversal of rate regulated assets allowance (Note 3)	$ (266,000)	$ -
EMERA fees	68,713	51,299
General and miscellaneous	182,908	177,163
Maintenance	40,775	25,998
Office supplies	122,801	135,554
Outside services	127,563	132,179
Rents	35,930	32,762
Salaries and related expenses	327,284	279,434
	$ 639,974	$ 834,389
Billing and Collecting Expense		
Collections	$ 95,485	$ 44,148
Customer billing	237,198	219,362
Meter reading	129,635	137,650
Supervision	69,693	72,597
	$ 532,011	$ 473,757
Distribution Expense		
Maintenance of line transformers	$ 32,951	$ 33,807
Maintenance of meters	21,998	51,754
Maintenance of overhead services	347,008	379,769
Maintenance of station equipment	18,605	25,177
Maintenance supervision and engineering	155,627	106,090
Maintenance of underground services	45,031	53,538
Operations - meters	67,912	53,554
Operations - pole rental	26,293	24,004
	$ 715,425	$ 727,693

BDO

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN Schedule 200

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

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

CLIENT COPY

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business number (BN) (item 11) 001 18001 28 RC

Corporation's name (item 12)

002 LAKELAND POWER DISTRIBUTION LTD.

PIL

Has the corporation changed its name since the last time we were notified? 003 ☐ Yes ☒ No

If *yes*, do you have a copy of the articles of amendment? 004 ☐ Yes ☐ No

Address of head office (item 13)

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

011 5-45 CAIRNS CRESCENT

012

City: 015 HUNTSVILLE — Province, territory, or state: 016 ON

Country (other than Canada): 017 — Postal code/Zip code: 018 P1H 2M2

Mailing address (if different from head office address) (item 14)

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

021 C/o

022 5-45 CAIRNS CRESCENT

023

City: 025 HUNTSVILLE — Province, territory, or state: 026 ON

Country (other than Canada): 027 — Postal code/Zip code: 028 P1H 2M2

Location of books and records (item 15)

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

031 5-45 CAIRNS CRESCENT

032

City: 035 HUNTSVILLE — Province, territory, or state: 036 ON

Country (other than Canada): 037 — Postal code/Zip code: 038 P1H 2M2

040 Type of corporation at end of taxation year (item 16)

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

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

To which taxation year does this return apply? (item 17)

From 060 2004/01/01 to 061 2004/12/31

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

If *yes*, provide date control was acquired 065

Is the corporation a professional corporation that is a member of a partnership? (item 18) 067 ☐ Yes ☒ No

Is this the first year of filing after:

Incorporation? (item 19) 070 ☐ Yes ☒ No

Amalgamation? (item 20) 071 ☐ Yes ☒ No

If *yes*, complete Schedule 24

Has there been a wind-up of a subsidiary under section 88 during the current taxation year? (item 21)

If *yes*, complete Schedule 24 072 ☐ Yes ☒ No

Is this the final taxation year before amalgamation? (item 22) 076 ☐ Yes ☒ No

Is this the final return up to dissolution? (item 23) 078 ☐ Yes ☒ No

Is the corporation a resident of Canada? (item 24) 080 ☒ Yes ☐ No

If *no*, give the country of residence. 081

Is the non-resident corporation claiming an exemption under an income tax treaty? (item 24) 082 ☐ Yes ☒ No

If *yes*, complete Schedule 91

If the corporation is exempt from tax under section 149, tick one of the following boxes: (item 25)

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

Do not use this area

091	092	093	094	095	096
097					

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141. * We do not print these schedules.

Schedules - Answer the following questions. For each *yes* response, attach to the T2 return the schedule that applies.

Guide	item		Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160	X	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
33	If you answered *yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from a retirement compensation arrangement?	172		-----
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on financial statements different from the net income for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province or a territory, or gifts of cultural or ecological property?	202		2
82,104	Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203		3
69-76	Is the corporation claiming any type of losses?	204		4
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
103	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other than dividends), (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210		10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
150	is the corporation an investment corporation or a mutual fund corporation?	218		18
131	Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
118	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221		21
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
111	Does the corporation have any Canadian manufacturing and processing profits?	227		27
121	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661/T665
124	Is the corporation subject to Part 1.3 tax?	233	X	33/34/35
124	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	X	36
124	Is the corporation claiming a surtax credit?	237	X	37
128	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
128	Is the corporation claiming a Part I tax credit?	242		42
129	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
125	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
128	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
152	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131
153	Is the corporation claiming a film or video production services tax credit refund?	254		T1177
130	Is the corporation subject to Part XIII.1 tax?	255		92 *

Attachments - Continued from page 2

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

Additional information

Is the corporation inactive? (item 48)	280	1 Yes ☐	2 No ☒
Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49)	281	1 Yes ☐	2 No ☒
What is the corporation's major business activity? (item 50) (Only complete if *yes* was entered at line 281.)	282		
If the major activity involves the resale of goods, indicate whether it is wholesale or retail (item 51)	283	1 Wholesale ☐	2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or service provided, giving the approximate percentage of the total revenue that each product or service represents. (item 52)	284	HYDRO POWER	285	100.000 %
	286		287	%
	288		289	%

Did the corporation immigrate to Canada during the taxation year? (item 53)	291	1 Yes ☐	2 No ☒
Did the corporation emigrate from Canada during the taxation year? (item 54)	292	1 Yes ☐	2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements or GIFI (item 77)		300	1,658,967	A
Deduct: Charitable donations from Schedule 2 (item 78)	311			
Gifts to Canada or a province, or a territory from Schedule 2 (item 79)	312			
Cultural gifts from Schedule 2 (item 80)	313			
Ecological gifts from Schedule 2 (item 81)	314			
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82)	320			
Part VI.1 tax deduction from Schedule 43 (item 83)**	325			
Non-capital losses of preceding taxation years from Schedule 4 (item 84)	331			
Net capital losses of preceding taxation years from Schedule 4 (item 85)	332			
Restricted farm losses of prior taxation years from Schedule 4 (item 86)	333			
Farm losses of prior taxation years from Schedule 4 (item 87)	334			
Limited partnership losses of prior years from Schedule 4 (item 88)	335			
Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	340			
Prospector's and grubstaker's shares (item 90)	350			
Subtotal			▶	B
Subtotal (amount A minus amount B) (if negative, enter "0")			1,658,967	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91)		355		D
Taxable income (amount C plus amount D) (item 92)		360	1,658,967	
Income exempt under paragraph 149(1)(t) (item 93)		370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94)				Z

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

Client: LAKELAND POWER DISTRIBUTION LTD. CRA Business # 1800128 Year-end: 2004/12/31 Printed: 2005/03/23 11:28

Small business deduction

Canadian-controlled private corporations throughout the taxation year

Income from active business carried on in Canada from Schedule 7 (item 95)	**400**	1,658,967	A
Taxable income from line 360 on page 3, **minus** 10/3 the amount at line 632* on page 7, **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96)	**405**	1,658,967	B

Calculation of the business limit: (item 97)
for all CCPCs, calculate the amount at line 4 below

$225,000 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	366	=		1
$250,000 x	Number of days in the taxation year in 2004 / Number of days in the taxation year	366 / 366	=	250,000	2
$300,000 x	Number of days in the taxation year after 2004 / Number of days in the taxation year	366	=		3
	Add amounts at line 1, 2, and 3			250,000	4

Business limit (see notes 1 and 2 below)	**410**	250,000	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 like 410.

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

Business limit reduction: (item 98)

Amount C 250,000 X **415** *** 21,944 / 11,250 D = 487,644 E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	**425**	0	F
Small business deduction - 16% of the least of amounts A, B, C, and F (enter amount G of line 9 on page 7)	**430**	0	G

Accelerated tax reduction (item 99)

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425)		x		=	A
Net active business income (amount from line 400)*					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 (item 96)			C		
Deduct:					
Aggregate investment income (amount from line 440 of page 6)			D		
Amount C minus amount D (if negative, enter "0")			▶		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 on page 5			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, 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% 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 (item 100)

Taxable resource income				435	A
Amount A	x Number of days in the taxation year in 2003 / Number of days in the taxation year		x 1% =		B
Amount A	x Number of days in the taxation year in 2004 / Number of days in the taxation year	366 / 366	x 2% =		C
Amount A	x Number of days in the taxation year in 2005 / Number of days in the taxation year	366	x 3% =		D
Amount A	x Number of days in the taxation year in 2006 / Number of days in the taxation year	366	x 5% =		E
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 (item 101)

Canadian-controlled private corporations throughout taxation year

Taxable income from line 360 page 3				1,658,967	A
Amount Z from Part 9 of Schedule 27		x 100 / 7 =	B		
Amount QQ from Part 13 of Schedule 27			C		
Taxable resource income from line 435 above			D		
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E		
Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less			F		
Aggregate investment income from line 440 of page 6			G		
Amount used to calculate the accelerated tax reduction (amount M of page 4)			H		
Total of amounts B, C, D, E, F, G, and H			▶		I
Amount A minus amount I (if negative, enter "0")				1,658,967	J
Amount J 1,658,967 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	366	x 5% =		K
Amount J 1,658,967 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	366 / 366	x 7% =	116,128	L
General tax reduction for Canadian-controlled private corporations - total of amounts K and L				116,128	M

(enter amount M on line 638 of page 7)

General tax reduction (item 102)

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 on page 3					A
Amount Z from Part 9 of Schedule 27		x 100 / 7 =	B		
Amount QQ from Part 13 of Schedule 27			C		
Taxable resource income from line 435 above			D		
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E		
Total of amounts B, C, D and E			▶		F
Amount A minus amount F (if negative, enter "0")					G
Amount G x	Number of days in the taxation year in 2003 / Number of days in the taxation year		x 5% =		H
Amount G x	Number of days in the taxation year after 2003 / Number of days in the taxation year		x 7% =		I
General tax reduction - total of amounts H and I					J

(enter amount J on line 639 of page 7)

Refundable portion of Part I tax (item 103)

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (Amount P from Part 1 of Schedule 7)	440		X 26 2/3 % =	A
Foreign non-business income tax credit from line 632 on page 7				
Deduct:				
Foreign investment income (Amount O from Part 1 of Schedule 7)	445	(if negative, enter "0")	X 9 1/3 % =	B
Amount A **minus** amount B (if negative, enter "0")				C
Taxable income from line 360 on page 3		1,658,967		
Deduct: Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less				
Foreign non-business income tax credit from line 632 on page 7		x 25/9 =		
Foreign business income tax credit from line 636 on page 7		x 3 =		
		1,658,967	X 26 2/3% =	442,391 D
Part I tax payable minus investment tax credit refund (line 700 minus line 780 on page 8)		366,962		
Deduct corporate surtax from line 600 on page 7		18,580		
Net amount		348,382		348,382 E
Refundable portion of Part I tax - Amount C, D, or E, whichever is less	450			0 F

Refundable dividend tax on hand (item 104)

Refundable dividend tax on hand at the end of the preceding tax year	460		
Deduct dividend refund for the previous taxation year	465		A
Add the total of:			
Refundable portion of Part I tax from line 450 above			
Total Part IV tax payable from line 360 on page 2 of Schedule 3			
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	480		B
Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B	485		0

Dividend refund (item 105)

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3	X 1/3	A
Refundable dividend tax on hand at the end of the taxation year from line 485 above		B
Dividend refund - Amount A or B, whichever is less (enter this amount on line 784 on page 8)		0

Part I tax

Base amount of Part I tax - 38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 106) — 550 — 630,407 — A

Corporate surtax calculation (item 107)

Base amount from line A above		630,407	1
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page 3		165,897	2
Investment corporation deduction from line 620 below			3
Federal logging tax credit from line 640 below			4
Federal qualifying environment trust tax credit from line 648 below			5
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b and c below on line 6:			
28% of taxable income from line 360 on page 3	a		
28% of taxed capital gains	b		6
Part I tax otherwise payable (line A **plus** line C and D **minus** line F)	348,382 c		
Total of lines 2 to 6		165,897	7
Net amount (line 1 minus line 7)		464,510	8

Corporate surtax - 4% of the amount on line 8 — 600 — 18,580 — B

Recapture of investment tax credit from line PPP in Part 21 on page 8 of Schedule 31 (item 108) — 602 — C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income (for a CCPC throughout the taxation year) (item 109)

Aggregate investment income from line 440 on page 6			i
Taxable income from line 360 on page 3	1,658,967		
Deduct: The least of amounts on lines 400, 405, 410, and 425 on page 4			
Net amount	1,658,967 ▶	1,658,967	ii

Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of amounts i or ii — 604 — D

Subtotal (add lines A, B, C, and D) — 648,987 — E

Deduct:

Small business deduction from line 430 on page 4			9
Federal tax abatement (item 110)	608	165,897	
Manufacturing and processing profits deduction from amount BB of Schedule 27 (item 111)	616		
Investment corporation deduction (item 112)	620		
(Taxed capital gains 624)			
Additional deduction - credit unions from Schedule 17 (item 113)	628		
Federal foreign non-business income tax credit from Schedule 21 (item 114)	632		
Federal foreign business income tax credit from Schedule 21 (item 115)	636		
Accelerated tax reduction from amount N of page 4 (item 116)	637		
Resource deduction from line 438 of page 5			10
General tax reduction for CCPC's from amount M of page 5 (item 117)	638	116,128	
General tax reduction from amount J of page 5 (item 117)	639		
Federal logging tax credit from Schedule 21 (item 118)	640		
Federal political contribution tax credit (item 119)	644		
Federal political contributions 646			
Federal qualifying environmental trust tax credit (item 120)	648		
Investment tax credit from Schedule 31 (item 121)	652		
Subtotal		282,025 ▶	282,025 F

Part I tax payable - Line E minus line F (enter amount G on line 700 on page 8) (item 122) — 366,962 — G

Client: LAKELAND POWER DISTRIBUTION LTD. CRA Business # 1800128 Year-end: 2004/12/31 Printed: 2005/03/23 11:28

Summary of tax and credits

Federal tax

Part I tax payable from page 7 (item 123)	700	366,962
Part I.3 tax payable from Schedule 33, 34, or 35 (item 124)	704	
Part II surtax tax payable from Schedule 46 (item 125)	708	
Part IV tax payable from Schedule 3 (item 126)	712	
Part IV.1 tax payable from Schedule 43 (item 127)	716	
Part VI tax payable from Schedule 38 (item 128)	720	
Part VI.1 tax payable from Schedule 43 (item 129)	724	
Part XIII.1 tax payable from Schedule 92 (item 130)	727	
Part XIV tax payable from Schedule 20 (item 131)	728	
Total federal tax		366,962

Add provincial and territorial tax

Provincial or territorial jurisdiction (item 132) 750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (Item 133)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 147)	765	
Total tax payable	770	366,962 A

Deduct other credits

Investment tax credit refund from Schedule 31 (items 148)	780		
Dividend refund from Page 6 (items 149)	784		
Federal capital gains refund from Schedule 18 (item 150)	788		
Federal qualifying environmental trust tax credit refund (item 151)	792		
Canadian film or video production tax credit refund from Form T1131 (item 152)	796		
Film or video production services tax credit refund from Form T1177 (item 153)	797		
Tax withheld at source (item 154)	800		
Total payments on which tax has been withheld (item 154)	801		
Allowable refund for non-resident-owned investment corporations - Schedule 26 (item 155)	804		
Provincial and territorial capital gains refund from Schedule 18 (item 156)	808		
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812		
Royalties deductible under Syncrude Remission Order	815		
Tax remitted under Syncrude Remission Order (item 158)	816		
Tax instalments paid (item 159)	840	366,962	
Total credits	890	366,962	366,962 B
Balance (line A minus line B)			0 I

Refund Code (item 160) 894 ☐ Overpayment (item 163) _____

Direct Deposit Request (item 164)

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.
We do not charge or refund a difference of less than $2.

Balance unpaid (item 163) _____
Enclosed payment (item 162) 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 is due? (item 161) 896 1 Yes ☐ 2 No ☒ NA ☐

Certification (item 165)

950 LITSCHKO Surname 951 CHRIS First name 954 PRESIDENT Position, office or rank

955 2005/03/23 Date 956 (705) 789-5442 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 (item 166)

990 Language of choice/Langue de choix 1 English / Anglais ☒ 2 Français / French ☐

Client: LAKELAND POWER DISTRIBUTION LTD. CRA Business # 1800128 Year-end: 2004/12/31 Printed: 2005/03/23 11:28

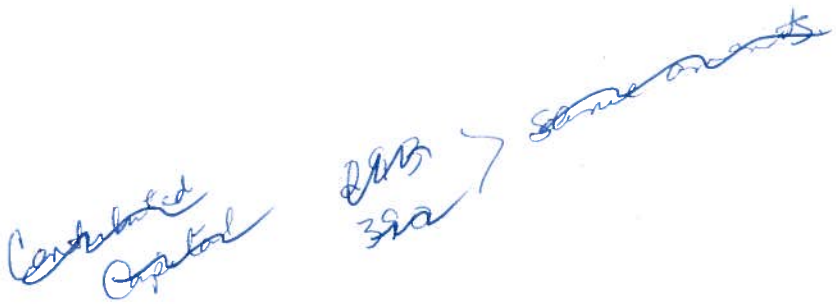
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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraordinary items per financial statements			**A**	1,024,403
Add:				
Provision for income taxes - current	**101**	599,217		
Amortization of tangible assets	**104**	851,686		
Total of fields 101 to 199	**500**	1,450,903	▶	1,450,903
Deduct:				
Capital cost allowance - Schedule 8	**403**	816,339		
Total of fields 401 to 499	**510**	816,339	▶	816,339
Net income (loss) for income tax purposes (enter on line 300 of the T2 return)				1,658,967



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CAPITAL COST ALLOWANCE

Schedule 8

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

1 Class **200**	2 UCC at start of year **201**	3 Cost of additions in the year **203**	4 Net adjustments **205**	5 Proceeds of dispositions in the year **207**	7 Adjustment for additions (1/2 x (col 3 - 5)) **211**	8 Base amount for CCA	9 Rate % **212**	10 CCA for the year (col 8 x 9 or a lower amount) **217**	11 Recapture of CCA **213**	12 Terminal loss **215**	13 UCC at the end of the year **220**
	12,958,068	274,032			137,016	13,095,084	4	523,803			12,708,297
	268,462	385,721			192,861	461,322	4	18,453			635,730
0	101,128	23,328			11,664	112,792	30	33,838			90,618
0	284,608	37,170			18,585	303,193	30	90,958			230,820
	1,703,687					1,703,687	4	68,147			1,635,540
	204,686	41,623			20,812	225,497	20	45,099			201,210
2	16,366	39,350			19,675	36,041	100	36,041			19,675
otals	15,537,005	801,224			400,613	15,937,616		816,339			15,521,890

Lakeland Power Distribution Ltd.
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RELATED AND ASSOCIATED CORPORATIONS

Schedule 9

This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name 100	Country (if not Canada) 200	Business # (Canadian corporation only) 300	Code note 1 400	Common shares		Preferred shares		Book value of capital stock 700
				# owned 500	% owned 550	# owned 600	% owned 650	
LAKELAND HOLDING LTD.		18001 27 RC	1					
LAKELAND ENERGY LTD.		18001 26 RC	3					
BRACEBRIDGE GENERATION LTD.		18000 53 RC	3					

Note 1 : Enter the code number of the relationship that applies: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

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Schedule 23

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT (2003 and later taxation years)

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Allocation of the business limit

Date filed (for departmental use only) **025** _____

Enter the calendar year to which the agreement applies **050** 2004

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? **075** ☐ 1 Yes ☒ 2 No

	1 Names of associated corporations **100**	2 Business Number of associated corporations **200**	3 Association code **300**
1	LAKELAND POWER DISTRIBUTION LTD.	18001 28 RC	1
2	LAKELAND HOLDING LTD.	18001 27 RC	1
3	LAKELAND ENERGY LTD.	18001 26 RC	1
4	BRACEBRIDGE GENERATION LTD.	18000 53 RC	1

Allocate business limit using: ☒ % ☐ $

	Taxation year Start	End	4 Business limit for the year (before allocation) $	Allocating business limit 5 Percentage of the business limit (%) **350**	6 Business limit allocated $ **400**	7 Gross Part I.3 tax for business limit reduction
1	2004/01/01	2004/12/31	250,000	100.000	250,000	19,155
2	2004/01/01	2004/12/31	250,000			
3	2004/01/01	2004/12/31	250,000			279
4	2004/01/01	2004/12/31	250,000			2,510
TOTALS				100.000	A 250,000	21,944

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box. $ 250,000

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PART I.3 TAX ON LARGE CORPORATIONS Schedule 33

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before deducting surtax credits (line 820 in Part 5). You should also use and file this schedule if you calculate a **gross Part I.3 tax for the purposes of unused surtax credit** (line 821 in Part 6) and a **current-year unused surtax credit** (line 850 in Part 8).
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms "financial institution", "long-term debt" and "reserves".
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.
- This schedule may contain changes that had not yet become law at the time of printing.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101			
Capital stock (or members' contributions if incorporated without share capital)	103	9,226,787		
Retained earnings	104	2,455,358		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108			
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	3,875,000		
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	224,749		
Proportion of the amount, if any, by which the total of all amounts (see note below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses	112			
Subtotal		15,781,894	▶ 15,781,894	A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121			
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123			
The amount of deferred unrealized foreign exchange losses at the end of the year	124			
Subtotal			▶	B
Capital for the year (amount A minus amount B) (if negative, enter "0")			190 15,781,894	

PART I.3 TAX ON LARGE CORPORATIONS

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership (see note 1 below)	407	
Investment allowance for the year	490	

Part 3 - Taxable capital

Capital for the year (line 190)		15,781,894	C
Deduct: Investment allowance for the year (line 490)			D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	15,781,894	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500) 15,781,894 x (Taxable income earned in Canada / Taxable income) 610 1,658,967 / 1,658,967 = 690 **Taxable capital employed in Canada** 15,781,894

Notes:
1. Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2. Where a corporation's taxable income for a taxation year is "0" it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3. In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711		
Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712		
Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713		
Total deductions (add lines 711, 712, and 713)			E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

PART I.3 TAX ON LARGE CORPORATIONS

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies)					15,781,894
Deduct: Capital deduction claimed for the year (enter $50,000,000 or, for related corporations, the amount allocated on Schedule 36)				801	39,100,000
Excess of taxable capital employed in Canada over capital deduction				811	
Line 811	x	Number of days in the taxation year before 2004 / Number of days in the taxation year	x 0.00225 =		F
Line 811	x	Number of days in the taxation year in 2004 (366) / Number of days in the taxation year (366)	x 0.002 =		G
Line 811	x	Number of days in the taxation year in 2005 / Number of days in the taxation year	x 0.00175 =		H
Line 811	x	Number of days in the taxation year in 2006 / Number of days in the taxation year	x 0.00125 =		I
Line 811	x	Number of days in the taxation year in 2007 / Number of days in the taxation year	x 0.000625 =		J

Note: The Part I.3 tax rate is reduced to 0% for the days in the taxation year that are after 2007.

