

Fort Frances Power Corporation
Financial Statements
For the year ended December 31, 2003

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Driving growth

BDO Dunwoody LLP
Chartered Accountants
and Advisors

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Fort Frances, Ontario, Canada P9A 1H1
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www.bdo.ca

Auditors' Report

To the Shareholders of Fort Frances Power Corporation

We have audited the balance sheet of the Fort Frances Power Corporation as at December 31, 2003, and the statements of operations and deficit and cash flows for the year then ended. These financial statements are the responsibility of the Corporation's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2003, and the results of its operations and cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Fort Frances, Ontario
February 20, 2004

Fort Frances Power Corporation Balance Sheet

December 31	2003	2002
Assets		
Current		
Cash	\$ 1,141,480	\$ 382,831
Investments (Note 2)	1,123,810	1,081,385
Accounts receivable (Note 3)	444,832	753,149
Unbilled revenue	576,864	683,027
Inventory	167,666	169,198
Prepaid expense	26,425	13,574
	<u>3,481,077</u>	<u>3,083,164</u>
Capital assets (Note 4)	3,567,772	3,813,210
Other assets (Note 5)	48,771	48,771
Future income tax assets (Note 1)	90,758	-
	<u>\$ 7,188,378</u>	<u>\$ 6,945,145</u>
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 6)	\$ 1,240,526	\$ 985,566
Customer deposits	70,922	38,949
Sick benefits payable	124,559	124,901
Income taxes payable	9,596	-
	<u>1,445,603</u>	<u>1,149,416</u>
Shareholders' equity		
Share capital (Notes 7 & 8)	5,807,391	5,807,391
Deficit	(64,616)	(11,662)
	<u>5,742,775</u>	<u>5,795,729</u>
	<u>\$ 7,188,378</u>	<u>\$ 6,945,145</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Fort Frances Power Corporation

Statement of Operations and Deficit

For the year ended December 31	2003	2002
Service revenue		
Residential	\$ 2,690,090	\$ 2,749,468
General	2,456,718	2,534,693
Street lighting	86,973	68,767
Reconnection charges	5,001	7,747
	<u>5,238,782</u>	<u>5,360,675</u>
Cost of power		
Power purchased	<u>4,120,211</u>	<u>4,103,944</u>
Gross margin on service revenue	1,118,571	1,256,731
Other operating revenue (Note 10)	128,085	137,754
Provincial rebate revenue	<u>1,432,292</u>	<u>-</u>
	<u>2,678,948</u>	<u>1,394,485</u>
Operating and maintenance expense		
High voltage transformation distribution	220,829	252,419
Billing and collection	48,761	37,716
General and administrative expense	736,539	662,973
Amortization	322,062	328,189
Interest	247	197
Provincial rebate paid	<u>1,432,292</u>	<u>-</u>
	<u>2,760,730</u>	<u>1,281,494</u>
Net income before the following	<u>(81,782)</u>	<u>112,991</u>
Gain (loss) on disposal of assets	<u>1,675</u>	<u>(18,661)</u>
Income taxes		
Current expense	63,605	-
Future (recovery) expense	<u>(90,758)</u>	<u>-</u>
	<u>(27,153)</u>	<u>-</u>
Net income for the year	(52,954)	94,330
Deficit, beginning of year	<u>(11,662)</u>	<u>(105,992)</u>
Deficit, end of year	<u>\$ (64,616)</u>	<u>\$ (11,662)</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Fort Frances Power Corporation Statement of Cash Flows