Subtotal (add amounts F to J) K

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax as follows:

Amount K x Number of days in the year ( ) / 365 = L

Gross Part I.3 tax (amount K or L, whichever applies) 820

Part 6 – Calculation of gross Part I.3 tax for purposes of the unused surtax credit

Taxable capital employed in Canada (line 690 or 790, whichever applies)			15,781,894	M
Deduct: Line 801 above	39,100,000 x 1/5 =		7,820,000	N
	Excess (amount M minus amount N) (if negative, enter "0")		7,961,894	O
Amount O 7,961,894	x 0.00225 =		17,914	P

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax for purposes of the unused surtax credit as follows:

Amount P x Number of days in the year ( ) / 365 = Q

Gross Part I.3 tax for purposes of the unused surtax credit (amount P or Q, whichever applies) 821 17,914

PART I.3 TAX ON LARGE CORPORATIONS

Part 7 - Calculation of current year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, enter amount **a** or **b** at line R, whichever is less:

a) line 600 from the T2 return			**a**	
b) line 700 from the T2 return			**b**	R

In any other case, enter amount **c** or **d** at line S, whichever is less:

c) line 600 from your T2 return	18,580 x (line 690 ÷ line 500) =	18,580	**c**		
d) line 700 from the T2 return		366,962	**d**	18,580	S

Current year surtax credit available (amount R or S, whichever applies) **830** 18,580

Part 8 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)		18,580
Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821)		17,914
Current-year unused surtax credit (if negative, enter "0")	**850**	666

Enter this amount at line 600 on Schedule 37.

Part 9 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			T
Deduct:			
Current-year surtax credit applied (line 820 or 830, whichever is less)	**861**		
Unused surtax credit from previous years applied (amount from line 320 on Schedule 37)	**862**		
Subtotal (cannot be more than amount on line 820)			U
Net Part I.3 tax payable (amount T minus amount U)	**870**		

Enter this amount at line 704 of the T2 return.

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AGREEMENT AMONG RELATED CORPORATIONS PART I.3 TAX

Schedule 36

- Members of a related group of corporations should use this schedule to allocate the capital deduction among the members of the related group. **Do not file this agreement if no members of the related group have to pay Part I.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it has to file an agreement for each of those taxation years.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation that ends in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Agreement

Date filed (for departmental use only) **010** _____

Is this an amended agreement? **020** ☐ 1 Yes ☒ 2 No

Calendar year to which the agreement applies **030** 2004

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member that is exempt from Part 1.3 tax under subsection 181.1(3) does not have to be included.

Names of all corporations which are members of the related group **200**	Business number (if a corporation is not registered, enter "NR") **300**	Allocation of capital deduction for the year $ **400**	Taxation year end to which this agreement applies * **500**
LAKELAND POWER DISTRIBUTION LTD.	18001 28 RC	39,100,000	YYYY/MM/DD
LAKELAND HOLDING LTD.	18001 27 RC	100,000	YYYY/MM/DD
LAKELAND ENERGY LTD.	18001 26 RC	800,000	YYYY/MM/DD
BRACEBRIDGE GENERATION LTD.	18000 53 RC	10,000,000	YYYY/MM/DD
	Total	50,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

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CALCULATION OF UNUSED SURTAX CREDIT (2000 and later taxation years)

SCHEDULE 37

- Use this schedule to calculate a corporation's unused surtax credit.
- You should also use this schedule to request a carry-back of unused surtax credit. This request should be filed by the required filing date of the T2 return for the year in which the surtax credit arose.
- Any unused surtax credit can be carried back three years and carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subection 181.1(7) of the *Income Tax Act* when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.
- Attach this schedule to the T2 return or mail it separately to the tax centre where the return is filed.

Part 1 - Unused surtax credits

Year of origin	Unused surtax credit at end of preceding tax year	Transfers on amalgamation or wind-up	Current year credit	Applied	Ending balance
		Expired			
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31	19				19
2004/12/31			666		666
Totals	19				685

Calculation of closing balance of unused surtax credit

Unused surtax credit at the end of the preceding taxation year		19	
Deduct: Unused surtax credit expired after seven taxation years	115		
Unused surtax credit at beginning of taxation year	120	19	
Add: Unused surtax credit transferred on amalgamation or wind-up of subsidiary	220		
Subtotal		19	A
Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part I.3 tax payable in the current year (see line 862 of Schedule 33, line 862 of Schedule 34, or line 862 of Schedule 35, whichever applies)	320		
Unused surtax credit balance		19	
Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part VI tax payable in the current year (see line 887 of Schedule 38)	420		
Subtotal		19	
Add: Current year unused surtax credit (enter amount from line 850 of Schedule 33, line 850 of Schedule 34, or line 850 of Schedule 35)	600	666	
Subtotal		685	
Deduct: Unused surtax credit carried back to preceding taxation year(s) (complete Part 2 below)			B
Closing balance of unused surtax credit	820	685	

Part 2 - Request for carryback of unused surtax credit

			To Part I.3 tax		To Part VI tax	
1st preceding taxation year	2003/12/31	Credit to be applied	901	911		
2nd preceding taxation year	2002/12/31	Credit to be applied	902	912		
3rd preceding taxation year	2001/12/31	Credit to be applied	903	913		
		Subtotal		C		D
		Total of C and D (enter this amount at line B in Part 1 above)				

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SHAREHOLDER INFORMATION

Schedule 50

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder **100**	Business Number * **200**	Social Insurance Number * **300**	Percentage common shares **400**	Percentage preferred shares **500**
LAKELAND HOLDING LTD.	86574 9568 RC 0001		100.000	
	RC			

* If the shareholder is a trust, enter NR at field 200 or NA at field 300.

Client: LAKELAND POWER DISTRIBUTION LTD. CRA Business # 1800128 Year-end: 2004/12/31 Printed: 2005/03/23 11:28

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BALANCE SHEET INFORMATION

Schedule 100

Assets	Code	Current year	Prior year
Cash and deposits	1000	1,269,051	1,278,479
Accounts Receivable	1060	1,947,854	1,576,844
Inventories	1120	213,103	207,889
Other current assets	1480	2,070,148	1,788,425
Prepaid expenses	1484	314,662	264,314
Land	1600	276,661	276,661
Buildings	1680	677,654	291,933
Accumulated amortization of buildings	1681	(38,411)	(23,232)
Machinery, equipment, fumiture and fixtures	1740	347,990	306,366
Accumulated amortization of machinery, equipment, furniture and fixtures	1741	(173,536)	(145,365)
Motor vehicles	1742	531,389	503,554
Accumulated amortization of motor vehicles	1743	(233,399)	(165,064)
Computer equipment / software	1774	280,132	217,454
Accumulated amortization of computer equipment / software	1775	(155,778)	(118,111)
Other tangible capital assets	1900	13,942,013	13,659,092
Accumulated amortization of other tangible capital assets	1901	(3,010,480)	(2,308,144)
Rights	2024	476,442	475,997
Accumulated amortization of rights	2025	(15,147)	(15,147)
Other long term assets	2420	2,234,773	1,667,585
Total assets	2599	20,955,121	19,739,530

Liabilities	Code	Current year	Prior year
Bank overdraft	2600		
Amounts payable and accrued liabilities	2620	5,153,703	2,075,414
Taxes payable	2680	19,524	144,699
Due to related parties	2860		420,569
Current portion of long term liability	2920		1,937,500
Other current liabilities	2960		1,259,767
Chartered bank loan	3143	3,875,000	1,937,500
Deferred income	3220	188,730	270,318
Amounts owing to related Canadian parties	3301		1,000,000
Other long term liabilities	3320	36,019	36,019
Total liabilities	3499	9,272,976	9,081,786

Equity	Code	Current year	Prior year
Common shares	3500	9,226,787	9,226,787
Retained earnings / deficit	3600	2,455,358	1,430,956
Total equity	3620	11,682,145	10,657,743
Total liabilities and equity	3640	20,955,121	19,739,529

Retained earnings	Code	Current year	Prior year
Retained earnings/deficit-start	3660	1,430,955	379,568
Net income / loss	3680	1,024,403	1,051,388
Total retained earnings	3849	2,455,358	1,430,956

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INCOME STATEMENT INFORMATION Schedule 125

Details

Operating name, if different from the corporations' legal name

0001

Description of operation, if filing multiple Schedules 125

0002

Revenue	Code	Current year	Prior year
Trade sales of goods and services	8000	18,571,206	18,309,254
Total sales of goods and services	8089	18,571,206	18,309,254
Realized gains / losses on disposal of assets	8210		5,937
Other revenue	8230	443,481	427,598
Total revenue	8299	19,014,687	18,742,789

Cost of sales	Code	Current year	Prior year
Opening inventory	8300		
Purchases / cost of materials	8320	14,419,125	13,912,321
Cost of sales	8518	14,419,125	13,912,321
Gross profit / loss (item 8089 - item 8518)	8519	4,152,081	4,396,933

Operating expenses	Code	Current year	Prior year
Advertising and promotion	8520	15,320	11,566
Amortization of tangible assets	8670	774,234	777,101
Interest on long term debt	8714	242,353	276,574
Office expenses	8810	639,974	834,389
Repairs and maintenance	8960	715,426	727,693
Property taxes	9180	52,625	55,745
Other expenses	9270	532,010	473,758
Total operating expenses	9367	2,971,942	3,156,826
Total expenses	9368	17,391,067	17,069,147
Net non-farming income	9369	1,623,620	1,673,642

Farming revenue	Code	Current year	Prior year
Grains and oilseeds	9370		
Total farm revenue	9659		

Farming expenses	Code	Current year	Prior year
Crop expenses	9660		
Total farm expenses	9898		
Net farm income	9899		
Net income / loss before taxes and extraordinary items	9970	1,623,620	1,673,642

Summary

Complete this section if only one Schedule 125 is filed, Schedule 140 is used to summarize the information from multiple Schedules 125.

Extraordinary items	9975	-	-	
Legal settlements	9976	-	-	
Unrealized gains / losses	9980	+	+	
Unusual items	9985	-	-	
Current income taxes	9990	- 599,217	-	622,254
Deferred income tax provision	9995	-	-	
Net income / loss after taxes and extraordinary items	9999	= 1,024,403	=	1,051,388

Client: LAKELAND POWER DISTRIBUTION LTD. CRA Business # 1800128 Year-end: 2004/12/31 Printed: 2005/03/23 11:28

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NOTES CHECKLIST

Schedule 141

- This form is to be used by all corporations that do not use a software package to prepare financial statement information and are that not eligible to use the GIFI-Short form.
- Use this schedule to report a notes checklist for the corporation's financial statement information.
- For more information, see the *Guide to the General Index of Financial Information (GIFI) for Corporations* and the *T2 Corporation – Income Tax Guide*.
- For the purposes of this schedule, the person who reported on or prepared the financial statements of the corporation is referred to as the "accounting practitioner".

Part 1 – Accounting practitioner information

Choose only one of the following three options, whichever applies to the accounting practitioner:	096
Chartered accountant	1 ☒
Other professional designation	2 ☐
No professional designation	3 ☐

Is the accounting practitioner connected* with the corporation?	097 ☐ Yes	☒ No

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Part 2 – Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner:	098
Completed an auditor's report	1 ☒
Completed a review engagement report	2 ☐
Compiled the financial statements along with reviewing the books	3 ☐
Conducted a compilation engagement	4 ☐

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation?	099 ☐ Yes	☒ No

Part 4 – Other information

Were notes to the financial statements prepared?	101 ☒ Yes	☐ No
If you answered *Yes* to the question at line 101, complete lines 102 to 107 below:		
Are any values presented at other than cost?	102 ☐ Yes	☒ No
Has there been a change in accounting policies since the last return?	103 ☐ Yes	☒ No
Are subsequent events mentioned in the notes?	104 ☒ Yes	☐ No
Is re-evaluation of asset information mentioned in the notes?	105 ☐ Yes	☒ No
Is contingent liability mentioned in the notes?	106 ☒ Yes	☐ No
Is information regarding commitments mentioned in the notes?	107 ☐ Yes	☒ No
Does the corporation have investments in joint venture(s) or partnership(s)?	108 ☐ Yes	☒ No
If you answered *Yes* to the question at line 108, complete line 109 below:		
Are you filing financial statements of the joint venture(s) or partnership(s)?	109 ☐ Yes	☐ No

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BUSINESS CONSENT FORM

Use this form to consent to the release of confidential information about your Business Number (BN) account(s) to the representative named below, or to cancel consent for an existing representative.

- Complete Parts 1, 2, and 5 to name a representative.
- Complete Parts 3, 4, and 5 to cancel consent for an existing representative.
- Complete all parts of this form if you want to both name a new representative and cancel consent for an existing representative.

If you have questions, such as where to send this form, call us at 1-800-959-5525.

Part 1 – Consent to release of information to a representative

Client's name: LAKELAND POWER DISTRIBUTION LTD. Business Number: 1800128

I consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

BDO Dunwoody LLP

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to specify a particular individual of that firm, enter that individual's first and last name.

(705) 645-5215
Representative's telephone number

(705) 645-8125
Representative's fax number

Part 2 – Details of consent

A. Which accounts?

I request that this consent apply to all accounts. ☒ OR

I request that this consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to authorize access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC _____	RC _____
GST/HST	RT0001 ☐	RT _____	RT _____
Payroll deductions	RP0001 ☐	RP _____	RP _____
Import/Export	RM0001 ☐	RM _____	RM _____

B. Which years?

I request that this consent apply to all years. ☒ OR

I request that this consent apply only to the following years:

1. All year-ends up to: _____
2. All year-ends beginning in: _____ and all years after that.
3. The following year-ends only: _____ _____
   _____ _____

Client: LAKELAND POWER DISTRIBUTION LTD. CRA Business # 1800128 Year-end: 2004/12/31 Printed: 2005/03/23 11:28

BUSINESS CONSENT FORM

Part 3 – Cancellation of consent to release of information to a representative

Client's name: LAKELAND POWER DISTRIBUTION LTD. Business Number: 1800128

I cancel all previous consents for all representatives. ☐ OR

I cancel my consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to cancel the consent for a particular individual of that firm, enter that individual's first and last name.

( ) -
Representative's telephone number

( ) -
Representative's fax number

Part 4 – Details of cancellation of consent

A. Which accounts?

I request that this cancellation of consent apply to all accounts. ☐ OR

I request that this cancellation of consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to cancel access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC	RC
GST/HST	RT0001 ☐	RT	RT
Payroll deductions	RP0001 ☐	RP	RP
Import/Export	RM0001 ☐	RM	RM

B. Which years?

I request that this consent apply to all years. ☐ OR

I request that this consent apply only to the following years:

1. All year-ends up to:
2. All year-ends beginning in: and all years after that.
3. The following year-ends only:

Part 5 – Signature

Print your name CHRIS LITSCHKO Title PRESIDENT

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here ▶ Date 2005/03/23

TaxPaid

Tax instalments paid

Jurisdiction	Description	Date	Amount
FEDERAL		2004/12/31	366,962
ONTARIO		2004/12/31	254,031
ONTARIO		2005/03/31	18,000
FEDERAL			
		Total	638,993

* Enter Québec instalments paid on form CO-1027.VE

Summary by jurisdiction

Federal	366,962	Manitoba	
British Columbia		Ontario	272,031
Alberta			
Saskatchewan			

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2003 PIL

CT23 Corporations Tax and Annual Return

For taxation years commencing after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)

CLIENT COPY

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17, together with the applicable schedules on pages 18-21. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file th CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedule A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* ☒ Yes ☐ No **Page 1 of 24**

Ministry Use

Corporation's Legal Name *(including punctuation)*
LAKELAND POWER DISTRIBUTION LTD.

Ontario Corporations Tax Account No. (MOF)
1800128

Mailing address
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

This CT23 Return covers the Taxation Year
Start 2004/01/01
End 2004/12/31

Has the mailing address changed since last filed CT23 Return? ☐ Yes | Date of change

Date of Incorporation or Amalgamation
2000/09/01

Registered/Head Office Address
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Ontario Corporation No. (MCBS) 1800128

Location of Books and Records
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Canada Customs and Revenue Agency Business No.
1800128 RC

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
CHRIS LITSCHKO	(705) 789-5442	( ) -

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario (*Extra-Provincial Corporations only*) (MCBS)

City	Province	Country	Postal code

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced
Ceased
☒ ***Not Applicable***

Former Corporation Name (*Extra-Provincial Corporations only*) ☐ ***Not applicable*** (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). ▶

No. of Schedule(s): 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check ☑ this box. Schedule(s) A and K are not required (MCBS). ▶ ☒ **No Change**

Preferred Language / *Langue de préférence*
☒ English / anglais ☐ French / français

Ministry Use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person
CHRIS LITSCHKO

Title: D ☐ Director O ☐ Officer P ☐ Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Ontario: LAKELAND POWER DISTRIBUTION LTD. Ontario Account # 1800128 Year-end: 2004/12/31 Printed: 2005/03/23 11:28

Taxation Year End

Exempt From Filing (EFF) Corporations Tax Return Declaration

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)

I, _____ declare that:

The above corporation satisfies **all** of the exempt from filing criteria (a) through (f) below for the taxation year and therefore qualifies under the *orporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Criteria for exempt from filing status:

a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year;
b) had no Ontario taxable income for the taxation year (subject to the provisions in NOTE 2 below);
c) had no Ontario Corporations Tax payable for the taxation year;
d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the *Income Tax Act* (Canada));
e) had provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and
f) is NOT subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose total assets exceed $5 million or whose total revenues exceed $10 million for the taxation year).

Signature	Title/Relationship to Corporation	Telephone number	Date
		( ) -	

Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.

NOTE 1: Filing of this declaration and the Annual Return does not constitute the filing of a Corporations Tax Return under section 75 of the *Corporations Tax Act*.

NOTE 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements:

1. If a corporation has a loss in the current taxation year that is to be carried back and applied to a previous taxation year(s), regardless of whether the loss is the same as for federal purposes or not, a CT23 tax return is required for the current taxation year. The corporation must also provide information indicating that the loss is to be carried back and specify the year and the amount of loss to be carried back to each taxation year.
2. If a corporation has a prior year loss, that is not the same for both federal and Ontario purposes and the corporation is applying a loss carryforward from the prior year to the current year, a CT23 tax return is required for the current taxation year, and if not previously filed, a CT23 tax return for the prior taxation year in which the loss was incurred is also required. Although a tax return for the loss year is not required where the loss is not being applied, the Corporations Tax Branch will accept the filing of a tax return for a loss year at the time the loss is incurred.
3. If a corporation has a prior year loss, that is the same for both federal and Ontario purposes, but in the current taxation year the corporation is applying a different amount of loss for Ontario than the loss amount being applied for federal income tax purposes, the corporation is required to file a CT23 tax return for the current taxation year only.

The following 3 items MUST be completed if the EFF declaration only is being submitted at this time. In cases where the annual return, which includes page 1, is **also** being filed, completion of these fields is NOT necessary.

1. Corporation's Mailing Address

City Province Country Postal code

2. Ontario Corporation No. (MCBS)

3.Canada Customs and Revenue Agency Business No.
RC

A corporation **must file** an **Exempt From Filing Corporations Tax Return Declaration** form for each taxation year that the corporation is exempt from filing, **within 6 months** after the end of its taxation year, to the address shown at the top of Page 1.

If you check "Yes" to ALL of the following criteria, you are eligible to file the CT23 Short-Form Corporation Tax Return. To obtain a copy, contact the Ministry Information Centre at the numbers listed on page 2 of the Guide.

Yes	No		
☒	☐	(a)	The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. Indicate Share Capital with full voting rights owned by Canadian Residents (nearest whole percentage) 100 %
☐	☒	(b)	The corporation's taxable income for the taxation year is $200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. (*Refer to guide)*
☐	☒	(c)	The corporation is NOT a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.
☐	☒	(d)	The corporation's taxation year ends on or after January 1, 2001, and its gross revenue and total assets are each $1,500,000 or less and the corporation is not a financial institution; OR The corporation's taxation year commences after September 30, 2001, and its gross revenue and total assets are each $3,000,000 or less and the corporation is not a financial institution.
☐	☒	(e)	The corporation is NOT claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax Credit (CETC) or Graduate Transitions Tax Credit (GTTC).
☒	☐	(f)	The corporation's Ontario allocation factor is 100%.

NOTE: Family Farm or Fishing corporations that have a taxation year ending on or after January 1, 2000 and that are NOT subject to the Corporate Minimum Tax, may also use the **CT23 Short-Form Corporations Tax Return** if the corporation checks "Yes" to (a), (b), (c), (e) and (f) above.

Ontario: LAKELAND POWER DISTRIBUTION LTD. Ontario Account # 1800128 Year-end: 2004/12/31 Printed: 2005/03/23 11:28

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation - Please check (✓) box(es) if applicable in sections 1 & 2

[1] 1 [X] Canadian-controlled private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian residents. (nearest %) 100 %

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office No.)

Ontario Employer Health Tax Account No. (Use Head Office No.)

Specify major business activity

[2]

1 [ ] Family Farm Corporation s.1(2)
2 [ ] Family Fishing Corporation s.1(2)
3 [ ] Mortgage Investment Corp s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61(4)
6 [ ] Bank s.1(2)
7 [ ] Loan and Trust Corporation s.61(4)
8 [ ] Non-resident Corp s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned investment Corp s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-resident s.63(1)
16 [ ] Financial institutions prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [X] Hydro successor, Municipal Electrical Utility or subsidary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Please check (✓) box(es) if applicable:

[ ] First Year of Filing

[ ] Amended Return

[ ] Taxation Year End has changed - Canada Customs and Revenue Agency approval required

[ ] Final Taxation Year up to Dissolution(wind-up) (Note: For discontinued businesses, see Guide.)

[ ] Final Taxation Year before Amalgamation

[ ] Floating Fiscal Year End

[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario

[ ] Acquisition of Control fed s.249(4)

Date control was acquired: _____

Was the corporation inactive throughout the taxation year?		Yes [ ]	No [X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?		Yes [X]	No [ ]
Are you requesting a refund due to:	the Carry-back of a Loss?	Yes [ ]	No [X]
	an Overpayment?	Yes [ ]	No [X]
	a Specified Refundable Tax Credit?	Yes [ ]	No [X]
Are you a Member of a Partnership or a Joint Venture?		Yes [ ]	No [X]

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Int.B. 3008).

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	From 690	±	1,658,967
Subtract: Charitable donations	1	-	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	2	-	
Subtract: Taxable dividends deductible, per federal T2 SCH 3	3	-	
Subtract: Ontario political contributions *(Attach schedule* 2A) (Int.B. 3002)	4	-	
Subtract: Federal Part VI.1 tax _____ X 9/3	5	-	
Subtract: Prior years' losses applied - Non-capital losses	From 704	-	
From 715 Net capital losses (page 16) _____ X inclusion rate 50.000000 %	= 714	-	
Farm losses	From 724	-	
Restricted farm losses	From 734	-	
Limited partnership losses	From 754	-	
Taxable income (Non-capital loss)	10	=	1,658,967
Addition to taxable income for unused foreign tax deduction for federal purposes	11	+	
Adjusted taxable income 10 + 11 (if **10** is negative, enter **11**)	20	=	1,658,967

Taxable Income — **Number of days in Taxation Year**

From **10** (or **20**) 1,658,967 X **30** 100.0000 % (Ontario Allocation) X 12.5 % X **33** _____ (Days after Sept 30, 2001 and before Jan 1, 2004) ÷ **73** 366 (Total days) = **29** +

From **10** (or **20**) 1,658,967 X **30** 100.0000 % (Ontario Allocation) X 14.0 % X **34** 366 (Days after Dec 31, 2003) ÷ **73** 366 (Total days) = **32** + 232,255

Income Tax Payable (before deduction of tax credits) **29 + 32** — **40** = 232,255

Incentive Deduction for Small Business Corporations (IDSBC)(s.41) *(If this section is not completed, the IDSBC will be denied.)*

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the year? (✓) ☒ Yes ☐ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	50		1,658,967
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	51	+	1,658,967
Add: Losses of other years deducted for federal purposes (fed.s.111)	52	+	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	53	-	
	= 1,658,967 ▶ 54		1,658,967
Federal Business limit (line 410 of the T2 return) for the year before application of fed.s.125(5.1)	55	+	250,000

Ontario Business Limit Calculation

280,000 X **28** _____ (Days after Sept. 30, 2001 and before Jan. 1, 2003) ÷ ** 366 =+ **43** _____

320,000 X **31** _____ (Days after Dec. 31, 2002 and before Jan. 1, 2004) ÷ ** 366 =+ **46** _____

400,000 X **34** 366 (Days after Dec. 31, 2003) ÷ ** 366 =+ **47** 400,000

*** Percentage of Federal Business limit (from T2 Sch. 23). Enter 100% if not associated

Business limit for Ontario purposes **43 + 46 + 47** = **44** 400,000 X **48** 100.0000 % = **45** 400,000

Income eligible for the IDSBC — From **30** 100.0000 % (****Ontario Allocation) X **56** 400,000 (Least of **50**, **54** or **45**) **60** = 400,000

* ***Note***: *Modified by s.41(6) and (7) for corporations that are members of a partnership.* ***(Refer to Guide.)***

** ***Note***: *Adjust accordingly for a floating taxation year and use 366 for a leap year.*

*** ***Note***: *For a taxation year ending before Jan 1, 2003, use your proportion of the associated group business limit.*

**** ***Note***: *Ontario Allocation for IDSBC purposes may differ from **30** if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

Income Tax *continued from Page 4*

Year | **Number of Days in Taxation**

Calculation of IDSBC Rate

6.5 % X **28**	Days after Sept 30, 2001 and before Jan 1, 2003	÷ **73**	Total Days 366	= **79**	+				
7.0 % X **31**	Days after Dec 31, 2002 and before Jan 1, 2004	÷ **73**	Total Days 366	= **89**	+				
8.5 % X **34**	366	÷ **73**	Total Days 366	= **90**	+	8.5000			
IDSBC Rate for Taxation Year 79 + 89 + 90							**78**	=	8.5000
Claim	From **60**	400,000	X From **78**	8.5000 %			**70**	=	34,000

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in **114** below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

*** ***Short Taxation Years*** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Associated corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

*** **Taxable Income of the corporation**	From **10** (or **20** if applicable)	**80**	+	1,658,967
If you are a member of an associated group (✓) **81** ☒ (Yes)				
Taxable income of associated corporations *(Attach schedule)*		**82**	+	210,828
Aggregate Taxable Income		**85**	=	1,869,795

Number of days in Taxation Year

Subtract: 280,000 X	**28**	Days after Sept 30, 2001 and before Jan 1, 2003 ÷	**73**	Total Days 366	=	**113** +				
320,000 X	**31**	Days after Dec 31, 2002 and before Jan 1, 2004 ÷	**73**	Total Days 366	=	**115** +				
400,000 X	**34**	Days after Dec 31, 2003 366 ÷	**73**	Total Days 366	=	**116** +	400,000			
			113 + 115 + 116		=	400,000 ▶		**114**	-	400,000
(If negative, enter nil)								**86**	=	1,469,795

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax

4.333% X **28**	Days after Sept 30, 2001 and before Jan 1, 2003	÷ **73**	Total Days 366	= **95**	+				
4.667% X **31**	Days after Dec 31, 2002 and before Jan 1, 2004	÷ **73**	Total Days 366	= **96**	+				
4.667% X **34**	366	÷ **73**	Total Days 366	= **97**	+	4.6670			
Specified rate of surtax for Taxation Year **95 + 96 + 97**							**94**	=	4.6670
From **86** 1,469,795	X From **94**	4.6670 % =					**87**	=	68,595
From **87** 68,595	X From **60**	400,000	÷ From **114**	400,000			**88**	=	68,595

Surtax: Lesser of **70** or **88**	**100**	=	34,000

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* 110

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing, is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits		**120** +	
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From **56**	-	400,000

Add: Adjustment for Surtax on Canadian-controlled private corporations
From **100** 34,000 ÷ From **30** 100.0000 % ÷ From **78** 8.5000 % = **121** 400,000
*Ontario Allocation

Lesser of **56** or **121**		**122** +	400,000
120 - 56 + 122		**130** =	
Taxable income	From **10**	+	1,658,967
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From **56**	-	400,000
Add: Adjustments for Surtax on Canadian-controlled private corporations	From **122**	+	400,000
Subtract: Taxable income **10** X Allocation % to jurisdictions outside Canada		**140** -	
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses		**141** -	
10 - 56 + 122 - 140 - 141		**142** =	1,658,967

Claim

Number of Days in Taxation Year

143 _____ (Lesser of **130** or **142**) X From **30** 100.0000 % (*Ontario Allocation) X 1.5% X Days after Sept 30, 2001 and before Jan 1, 2004 **33** _____ ÷ Total Days **73** 366 = **154** +

143 _____ (Lesser of **130** or **142**) X From **30** 100.0000 % (*Ontario Allocation) X 2.0% X Days after Dec 31, 2003 **34** 366 ÷ Total Days **73** 366 = **156** +

M&P claim for taxation year **154 + 156** **160** =

***Note**: Ontario Allocation for M&P Credit purposes may differ from **30** if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1)).*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations 161 =

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity 162 =

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) *(Attach schedule).* **170**

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible credit **175** _____ Credit claimed **180**

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 -170 - 180 190 = 232,255

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to research and development in Ontario.
Eligible credit from **5620** OITC claim form *(Attach original Claim Form)* **191** +

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible credit from **5798** Summary Schedule F **192** +

Ontario Film and Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible credit from **5899** either Claim Form from Ontario Media Development Corporation (OMDC) **or** Ministry of Finance (MFO) CT Schedule 193/199, as applicable.
(Attach the original Certification/Claim Form received from the OMDC ***or*** *the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* **193** +

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed post secondary graduate.
No. of Graduates from **6596** **194**
Eligible Credit from **6598** Summary Schedule G **195** +

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit from **6900** OBPTC Claim Form *(Attach* ***both*** *the original Claim Form and the Certification Form)* **196** +

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit from **6700** Claim Form Certified by Ontario Media Development Corporation
(Attach the original Claim/Certification Form with the CT23 Tax Return.) **197** +

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit from **7100** OBRITC Claim Form *(Attach original Claim Form)* **198** +

Ontario Production Services Tax credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit from **7300** either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MFO) CT Schedule 193/199, as applicable
(Attach the original Certification/Claim Form received from the OMDC ***or*** *the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)* **199** +

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit from **7400** Claim Form certified by Ontario Media Development Corporation
(Attach original Claim/Certification Form.) **200** +

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit from **7500** OSRTC Claim Form *(Attach* ***both*** *the original Claim Form and the Certification Form)* **201** +

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 **220** =

Specified Tax Credits ***Applied to reduce Income Tax*** **225** =

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative) **230** = 232,255

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on ***Page 17***.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B on ***Page 8***.

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if ***either*** Total Assets **249** exceeds $5,000,000 ***or*** Total Revenue **250** exceeds $10,000,000.
* These amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation	240 +	20,955,121		
* Total Revenue of the corporation			241 +	19,014,687
If you are a member of an associated group (✓) 242 ☒ (Yes)				
Total Assets of associated corporations *(Attach schedule)*	243 +	17,982,307		
Total Revenue of associated corporations *(Attach schedule)*			244 +	1,061,192
Aggregate Total Assets	249 =	38,937,428		
Aggregate Total Revenue			250 =	20,075,879

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on pages 18, 19 and 20 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on page 18.)*

Gross CMT Payable	CMT Base From 2135	1,623,620	X	From 30	100.0000 %	X 4%	276 = 64,945
	If negative, enter zero				Ontario Allocation		
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*							277 -
Subtract: Income Tax						From	190 - 232,255
Net CMT Payable (if negative, enter Nil on page 17.)							280 =

If **280** is less than zero and you do not have a CMT credit carryover, transfer **230** from ***Page 7*** to ***Income Tax Summary, on Page 17.***

If **280** is less than zero and you have a CMT credit carryover, complete A & B below.

If **280** is greater than or equal to zero, transfer **230** to ***Page 17*** and transfer **280** to ***Page 17, and*** to ***Schedule D: Continuity of CMT Credit Carryovers, on Page 20.***

CMT Credit Carryover available From **2307**

Application of CMT Credit Carryovers

A.	Income Tax (before deduction of specified credits)				From 190 +	232,255
	Gross CMT payable	From 276 +	64,945			
	Subtract: Foreign Tax Credit for CMT purposes	From 277 -				
	If **276 - 277** is negative, enter NIL in **290**	=	64,945 ▶		**290** -	64,945
	Income Tax eligible for CMT Credit				**300** =	167,310
B.	Income Tax (after deduction of specified credits)				From **230** +	232,255
	Subtract: CMT credit used to reduce income taxes				**310** -	
	Income Tax				**320** =	232,255

Transfer to Page 17

If A & B apply, **310** ***cannot exceed the lesser of*** **230, 300** ***and your CMT credit carryover available*** **2307**.
If only B applies, **310** ***cannot exceed the lesser of*** **230** ***and your CMT credit carryover available 2307.***

Capital Tax *(Refer to Guide and Int.B. 3011)*

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both $3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation.

If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012 and 3015)	350	+	9,226,787
Retained earnings (if deficit, deduct) (Int.B. 3012)	351	±	2,455,358
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352	+	
Loans and advances *(Attach schedule)*(Int.B. 3013)	353	+	
Bank loans (Int.B. 3013)	354	+	3,875,000
Bankers acceptances (Int.B. 3013)	355	+	
Bonds and debentures payable (Int.B. 3013)	356	+	
Mortgages payable (Int.B. 3013)	357	+	
Lien notes payable (Int.B. 3013)	358	+	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	359	+	224,749
Contingent, investment, inventory and similar reserves (Int.B. 3012)	360	+	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012)	361	+	
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017)	362	+	
Subtotal	370	=	15,781,894
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012)	371	-	(1,257,481)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	372	-	
Total Paid-up Capital	380	=	17,039,375
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	381	-	
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	382	-	
Net Paid-up Capital	390	=	17,039,375

Eligible Investments *(Refer to Guide and Int.B. 3015)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	402	+	
Mortgages due from other corporations	403	+	
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	404	+	
Loans and advances to unrelated corporations	405	+	
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	406	+	
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	407	+	
Total Eligible Investments	410	=	

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015)

Total Assets per balance sheet	420	+	20,955,121
Mortgages or other liabilities deducted from assets	421	+	
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	422	+	
Subtract: Investment in partnership(s)/joint venture(s)	423	-	
Total Assets as adjusted	430	=	20,955,121
Amounts in **360** and **361** (if deducted from assets)	440	+	
Subtract: Amounts in **371**, **372** and **381**	441	-	(1,257,481)
Subtract: Appraisal surplus if booked	442	-	
Add or Subtract: Other adjustments (specify on an attached schedule)	443	±	
Total Assets	450	=	22,212,602

Investment Allowance (410 ÷ 450) X 390 — Not to exceed 410	460	=	
Taxable Capital 390 - 460	470	=	17,039,375

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation	19,014,687		
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue *(Attach schedule)*			
Aggregate of Gross Revenue	19,014,687	480	19,014,687
Total Assets (as adjusted)	From	430	20,955,121

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.

(Financial Institutions use calculations on page 13.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11. and if applicable, complete Section D or Section E on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 2003 CT23 guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in **550** on page 12 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership

B1. If the taxation year commences after September 30, 2001 and **430** and **480** on page 10 are both $3,000,000 or less, enter NIL in **550** on page 12 and complete the return from that point.

B2. If taxable capital, **470** on page 10, is **$5,000,000 or less**, enter NIL in **550** on page 12 and complete the return from that point.

B3. If taxable capital, **470** on page 10 exceeds **$5,000,000**, complete the following calculation and transfer the amount from **523** to **543** on page 12, and complete the return from that point.

+ From **470** _____

\- _____

= **471** _____ x From **30** 100.0000 (Ontario Allocation) x 0.3% x **555** 366 (Days in taxation year / **365/366) = **523** + _____

Transfer to 543 on page 12 and complete the return from that point

**** If floating taxation year, refer to Guide.**

continued on Page 11

Capital Tax Calculation *continued from page 10*

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

C1. ☐ **509** (✓ if applicable) **All corporations that you are associated with do not have a permanent establishment in Canada.**
If taxable capital **470** on page 10 is $5,000,000 or less, enter NIL in **550** on page 12 and complete the return from that point.
If taxable capital **470** on page 10 exceeds $5,000,000 proceed to **Section D**, enter $5,000,000 in **542** Section D, and complete Section D and the return from that point

C2. ☒ **524** (✓ if applicable) **One or more of the corporations that you are associated with maintains a permanent establishment in Canada**
If the taxation year **ends before January 1, 2003**, you must complete the *Calculation* below.
If the taxation year **ends after December 31, 2002**, you and your associated group may continue to allocate the $5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group **may file an election** under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the $15,000 capital tax effect, relating to the $5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation ***Do NOT complete this calculation if ss.69(2.1) election is filed***

Taxable Capital form **470** on page 10	From **470**	+	17,039,375

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations *(Attach schedule)*	**531**	+	5,040,706
Total Aggregate Taxable Capital **470 + 531**	**540**	=	22,080,081

If **540** above is $5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL.
Enter NIL in **523** in section D on page 12, as applicable.
If **540** above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under Section D on page 12.

From **470** 17,039,375 ÷ From **540** 22,080,081 X 5,000,000 **541** = 3,858,540

Transfer to Section 542 in D on page 12

Ss.69(2.1) Election Filed

☐ **591** (✓ if applicable) **Election filed.** ***Attach a copy of the election with this CT23 Return.***
Proceed to **Section E** on page 12.

Capital Tax Calculation *continued from page 11*

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, 540 on *page 11* exceeds $5,000,000.

Complete the following calculation and transfer the amount From **523** to **543**, and complete the return from that point.

+ From **470**	17,039,375											
- **542**	3,858,540											
= **471**	13,180,835	x	From **30**	100.0000 %	x	0.3%	x	Days in the taxation year **555** 366 ** (365/366)	= **523** +	39,543	**Total Capital Tax for the taxation year**

Ontario Allocation

Transfer to 543 and complete the return from that point

SECTION E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From **470**		X From **30**	100.0000	x 0.3%	= **561** +	
- Capital tax deduction relating to your corporation's capital tax deduction, on ss.69(2.1) election form					From **995** -	
					562 =	

Capital Tax	**562**	X	Days in taxation year **555** 366 ** (365/366)	= **563** +		

Transfer to 543 and complete the return from that poin

**** If floating taxation year, refer to Guide**

Capital Tax *before application of specified credits*	**543**	=	39,543
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	**546**	-	
Capital Tax 543 - 546 *(amount cannot be negative)*	**550**	=	39,543

Transfer to page 17

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions Only

For taxation years commencing **after May 4, 1999** enter NIL in **550** on page 12, and complete the return from that point.

I.2 Other than Credit Unions

*(Retain details of calculations for amounts in boxes **565** and **570**. Do not submit with this tax return.)*

565 _____ x 0.6% x From **30** _____ % x **555** _____ ÷ **365/366 = **569** +

Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1

Ontario Allocation

Days in taxation year

570 _____ x **571** _____ x From **30** _____ % x **555** _____ ÷ **365/366 = **574** +

Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount

Capital Tax Rate *(Refer to Guide)*

Ontario Allocation

Days in taxation year

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574 **575** =

***** If floating taxation year, refer to Guide.***

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments **585** -

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)?(✓) ☐ Yes

Capital Tax - Financial Institutions 575 - 585 **586** =

*Transfer to **543** on Page 12*

Premium Tax (s.74.2 & 74.3) *(refer to Guide)*

(1) Uninsured Benefits Arrangements **587** _____ x 2% **588** =

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in **588** and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in **588**.)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to guide)* **589** -

Premium Tax 588 - 589 **590** =

Transfer to Page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1	**600**	±	1,658,967
			Transfer to Page 15

Add:

Federal capital cost allowance	**601**	+	816,339
Federal cumulative eligible capital deduction	**602**	+	
Ontario taxable capital gain	**603**	+	
Federal non-allowable reserves. Balance beginning of year	**604**	+	
Federal allowable reserves. Balance end of year	**605**	+	
Ontario non-allowable reserves. Balance end of year	**606**	+	
Ontario allowable reserves. Balance beginning of year	**607**	+	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	**608**	+	
Federal resource allowance	**609**	+	
Federal depletion allowance	**610**	+	
Federal foreign exploration and development expenses	**611**	+	
Management fees, rents, royalties and similar payments to non-arms' length non-residents			

Number of days in Taxation Year

	Days after Sept. 30, 2001 and before Jan. 1, 2004	Total days		
612 _____ X 5/12.5 X **33** _____ ÷ **73** 366 = **633** + _____				

	Days after Dec. 31, 2003	Total days		
612 _____ X 5/14.0 X **34** 366 ÷ **73** 366 = **634** + _____				

Total add-back amount for Management fees, etc. **633 + 634** = _____	**613**	+		
Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in **473** from Ont. CT23 schedule 161	**615**	+		
Add any negative amount in **473** from Ont. CT23 Schedule 161	**616**	+		
Federal allowable business investment loss	**620**	+		
Total of other items not allowed by Ontario but allowed federally *(Attach schedule)*	**614**	+		
Sub Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614		=	816,339 **640**	816,339
				Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under **675**)	**650**	+	816,339
Ontario cumulative eligible capital deduction	**651**	+	
Federal taxable capital gain	**652**	+	
Ontario non-allowable reserves. Balance beginning of year	**653**	+	
Ontario allowable reserves. Balance end of year	**654**	+	
Federal non-allowable reserves. Balance end of year	**655**	+	
Federal allowable reserves. Balance beginning of year	**656**	+	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	**657**	+	
Ontario depletion allowance	**658**	+	
Ontario resource allowance	**659**	+	
Ontario current cost adjustment *(Attach schedule)*	**661**	+	
Incentive for new electricity supply (section 13.6 deduction from income) (***Applies*** only to electrical generating corporations.)	**674**	+	
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	**675**	+	
Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675	**681**		816,339
			Transfer to Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Continued from page 14

Net income (loss) for federal income tax purposes, per federal T2 SCH 1	From **600**	±	1,658,967
Sub Total of Additions	From **640**	=	816,339
Sub Total of deductions on page 14	From **681**	=	816,339

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(***Applies*** only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year **662** _____

ONTTI Gross-up deduction calculation:

From **662** _____ Gross-up of CCA x 100/ **30** 100.0000 (Ontario allocation) - From **662** _____ **663** =

Workplace Child Care Tax Incentive

Qualifying expenditures: **665** _____ x 30% x 100/ **30** 100.0000 (Ontario Allocation) **666** =

Workplace Accessibility Tax Incentive

Qualifying expenditures: **667** _____ x 100% x 100/ **30** 100.0000 (Ontario Allocation) **668** =

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI): (***Applies*** to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures **670** _____ x 30% x 100/ **30** 100.0000 (Ontario Allocation) **671** =

Educational Technology Tax Incentive (***Applies*** to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures **672** _____ x 15% x 100/ **30** 100.0000 (Ontario Allocation) **673** =

Ontario allowable business investment loss	**678**	+
Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161	**679**	+
Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003)	**677**	+
Total of other deductions allowed by Ontario *(Attach schedule)*	**664**	+

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664	=	816,339	**680**	816,339
Net income (loss) for Ontario purposes 600 + 640 - 680			**690** =	1,658,967

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add: Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract: Utilized during the year to reduce taxable income	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce income (5)	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8)	719	729	739	749	759

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by s.34.

(3) Include losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amounts from **11** if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in **709** must equal total of **829** + **839**.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804	821	831	841	854	874
805 2000/12/31	822	832	842	855	875
806 2001/12/31	823	833	843	856	876
807 2002/12/31	824	834	844	857	877
808 2003/12/31	825	835	845	858	878
809 2004/12/31	826	836	846	859	879
Total	829	839	849	869	889

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carryback adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Minister of Finance***.
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses	Predecessor Corporation's Account No. (MOF)	Taxation Year Ending	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss			910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income.						
i) 3rd preceding	901	2001/12/31	911	921	931	941
ii) 2nd preceding	902	2002/12/31	912	922	932	942
iii) 1st preceding	903	2003/12/31	913	923	933	943
Total loss to be carried back			From 706	From 716	From 726	From 736
Balance of loss available for carryforward			919	929	939	949

Summary

Income Tax	From 230 or	320	+	232,255
Corporate Minimum Tax	From	280	+	
Capital Tax	From	550	+	39,543
Premium Tax	From	590	+	
Total Tax Payable		950	=	271,798
Subtract: Payments		960	-	272,031
Capital Gains Refund (s.48)		965	-	
Qualifying Environmental Trust Tax Credit (Refer to Guide)		985	-	
Specified Tax Credits (Refer to Guide)		955	-	
Balance		970	=	(233)
If payment due	Enclosed *	990		
If overpayment: Refund (Refer to Guide)		975	=	
Apply to 2005/12/31		980		233

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the Minister of Finance*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order. (Refer to guide for other payment methods.)

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name
CHRIS LITSCHKO

Title
PRESIDENT

Full Residence Address
22 Daleman Dr.
Bracebridge
City

Province	Country	Postal Code
ON	CA	P1L 1A6

Signature

Date
2005/03/23

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net income/(loss) (unconsolidated, determined in accordance with GAAP)				2100 ±	1,024,403
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	2101 +				
Provision for deferred income taxes (credits) / benefit of future income taxes	2102 +				
Equity income from corporations	2103 +				
Share of partnership(s)/joint venture(s) income	2104 +				
Dividends received/receivable deductible under fed.s.112	2105 +				
Dividends received/receivable deductible under fed.s.113	2106 +				
Dividends received/receivable deductible under fed.s.83(2)	2107 +				
Federal Part VI.1 tax on dividends declared and paid, under fed.s.191.1(1) x 9/3 =	2108 +				
Subtotal			=	▶ 2109 -	
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	2110 +	599,217			
Provision for deferred income taxes (debits) / cost of future income taxes	2111 +				
Equity losses from corporations	2112 +				
Share of partnership(s)/joint venture(s) losses	2113 +				
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	2114 +				
Subtotal			= 599,217	▶ 2115 +	599,217
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85	2116 +		or 2117 -		
** Fed.s.85.1	2118 +		or 2119 -		
** Fed.s.97	2120 +		or 2121 -		
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	2122 +		or 2123 -		
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	2124 +		or 2125 -		
** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	2126 +		or 2127 -		
Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	2150 -				
Subtotal (Additions) = ▶				2128 +	
Subtotal (Subtractions)			=	▶ 2129 -	
** Other adjustments				2130 ±	
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130				2131 =	1,623,620
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss				2132 ±	
Adjusted net income (loss) (if loss, transfer to **2202** in **Schedule B**)				2133 =	1,623,620
Deduct: CMT losses: pre-1994 Loss *	From 2210 +				
CMT losses: other eligible losses *	2211 +				
			=	▶ 2134 -	

* CMT losses applied cannot exceed adjusted net income or increase a loss
** Retain calculations. Do not submit with this tax return.