For the year ended December 31	2003	2002
Cash provided by (used in)		
Operating activities		
Net income (loss) for the year	\$ (52,954)	\$ 94,330
Items not involving cash		
Amortization	322,062	328,189
Gain on disposal of capital asset	1,675	-
Future income taxes (recovery)	(90,758)	-
	<u>180,025</u>	<u>422,519</u>
Changes in non-cash working capital balances		
Accounts receivable	308,317	(514,030)
Unbilled revenue	106,163	(327,010)
Inventory	1,532	(5,609)
Prepaid	(12,851)	385
Accounts payable	254,960	426,179
Sick benefits	(342)	20,935
Current income taxes	9,596	-
	<u>847,400</u>	<u>23,369</u>
Investing activities		
Net increase in capital assets	(78,300)	(113,988)
Increase in investments	(42,425)	(36,142)
	<u>(120,725)</u>	<u>(150,130)</u>
Financing activities		
Increase (decrease) in customer deposits held	31,974	(19,611)
Increase (decrease) in cash during the year	<u>758,649</u>	<u>(146,372)</u>
Cash, beginning of year	<u>382,831</u>	<u>529,203</u>
Cash, end of year	<u>\$ 1,141,480</u>	<u>\$ 382,831</u>

The accompanying summary of significant accounting policies and notes are an integral part of these financial statements.

Fort Frances Power Corporation Summary of Significant Accounting Policies

December 31, 2003

Nature of Business	The Corporation is incorporated under the laws of Ontario and is engaged in the distribution of retail electricity.
Regulation	<p>The <i>Energy Competition Act, 1998</i> (the "Act") was given Royal Assent on October 30, 1998. The Act provides for a competitive market in the sale of electricity and the regulation of the monopoly electricity delivery system in the Province of Ontario (the "Province") by the Ontario Energy Board (the "OEB"). Electricity retailers began competing for customers as of March 1, 2000. On May 1, 2002, with the electricity market opening, or "Open Access", electricity retailers, including Energy Services, began to sell electricity.</p> <p>The OEB has regulatory oversight of electricity matters in the Province of Ontario. The act sets out the OEB's powers to issue a distribution licence which must be obtained by any person owning or operating a distribution system under the <i>Ontario Energy Board Act, 1998</i>. The OEB may prescribe licence requirements and conditions including, among other things, specified accounting records, regulatory accounting principles, separation of accounts for separate businesses and filing/process requirements for rate-setting purposes.</p> <p>The <i>Ontario Energy Board Act, 1998</i> gave the OEB increased powers and responsibilities to regulate the electricity industry. These powers and responsibilities include the power to approve or fix rates for the transmission and distribution of electricity, the power to provide continued rate protection for rural and remote electricity customers and the responsibility for ensuring that distribution companies fulfil obligations to connect and service customers.</p> <p>In December 2002, the Province passed the <i>Electricity Pricing, Conservation and Supply Act, 2002</i> ("Bill 210") which among other things;</p> <ul style="list-style-type: none">(a) fixed the price of electricity paid by low volume and designated consumers at 4.3 cents per kWh (retroactive to May 1, 2002); and(b) capped distribution rates at current levels and deferred further rate increases and certain cost recoveries by distributors. <p>The price freeze and rate caps were originally expected to continue until at least May 1, 2006.</p> <p>In November 2003, the Province announced its intention to increase (effective April 1, 2004) the price of electricity payable by low volume and designated customers from 4.3 cents to 4.7 per kWh on the first 750 kWh consumed during a month and 5.5 cents thereafter and directed the OEB to develop new pricing mechanisms (to take effect no later than May 1, 2005) for setting the price of electricity payable by low volume and designated customers.</p>

Fort Frances Power Corporation Summary of Significant Accounting Policies

December 31, 2003

The Province also announced its intention in November 2003 to permit electricity distributors to make rate applications to the OEB earlier than had been contemplated under Bill 210 with respect to the :

- (a) recovery of "regulatory assets" (based on year-end balances at December 31, 2002) to be phased in over a four-year period effective March 1, 2004; and
- (b) third adjustment necessary to achieve a market based rate of return (subject to a one-time investment in conservation and demand management initiatives equal to one year of additional revenue resulting from such rate increase) effective March 1, 2005.