CMT Base 2135 = 1,623,620

Transfer to CMT Base on page 8

Corporate Minimum Tax (CMT)

Schedule B: Continuity of CMT Losses Carried Forward

CMT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
							Expired
2000/12/31							
2001/12/31							
2002/12/31							
2003/12/31							
2004/12/31							
Totals							

Balance at Beginning of year (1), (2) **2201** +

Add:
- Current year's losses **2202** +
- Losses from predecessor corporations on amalgamation (3) **2203** +
- Losses from predecessor corporations on wind-up (3) **2204** +
- Amalgamation (✓) **2205** ☐ Yes Wind-up (✓) **2206** ☐ Yes

Subtotal = ▶ **2207** +

Adjustments (attach schedule) **2208** ±

CMT losses available 2201 + 2207 ± 2208 **2209** =

Subtract:
- Pre-1994 loss utilized during the year to reduce adjusted net income **2210** +
- Other eligible losses utilized during the year to reduce adjusted net income (4) **2211** +
- Losses expired during the year **2212** +

Subtotal = ▶ **2213** -

Balances at End of Year (5) **2209 - 2213** **2214** =

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisitions of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income **2133** and CMT losses available **2209**.

(5) Amount in **2214** must equal sum of **2270** and **2290**.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first)	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	**2260**	**2280**
2241	**2261**	**2281**
2242	**2262**	**2282**
2243	**2263**	**2283**
2244	**2264**	**2284**
2245 2000/12/31	**2265**	**2285**
2246 2001/12/31	**2266**	**2286**
2247 2002/12/31	**2267**	**2287**
2248 2003/12/31	**2268**	**2288**
2249 2004/12/31	**2269**	**2289**
Totals	**2270**	**2290**

The sum of amounts 2270 + 2290 must equal amount in 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
2001/12/31							
2002/12/31							
2003/12/31							
2004/12/31							
Totals							

Balance at Beginning of year (1) **2301** +

Add: Current year's CMT Credit (**280** on page 8. If negative, enter NIL) From **280** +

CMT Credit Carryovers from predecessor corporations (2) **2302** +

Amalgamation (✓) **2303** ☐ Yes Wind-up (✓) **2304** ☐ Yes

Subtotal = ▶ **2305** +

Adjustments *(Attach schedule)* **2306** ±

CMT credit carryover available 2301 + 2305 ± 2306 **2307** =

Transfer to Page 8

Subtract: CMT credit utilized during the year to reduce income tax (Page 8) From **310** +

CMT credit expired during the year **2308** +

Subtotal = ▶ **2309** -

Balance at End of Year (3) **2307 - 2309** **2310** =

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in **2310** must equal the sum of **2370** + **2390**.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Origin (oldest year first)		CMT Credit Carryovers of Corporation		CMT Credit Carryovers of Predecessor Corporations	
2340		2360		2380	
2341		2361		2281	
2342		2362		2382	
2343		2363		2383	
2344		2364		2384	
2345		2365		2385	
2346	2001/12/31	2366		2386	
2347	2002/12/31	2367		2387	
2348	2003/12/31	2368		2388	
2349	2004/12/31	2369		2389	
Totals		2370		2390	

The sum of amounts 2370 and 2390 must equal the amount in 2310.

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Capital Cost Allowance

Schedule 8

ONTARIO CAPITAL COST ALLOWANCE

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2004/12/31

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

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year	3 Cost of acquisitions during the the year See note 1 below	4 Net adjustments	5 Proceeds of dispositions during the year	6 Ontario undepreciated capital cost (col 2 + 3 or col 2 - 4 - 5)	7 50% rule See note 2 below	8 Reduced undepreciated capital cost (col 6 - 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (col 8 x 9 or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (col 6 - 12)
1	12,958,068	274,032			13,232,100	137,016	13,095,084	4			523,803	12,708,297
1	268,462	385,721			654,183	192,861	461,322	4			18,453	635,730
10	101,128	23,328			124,456	11,664	112,792	30			33,838	90,618
10	284,608	37,170			321,778	18,585	303,193	30			90,958	230,820
1	1,703,687				1,703,687		1,703,687	4			68,147	1,635,540
8	204,686	41,623			246,309	20,812	225,497	20			45,099	201,210
12	16,366	39,350			55,716	19,675	36,041	100			36,041	19,675
Totals	15,537,005	801,224				400,613	15,937,616				816,339	15,521,890

Enter in box **650** on the CT23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Lakeland Power Distribution Ltd.
2012 IRM3 EB-2011-0180
Filed: November 10, 2011
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Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Surtax on Canadian-Controlled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2004/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
LAKELAND HOLDING LTD.	1800127	2004/12/31	
LAKELAND ENERGY LTD.	1800126	2004/12/31	73,860
BRACEBRIDGE GENERATION LTD.	1800053	2004/12/31	136,968
		Total	210,828

*Transfer to **85** on the CT23*

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Streel West
Oshawa, ON L1H 8E9

Taxable Capital of Associated Corporations

(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2004/12/31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
LAKELAND HOLDING LTD.	1800127	2004/12/31	32,397
LAKELAND ENERGY LTD.	1800126	2004/12/31	333,274
BRACEBRIDGE GENERATION LTD.	1800053	2004/12/31	4,675,035
		Aggregate of taxable capital	5,040,706

Transfer to **540** of the CT23

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax - Associated Corporation

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2004/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
LAKELAND HOLDING LTD.	1800127	2004/12/31	12,592,063	47,434
LAKELAND ENERGY LTD.	1800126	2004/12/31	399,219	340,530
BRACEBRIDGE GENERATION LTD.	1800053	2004/12/31	4,991,025	673,228
		Totals	17,982,307	1,061,192
			*Transfer to **249** of the CT23*	*Transfer to **250** of the CT23*

QConsent

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. **Note: This authorization is valid until the client or authorized signing person cancels it in writing. Please complete a separate form for each representative.**

The purpose of this form is:
☒ **To authorize** a third party representative or ☐ **To cancel** a third party representative

1. Client identification

Name
LAKELAND POWER DISTRIBUTION LTD.

Ontario Corporations Tax Account Number 1800128

2. Authorized third party identification

Authorized individuals' name

Address Phone number ( ) -

Authorized firm's name
BDO Dunwoody LLP

Address Phone number
239-1 Manitoba Street Bracebridge, Ontario P1L 1S2 (705) 645-5215

3. Details of authorization

Indicate the period for which authorization or cancellation applies:

All years ☒

OR

Specific years _____ _____

_____ _____

OR

All years prior to _____

4. Authorized signature (client or authorized signing officer)

CHRIS LITSCHKO — Name
(705) 789-5442 — Telephone number
2005/03/23 — Date signed

_____ — Signature of client or authorized signing officer
PRESIDENT — Position, office or rank

Detach and return this REMITTANCE FORM with your payment.

Remittance Advice - Payment-in-Lieu (PIL)

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No
1800128

35
PX5003

LAKELAND POWER DISTRIBUTION LTD.
C/O CHRIS LITSCHKO
5-45 CAIRNS CRES

HUNTSVILLE ON
P1H 2M2

Taxation Year End: (YYYYMMDD)

Payment Amount: $ 4,969.07

Taxation Year End: (YYYYMMDD) 20041231

Payment Amount: $

Total Payment Enclosed: $

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2004/01/01 **to** 2004/12/31

	Account No.	Assessment Date (year, month, day)	Page
LAKELAND POWER DISTRIBUTION LTD.	**1800128**	2005/06/16	1 of 1

ASSESSMENT NO. 62

RECEIVED JUN 2 0 2005

Tax: Federal and Provincial PIL		638,760.00
Assessment Interest		5,202.07
Total Assessment Liability		643,962.07

SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	638,993.00CR	
Sub-Total		638,993.00CR
TAXATION YEAR BALANCE DUE **		4,969.07

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC) The current interest rate is 0.0191780%.

for 2004.

MNRF

APPROVED BY	ACCT. CHG'D.
	1.20.2294.100
DATE PAID	CHEQUE No.

? if this is the acc't you would like me to change to DE ?

Tax (Re)Assessment Enquiries:
• Toronto (416) 730-5585

Account Billing Enquiries & Change of Address Information:
• Oshawa and Local (905) 433-6708 • Toll-Free 1-800-262-0784 ext. 3036

PX5003

Appendix 20 – 2005 Financial Statements, Tax Returns, Tax Assessments

Lakeland Power Distribution Ltd.
Financial Statements
For the year ended December 31, 2005

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Summary of Significant Accounting Policies 6

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BDO

BDO Dunwoody LLP
Chartered Accountants
and Advisors

Driving growth

239-1 Manitoba Street
Bracebridge Ontario Canada P1L 1S2
Telephone: (705) 645-5215
Fax: (705) 645-8125

www.bdo.ca

Auditors' Report

To the Shareholder of
Lakeland Power Distribution Ltd.

We have audited the balance sheet of Lakeland Power Distribution Ltd. as at December 31, 2005 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Lakeland Power Distribution Ltd. as at December 31, 2005 and the result of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Dunwoody LLP

Chartered Accountants

Bracebridge, Ontario
March 2, 2006

Lakeland Power Distribution Ltd.
Balance Sheet

December 31	2005	2004
Assets		
Current		
Cash	$ 2,531,689	$ 1,269,051
Accounts receivable (Note 1)	1,416,625	1,947,854
Unbilled service revenue	2,340,055	2,070,148
Inventory	222,176	213,103
Other current assets	362,582	301,095
	6,873,127	5,801,251
Capital assets (Note 2)	12,125,439	12,444,235
Regulatory assets (Note 3)	2,933,085	2,248,339
Other assets (Note 4)	462,498	461,295
	$ 22,394,149	$ 20,955,120
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities (Note 5)	$ 3,988,089	$ 3,610,747
Current payments in lieu of income taxes payable	61,431	19,524
	4,049,520	3,630,271
Long-term debt (Note 6)	3,875,000	3,875,000
Long-term accounts payable (Note 7)	1,631,141	1,542,955
Customer deposits	181,933	188,730
Other non-current liabilities	36,019	36,019
	9,773,613	9,272,975
Shareholder's equity		
Share capital (Note 8)	9,226,787	9,226,787
Retained earnings	3,393,749	2,455,358
	12,620,536	11,682,145
	$ 22,394,149	$ 20,955,120

On behalf of the Board:

_____ Director

_____ Director

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

BDO

Lakeland Power Distribution Ltd.
Statement of Operations and Retained Earnings

For the year ended December 31	2005	2004
Revenue	**$ 20,576,296**	$ 18,571,206
Direct costs	**16,629,039**	14,419,125
	3,947,257	4,152,081
Other revenues		
Investment income	**489,576**	171,126
Other income (Schedule 1)	**22,373**	24,345
Other operating revenue (Schedule 1)	**299,771**	258,280
	4,758,977	4,605,832
Expenses		
Administration and general (Schedule 1)	**591,056**	639,974
Amortization (Note 9)	**815,831**	774,234
Billing and collecting (Schedule 1)	**514,235**	542,281
Community relations	**35,310**	15,320
Distribution (Schedule 1)	**860,136**	715,425
Interest	**184,487**	242,353
Payments in lieu of capital tax	**34,443**	43,225
Taxes other than income taxes	**8,584**	9,400
	3,044,082	2,982,212
Net income from operations for the year	**1,714,895**	1,623,620
Payments in lieu of income taxes (Note 10)		
Current payments in lieu of income taxes	**664,004**	599,217
Net income for the year	**1,050,891**	1,024,403
Retained earnings, beginning of year	**2,455,358**	1,430,955
Dividends	**(112,500)**	-
Retained earnings, end of year	**$ 3,393,749**	$ 2,455,358

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

Lakeland Power Distribution Ltd.
Statement of Cash Flows

For the year ended December 31	2005	2004
Cash provided by (used in)		
Operating activities		
Net income for the year	**$ 1,050,891**	$ 1,024,403
Adjustments for		
Amortization (Note 9)	**898,903**	851,687
	1,949,794	1,876,090
Changes in non-cash working capital balances		
Accounts receivable	**531,229**	(371,011)
Unbilled service revenue	**(269,907)**	(281,723)
Inventory	**(9,073)**	(5,215)
Other current assets	**(61,486)**	(50,212)
Accounts payable and accrued liabilities	**465,524**	1,818,519
Payments in lieu of corporate taxes payable	**41,907**	(125,175)
	2,647,988	2,861,273
Customer deposits	**(6,796)**	(81,589)
Retail settlement variance accounts	**(1,235,290)**	(942,822)
	1,405,902	1,836,862
Investing activities		
Purchase of capital assets	**(1,005,064)**	(1,214,934)
Contributions received in aid of construction	**423,756**	413,714
Recovery of rate regulated assets	**550,544**	375,499
	(30,764)	(425,721)
Financing activities		
Advances to related company	**-**	(1,000,000)
Advances from related companies	**-**	(420,569)
Dividends paid	**(112,500)**	-
	(112,500)	(1,420,569)
Change in cash and cash equivalents during the year	**1,262,638**	(9,428)
Cash and cash equivalents, beginning of year	**1,269,051**	1,278,479
Cash and cash equivalents, end of year	**$ 2,531,689**	$ 1,269,051

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements

BDO

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2005

Nature of Business

The company is incorporated under the laws of Ontario and operates as a local distribution company distributing hydro electric power to users in Bracebridge, Huntsville, Sundridge, Burk's Falls and Magnetawan, Ontario.

The corporation is a municipally owned government business enterprise and is therefore exempt from income tax under the Income Tax Act of Canada.

Revenue Recognition

Revenue is recognized as power is transmitted and delivered to customers. Revenues are recognized on the accrual basis, which includes an estimate of electricity consumed by customers in the year, but billed subsequent to year end. This revenue is recorded as unbilled service revenue.

Contracted service revenue is recognized on the completed contract basis.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future.

Financial Instruments

The company's financial instruments consist of cash, accounts receivable, accounts payable and long-term debt. The carrying value of financial instruments approximates their fair value due to their short term nature. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Income Taxes

Under the Electricity Act, 1998, the company is required to make payments in lieu of income taxes to Ontario Electricity Financial Corporation (OEFC). These payments are calculated in accordance with rules contained in the Income Tax Act as modified by the Electricity Act, 1998, and related regulations. The company, as a rate-regulated enterprise, provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for future payments in lieu of income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future payments in lieu of income taxes become payable, it is expected that they will be recovered from future customers.

Inventory

Inventory consists of repair parts, supplies and materials valued at the lower of average cost and replacement cost.

BDO

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2005

Capital Assets

Capital assets are recorded at cost, which includes internal labour and allocated overhead. Amortization is provided on the straight line basis over the estimated useful life of the assets as follows:

Distribution Plant			
Buildings and fixtures	- 30 &	50	years
Conductors and devices	-	25	years
Distribution station equipment	-	25	years
Line transformers	-	25	years
Meters	-	25	years
New services distribution	-	25	years
Poles, towers and fixtures	-	25	years
Underground conduits	-	25	years
General Plant			
Buildings and fixtures	- 30 &	50	years
Communication equipment	-	10	years
Computer hardware and software	-	5	years
Office furniture and equipment	-	10	years
Stores equipment	-	10	years
Tools and garage equipment	-	10	years
Transportation equipment	- 5 &	8	years

Contributions in Aid of Construction

Certain capital assets may be acquired or constructed with financial assistance in the form of non-refundable contributions from customers. These contributions are netted against capital assets and amortized on the same basis as the capital assets to which they relate.

Impairment of Long-lived Assets

The company tests for impairment loss of long-lived assets whenever events or changes in circumstances occur which may cause their carrying value to exceed the total undiscounted cash flows expected from their use and eventual disposition. An impairment loss, if any, is determined as the excess of the carrying value of the asset over its fair value.

Asset Retirement Obligations

The company recognizes asset retirement obligations in the period in which they are incurred if a reasonable estimate of fair value can be determined. While some of the company's long-lived tangible assets will have future legal retirement obligations, the date of removal of the assets cannot be reasonably determined at this time. An asset retirement obligation and offsetting capital asset will be recognized when the timing and amount can be reasonably determined. There are no asset retirement obligations to date.

Lakeland Power Distribution Ltd.
Summary of Significant Accounting Policies

December 31, 2005

Regulatory Assets

The rates of the company's electricity transmission and distribution businesses are subject to regulation by the Ontario Energy Board (OEB). The OEB has the general power to include or exclude costs, revenues, losses or gains in the rates of a specific period, resulting in a change in the timing of accounting recognition from that which would have applied in an unregulated company. Such change in timing gives rise to the recognition of regulatory assets. The company's regulatory assets represent certain amounts receivable from future customers. Specific regulatory assets are described below and disclosed in (Note 3). The company continually assesses the likelihood of recovery of each of its regulatory assets.

Qualifying Transition Costs

These costs reflect amounts incurred to prepare for the opening of the electricity market to competition.

Retail Settlement Variance Accounts

These accounts reflect the difference between the cost of electricity and the amounts billed to consumers beginning May 1, 2002, the date the market became open to competition.

Pre-Market Opening Energy Variance Accounts

These accounts reflect the difference between the cost of electricity paid to Ontario Power Generation and the amounts billed to consumers for electricity usage for the period January 1, 2001 to April 30, 2002.

Cash Pension Contributions

The pension contribution holiday for the Ontario Municipal Employees Retirement Fund (OMERS) ended on December 31, 2002. As a result of the holiday, pension costs were not included in current rates. For this reason, effective 2005, cash pension costs are recorded as other regulatory assets.

Intangible Assets

Intangible assets are recorded at cost and are amortized over the useful life of the asset. If the life of the asset is indefinite, no amortization is taken.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and bank balances.

BDO

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2005

1. Accounts Receivable

	2005	2004
Electrical energy	$ 1,057,811	$ 1,597,923
GST receivable	-	145,125
Sundry	386,918	229,782
	1,444,729	1,972,830
Allowance for doubtful accounts	(28,104)	(24,976)
	$ 1,416,625	$ 1,947,854

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2005

2. Capital Assets

	2005		2004	
	Asset Cost	Accumulated Amortization	Asset Cost	Accumulated Amortization
Distribution Plant				
Buildings and fixtures	$ 577,844	$ 40,258	$ 566,876	$ 22,328
Conductors and devices	3,455,918	524,356	3,248,437	386,225
Distribution station equipment	1,014,629	298,081	1,007,240	240,559
Line transformers	3,236,669	835,893	2,944,442	654,090
Meters	976,852	263,430	959,199	217,459
New services distribution	273,585	31,860	203,463	22,980
Poles, towers and fixtures	4,530,111	1,292,480	4,239,030	1,060,983
Underground conduits	2,761,266	694,543	2,729,727	568,147
	16,826,874	3,980,901	15,898,414	3,172,771
General Plant				
Land	278,455	-	276,661	-
Buildings and fixtures	110,778	18,542	110,778	16,083
Communication equipment	99,803	40,309	99,803	28,718
Computer hardware	247,020	165,037	199,287	133,492
Computer software	94,024	39,773	80,846	22,286
Office furniture and equipment	100,258	62,086	96,962	51,289
Stores equipment	10,960	3,657	7,615	3,004
Tools and garage equipment	149,665	97,919	143,609	90,525
Transportation equipment	531,389	306,298	531,389	233,399
	1,622,352	733,621	1,546,950	578,796
	18,449,226	4,714,522	17,445,364	3,751,567
Less contributions in aid of construction	1,813,281	204,016	1,389,525	139,963
	$ 16,635,945	$ 4,510,506	$ 16,055,839	$ 3,611,604
		$ 12,125,439		$ 12,444,235

BDO

December 31, 2005

3. Regulatory Assets

	2005	2004
Qualifying transition costs	$ 464,395	$ 409,694
Retail settlement variance accounts	2,680,571	2,007,035
Pre-market opening energy variance accounts	1,058,985	841,109
Cash pension contributions	77,878	-
	4,281,829	3,257,838
Recovery of regulatory assets	(980,744)	(375,499)
	3,301,085	2,882,339
Allowance for uncertainty of recovery	(368,000)	(634,000)
	$ 2,933,085	$ 2,248,339

Although these assets are expected to be recovered from future customers, there remains uncertainty as to the timing and amount that will be approved for recovery based on the fact that future rates are subject to approval by the OEB. Accordingly, an allowance (recovery) was recorded by a charge to operations as follows.

2001	$ 381,685
2002	518,315
2004	(266,000)
2005	(266,000)
	$ 368,000

Retail settlement variance accounts reflect the difference between the cost of electricity and the amounts billed to consumers. During 2005, these variances resulted in a charge to reduce revenue of approximately $669,000 and a charge to reduce direct costs of approximately $1,464,000. In addition to retail settlement variances, carrying charges are also applied.

4. Other Assets

	2005		2004	
	Asset Cost	Accumulated Amortization	Asset Cost	Accumulated Amortization
Intangible assets				
Land rights	$ 477,645	$ 15,147	$ 476,442	$ 15,147
		$ 462,498		$ 461,295

BDO

December 31, 2005

5. Accounts Payable and Accrued Liabilities

	2005	2004
Customer credit balances	$ 282,445	$ 120,459
Other trade	719,821	391,691
Power	2,985,823	3,098,597
	$ 3,988,089	$ 3,610,747

Included in the above amount for power is $121,914 (2004 - $49,652) which is due to Bracebridge Generation Ltd., a related company. Total power purchased from Bracebridge Generation Ltd. in 2005 was $663,650 (2004 - $602,328) which is purchased on the same terms that it purchases electricity from third party suppliers. These transactions have been measured at the exchange amount.

Lakeland Power Distribution Ltd., Lakeland Energy Ltd. and Bracebridge Generation Ltd. are all wholly-owned subsidiaries of Lakeland Holding Ltd.

6. Long-Term Debt

	2005	2004
Chartered bank revolving loan	$ 3,875,000	$ 3,875,000

The above chartered bank revolving loan is comprised of three amounts. Interest only payments are payable monthly. $1,162,500 of the total loan bears fixed interest at 3.60% and is due March 11, 2006. $1,937,500 of the total loan bears fixed interest at 3.98% and is due March 11, 2007. The balance of $775,000 bears fixed interest at 3.60% and is due March 11, 2006.

Subsequent to the year end, the due dates noted above, with respect to amounts due on March 11, 2006, were extended for an additional 12 months.

Subsequent to year end, the company made a lump sum principal payment of $387,500 on the above chartered bank revolving loan.

Security for the chartered bank revolving loan is provided by a General Security Agreement conveying a first floating and fixed charge over all assets and evidence of adequate liability insurance.

The agreement covering the above facility contains certain restrictions regarding interest coverage and debt capitalization tests.

December 31, 2005

7. Long-term Accounts Payable

Long-term accounts payable consist of shared distribution charges payable to Hydro One. This liability is not currently payable but will become payable as regulatory assets (Note 3) are recovered through Hydro One future rates.

8. Share Capital

Authorized

		2005	2004
Unlimited	Common shares		
Issued			
7,428	Common shares	**$ 9,226,787**	$ 9,226,787

9. Amortization of Capital Assets

Total amortization of capital assets amounted to $898,903 for the year (2004 - $848,880). Transportation and communication equipment amortization of $83,072 (2004 - $77,453) has been expensed to operating lines where the equipment was used.

10. Payments in Lieu of Income Taxes

The provision for payments in lieu of income income taxes differs from the amount that would have been recorded using the combined Canadian Federal and Ontario statutory income tax rate. A reconciliation between the statutory and effective tax rates is provided as follows:

	2005	2004
Income before payments in lieu of income taxes	**$ 1,714,895**	$ 1,623,620
Statutory income tax rate	**36.1 %**	36.1 %
Expected payments in lieu of income taxes expense	**619,077**	586,127
Increase in taxes resulting from:		
Permanent differences	**1,878**	-
Amortization in excess of capital cost allowance	**43,049**	13,090
Payments in lieu of income taxes expense	**$ 664,004**	$ 599,217

Lakeland Power Distribution Ltd.
Notes to Financial Statements

December 31, 2005

11. Statement of Cash Flows Supplementary Information

During the year, the company paid the following amounts in cash:

	2005	2004
Interest	**$ 184,487**	$ 242,353
Payments in lieu of income taxes	**$ 638,772**	$ 620,993

12. Pension Plan

The company makes contributions to the Ontario Municipal Employees Retirement Fund (OMERS), which is a multi-employer plan, on behalf of substantially all members of its staff. This plan is a defined contribution plan. The amount contributed to OMERS in 2005 was $75,939 (2004 - $67,225). Full contribution rates resumed as of January 1, 2004. For employees who have a normal retirement age of 65, contributions have resumed at 6.0% of employee's salary up to $41,100 and 8.8% after that. For employees who have a normal retirement age of 60, contributions have resumed at 7.3% of salary up to $41,100 and 9.8% after that. There is no increase in rates for 2005. In 2005, contributions became recoverable from future rate applications and therefore are reported as regulatory assets.

13. Contingency

A class action claiming $500 million in restitution payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code. The Electricity Distributors Association (formerly Municipal Electric Association) is undertaking the defence of this class action. At this time, it is not possible to quantify the effect of this action, if any, on the financial statements of the company.

14 Comparative Figures

Certain comparative figures presented in the financial statements have been reclassified to conform to the presentation adopted for the current year.

BDO

Lakeland Power Distribution Ltd.
Schedule 1 - Other Revenues and Expenses

For the year ended December 31	2005	2004
Other Income		
Miscellaneous	$ 22,373	$ 16,510
Overhead expansion assistance	-	7,835
	$ 22,373	$ 24,345
Other Operating Revenue		
Late payment charges	$ 106,233	$ 101,560
Miscellaneous service revenues	85,045	67,278
Rent from electric property	108,493	89,442
	$ 299,771	$ 258,280
Administration and General Expense		
Reversal of rate regulated assets allowance (Note 3)	$ (266,000)	$ (266,000)
Allowance for non recoverable qualifying transition costs	40,975	-
Recovery of cash pension contributions	(75,199)	-
EMERA fees	66,077	68,713
General and miscellaneous	190,685	182,908
Maintenance	70,383	40,775
Office supplies	139,719	122,801
Outside services	40,847	127,563
Rents	38,220	35,930
Salaries and related expenses	345,349	327,284
	$ 591,056	$ 639,974
Billing and Collecting Expense		
Collections	$ 90,548	$ 105,755
Customer billing	237,352	237,198
Meter reading	115,497	129,635
Supervision	70,838	69,693
	$ 514,235	$ 542,281
Distribution Expense		
Maintenance of line transformers	$ 8,033	$ 32,951
Maintenance of meters	17,775	21,998
Maintenance of overhead services	345,497	347,008
Maintenance of station equipment	23,479	18,605
Maintenance supervision and engineering	257,912	155,627
Maintenance of underground services	35,137	45,031
Operations - meters	108,136	67,912
Operations - pole rental	64,167	26,293
	$ 860,136	$ 715,425

BDO

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN — Schedule 200

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

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

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

055 Do not use this area

Identification

Business number (BN) 001 18001 28 RC

Corporation's name

002 LAKELAND POWER DISTRIBUTION LTD.

Has the corporation changed its name since the last time we were notified? 003 ☐ Yes ☒ No

If *Yes*, do you have a copy of the articles of amendment? 004 ☐ Yes ☐ No

Address of head office

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

011 5-45 CAIRNS CRESCENT

012

City: 015 HUNTSVILLE — Province, territory, or state: 016 ON

Country (other than Canada): 017 — Postal code/Zip code: 018 P1H 2M2

Mailing address (if different from head office address)

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

021 C/o

022 5-45 CAIRNS CRESCENT

023

City: 025 HUNTSVILLE — Province, territory, or state: 026 ON

Country (other than Canada): 027 — Postal code/Zip code: 028 P1H 2M2

Location of books and records

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

031 5-45 CAIRNS CRESCENT

032

City: 035 HUNTSVILLE — Province, territory, or state: 036 ON

Country (other than Canada): 037 — Postal code/Zip code: 038 P1H 2M2

040 Type of corporation at end of taxation year

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

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

To which taxation year does this return apply?

From 060 2005/01/01 to 061 2005/12/31

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

If *Yes*, give the date control was acquired 065

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

Is this the first year of filing after:

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

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

Has there been a wind-up of a subsidiary under section 88 during the current taxation year?

If *Yes*, complete and attach Schedule 24 072 ☐ Yes ☒ No

Is this the final taxation year before amalgamation? 076 ☐ Yes ☒ No

Is this the final return up to dissolution? 078 ☐ Yes ☒ No

Is the corporation a resident of Canada? 080 ☒ Yes ☐ No

If *No*, give the country of residence on line 081 and complete and attach Schedule 97. 081

Is the non-resident corporation claiming an exemption under an income tax treaty? 082 ☐ Yes ☒ No

If *Yes*, complete and attach Schedule 91

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

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

Do not use this area

091	092	093	094	095	096

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141. * We do not print these schedules.

Schedules - Answer the following questions. For each *Yes* response, attach to the T2 return the schedule that applies.

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Does the corporation have any non-resident shareholders?	151		19
Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		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		11
If you answered *Yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
Is the corporation a member of a partnership for which an identification number has been assigned?	167		T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
Did the corporation have any foreign affiliates during the year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal *Income Tax Regulations*?	170		29
Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172		-----
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
Is the net income/loss shown on financial statements different from the net income/loss for income tax purposes?	201	X	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; or gifts of cultural or ecological property?	202		2
Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund	203	X	3
Is the corporation claiming any type of losses?	204		4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any property that is eligible capital property?	210		10
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming reserves of any kind?	213		13
Is the corporation claiming a patronage dividend deduction?	216		16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
is the corporation an investment corporation or a mutual fund corporation?	218		18
Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221		21
Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
Does the corporation have any Canadian manufacturing and processing profits?	227		27
Is the corporation claiming an investment tax credit?	231		31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232		T661
Is the corporation subject to Part 1.3 tax?	233	X	33/34/35
Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	X	36
Is the corporation claiming a surtax credit?	237	X	37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
Is the corporation claiming a Part I tax credit?	242		42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131
Is the corporation claiming a film or video production services tax credit refund?	254		T1177
Is the corporation subject to Part XIII.1 tax?	255		92 *

Attachments - Continued from page 2

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

Additional information

Is the corporation inactive?	280	1 Yes ☐	2 No ☒
Has the major business activity changed since the last return was filed? (enter *Yes* for first time-filers)	281	1 Yes ☐	2 No ☒

What is the corporation's major business activity? 282

(Only complete if *Yes* was entered at line 281)

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

Specify the principal product(s) mined, manufactured, sold, constructed, or service provided, giving the approximate percentage of the total revenue that each product or service represents.	284	HYDRO POWER	285	100.000 %
	286		287	%
	288		289	%

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes ☐	2 No ☒
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes ☐	2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI		300	1,838,330	A
Deduct: Charitable donations from Schedule 2	311			
Gifts to Canada or a province, or a territory from Schedule 2	312			
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320			
Part VI.1 tax deduction from Schedule 43 *	325			
Non-capital losses of preceding taxation years from Schedule 4	331			
Net capital losses of preceding taxation years from Schedule 4	332			
Restricted farm losses of preceding taxation years from Schedule 4	333			
Farm losses of preceding taxation years from Schedule 4	334			
Limited partnership losses of preceding taxation years from Schedule 4	335			
Taxable capital gains or taxable dividends allocated from a central credit union	340			
Prospector's and grubstaker's shares	350			
Subtotal			▶	B
Subtotal (amount A minus amount B) (if negative, enter "0")			1,838,330	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions		355		D
Taxable income (amount C plus amount D)		360	1,838,330	
Income exempt under paragraph 149(1)(t)		370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)				Z

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

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7	400	1,838,330	A
Taxable 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	1,838,330	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 / Number of days in the taxation year	/ 365	=		1
$250,000 x	Number of days in the taxation year in 2004 / Number of days in the taxation year	/ 365	=		2
$300,000 x	Number of days in the taxation year after 2004 / Number of days in the taxation year	365 / 365	=	300,000	3
		Add amounts at line 1, 2, and 3		300,000	4

Business limit (see notes 1 and 2 below)	410	300,000	C

Notes: 1. For CCPCs that are not associated, enter the amount from line 4 on line 410. However, if the corporation's 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 on line 410.

Business limit reduction:

Amount C 300,000 X **415** *** 17,914 D / 11,250 = 477,707 E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	0	F
Small business deduction – 16% of whichever amount is the least: A, B, C, or F . (enter amount G of line 9 on page 7)	430	0	G

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	=		a
Net active business income (amount from line 400)*					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					c
Deduct:					
Aggregate investment income (amount from line 440 of page 6)					d
Amount c minus amount d (if negative, enter "0")			▶		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 on page 5					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% 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** H

Amount H	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	x 1% =	I
Amount H	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	x 2% =	J
Amount H	x	Number of days in the taxation year in 2005 / Number of days in the taxation year (365/365)	x 3% =	K
Amount H	x	Number of days in the taxation year in 2006 / Number of days in the taxation year	x 5% =	L
Amount H	x	Number of days in the taxation year after 2006 / Number of days in the taxation year	x 7% =	M

Resource deduction – total of amounts I, J, K, L , and M **438** N
(enter amount N on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 page 3			1,838,330 A
Amount Z from Part 9 of Schedule 27	x 100 / 7 =	B	
Amount QQ from Part 13 of Schedule 27		C	
Taxable resource income from line 435 above		D	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		E	
Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less		F	
Aggregate investment income from line 440 of page 6		G	
Amount used to calculate the accelerated tax reduction (amount m of page 4)			
Subtotal		▶	H
Amount A minus amount H (if negative, enter "0")			1,838,330 I

Amount I 1,838,330	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	x 5% =	J
Amount I 1,838,330	x	Number of days in the taxation year after 2003 / Number of days in the taxation year (365/365)	x 7% =	128,683 K

General tax reduction for Canadian-controlled private corporations - total of amounts J and K 128,683 L
(enter amount L on line 638 of page 7)

General tax reduction

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

Taxable income from line 360 on page 3			M
Amount Z from Part 9 of Schedule 27	x 100 / 7 =	N	
Amount QQ from Part 13 of Schedule 27		O	
Taxable resource income from line 435 above		P	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		Q	
Total of amounts N, O, P, and Q		▶	R
Amount M **minus** amount R (if negative, enter "0")			S

Amount S	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	x 5% =	T
Amount S	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	x 7% =	U

General tax reduction - total of amounts T and U V
(enter amount V on line 639 of page 7)

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (Amount P from Part 1 of Schedule 7)	440	X 26 2/3 % =		A
Foreign non-business income tax credit from line 632 on page 7				
Deduct:				
Foreign investment income (Amount O from Part 1 of Schedule 7)	445	X 9 1/3 % = (if negative, enter "0")		B
Amount A **minus** amount B (if negative, enter "0")				C
Taxable income from line 360 on page 3		1,838,330		
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 =			
		1,838,330	X 26 2/3% =	490,221 D
Part I tax payable minus investment tax credit refund (line 700 minus line 780 on page 8)		406,638		
Deduct: Corporate surtax from line 600 of page 7		20,589		
Net amount		386,049		386,049 E
Refundable portion of Part I tax – Amount C, D, or E, whichever is the least			450	0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding tax year	460			
Deduct: Dividend refund for the previous taxation year	465			G
Add the total of:				
Refundable portion of Part I tax from line 450 above				
Total Part IV tax payable from line 360 on page 2 of Schedule 3				
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	480			H
Refundable dividend tax on hand at the end of the taxation year - Amount G **plus** amount H			485	0

Dividend refund

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3	112,500	X 1/3	37,500 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)			0

Part I tax

Base amount of Part I tax - 38% of taxable income (line 360 or amount Z, whichever applies) from page 3 — **550** 698,565 A

Corporate surtax calculation

Base amount from line A above		698,565	1
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page 3		183,833	2
Investment corporation deduction from line 620 below			3
Federal logging tax credit from line 640 below			4
Federal qualifying environment trust tax credit from line 648 below			5
For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is the least:			
28% of taxable income from line 360 on page 3	a		
28% of taxed capital gains	b		6
Part I tax otherwise payable (line A **plus** line C and D **minus** line F)	386,049 c		
Total of lines 2 to 6		183,833	7
Net amount (line 1 minus line 7)		514,732	8

Corporate surtax - 4% of the amount on line 8 — **600** 20,589 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 — **602** C

Calculation for the refundable tax on Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6			i
Taxable income from line 360 on page 3	1,838,330		
Deduct: Amount on line 400, 405, 410, or 425 of page 4, whichever is the least			
Net amount	1,838,330 ▶	1,838,330	ii

Refundable tax on CCPC's investment income – 6 2/3% of whichever is less: amount i or ii — **604** D

Subtotal (add lines A, B, C, and D) — 719,154 E

Deduct:

Small business deduction from line 430 on page 4			9
Federal tax abatement	**608**	183,833	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27	**616**		
Investment corporation deduction	**620**		
(taxed capital gains **624**)			
Additional deduction – credit unions from Schedule 17	**628**		
Federal foreign non-business income tax credit from Schedule 21	**632**		
Federal foreign business income tax credit from Schedule 21	**636**		
Accelerated tax reduction from amount n of page 4	**637**		
Resource deduction from line 438 of page 5			10
General tax reduction for CCPCs from amount L on page 5	**638**	128,683	
General tax reduction from amount V on page 5	**639**		
Federal logging tax credit from Schedule 21	**640**		
Federal political contribution tax credit	**644**		
Federal political contributions **646**			
Federal qualifying environmental trust tax credit	**648**		
Investment tax credit from Schedule 31	**652**		
Subtotal		312,516 ▶	312,516 F

Part I tax payable – Line E **minus** line F (enter amount G on line 700 of page 8) — 406,638 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	406,638
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax tax 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		406,638

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON (if more than one jurisdiction, enter "multiple" and complete Schedule 5)			
Net provincial and territorial tax payable (except Quebec, Ontario and Alberta)	760		
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765		
Total tax payable	770		406,638 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 - 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	406,638	
Total credits	890	406,638	406,638 B

Refund Code 894 ☐ Overpayment _____

Balance (line A minus line B) 0 I

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

Balance unpaid _____

Enclosed payment 898 _____

Direct Deposit Request

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

☐ Start ☐ Change information 910 _____ Branch number

914 _____ Institution number 918 _____ Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance is due? 896 1 Yes ☐ 2 No ☒ NA ☐

Certification

950 LITSCHKO Surname | 951 CHRIS First name | 954 PRESIDENT Position, office or rank

955 2006/05/04 Date | 956 (705) 789-5442 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 Language of choice/Langue de choix 1 English / Anglais ☒ 2 Français / French ☐

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraordinary items per financial statements			A	1,050,891
Add:				
Provision for income taxes - current	101	664,004		
Interest and penalties on taxes	103	5,202		
Amortization of tangible assets	104	898,903		
Total of fields 101 to 199	500	1,568,109	▶	1,568,109
Deduct:				
Capital cost allowance - Schedule 8	403	780,670		
Total of fields 401 to 499	510	780,670	▶	780,670
Net income (loss) for income tax purposes (enter on line 300 of the T2 return)				1,838,330

Client: LAKELAND POWER DISTRIBUTION LTD. CRA Business # 1800128 Year-end: 2005/12/31 Printed: 2006/05/04 12:51

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DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND PART IV TAX CALCULATION

Schedule 3

- This schedule is for the use of any corporation to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
  - taxable dividends paid for purposes of a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a taxation year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the sections about Schedule 3 in the *T2 Corporation Income Tax Guide*.

Part 1 - Dividends received during the taxation year

Do not include dividends received from foreign non-affiliates.

A	B	C	D	E	F
Name of payer corporation **200**	Connected? **205**	Dividends from foreign source?	Dividends subject to Part IV tax?	Dividends deductible from income under s.112, 113, and 138(6) **240**	Non-taxable dividends deductible under section 83 **230**

Note: If your corporation's taxation year-end is different than that of the connected payer corporation, your corporation could have received dividends from more than one taxation year of the payer corporation. If so, use a separate line to provide the information for each taxation year of the payer corporation.

Complete if payer corporation is connected and a private or subject corporation				
G	H	I	J	K
Business number **210**	Taxation year end of the payer corporation in which the dividend was paid **220**	Total taxable dividends paid by connected payer corporation **250**	Dividend refund of the connected payer corporation **260**	Part IV tax before deductions ** **270**
RC		0	0	0

Total non-taxable dividends deductible under section 83 _____

Total dividends deductible from income under sections 112, 113, and 138(6) _____

** For dividends received from non-connected corporations, Part IV tax = the amount entered in column E x 1/3
For dividends received from connected corporations, do the following calculation: Part IV tax = column E x column J / column I
Life insurers are not subject to Part IV tax on subsection 138(6) dividends.
Public corporations (other than subject corporations) do not need to calculate Part IV tax.

Part 2 - Calculation of Part IV tax payable

Part IV tax before deductions (total of column K in Part 1) _____

Deduct:

Part IV.I tax payable on dividends subject to Part IV tax **320** _____

Subtotal _____

Deduct:

Current-year non-capital loss claimed to reduce Part IV tax **330** _____

Non-capital losses from previous years claimed to reduce Part IV tax **335** _____

Current-year farm loss claimed to reduce Part IV tax **340** _____

Farm losses from previous years claimed to reduce Part IV tax **345** _____

Total losses applied against Part IV tax _____ x 1/3 = _____

Part IV tax payable (enter amount on line 712 of the T2 return) **360** 0

DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND PART IV TAX CALCULATION

Part 3 - Taxable dividends paid in the taxation year for purposes of a dividend refund

A Name of connected recipient corporation 400	B Business number 410	C Taxation year end of connected recipient corporation in which the dividend was received 420	D Taxable dividends paid to connected corporations 430
LAKELAND HOLDINGS LTD.	86574 9568 RC 0001	2005/12/31	112,500
	RC		
		Total	112,500

Note

If your corporation's taxation year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one taxation year of the recipient corporation. If so, use a separate line to provide the information for each taxation year of the recipient corporation.

Total taxable dividends paid in the taxation year to other than connected corporations	450	
Total taxable dividends paid in the taxation year for the purposes of a dividend refund (total of column D above plus line 450)	460	112,500

Part 4 - Total dividends paid in the taxation year

Complete this part if the total taxable dividends paid in the taxation year for purposes of a dividend refund (line 460 above) is different from the total dividends paid in the taxation year.

		500	
Deduct:			
Dividends paid out of capital dividend account	510		
Capital gains dividends	520		
Dividends paid on shares described in subsection 129(1.2)	530		
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540		
Subtotal			
Total taxable dividends paid in the taxation year for purposes of a dividend refund			0

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CAPITAL COST ALLOWANCE

Schedule 8

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

1 Class **200**	2 UCC at start of year **201**	3 Cost of additions in the year **203**	4 Net adjustments **205**	5 Proceeds of dispositions in the year **207**	7 Adjustment for additions (1/2 x (col 3 - 5)) **211**	8 Base amount for CCA	9 Rate % **212**	10 CCA for the year (col 8 x 9 or a lower amount) **217**	11 Recapture of CCA **213**	12 Terminal loss **215**	13 UCC at the end of the year **220**
1	12,708,297	494,937			247,469	12,955,765	4	518,231			12,685,003
1	635,730	10,968			5,484	641,214	4	25,649			621,049
10	90,618	47,734			23,867	114,485	30	34,346			104,006
10	230,820					230,820	30	69,246			161,574
1	1,635,540					1,635,540	4	65,422			1,570,118
8	201,210	12,696			6,348	207,558	20	41,512			172,394
12	19,675	13,179			6,590	26,264	100	26,264			6,590
Totals	15,521,890	579,514			289,758	15,811,646		780,670			15,320,734

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RELATED AND ASSOCIATED CORPORATIONS

Schedule 9

This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name 100	Country (if not Canada) 200	Business # (Canadian corporation only) 300	Code note 1 400	Common shares # owned 500	Common shares % owned 550	Preferred shares # owned 600	Preferred shares % owned 650	Book value of capital stock 700
LAKELAND HOLDING LTD.		18001 27 RC	1					
LAKELAND ENERGY LTD.		18001 26 RC	3					
BRACEBRIDGE GENERATION LTD.		18000 53 RC	3					

Note 1 : Enter the code number of the relationship that applies: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

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Schedule 23

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT (2003 and later taxation years)

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Allocation of the business limit

Date filed (for departmental use only) **025** _____

Enter the calendar year to which the agreement applies **050** 2005

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? **075** ☐ 1 Yes ☒ 2 No

	1 Names of associated corporations **100**	2 Business Number of associated corporations **200**	3 Association code **300**
1	LAKELAND POWER DISTRIBUTION LTD.	18001 28 RC	1
2	LAKELAND HOLDING LTD.	18001 27 RC	1
3	LAKELAND ENERGY LTD.	18001 26 RC	1
4	BRACEBRIDGE GENERATION LTD.	18000 53 RC	1

Allocate business limit using: ☒ % ☐ $

	Taxation year Start	Taxation year End	4 Business limit for the year (before allocation) $	Allocating business limit 5 Percentage of the business limit (%) **350**	6 Business limit allocated $ **400**	7 Gross Part I.3 tax for business limit reduction
1	2005/01/01	2005/12/31	300,000	100.000	300,000	17,914
2	2005/01/01	2005/12/31	300,000			
3	2005/01/01	2005/12/31	300,000			
4	2005/01/01	2005/12/31	300,000			
TOTALS				100.000	A 300,000	17,914

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box. $ 300,000

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PART I.3 TAX ON LARGE CORPORATIONS

Schedule 33

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before deducting surtax credits (line 820 in Part 5). You should also use and file this schedule if you calculate a **gross Part I.3 tax for the purposes of unused surtax credit** (line 821 in Part 6) and a **current-year unused surtax credit** (line 850 in Part 8).
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms "financial institution", "long-term debt" and "reserves".
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.
- This schedule may contain changes that had not yet become law at the time of printing.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101			
Capital stock (or members' contributions if incorporated without share capital)	103	9,226,787		
Retained earnings	104	3,393,749		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	4,092,952		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111			
Proportion of the amount, if any, by which the total of all amounts (see note below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses	112			
Subtotal		16,713,488	16,713,488	A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121			
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123			
The amount of deferred unrealized foreign exchange losses at the end of the year	124			
Subtotal				B
Capital for the year (amount A minus amount B) (if negative, enter "0")			190 16,713,488	

PART I.3 TAX ON LARGE CORPORATIONS

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership (see note 1 below)	407	
Investment allowance for the year	490	

Part 3 - Taxable capital

Capital for the year (line 190)		16,713,488	C
Deduct: Investment allowance for the year (line 490)			D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	16,713,488	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500) 16,713,488 x (Taxable income earned in Canada / Taxable income) 610 1,838,330 / 1,838,330 = **Taxable capital employed in Canada** 690 16,713,488

Notes:
1. Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2. Where a corporation's taxable income for a taxation year is "0" it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3. In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711		
Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712		
Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713		
Total deductions (add lines 711, 712, and 713)			E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

PART I.3 TAX ON LARGE CORPORATIONS

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies)					16,713,488
Deduct: Capital deduction claimed for the year (enter $50,000,000 or, for related corporations, the amount allocated on Schedule 36)				801	39,100,000 ✓
Excess of taxable capital employed in Canada over capital deduction				811	
Line 811	x	Number of days in the taxation year before 2004 / Number of days in the taxation year	x 0.00225 =		F
Line 811	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	x 0.002 =		G
Line 811	x	Number of days in the taxation year in 2005 / Number of days in the taxation year	x 0.00175 =		H
Line 811	x	Number of days in the taxation year in 2006 / Number of days in the taxation year	x 0.00125 =		I
Line 811	x	Number of days in the taxation year in 2007 / Number of days in the taxation year	x 0.000625 =		J

Note: The Part I.3 tax rate is reduced to 0% for the days in the taxation year that are after 2007.