In December 2003, the OEB issued filing guidelines with respect to the recovery of regulatory assets. The OEB's filing guidelines provided that:

- (a) distributors will be permitted to recover 25% of regulatory assets in the rate adjustments to become effective March 1, 2004;
- (b) the 2004 rate adjustment will be implemented on April 1, 2004 (with a gross-up added to the recovered amount to allow recovery over eleven months);
- (c) the OEB will provide additional instructions with respect to the filing of evidence to facilitate the OEB's review of the balance of the regulatory assets and
- (d) permitted recoveries will be phased in over a three year period (2005, 2006 and 2007).
- (e) As of April 1, 2004, Fort Frances Power Corporation consumer bills will reflect changes to the distribution rate for electricity. The monthly service charge for all rate classes did not change while distribution volumetric rates were either unchanged or increased by less than 7.5%.

During the period that the price freeze is in effect, it is expected that distributors and retailers will be compensated by the Ontario Electricity Financial Corporation:

- (a) in the case of distributors, for amounts by which the price paid by distributors for electricity purchased by them in the wholesale market on behalf of low volume and designated consumers is greater than the fixed price per kWh; and
- (b) in the case of retailers, for amounts by which the retail contract price between retailers and low volume and designated consumers is greater than the fixed price per kWh.

Fort Frances Power Corporation Summary of Significant Accounting Policies

December 31, 2003

Consumers other than designated consumers who annually utilize more than 250,000 kWh continue to be eligible to receive Business Protection Plan ("BPP") rebates (formerly received under the Market Power Mitigation Agreement) from Ontario Power Generation Inc. ("OPG") to the extent that electricity prices exceed certain prescribed thresholds.

The continuing restructuring of Ontario's electricity industry and other regulatory developments, including current and future possible consultations between the OEB and interested stakeholders, may affect the distribution rates, including PILs collected from customers, that FFPC may charge and the cost that FFPC may recover, including the balance of its regulatory assets.

Financial Instruments	The Corporation's financial instruments consist of cash, accounts receivable, unbilled revenue, accounts payable and customer deposits. Unless otherwise noted, it is management's opinion that the Corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.												
Inventory	Inventory is stated at the lower of cost and net realizable value. Cost is generally determined on a first-in, first-out basis.												
Capital Assets	Capital assets are recorded at cost. Amortization based on the estimated useful life of the asset is as follows: <table><tr><td>Buildings</td><td>- 3% straight line basis</td></tr><tr><td>Transmission and distribution equipment</td><td>- various straight line basis</td></tr><tr><td>Other equipment</td><td>- 10% straight line basis</td></tr><tr><td>Computer equipment and software</td><td>- 20 and 100% straight line basis</td></tr><tr><td>Automotive equipment</td><td>- various straight line basis</td></tr><tr><td>Office equipment</td><td>- 10% straight line basis</td></tr></table>	Buildings	- 3% straight line basis	Transmission and distribution equipment	- various straight line basis	Other equipment	- 10% straight line basis	Computer equipment and software	- 20 and 100% straight line basis	Automotive equipment	- various straight line basis	Office equipment	- 10% straight line basis
Buildings	- 3% straight line basis												
Transmission and distribution equipment	- various straight line basis												
Other equipment	- 10% straight line basis												
Computer equipment and software	- 20 and 100% straight line basis												
Automotive equipment	- various straight line basis												
Office equipment	- 10% straight line basis												
Other Assets	Other assets are recorded at cost. Other assets are to be recovered through future rate charges and therefore amortization of these assets ceased when the recoveries were approved by the OEB.												
Cash and Cash Equivalents	Cash and cash equivalents consist of cash on hand, bank balances and investments in money market instruments and bond funds with maturities of three months or less.												
Revenue Recognition	Revenue from the sale of electricity is recorded on a basis of cyclical billings and also includes unbilled revenue accrued in respect of electricity delivered but not yet billed.												