Subtotal (add amounts F to J) K

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax as follows:

Amount K x Number of days in the year ( ) / 365 = L

Gross Part I.3 tax (amount K or L, whichever applies) **820** ✓

Part 6 – Calculation of gross Part I.3 tax for purposes of the unused surtax credit

Taxable capital employed in Canada (line 690 or 790, whichever applies)			16,713,488	M
Deduct: Line 801 above	39,100,000 x 1/5 =		7,820,000	N
	Excess (amount M minus amount N) (if negative, enter "0")		8,893,488	O
Amount O 8,893,488	x 0.00225 =		20,010	P

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax for purposes of the unused surtax credit as follows:

Amount P x Number of days in the year ( ) / 365 = Q

Gross Part I.3 tax for purposes of the unused surtax credit (amount P or Q, whichever applies) **821** 20,010

PART I.3 TAX ON LARGE CORPORATIONS

Part 7 - Calculation of current year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, enter amount **a** or **b** at line R, whichever is less:

a) line 600 from the T2 return			**a**	
b) line 700 from the T2 return			**b**	R

In any other case, enter amount **c** or **d** at line S, whichever is less:

c) line 600 from your T2 return	20,589 x (line 690 ÷ line 500)	=	20,589	**c**	
d) line 700 from the T2 return			406,638	**d**	20,589 S

Current year surtax credit available (amount R or S, whichever applies)	**830**	20,589

Part 8 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)		20,589
Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821)		20,010
Current-year unused surtax credit (if negative, enter "0")	**850**	579

Enter this amount at line 600 on Schedule 37.

Part 9 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			T
Deduct:			
Current-year surtax credit applied (line 820 or 830, whichever is less)	**861**		
Unused surtax credit from previous years applied (amount from line 320 on Schedule 37)	**862**		
Subtotal (cannot be more than amount on line 820)			U
Net Part I.3 tax payable (amount T minus amount U)	**870**		

Enter this amount at line 704 of the T2 return.

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AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Schedule 36

- Members of a related group of corporations should use this schedule to allocate the capital deduction among the members of the related group. **Do not file this agreement if no members of the related group have to pay Part I.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it has to file an agreement for each of those taxation years.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation that ends in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Agreement

Date filed (for departmental use only)	010	
Is this an amended agreement?	020	☐ 1 Yes ☒ 2 No
Calendar year to which the agreement applies	030	2005

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member that is exempt from Part 1.3 tax under subsection 181.1(3) does not have to be included.

Names of all corporations which are members of the related group 200	Business number (if a corporation is not registered, enter "NR") 300	Allocation of capital deduction for the year $ 400	Taxation year end to which this agreement applies * 500
LAKELAND POWER DISTRIBUTION LTD.	18001 28 RC	39,100,000	YYYY/MM/DD
LAKELAND HOLDING LTD.	18001 27 RC	100,000	YYYY/MM/DD
LAKELAND ENERGY LTD.	18001 26 RC	800,000	YYYY/MM/DD
BRACEBRIDGE GENERATION LTD.	18000 53 RC	10,000,000	YYYY/MM/DD
	Total	50,000,000	

* Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

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CALCULATION OF UNUSED SURTAX CREDIT (2000 and later taxation years)

SCHEDULE 37

- Use this schedule to calculate a corporation's unused surtax credit.
- You should also use this schedule to request a carry-back of unused surtax credit. This request should be filed by the required filing date of the T2 return for the year in which the surtax credit arose.
- Any unused surtax credit can be carried back three years and carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subection 181.1(7) of the *Income Tax Act* when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.
- Attach this schedule to the T2 return or mail it separately to the tax centre where the return is filed.

Part 1 - Unused surtax credits

Year of origin	Unused surtax credit at end of preceding tax year	Transfers on amalgamation or wind-up	Current year credit	Applied	Ending balance
		Expired			
2000/12/31					
2001/12/31					
2002/12/31					
2003/12/31	19				19
2004/12/31	666				666
2005/12/31			579		579
Totals	685				1,264

Calculation of closing balance of unused surtax credit

Unused surtax credit at the end of the preceding taxation year		685	
Deduct: Unused surtax credit expired after seven taxation years	115		
Unused surtax credit at beginning of taxation year	120	685	
Add: Unused surtax credit transferred on amalgamation or wind-up of subsidiary	220		
Subtotal		685	A
Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part I.3 tax payable in the current year (see line 862 of Schedule 33, line 862 of Schedule 34, or line 862 of Schedule 35, whichever applies)	320		
Unused surtax credit balance		685	
Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part VI tax payable in the current year (see line 887 of Schedule 38)	420		
Subtotal		685	
Add: Current year unused surtax credit (enter amount from line 850 of Schedule 33, line 850 of Schedule 34, or line 850 of Schedule 35)	600	579	
Subtotal		1,264	
Deduct: Unused surtax credit carried back to preceding taxation year(s) (complete Part 2 below)			B
Closing balance of unused surtax credit	820	1,264	

Part 2 - Request for carryback of unused surtax credit

			To Part I.3 tax		To Part VI tax	
1st preceding taxation year	2004/12/31	Credit to be applied	901	911		
2nd preceding taxation year	2003/12/31	Credit to be applied	902	912		
3rd preceding taxation year	2002/12/31	Credit to be applied	903	913		
		Subtotal		C		D

Total of C and D (enter this amount at line B in Part 1 above)

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SHAREHOLDER INFORMATION

Schedule 50

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual or trust) 100	Business Number (If a corporation is not registered, enter "NR") 200	Social Insurance Number * 300	Percentage common shares 400	Percentage preferred shares 500
LAKELAND HOLDING LTD.	86574 9568 RC 0001		100.000	
	RC			

* If the shareholder is a trust, enter NR at field 200 or NA at field 300.

Client: LAKELAND POWER DISTRIBUTION LTD. CRA Business # 1800128 Year-end: 2005/12/31 Printed: 2006/05/04 12:51

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BALANCE SHEET INFORMATION

Schedule 100

Assets	Code	Current year	Prior year
Cash and deposits	**1000**	2,531,689	1,269,051
Accounts Receivable	1060	1,416,625	1,947,854
Inventories	1120	222,176	213,103
Other current assets	1480	3,106,559	2,070,148
Prepaid expenses	1484	362,582	314,662
Land	1600	278,455	276,661
Buildings	1680	688,622	677,654
Accumulated amortization of buildings	1681	(48,800)	(38,411)
Machinery, equipment, furniture and fixtures	1740	360,686	347,990
Accumulated amortization of machinery, equipment, furniture and fixtures	1741	(203,971)	(173,536)
Motor vehicles	1742	531,389	531,389
Accumulated amortization of motor vehicles	1743	(306,298)	(233,399)
Computer equipment / software	1774	341,044	280,132
Accumulated amortization of computer equipment / software	1775	(204,810)	(155,778)
Other tangible capital assets	1900	14,435,749	13,942,013
Accumulated amortization of other tangible capital assets	1901	(3,746,627)	(3,010,480)
Rights	2024	477,645	476,442
Accumulated amortization of rights	2025	(15,147)	(15,147)
Other long term assets	2420	2,166,581	2,234,773
Total assets	**2599**	22,394,149	20,955,121

Liabilities	Code	Current year	Prior year
Bank overdraft	**2600**		
Amounts payable and accrued liabilities	2620	5,619,230	5,153,703
Taxes payable	2680	61,431	19,524
Chartered bank loan	3143	3,875,000	3,875,000
Deferred income	3220	181,933	188,730
Other long term liabilities	3320	36,019	36,019
Total liabilities	**3499**	9,773,613	9,272,976

Equity	Code	Current year	Prior year
Common shares	**3500**	9,226,787	9,226,787
Retained earnings / deficit	**3600**	3,393,749	2,455,358
Total equity	**3620**	12,620,536	11,682,145
Total liabilities and equity	**3640**	22,394,149	20,955,121

Retained earnings	Code	Current year	Prior year
Retained earnings/deficit-start	**3660**	2,455,358	1,430,955
Net income / loss	**3680**	1,050,891	1,024,403
Dividends declared	3700	(112,500)	
Total retained earnings	**3849**	3,393,749	2,455,358

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INCOME STATEMENT INFORMATION

Schedule 125

Details

Operating name, if different from the corporations' legal name

0001

Description of operation, if filing multiple Schedules 125

0002

Revenue	Code	Current year	Prior year
Trade sales of goods and services	8000	20,576,296	18,571,206
Total sales of goods and services	8089	20,576,296	18,571,206
Investment revenue	8090	489,576	
Other revenue	8230	310,094	443,481
Total revenue	8299	21,375,966	19,014,687

Cost of sales	Code	Current year	Prior year
Opening inventory	8300		
Purchases / cost of materials	8320	16,629,039	14,419,125
Cost of sales	8518	16,629,039	14,419,125
Gross profit / loss (item 8089 - item 8518)	8519	3,947,257	4,152,081

Operating expenses	Code	Current year	Prior year
Advertising and promotion	8520	35,310	15,320
Amortization of tangible assets	8670	815,831	774,234
Interest on long term debt	8714	184,487	242,353
Office expenses	8810	591,055	639,974
Repairs and maintenance	8960	860,137	715,426
Property taxes	9180	43,027	52,625
Other expenses	9270	502,185	532,010
Total operating expenses	9367	3,032,032	2,971,942
Total expenses	9368	19,661,071	17,391,067
Net non-farming income	9369	1,714,895	1,623,620

Farming revenue	Code	Current year	Prior year
Grains and oilseeds	9370		
Total farm revenue	9659		

Farming expenses	Code	Current year	Prior year
Crop expenses	9660		
Total farm expenses	9898		
Net farm income	9899		
Net income / loss before taxes and extraordinary items	9970	1,714,895	1,623,620

Summary

Complete this section if only one Schedule 125 is filed, Schedule 140 is used to summarize the information from multiple Schedules 125.

Extraordinary items	9975	-	-	
Legal settlements	9976	-	-	
Unrealized gains / losses	9980	+	+	
Unusual items	9985	-	-	
Current income taxes	9990	- 664,004	-	599,217
Future income tax provision	9995	-	-	
Net income / loss after taxes and extraordinary items	9999	= 1,050,891	=	1,024,403

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

NOTES CHECKLIST

Schedule 141

- This schedule should be completed from the perspective of the person who prepared or reported on the **financial statements**. This person is referred to as the "accounting practitioner", in this schedule.
- For more information, see RC4088, *Guide to the General Index of Financial Information (GIFI) for Corporations* and T4012, *T2 Corporation – Income Tax Guide.*
- Attach a copy of this schedule, along with any Notes to the financial statements, to the GIFI.

Part 1 – Accounting practitioner information

Does the accounting practitioner have a professional designation?	095 ☒ Yes	☐ No
Is the accounting practitioner connected* with the corporation?	097 ☐ Yes	☒ No

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note
If the accounting practitioner does not have a professional designation or is connected with the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4.

Part 2 – Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner: 198

Completed an auditor's report	1 ☒
Completed a review engagement report	2 ☐
Conducted a compilation engagement	3 ☐

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation?	099 ☐ Yes	☒ No

Part 4 – Other information

Were notes to the financial statements prepared?	101 ☒ Yes	☐ No
If *Yes*, complete lines 102 to 107 below:		
Are any values presented at other than cost?	102 ☐ Yes	☒ No
Has there been a change in accounting policies since the last return?	103 ☐ Yes	☒ No
Are subsequent events mentioned in the notes?	104 ☐ Yes	☒ No
Is re-evaluation of asset information mentioned in the notes?	105 ☐ Yes	☒ No
Is contingent liability mentioned in the notes?	106 ☐ Yes	☒ No
Is information regarding commitments mentioned in the notes?	107 ☐ Yes	☒ No
Does the corporation have investments in joint venture(s) or partnership(s)?	108 ☐ Yes	☒ No
If *Yes*, complete line 109 below:		
Are you filing financial statements of the joint venture(s) or partnership(s)?	109 ☐ Yes	☐ No

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

BUSINESS CONSENT FORM

Use this form to consent to the release of confidential information about your Business Number (BN) account(s) to the representative named below, or to cancel consent for an existing representative.

- Complete Parts 1, 2, and 5 to name a representative.
- Complete Parts 3, 4, and 5 to cancel consent for an existing representative.
- Complete all parts of this form if you want to both name a new representative and cancel consent for an existing representative.

If you have questions, such as where to send this form, call us at 1-800-959-5525.

Part 1 – Consent to release of information to a representative

Client's name: LAKELAND POWER DISTRIBUTION LTD. Business Number: 1800128

I consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

BDO Dunwoody LLP

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to specify a particular individual of that firm, enter that individual's first and last name.

(705) 645-5215
Representative's telephone number

(705) 645-8125
Representative's fax number

Part 2 – Details of consent

A. Which accounts?

I request that this consent apply to all accounts. ☒ OR

I request that this consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to authorize access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC	RC
GST/HST	RT0001 ☐	RT	RT
Payroll deductions	RP0001 ☐	RP	RP
Import/Export	RM0001 ☐	RM	RM

B. Which years?

I request that this consent apply to all years. ☒ OR

I request that this consent apply only to the following years:

1. All year-ends up to:
2. All year-ends beginning in: and all years after that.
3. The following year-ends only:

BUSINESS CONSENT FORM

Part 3 – Cancellation of consent to release of information to a representative

Client's name: LAKELAND POWER DISTRIBUTION LTD. Business Number: 1800128

I cancel all previous consents for all representatives. ☐ OR

I cancel my consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to cancel the consent for a particular individual of that firm, enter that individual's first and last name.

( ) - Representative's telephone number

( ) - Representative's fax number

Part 4 – Details of cancellation of consent

A. Which accounts?

I request that this cancellation of consent apply to all accounts. ☐ OR

I request that this cancellation of consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to cancel access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 ☐	RC	RC
GST/HST	RT0001 ☐	RT	RT
Payroll deductions	RP0001 ☐	RP	RP
Import/Export	RM0001 ☐	RM	RM

B. Which years?

I request that this consent apply to all years. ☐ OR

I request that this consent apply only to the following years:

1. All year-ends up to:
2. All year-ends beginning in: and all years after that.
3. The following year-ends only:

Part 5 – Signature

Print your name CHRIS LITSCHKO Title PRESIDENT

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here ▶ Date 2006/05/04

Tax instalments paid

Jurisdiction	Description	Date	Amount
FEDERAL	INSTALMENT	2005/12/31	406,638
ONTARIO	INSTALMENT	2005/12/31	232,135
ONTARIO	INSTALMENT	2006/02/28	45,000
ONTARIO	INSTALMENT	2006/03/31	17,000
FEDERAL			
		Total	700,773

* Enter Québec instalments paid on form CO-1027.VE

Summary by jurisdiction

Federal	406,638	Manitoba	
British Columbia		Ontario	294,135
Alberta			
Saskatchewan			

Federal tax instalments

Instalment base

Year-end	Estimate for current year 2006/12/31	First instalment base 2005/12/31	Second instalment base 2004/12/31
Taxable income		1,838,330	1,658,967
Base amount of Part I tax		698,565	630,407
Corporate surtax		20,589	18,580
Refundable tax on CCPC's investment income			
Small business deduction			
Federal tax abatement		183,833	165,897
Manufacturing and processing profits deduction			
Foreign tax credits			
Tax reductions		128,683	116,128
Political contribution tax credit			
Investment tax credit			
Other credits			
Part I tax payable		406,638	366,962
Part I.3 tax payable			
Part VI tax payable			
Part VI.1 tax payable			
Net provincial or territorial tax payable			
Total tax payable		406,638	366,962
Days in taxation year	365	365	365
Tax payable adjusted for short taxation years		406,638	366,962
Estimated credits for the current year:			
Investment tax credit refund			
Dividend refund			
Other			
Total estimated credits			
Instalment base		406,638	366,962
Monthly payment		33,887	30,580

Instalment payment options

- ☐ 1. based on estimated taxes for the current year
- ☐ 2. based on the first instalment base
- ☒ 3. based on the first and second instalment base
- ☐ 4. instalments are not required

Instalment payments

Date	Instalments required	Instalments paid	Instalments payable
2006/01/31	30,580		
2006/02/28	30,580		
2006/03/31	34,548		
2006/04/30	34,548		
2006/05/31	34,548		164,804
2006/06/30	34,548		34,548
2006/07/31	34,548		34,548
2006/08/31	34,548		34,548
2006/09/30	34,548		34,548
2006/10/31	34,548		34,548
2006/11/30	34,548		34,548
2006/12/31	34,548		34,548
Total	406,640		406,640

Tax Summary

Corporation name LAKELAND POWER DISTRIBUTION LTD.

Tax year ending 2005/12/31

Taxable income

Net income for tax purposes		1,838,330
Charitable donations and gifts	-	
Taxable dividends	-	
Losses of prior years	-	
Other adjustments	±	
Taxable income	=	1,838,330

Part I tax

38% of taxable income		698,565
Surtax	+	20,589
Refundable tax on CCPC investment income	+	
Active business income 1,838,330		
Small business deduction	-	
Federal tax abatement	-	183,833
Manufacturing and processing deduction	-	
Additional deduction - credit unions	-	
Foreign tax credits	-	
Resource deduction	-	
Political contribution tax credit	-	
Investment tax credit	-	
Other deductions and credits	-	128,683
Part I tax	=	406,638

Tax payable

Part I tax		406,638
Part I.3 tax (large corporations tax)	+	
Taxable dividends received		
Part IV tax	+	
Other federal tax payable	+	
Subtotal	=	406,638
Provincial and territorial tax (except QC,ON,AB)	+	
Provincial tax on large corporations (NB,NS)	+	
Tax payable	+	406,638
Tax instalments paid	-	406,638
Investment tax credit refund	-	
Taxable dividends paid 112,500		
Dividend refund	-	
Other refundable credits	-	
Balance owing (refund) on federal return	=	
Provincial income tax (ON,AB,QC)		257,366
Capital and other provincial taxes	+	35,777
Tax instalments and credits	-	294,135
Other provincial taxes	=	(992)
Total balance owing (refund)		(992)

Provincial tax

	% Provincial allocation	Taxable income	Income tax	Capital and other provincial taxes	Tax instalments and credits	Net provincial tax
Newfoundland						
Prince Edward Island						
Nova Scotia						
New Brunswick						
Manitoba						
Saskatchewan						
British Columbia						
Yukon Territory						
Northwest Territories						
Nunavut						
Schedule 5 provincial tax payable						
Ontario	100.0000	1,838,330	257,366	35,777	294,135	(992)
Alberta						
Québec						
Totals			257,366	35,777	294,135	(992)

Loss continuity

	Current year carry back	Carryforward end of year
Capital		
Non-capital		
Farm		
Restricted farm		
Limited partnership		
Listed personal property		

Other carryforwards

Capital dividend account	
Refundable dividend tax on hand (net of dividend refund)	
Unused Part 1.3 tax credit	
Unused surtax credits	1,264
Foreign business tax credits	
Donations and gifts	
Investment tax credits	
Ontario CMT losses	
Ontario CMT credit	

Related and Associated Corporations Summary

		Corporation #1	Corporation #2	Corporation #3	Total
Corporation name		LAKELAND POWER DISTRIBUTION	LAKELAND HOLDING LTD.	LAKELAND ENERGY LTD.	
Business number		18001 28 RC	18001 27 RC	18001 26 RC	
Taxation year end		2005/12/31	2005/12/31	2005/12/31	
Federal					
Schedule 9	# of common shares owned				
	% of common shares owned				
	# of preferred shares owned				
	% of preferred shares owned				
	Book value of capital stock				
Schedule 23	Business limit (before allocation)	300,000	300,000	300,000	1,200,000
	% of the business limit	100.000			100.000
	Allocation of the business limit	300,000			300,000
Schedule 49	Allocation of SR&ED expenditure limit				
Capital tax					
Schedule 36	Allocation of capital deduction	39,100,000	100,000	800,000	50,000,000
Schedule 39	Allocation of capital deduction	200,000,000			200,000,000
Schedule 343	Allocation of capital deduction	5,000,000			5,000,000
Schedule 362	Allocation of capital deduction	5,000,000			5,000,000
Alberta					
AT1 Schedule 1	% of business limit	100.000			100.000
	Allocation of the base amount	200,000			200,000
AT1 Schedule 6	Allocation of Crown royalty shelter	2,000,000			2,000,000
Ontario					
OMinimum	Total assets	22,394,149	12,601,527	502,659	44,724,178
	Total revenue	21,375,966	47,818	297,247	22,467,101
OSurtax	Taxable income	1,838,330	1,720	30,228	1,870,278
CT21	Taxable capital	18,154,623	41,856	352,865	21,859,694
Schedule 591	Allocation of net deduction				
OITC	Allocation of OITC expenditure limit				
Québec					
CO-1137.E	% of the $1,000,000 deduction	100.0000			100.0000
	Paid-up capital	11,682,145			11,682,145
CO-737.18.18	Paid-up capital	11,682,145			11,682,145
CO-1138.1	Allocation of farming and fishing deduction				
RD-1029.7	Assets	22,394,149			22,394,149
RD-1029.7.8	Allocation of SR&ED expenditure limit	2,000,000			2,000,000
CO-771.1.3.V	% of the business limit	100.000			100
	Allocation of the business limit				
Manitoba					
MCT1	Allocation of capital deduction	5,000,000			5,000,000
British Columbia					
Schedule F	Net paid-up capital				
	BC paid-up capital				

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2004/ 2005

CT23 Corporations Tax and Annual Return

For taxation years commencing after December 31, 2002

PIL

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)

This form is a combination of the Ministry of Finance (MOF) **CT23 Corporations Tax Return** and the Ministry of Consumer and Business Services (MCBS) **Annual Return.** Page 1 is a common page required for both Returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17. Corporations that **do not** meet the EFF criteria but **do** meet the Short-Form criteria, may request and file the **CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedule A on pages 18 and 19, and Schedule K on page 20) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* ☒ Yes ☐ No **Page 1 of 20**

Ministry Use

Corporation's Legal Name *(including punctuation)*
LAKELAND POWER DISTRIBUTION LTD.

Ontario Corporations Tax Account No. (MOF)
1800128

Mailing address
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

This Return covers the Taxation Year
Start 2005/01/01
End 2005/12/31

Has the mailing address changed since last filed CT23 Return? ☐ Yes | Date of change | year month day

Date of Incorporation or Amalgamation
2000/09/01

Registered/Head Office Address
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Ontario Corporation No. (MCBS) 1800128

Location of Books and Records
5-45 CAIRNS CRESCENT

City	Province	Country	Postal code
HUNTSVILLE	ON	CA	P1H 2M2

Canada Customs and Revenue Agency Business No.
1800128 RC

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
CHRIS LITSCHKO	(705) 789-5442	( ) -

Jurisdiction Incorporated ONTARIO

Address of Principal Office in Ontario (*Extra-Provincial Corporations only*) (MCBS)

City	Province	Country	Postal code

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced
Ceased
☒ *Not Applicable*

Former Corporation Name (*Extra-Provincial Corporations only*) ☐ *Not Applicable* (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). ▸

No. of Schedule(s) 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check ☑ this box. Schedule(s) A and K are not required (MCBS). ▸ ☒ No Change

Preferred Language / *Langue de préférence*
☒ English *anglais* ☐ French *français*

Ministry Use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person
CHRIS LITSCHKO

Title: D Director O Officer P Other individual having knowledge of the Corporation's business activities

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

RACSummary

Related and Associated Corporations Summary

		Corporation #4	Corporation #5	Corporation #6	Total
Corporation name		BRACEBRIDGE GENERATION LTD.			
Business number		18000 53 RC	RC	RC	
Taxation year end		2005/12/31			
Federal					
Schedule 9	# of common shares owned				
	% of common shares owned				
	# of preferred shares owned				
	% of preferred shares owned				
	Book value of capital stock				
Schedule 23	Business limit (before allocation)	300,000			1,200,000
	% of the business limit				100.000
	Allocation of the business limit				300,000
Schedule 49	Allocation of SR&ED expenditure limit				
Capital tax					
Schedule 36	Allocation of capital deduction	10,000,000			50,000,000
Schedule 39	Allocation of capital deduction				200,000,000
Schedule 343	Allocation of capital deduction				5,000,000
Schedule 362	Allocation of capital deduction				5,000,000
Alberta					
AT1 Schedule 1	% of business limit				100.000
	Allocation of the base amount				200,000
AT1 Schedule 6	Allocation of Crown royalty shelter				2,000,000
Ontario					
OMinimum	Total assets	9,225,843			44,724,178
	Total revenue	746,070			22,467,101
OSurtax	Taxable income				1,870,278
CT21	Taxable capital	3,310,350			21,859,694
Schedule 591	Allocation of net deduction				
OITC	Allocation of OITC expenditure limit				
Québec					
CO-1137.E	% of the $1,000,000 deduction				100.0000
	Paid-up capital				11,682,145
CO-737.18.18	Paid-up capital				11,682,145
CO-1138.1	Allocation of farming and fishing deduction				
RD-1029.7	Assets				22,394,149
RD-1029.7.8	Allocation of SR&ED expenditure limit				2,000,000
CO-771.1.3.V	% of the business limit				100
	Allocation of the business limit				
Manitoba					
MCT1	Allocation of capital deduction				5,000,000
British Columbia					
Schedule F	Net paid-up capital				
	BC paid-up capital				

Taxation Year End

Exempt From Filing (EFF) Corporations Tax Return Declaration

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)

This EFF Declaration must be filed for each taxation year that the corporation is exempt from filing and must be filed within 6 months after the corporation's taxation year end.

Criteria for exempt from filing status:

a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year;
b) had no Ontario taxable income for the taxation year (subject to the provisions in Note 2 below);
c) had no Ontario Corporations Tax payable for the taxation year;
d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the *Income Tax Act* (Canada));
e) has provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and
f) is **not** subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose total assets exceed $5 million or whose total revenues exceed $10 million for the taxation year).

Note 1: Filing of this declaration and the Annual Return does not constitute the filing of a Corporations Tax Return under section 75 of the *Corporations Tax Act*.

Note 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements:

- If a corporation has a loss in the current taxation year that is to be carried back and applied to a previous taxation year(s), regardless of whether the loss is the same as for federal purposes or not, a CT23 tax return is required for the current taxation year. The corporation must also provide information indicating that the loss is to be carried back and specify the year and the amount of loss to be carried back to each taxation year.
- If a corporation has a prior year loss, that is not the same for both federal and Ontario purposes and the corporation is applying a loss carryforward from the prior year to the current year, a CT23 tax return is required for the current taxation year, and if not previously filed, a CT23 tax return for the prior taxation year in which the loss was incurred is also required. Although a tax return for the loss year is not required where the loss is not being applied, the Corporations Tax Branch will accept the filing of a tax return for a loss year at the time the loss is incurred.
- If a corporation has a prior year loss, that is the same for both federal and Ontario purposes, but in the current taxation year the corporation is applying a different amount of loss for Ontario than the loss amount being applied for federal income tax purposes, the corporation is required to file a CT23 tax return for the current taxation year only.

The following 3 items MUST be completed for EFF declarations only. In cases where the Annual Return, which includes page 1, is **also** being filed, completion of these fields is **not** required.

1. Corporation's Mailing Address

City | Province | Country | Postal code

2. Ontario Corporation No. (MCBS)

3. Canada Customs and Revenue Agency Business No.
RC

I, _____ declare that:

The above corporation meets **all** of the exempt from filing criteria (a) through (f) above for the taxation year and therefore qualifies under the *Corporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Signature	Title/Relationship to Corporation	Telephone number ( ) -	Date

Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.

If you check "Yes" to ALL of the following criteria, you are eligible to file the CT23 Short-Form Corporation Tax Return. To obtain a copy, contact the Ministry Information Centre at the numbers listed on page 2 of the Guide.

Yes	No		
☒	☐	(a)	The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. Indicate Share Capital with full voting rights owned by Canadian Residents (nearest whole percentage) 100 %
☐	☒	(b)	The corporation's taxable income for the taxation year is $200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. (*Refer to Guide*)
☐	☒	(c)	The corporation is **not** a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.
☐	☒	(d)	The corporation's taxation year ends on or after January 1, 2001, and its gross revenue and total assets are each $1,500,000 or less and the corporation is not a financial institution; or The corporation's taxation year commences after September 30, 2001, and its gross revenue and total assets are each $3,000,000 or less and the corporation is not a financial institution.
☐	☒	(e)	The corporation is **not** claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax Credit (CETC), Graduate Transitions Tax Credit (GTTC) or Apprenticeship Training Tax Credit (ATTC).
☒	☐	(f)	The corporation's Ontario allocation factor is 100%.

Note: Family Farm or Fishing corporations that have a taxation year ending on or after January 1, 2000 and that are **not** subject to the Corporate Minimum Tax, may also use the **CT23 Short-Form Corporations Tax Return** if the corporation checks "Yes" to a), b), c), e) and f) above.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation - Please check (✓) box(es) if applicable in sections 1 & 2

[1]
- 1 [X] Canadian-controlled private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))
- 2 [ ] Other Private
- 3 [ ] Public
- 4 [ ] Non-share Capital
- 5 [ ] Other (*specify*)

Share Capital with full voting rights owned by Canadian Residents. (nearest %) 100 %

[2]
- 1 [ ] Family Farm Corporation s.1(2)
- 2 [ ] Family Fishing Corporation s.1(2)
- 3 [ ] Mortgage Investment Corp s.47
- 4 [ ] Credit Union s.51
- 5 [ ] Bank Mortgage Subsidiary s.61(4)
- 6 [ ] Bank s.1(2)
- 7 [ ] Loan and Trust Corporation s.61(4)
- 8 [ ] Non-resident Corp s.2(2)(a) or (b)
- 9 [ ] Non-resident Corporation s.2(2)(c)
- 10 [ ] Mutual Fund Corporation s.48
- 11 [ ] Non-resident owned investment Corporation s.49
- 12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
- 14 [ ] Bare Trustee Corporation
- 15 [ ] Branch of Non-resident s.63(1)
- 16 [ ] Financial institution prescribed by Regulation only
- 17 [ ] Investment Dealer
- 18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
- 19 [X] Hydro successor, Municipal Electrical Utility or subsidary of either
- 20 [ ] Producer and seller of steam for uses other than for the generation of electricity
- 21 [ ] Insurance Exchange s.74.4
- 22 [ ] Farm Feeder Finance Co-operative Corporation
- 23 [ ] Professional Corporation (incorporated professionals only)

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office No.)

Ontario Employer Health Tax Account No.
(Use Head Office No.)

Specify major business activity

Please check (✓) box(es) if applicable:

- [ ] First Year of Filing
- [ ] Amended Return
- [ ] Taxation Year End has changed - Canada Customs and Revenue Agency approval required
- [ ] Final Taxation Year up to Dissolution (wind-up) (*Note: For discontinued businesses, see Guide.*)
- [ ] Final Taxation Year before Amalgamation
- [ ] Floating Fiscal Year End
- [ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
- [ ] Acquisition of Control fed s.249(4)

Date control was acquired: _____

Was the corporation inactive throughout the taxation year?		Yes [ ]	No [X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?		Yes [X]	No [ ]
Are you requesting a refund due to:	the Carry-back of a Loss?	Yes [ ]	No [X]
	an Overpayment?	Yes [ ]	No [X]
	a Specified Refundable Tax Credit?	Yes [ ]	No [X]
Are you a Member of a Partnership or a Joint Venture?		Yes [ ]	No [X]

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Int.B. 3008).

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	From 690	±	1,838,330
Subtract: Charitable donations	1	-	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	2	-	
Subtract: Taxable dividends deductible, per federal Schedule 3	3	-	
Subtract: Ontario political contributions *(Attach schedule* 2A) (Int.B. 3002R)	4	-	
Subtract: Federal Part VI.1 tax X 3	5	-	
Subtract: Prior years' losses applied - Non-capital losses	From 704	-	
Net capital losses (page 16) From 715 X inclusion rate 50.000000 %	= 714	-	
Farm losses	From 724	-	
Restricted farm losses	From 734	-	
Limited partnership losses	From 754	-	
Taxable income (Non-capital loss)	10	=	1,838,330
Addition to taxable income for unused foreign tax deduction for federal purposes	11	+	
Adjusted taxable income 10 + 11 (if **10** is negative, enter **11**)	20	=	1,838,330

Taxable Income

Number of days in Taxation Year

					Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days				
From **10** (or **20**)	1,838,330	X **30**	100.0000 % Ontario Allocation	X 12.5 % X	**33**	÷	**73** 365	=	**29**	+	
					Days after Dec. 31, 2003		Total Days				
From **10** (or **20**)	1,838,330	X **30**	100.0000 % Ontario Allocation	X 14.0 % X	**34** 365	÷	**73** 365	=	**32**	+	257,366
Income Tax Payable (before deduction of tax credits) **29 + 32**									**40**	=	257,366

Incentive Deduction for Small Business Corporations (IDSBC)(s.41)

If this section is not completed, the IDSBC will be denied.

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the year? (✓) ☒ Yes ☐ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			**50**	1,838,330
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	**51**	+ 1,838,330		
Add: Losses of other years deducted for federal purposes (fed.s.111)	**52**	+		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	**53**	-		
	=	1,838,330	**54**	1,838,330
Federal Business limit (line 410 of the T2 return) for the year before application of fed.s.125(5.1)	**55**	+ 300,000		

Ontario Business Limit Calculation

	Days after Dec. 31, 2002 and before Jan. 1, 2004					
320,000 X **31**		÷ ** 365	=+ **46**			
	Days after Dec. 31, 2003					
400,000 X **34**	365	÷ ** 365	=+ **47**	400,000		

Business limit for Ontario purposes **46 + 47**	= **44**	400,000	X **48**	Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated 100.0000 % =	**45**	400,000
Income eligible for the IDSBC	From **30**	100.0000 % ***Ontario Allocation	X **56**	400,000 Least of **50**, **54** or **45**	**60** =	400,000

** **Note**: Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)*

*** **Note**: Adjust accordingly for a floating taxation year and use 366 for a leap year.*

**** **Note**: Ontario Allocation for IDSBC purposes may differ from **30** if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Income Tax *continued from Page 4*

Number of Days in Taxation Year

Calculation of IDSBC Rate	7.0 % X **31**	Days after Dec. 31, 2002 and before Jan. 1, 2004	÷ **73**	Total Days 365	= **89**	+		
	8.5 % X **34**	Days after Dec. 31, 2003 365	÷ **73**	Total Days 365	= **90**	+	8.5000	
IDSBC Rate for Taxation Year **89 + 90**						**78**	=	8.5000
Claim	From **60**	400,000	X From **78**	8.5000 %		**70**	=	34,000

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in **114** below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

Associated corporation - The Taxable Income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

*** Taxable Income of the corporation**	From **10** (or **20** if applicable)	**80**	+	1,838,330
If you are a member of an associated group (✓) **81** ☒ (Yes)				
Taxable income of associated corporations *(Attach schedule)*		**82**	+	31,948
Aggregate Taxable Income		**85**	=	1,870,278

Number of days in Taxation Year

320,000 X	**31**	Days after Dec. 31, 2002 and before Jan. 1, 2004	÷	**73**	Total Days 365	=	**115**	+			
400,000 X	**34**	Days after Dec. 31, 2003 365	÷	**73**	Total Days 365	=	**116**	+	400,000		
				115 + 116		=			400,000 ▶	**114**	- 400,000
(If negative, enter nil)										**86**	= 1,470,278

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	4.667% X **38**	Days after Dec. 31, 2002 365	÷ **73**	Total Days 365	= **97**	+	4.6670
From **86**	1,470,278	X From **97**	4.6670	% =						**87**	=	68,618
From **87**	68,618	X From **60**	400,000	÷ From **114**	400,000					**88**	=	68,618

Surtax: Lesser of **70** or **88**	**100**	= 34,000

**** Note: Short Taxation Years*** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* 110

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing, is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits			**120** +	
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From	**56** -		400,000
Add: Adjustment for Surtax on Canadian-controlled private corporations				
From **100** 34,000 ÷ From **30** 100.0000 % ÷ From **78** 8.5000 % = **121** 400,000				
*Ontario Allocation				
Lesser of **56** or **121**		**122** +		400,000
120 - 56 + 122		**130** =		
Taxable income	From	**10** +		1,838,330
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From	**56** -		400,000
Add: Adjustments for Surtax on Canadian-controlled private corporations	From	**122** +		400,000
Subtract: Taxable income **10** X Allocation % to jurisdictions outside Canada		**140** -		
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses		**141** -		
10 - 56 + 122 - 140 - 141		**142** =		1,838,330 ✓

Claim — **Number of Days in Taxation Year**

143 Lesser of **130** or **142** X From **30** 100.0000 % *Ontario Allocation X 1.5% X **33** (Days after Dec. 31, 2002 and before Jan. 1, 2004) ÷ **73** 365 (Total Days) = **154** +

143 Lesser of **130** or **142** X From **30** 100.0000 % *Ontario Allocation X 2.0% X **34** 365 (Days after Dec. 31, 2003) ÷ **73** 365 (Total Days) = **156** +

M&P claim for taxation year **154 + 156** **160** =

***Note:** Ontario Allocation for M&P Credit purposes may differ from **30** if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations 161 =

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity 162 =

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R) *(Attach schedule)* 170

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former *Small Business Development Corporations Act*)

Eligible Credit **175** Credit Claimed **180**

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 -170 - 180 190 = 257,366

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to scientific research and experimental development in Ontario.
Eligible Credit from **5620** OITC Claim Form *(Attach original Claim Form)* **191** +

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.
Eligible Credit from **5798** CT23 Schedule 113 *(Attach Schedule 113)* **192** +

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Name of Production **204**
Eligible Credit from **5850** of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) *(Attach the original Certificate of Eligibility)* **193** +

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005. No. of Graduates From **6596** **194**
Eligible Credit from **6598** CT23 Schedule 115 *(Attach Schedule 115)* **195** +

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit from **6900** OBPTC Claim Form
*(Attach **both** the original Claim Form and the Certificate of Eligibility)* **196** +

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit from **6700** of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) *(Attach the original Certificate of Eligibility)* **197** +

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit from **7100** OBRITC Claim Form *(Attach original Claim Form)* **198** +

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit from **7300** of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) *(Attach the original Certificate of Eligibility)* **199** +

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit from **7400** of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC) *(Attach the original Certificate of Eligibility)* **200** +

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit from **7500** OSRTC Claim Form
*(Attach **both** the original Claim Form and the Certificate of Eligibility)* **201** +

Apprenticeship Training Tax Credit (ATTC) (s.43.13)
Applies to employment of eligible apprentices. No. of Apprentices From **5896** **202**
Eligible Credit from **5898** CT23 Schedule 114 *(Attach Schedule 114)* **203** +

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 **220** =

Specified Tax Credits *Applied to reduce Income Tax* **225** =

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss *(amount cannot be negative)* **230** = 257,366

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on **Page 17**.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Corporate Minimum Tax (CMT)

Total Assets of the corporation	**240** +	22,394,149		
Total Revenue of the corporation			**241** +	21,375,966

The above amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

If you are a member of an associated group (✓) **242** ☒ (Yes)

Total Assets of associated corporations *(Attach schedule)*	**243** +	22,330,029		
Total Revenue of associated corporations *(Attach schedule)*			**244** +	1,091,135
Aggregate Total Assets	**249** =	44,724,178		
Aggregate Total Revenue			**250** =	22,467,101

Determination of Applicability

Applies if ***either*** Total Assets **249** exceeds $5,000,000 ***or*** Total Revenue **250** exceeds $10,000,000.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedule 101.**

Calculation: CMT *(Attach Schedule 101.)*

Gross CMT Payable - CMT Base From Schedule 101	**2136**	1,714,895	X From **30**	100.0000	% X 4%	**276** =	68,596
		If negative, enter zero		Ontario Allocation			
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*						**277** -	
Subtract: Income Tax						From **190** -	257,366
Net CMT Payable (if negative, enter Nil on page 17.)						**280** =	

If **280** is less than zero and you do not have a CMT credit carryover, transfer **230** from **Page 7** to **Income Tax Summary, on Page 17.**

If **280** is less than zero and you have a CMT credit carryover, complete A & B below.

If **280** is greater than or equal to zero, transfer **230** to **Page 17** and transfer **280** to **Page 17, and** to **Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.**

CMT Credit Carryover available From Schedule 101	From **2333**	

Application of CMT Credit Carryovers

A.	Income Tax (before deduction of specified credits)			From **190** +	257,366	
	Gross CMT Payable	From **276** +	68,596			
	Subtract: Foreign Tax Credit for CMT purposes	From **277** -				
	If **276 - 277** is negative, enter NIL in **290**	=	68,596 ▶	**290** -	68,596	
	Income Tax eligible for CMT Credit			**300** =	188,770	
B.	Income Tax (after deduction of specified credits)			From **230** +	257,366	
	Subtract: CMT credit used to reduce income taxes			**310** -		
	Income Tax			**320** =	257,366	
					Transfer to Page 17	

***If A & B apply,* 310 *cannot exceed the lesser of* 230, 300 *and your CMT credit carryover available* 2333.**

If only B applies,* 310 *cannot exceed the lesser of* 230 *and your CMT credit carryover available 2333.

Capital Tax *(Refer to Guide and Int.B. 3011R)*

If your corporation is a Financial Institution (s.58(2)), complete lines **480** *and* **430** *on page 10 then proceed to page 13.*

If your corporation is not a member of an associated group and/or partnership and the Gross Revenue and Total Assets as calculated on page 10 in **480** *and* **430** *are both $3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* **550** *on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation.

If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R)	350	+	9,226,787
Retained earnings (if deficit, deduct) (Int.B. 3012R)	351	±	3,393,749
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012R)	352	+	
Loans and advances *(Attach schedule)*(Int.B. 3013R)	353	+	
Bank loans (Int.B. 3013R)	354	+	3,875,000
Bankers acceptances (Int.B. 3013R)	355	+	
Bonds and debentures payable (Int.B. 3013R)	356	+	
Mortgages payable (Int.B. 3013R)	357	+	
Lien notes payable (Int.B. 3013R)	358	+	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	359	+	217,952
Contingent, investment, inventory and similar reserves (Int.B. 3012R)	360	+	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012R)	361	+	
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017R)	362	+	
Subtotal	370	=	16,713,488
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012R)	371	-	(1,441,135)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	372	-	
Total Paid-up Capital	380	=	18,154,623
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	381	-	
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the *Corporations Tax Act*, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	382	-	
Net Paid-up Capital	390	=	18,154,623

Eligible Investments *(Refer to Guide and Int.B. 3015R)*

Attach computations and list of corporation names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	402	+	
Mortgages due from other corporations	403	+	
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	404	+	
Loans and advances to unrelated corporations	405	+	
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	406	+	
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	407	+	
Total Eligible Investments	410	=	

continued on Page 10

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015R)

Total Assets per balance sheet	420	+	22,394,149
Mortgages or other liabilities deducted from assets	421	+	
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	422	+	
Subtract: Investment in partnership(s)/joint venture(s)	423	-	
Total Assets as adjusted	430	=	22,394,149
Amounts in **360** and **361** (if deducted from assets)	440	+	
Subtract: Amounts in **371**, **372** and **381**	441	-	(1,441,135)
Subtract: Appraisal surplus if booked	442	-	
Add or Subtract: Other adjustments (specify on an attached schedule)	443	±	
Total Assets	450	=	23,835,284 ✓

Investment Allowance (410 ÷ 450) X 390 — Not to exceed 410	460	=	
Taxable Capital 390 - 460	470	=	18,154,623 ✓

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation	21,375,966		
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue *(Attach schedule)*			
Aggregate of Gross Revenue	21,375,966	480	21,375,966
Total Assets (as adjusted)	From	430	22,394,149

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: *This version (2004/2005) of the CT23 may only be used for a taxation year that commenced after December 31, 2002. Financial Institutions use calculations on page 13.*

Important: If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.

OR If the corporation is **not** a member of an associated group and/or partnership, complete Section B below, then review only the Capital Tax calculations in Section C below, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.

OR If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 2004/2005 CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

This section applies only if the corporation **is** a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in **550** on page 12 and complete the return from that point.

SECTION B

Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year

5,000,000 X	35 Days before Jan. 1, 2005	÷	73 Total Days	365 Total Days	= 500	+	
7,500,000 X	36 Days after Dec. 31, 2004 and before Jan.1, 2006	365 ÷	73 Total Days	365 Total Days	= 501	+	7,500,000
10,000,000 X	37 Days after Dec. 31, 2005 and before Jan.1, 2007	÷	73	365	= 502	+	
			Taxable Capital Deduction (TCD)	**500 + 501 + 502**	**503**	=	7,500,000

SECTION C

This section applies if the corporation is **not** a member of an associated group and/or partnership

C1. If **430** and **480** on page 10 are both $3,000,000 or less, enter NIL in **550** on page 12 and complete the return from that point.

C2. If Taxable Capital in **470 is equal to or less than the TCD** in **503**, enter NIL in **550** on page 12 and complete the return from that point.

C3. If Taxable Capital in **470 exceeds the TCD** in **503**, complete the following calculation and transfer the amount from **523** to **543** on page 12, and complete the return from that point.

+ From **470**										
- From **503**										
= **471**		x From	**30** 100.0000 Ontario Allocation	x 0.3% x	**555**	365 Days in taxation year	=	**523**	+	
					365 (366 if leap year) *If floating taxation year, refer to Guide.*			*Transfer to **543** on page 12 and complete the return from that point*		

continued on Page 11

Capital Tax Calculation *continued from Page 10*

SECTION D

This section applies ONLY to a corporation that is a member of an associated group (excluding Financial Institutions and corporations exempt from Capital Tax) and/or partnership. You must check either **509** or **524** and complete this section before you can calculate your Capital Tax calculation under either Section E or Section F.

D1. ☐ **509** (✓ if applicable) All corporations that you are associated with do **not** have a permanent establishment in Canada.
If Taxable Capital **470** on page 10 is equal to or less than the TCD **503** on page 10, enter NIL in **550** on page 12 and complete the return from that point.
If Taxable Capital **470** on page 10 exceeds the TCD **503** on page 10, proceed to **Section E**, enter the TCD amount in **542** in Section E, and complete Section E and the return from that point.

D2. ☒ **524** (✓ if applicable) One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.
You and your associated group may continue to allocate the TCD by completing the Calculation below. Or, the associated group **may file an election** under subsection 69(2.1) of the *Corporations Tax Act*, whereby total assets are used to allocate the TCD among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the capital tax effect relating to the TCD to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.
The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.
In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do **not** complete this calculation if ss.69(2.1) election is filed

Taxable Capital form **470** on page 10	From **470**	+	18,154,623

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations *(Attach schedule)*	**531**	+	3,705,071
Aggregate Taxable Capital **470 + 531**	**540**	=	21,859,694

If **540** above is equal to or less than the TCD **503** on page 10, the corporation's Capital Tax for the taxation year, is NIL. Enter NIL in **523** in section E on page 12, as applicable.
If **540** above is greater than the TCD **503** on page 10, the corporation must compute its share of the TCD below in order to calculate its Capital Tax for the taxation year under Section E on page 12.

From **470** 18,154,623 ÷ From **540** 21,859,694 X From **503** 7,500,000 **541** = 6,228,800 ✓
Transfer to **542** *in Section E on page 12*

Ss.69(2.1) Election Filed

☐ **591** (✓ if applicable) **Election filed.** *Attach a copy of Schedule 591 with this CT23 Return.*
Proceed to **Section F** on page 12.

continued on Page 12

Capital Tax Calculation *continued from Page 11*

SECTION E

This section applies if the corporation **is** a member of an associated group and/or partnership whose total **aggregate** Taxable Capital **540** on page 11 exceeds the TCD **503** on page 10.

Complete the following calculation and transfer the amount from **523** to **543**, and complete the return from that point.

+ From **470**	18,154,623											
- **542**	6,228,800											
= **471**	11,925,823	x	From **30**	100.0000 %	x	0.3%	x	Days in the taxation year **555** 365 *365 (366 if leap year)	= **523** +	35,777	✓	Total Capital Tax for the taxation year
				Ontario Allocation								*Transfer to **543** and complete the return from that point*

SECTION F

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From **470** _____ X From **30** 100.0000 Ontario Allocation x 0.3% = **561** + _____

- Capital tax deduction from **995** relating to **your corporation's** Capital Tax deduction, on Schedule 591 From **995** - _____

562 = _____

Capital Tax **562** _____ X Days in taxation year **555** 365 *365 (366 if leap year) = **563** + _____

*Transfer to **543** and complete the return from that point*

* *If floating taxation year, refer to Guide*

Capital Tax before application of specified credits	**543** =	35,777
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	**546** -	
Capital Tax **543 - 546** *(amount cannot be negative)*	**550** =	35,777

Transfer to Page 17

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

1.1. Credit Unions Only

For taxation years commencing **after May 4, 1999** enter NIL in **550** on page 12, and complete the return from that point.

1.2 Other than Credit Unions

*(Retain details of calculations for amounts in boxes **565** and **570**. Do not submit with this tax return.)*

565 _____ (Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1) x 0.6% x From **30** _____ % (Ontario Allocation) x **555** _____ (Days in taxation year) ÷ *365 (366 if leap year) = **569** + _____

570 _____ (Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount) x **571** _____ (Capital Tax Rate *(Refer to Guide)*) x From **30** _____ % (Ontario Allocation) x **555** _____ (Days in taxation year) ÷ *365 (366 if leap year) = **574** + _____

Capital Tax for Financial Institutions - other than Credit Unions (before Section 2) 569 + 574 **575** = _____

** If floating taxation year, refer to Guide.*

2. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments **585** - _____

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (✓) ☐ Yes

Capital Tax - Financial Institutions 575 - 585 **586** = _____

*Transfer to **543** on Page 12*

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements **587** _____ x 2% **588** = _____
Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in **588** and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in **588**.)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* **589** - _____

Premium Tax 588 - 589 **590** = _____

Transfer to Page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1	**600**	±	1,838,330
			Transfer to Page 15

Add:

Federal capital cost allowance	**601**	+	780,670
Federal cumulative eligible capital deduction	**602**	+	
Ontario taxable capital gain	**603**	+	
Federal non-allowable reserves. Balance beginning of year	**604**	+	
Federal allowable reserves. Balance end of year	**605**	+	
Ontario non-allowable reserves. Balance end of year	**606**	+	
Ontario allowable reserves. Balance beginning of year	**607**	+	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	**608**	+	
Federal resource allowance *(Refer to Guide)*	**609**	+	
Federal depletion allowance	**610**	+	
Federal foreign exploration and development expenses	**611**	+	
Crown charges, royalties, rentals, etc. deducted for Federal purposes *(Refer to Guide)*	**617**	+	
Management fees, rents, royalties and similar payments to non-arms' length non-residents			

Number of Days in Taxation Year

	Days after Dec. 31, 2002 and before Jan. 1, 2004	Total Days		
612 _____ X 5/12.5 X **33** _____ ÷ **73** 365 = **633** + _____				

	Days after Dec. 31, 2003	Total Days		
612 _____ X 5/14.0 X **34** 365 ÷ **73** 365 = **634** + _____				

Total add-back amount for Management fees, etc. **633 + 634** = _____	**613**	+		
Federal Scientific Research Expenses claimed in year from line **460** of fed. form T661 excluding any negative amount in **473** from Ont. CT23 Schedule 161	**615**	+		
Add any negative amount in **473** from Ont. CT23 Schedule 161	**616**	+		
Federal allowable business investment loss	**620**	+		
Total of other items not allowed by Ontario but allowed federally *(Attach schedule)*	**614**	+		
Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614		=	780,670 **640**	780,670
				Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under **675**)	**650**	+	780,670
Ontario cumulative eligible capital deduction	**651**	+	
Federal taxable capital gain	**652**	+	
Ontario non-allowable reserves. Balance beginning of year	**653**	+	
Ontario allowable reserves. Balance end of year	**654**	+	
Federal non-allowable reserves. Balance end of year	**655**	+	
Federal allowable reserves. Balance beginning of year	**656**	+	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	**657**	+	
Ontario depletion allowance	**658**	+	
Ontario resource allowance *(Refer to Guide)*	**659**	+	
Ontario current cost adjustment *(Attach schedule)*	**661**	+	
CCA on assets used to generate electricity from natural gas, alternative or renewable resources.	**675**	+	
Subtotal of deductions for this page 650 to 659 + 661 + 675	**681**		780,670
			Transfer to Page 15

continued on Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 14

Net income (loss) for federal income tax purposes, per federal Schedule 1	From 600	±	1,838,330
Total of Additions on page 14	From 640	=	780,670
Sub Total of deductions on page 14	From 681	=	780,670

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(***Applies*** only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year **662**

ONTTI Gross-up deduction calculation:

From **662** x 100/ **30** 100.0000 (Ontario Allocation) - From **662** **663** =

Workplace Child Care Tax Incentive (WCCT)
(***Applies*** to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: **665** x 30% x 100/ **30** 100.0000 (Ontario Allocation) **666** =

Workplace Accessibility Tax Incentive (WATI)
(***Applies*** to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: **667** x 100% x 100/ **30** 100.0000 (Ontario Allocation) **668** =

Number of Employees accommodated **669**

Ontario School Bus Safety Tax Incentive (OSBSTI)
(***Applies*** to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures **670** x 30% x 100/ **30** 100.0000 (Ontario Allocation) **671** =

Educational Technology Tax Incentive (ETTI)
(***Applies*** to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures **672** x 15% x 100/ **30** 100.0000 (Ontario Allocation) **673** =

Ontario allowable business investment loss	**678**	+	
Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161	**679**	+	
Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003)	**677**	+	
Total of other deductions allowed by Ontario *(Attach schedule)*	**664**	+	
Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664		= 780,670 **680**	780,670

Net income (loss) for Ontario Purposes **600 + 640 - 680** **690** = 1,838,330

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add: Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract: Utilized during the year to reduce taxable income	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8)	719	729	739	749	759

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800 9th preceeding taxation year	817 (6)	860 (6)		850	870
801 8th preceeding taxation year	818 (6)	861 (6)		851	871
802 7th preceeding taxation year	819 (6)	862 (6)		852	872
803 6th preceeding taxation year	820	830	840	853	873
804 5th preceeding taxation year 2000/12/31	821	831	841	854	874
805 4th preceeding taxation year 2001/12/31	822	832	842	855	875
806 3rd preceeding taxation year 2002/12/31	823	833	843	856	876
807 2nd preceeding taxation year 2003/12/31	824	834	844	857	877
808 1st preceeding taxation year 2004/12/31	825	835	845	858	878
809 Current taxation year 2005/12/31	826	836	846	859	879
Total	829	839	849	869	889

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by **s**.34.

(3) Include losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amounts from **11** if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in **709** must equal total of **829 + 839**.

(9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carryback adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Minister of Finance.**
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses	Predecessor Corporation's Account No. (MOF)	Taxation Year Ending	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
			910	920	930	940
Total amount of loss						
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income.						
i) 3rd preceding	901	2002/12/31	911	921	931	941
ii) 2nd preceding	902	2003/12/31	912	922	932	942
iii) 1st preceding	903	2004/12/31	913	923	933	943
Total loss to be carried back			From **706**	From **716**	From **726**	From **736**
Balance of loss available for carry-forward			919	929	939	949

Summary

Income Tax	From **230** or	**320**	+	257,366
Corporate Minimum Tax	From	**280**	+	
Capital Tax	From	**550**	+	35,777
Premium Tax	From	**590**	+	
Total Tax Payable		**950**	=	293,143
Subtract: Payments		**960**	-	294,135
Capital Gains Refund (s.48)		**965**	-	
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*		**985**	-	
Specified Tax Credits *(Refer to Guide)*		**955**	-	
Balance		**970**	=	(992)
If payment due	Enclosed *	**990**		
If overpayment: Refund *(Refer to Guide)*		**975**	=	
Apply to 2006/12/31		**980**		992

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the **Minister of Finance** and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name
CHRIS LITSCHKO

Title
PRESIDENT

Full Residence Address
22 Daleman Dr.

City
BRACEBRIDGE

Province	Country	Postal Code
ON	CA	P1L 1A6

Signature

Date
2006/05/04

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2005/12/31

Part 1: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Life Insurance corporations - Net income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d)

Net income/(loss) (unconsolidated, determined in accordance with GAAP)				2100 ±	1,050,891
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	2101 +				
Provision for deferred income taxes (credits) / benefit of future income taxes	2102 +				
Equity income from corporations	2103 +				
Share of partnership(s)/joint venture(s) income	2104 +				
Dividends received/receivable deductible under fed.s.112	2105 +				
Dividends received/receivable deductible under fed.s.113	2106 +				
Dividends received/receivable deductible under fed.s.83(2)	2107 +				
Dividends received/receivable deductible under fed.s.138(6)	2108 +				
Federal Part VI.1 tax on dividends declared and paid, under fed.s.191.1(1) x 3 =	2109 +				
Subtotal		=		▶ 2110 -	
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	2111 +	664,004			
Provision for deferred income taxes (debits) / cost of future income taxes	2112 +				
Equity losses from corporations	2113 +				
Share of partnership(s)/joint venture(s) losses	2114 +				
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	2115 +				
Subtotal		=	664,004	▶ 2116 +	664,004
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
Fed.s.85	2117 +		or 2118 -		
Fed.s.85.1	2119 +		or 2120 -		
Fed.s.97	2121 +		or 2122 -		
Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	2123 +		or 2124 -		
Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	2125 +		or 2126 -		
Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	2127 +		or 2128 -		
Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	2150 -				
Subtotal (Additions)	=		▶	2129 +	
Subtotal (Subtractions)		=		▶ 2130 -	
Other adjustments				2131 ±	
Subtotal ± 2100 - 2110 + 2116 + 2129 - 2130 ± 2131				2132 =	1,714,895
Share of partnership(s)/joint venture(s) **adjusted** net income/loss				2133 ±	
Adjusted net income (loss) (if loss, transfer to **2202** in ***Part 2: Continuity of CMT Losses Carried Forward.***)				2134 =	1,714,895
Deduct: CMT losses: pre-1994 Loss	From 2210 +				
CMT losses: other eligible losses	2211 +				
	=		▶	2135 -	
CMT Base				2136 =	1,714,895

Transfer to CMT Base on page 8 of the CT23 or Page 6 of the CT8

Corporate Minimum Tax (CMT)

Part 2: Continuity of CMT Losses Carried Forward

CMT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
							Expired
2000/12/31							
2001/12/31							
2002/12/31							
2003/12/31							
2004/12/31							
2005/12/31							
Totals							

Balance at Beginning of year Notes (1), (2) **2201** +

Add:
- Current year's losses **2202** +
- Losses from predecessor corporations on amalgamation Note (3) **2203** +
- Losses from predecessor corporations on wind-up Note (3) **2204** +
- Amalgamation (✓) **2205** ☐ Yes Wind-up (✓) **2206** ☐ Yes

Subtotal = **2207** +

Adjustments (attach schedule) **2208** ±

CMT losses available 2201 + 2207 ± 2208 **2209** =

Subtract:
- Pre-1994 loss utilized during the year to reduce adjusted net income **2210** +
- Other eligible losses utilized during the year to reduce adjusted net income Note (4) **2211** +
- Losses expired during the year **2212** +

Subtotal = **2213** -

Balances at End of Year Note (5) **2209 - 2213** **2214** =

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisitions of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income **2134** and CMT losses available **2209**.

(5) Amount in **2214** must equal sum of **2270** + **2290**.

Part 3: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first)	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	**2260**	**2280**
2241	**2261**	**2281**
2242	**2262**	**2282**
2243	**2263**	**2283**
2244 2000/12/31	**2264**	**2284**
2245 2001/12/31	**2265**	**2285**
2246 2002/12/31	**2266**	**2286**
2247 2003/12/31	**2267**	**2287**
2248 2004/12/31	**2268**	**2288**
2249 2005/12/31	**2269**	**2289**
Totals	**2270**	**2290**

The sum of amounts 2270 + 2290 must equal amount in 2214.

Corporate Minimum Tax (CMT)

Part 4: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
2001/12/31							
2002/12/31							
2003/12/31							
2004/12/31							
2005/12/31							
Totals							

Balance at Beginning of year Note (1) **2301** +

Add: Current year's CMT Credit (**280** on page 8 of the CT23 or **347** on page 6 of the CT8. If negative, enter NIL) From **280 or 347** +

Gross Special Additional Tax Note (2) **312** on page 5 of CT8. (Life Insurance corporations only. Others enter NIL.) From **312** +

Subtract Income Tax (**190** on page 6 of the CT23 or page 4 of the CT8) From **190** -

Subtotal (If negative, enter NIL) = ▶ **2305** -

Current year's CMT credit (If negative, enter NIL) **280** or **347** – **2305** = ▶ **2310** +

CMT Credit Carryovers from predecessor corporations Note (3) **2325** +

Amalgamation (✓) **2315** ☐ Yes Wind-up (✓) **2320** ☐ Yes

Subtotal **2301 + 2310 + 2325** **2330** +

Adjustments *(Attach schedule)* **2332** ±

CMT Credit Carryover available 2330 ± 2332 **2333** =

Transfer to Page 8 of the CT23 or page 6 of the CT8

Subtract: CMT credit utilized during the year to reduce income tax (**310** on page 8 of the CT23 or **351** on page 6 of the CT8.) From **310 or 351**

CMT Credit expired during the year **2334** +

Subtotal = ▶ **2335** -

Balance at End of Year Note (4) **2333 - 2335** **2336** =

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(4) Amount in **2336** must equal the sum of **2370 + 2390**.

Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

Year of Origin (oldest year first)		CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340		**2360**	**2380**
2341		**2361**	**2281**
2342		**2362**	**2382**
2343		**2363**	**2383**
2344		**2364**	**2384**
2345	2001/12/31	**2365**	**2385**
2346	2002/12/31	**2366**	**2386**
2347	2003/12/31	**2367**	**2387**
2348	2004/12/31	**2368**	**2388**
2349	2005/12/31	**2369**	**2389**
Totals		**2370**	**2390**

The sum of amounts 2370 + 2390 must equal the amount in 2336.

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Capital Cost Allowance
Schedule 8

ONTARIO CAPITAL COST ALLOWANCE

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2005/12/31

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

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year	3 Cost of acquisitions during the the year See note 1 below	4 Net adjustments	5 Proceeds of dispositions during the year	6 Ontario undepreciated capital cost (col 2 + 3 or col 2 - 4 - 5)	7 50% rule See note 2 below	8 Reduced undepreciated capital cost (col 6 - 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (col 8 x 9 or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (col 6 - 12)
1	12,708,297	494,937			13,203,234	247,469	12,955,765	4			518,231	12,685,003
1	635,730	10,968			646,698	5,484	641,214	4			25,649	621,049
10	90,618	47,734			138,352	23,867	114,485	30			34,346	104,006
10	230,820				230,820		230,820	30			69,246	161,574
1	1,635,540				1,635,540		1,635,540	4			65,422	1,570,118
8	201,210	12,696			213,906	6,348	207,558	20			41,512	172,394
12	19,675	13,179			32,854	6,590	26,264	100			26,264	6,590
Totals	15,521,890	579,514				289,758	15,811,646				780,670	15,320,734

Enter in box **650** on the CT23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Lakeland Power Distribution Ltd.
2012 IRM3 EB-2011-0180
Filed: November 10, 2011
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Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Surtax on Canadian-Controlled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2005/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
LAKELAND HOLDING LTD.	1800127	2005/12/31	1,720
LAKELAND ENERGY LTD.	1800126	2005/12/31	30,228
BRACEBRIDGE GENERATION LTD.	1800053	2005/12/31	
		Total	31,948

*Transfer to **85** on the CT23*

Ontario

Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9

Taxable Capital of Associated Corporations

(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2005/12/31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
LAKELAND HOLDING LTD.	1800127	2005/12/31	41,856
LAKELAND ENERGY LTD.	1800126	2005/12/31	352,865
BRACEBRIDGE GENERATION LTD.	1800053	2005/12/31	3,310,350
		Aggregate of taxable capital	3,705,071

Transfer to **540** of the CT23

Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax - Associated Corporation

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
LAKELAND POWER DISTRIBUTION LTD.	1800128	2005/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
LAKELAND HOLDING LTD.	1800127	2005/12/31	12,601,527	47,818
LAKELAND ENERGY LTD.	1800126	2005/12/31	502,659	297,247
BRACEBRIDGE GENERATION LTD.	1800053	2005/12/31	9,225,843	746,070
		Totals	22,330,029	1,091,135
			*Transfer to **249** of the CT23*	*Transfer to **250** of the CT23*

OConsent

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. **Note: This authorization is valid until the client or authorized signing person cancels it in writing. Please complete a separate form for each representative.**

The purpose of this form is:
☒ **To authorize** a third party representative or ☐ **To cancel** a third party representative

1. Client identification

Name
LAKELAND POWER DISTRIBUTION LTD.

Ontario Corporations Tax Account Number 1800128

2. Authorized third party identification

Authorized individuals' name

Address Phone number ( ) -

Authorized firm's name
BDO Dunwoody LLP

Address Phone number
239-1 Manitoba Street Bracebridge, Ontario P1L 1S2 (705) 645-5215

3. Details of authorization

Indicate the period for which authorization or cancellation applies:

All years ☒

OR

Specific years _____ _____

_____ _____

OR

All years prior to _____

4. Authorized signature (client or authorized signing officer)

CHRIS LITSCHKO (705) 789-5442 2006/05/04
Name Telephone number Date signed

_____ PRESIDENT
Signature of client or authorized signing officer Position, office or rank

Ontario

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R S O 1990

from 2005/01/01 to 2005/12/31

Account No.	Assessment Date (year, month, day)	Page
1800128	2006/05/23	1 of 1

LAKELAND POWER DISTRIBUTION LTD.

ASSESSMENT NO. 86

Tax: Federal and Provincial PIL		699,781.00
Assessment Interest		316.88CR
Total Assessment Liability		699,464.12

SUMMARY OF 2005/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	700,772.56CR	
Sub-Total		700,772.56CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		1,308.44CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

June 1/06
PJ-1638
CO-2015

June/06
As per BDO
$59,332.00

MNRF

APPROVED BY	ACCT. CHG'D.
WOM	1.20.6110.100
DATE PAID	CHEQUE No.
June 15/06	19444

Acct 1.20.2294.100
$568.56

Tax (Re)Assessment Enquiries:	Account Billing Enquiries & Change of Address Information:	
• Toronto (416) 730-5585	• Oshawa and Local (905) 433-6708	• Toll-Free 1-800-262-0784 ext. 3036
• FAX (416) 730-5593	• Toronto (416) 920-9048 ext. 3036	• FAX (905) 433-5197

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