Fort Frances Power Corporation

Summary of Significant Accounting Policies

December 31, 2003

Customer Deposits	Customer deposits are cash collections from customers to guarantee the payment of energy bills. Deposits expected to be refunded within the next fiscal year are classified as a current liability.
Use of Estimates	The preparation of the financial statements in accordance with GAAP requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and their reported amounts of revenue and expenses for the year. Actual results could differ from those estimates, including changes as a result of future decisions made by the OEB, the Minister of Energy or the Minister of Finance.
Future Income Taxes	Commencing January 1, 2003, the Company adopted the liability method of accounting for income taxes as outlined in the provisions of Section 3465 of the Handbook of the Canadian Institute of Chartered Accountants. Under this method, current income taxes are recognized for the estimated income taxes payable for the current year. Future income tax assets and liabilities are recognized for temporary differences between the tax and accounting basis of assets and liabilities as well as for the benefit of losses available to be carried forward to future years for tax purposes that are likely to be realized.

Fort Frances Power Corporation

Notes to Financial Statements

December 31, 2003

4. Capital Assets

	2003		2002	
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Land	\$ 100,000	\$ -	\$ 100,000	\$ 100,000
Buildings	1,068,548	889,796	178,752	188,038
Transmission and distribution equipment	6,981,155	3,822,585	3,158,570	3,370,685
Other equipment	100,680	83,329	17,351	13,585
Automotive equipment	517,934	422,409	95,525	126,761
Computer equipment and software	48,342	41,201	7,141	5,534
Office equipment	81,613	71,180	10,433	8,607
	<u>\$ 8,898,272</u>	<u>\$ 5,330,500</u>	<u>\$ 3,567,772</u>	<u>\$ 3,813,210</u>

5. Other Assets

	2003		2002	
Organization costs	\$ 62,010	\$ 62,010		
Accumulated amortization	13,239	13,239		
	<u>\$ 48,771</u>	<u>\$ 48,771</u>		

6. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities includes an accrual in the amount of 2003 - \$656,335 (2002 - \$369,423). This represents the identified surplus for the year ending December 31, 2003, as a result of the power agreement. This surplus is to be dispensed to the ratepayers in the form of a credit rebate subsequent to year end.

7. Industry Restructuring

The Ontario Government enacted the *Energy Competition Act, 1998* to introduce competition to the Ontario electricity market by the year 2000. Under the terms of this legislation, the Ontario Energy Board (the "OEB") will regulate industry participants by issuing licences for the right to generate, transmit, distribute or retail electricity. These licences will require compliance with established market rules and codes.

Pursuant to this legislation, the Town of Fort Frances, as owners of the Commission, enacted a By-Law on November 6, 2000, to authorize the transfer of assets, liabilities and equity to Fort Frances Power Corporation created for the purpose of continuing the distributing activities of the Commission.

Fort Frances Power Corporation Notes to Financial Statements

December 31, 2003

7. Industry Restructuring (cont.)

The transfer price was at fair market value and was financed as follows:

	2003	2002
Issue of 5,807,391 Class A common shares at \$1 per share	<u>\$ 5,807,391</u>	<u>\$ 5,807,391</u>

8. Share Capital

The authorized share capital of the Corporation is an unlimited number of common shares.

Issued share capital is as follows:

	2003	2002
5,807,391 Common shares	<u>\$ 5,807,391</u>	<u>\$ 5,807,391</u>

9. Future Income Tax Assets

The components of the future income tax assets at December 31, 2003 are as follows:

	2003	2002
Capital assets	<u>\$ 90,758</u>	<u>\$ -</u>

10. Other Operating Revenue

	2003	2002
Interest earned	\$ 67,777	\$ 60,040
Late payment charges	19,147	26,636
Pole rentals	15,575	13,368
Miscellaneous revenue	<u>25,586</u>	<u>37,710</u>
	<u>\$ 128,085</u>	<u>\$ 137,754</u>

Fort Frances Power Corporation Notes to Financial Statements

December 31, 2003

11. Related Party Transactions

Fort Frances Power Corporation and Fort Frances Network Services are related by common ownership.

	2003	2002
Sales to Fort Frances Network Services	\$ -	\$ 12,926

12. Credit Facilities

Fort Frances Power Corporation is party to a short-term credit facility with a Canadian Chartered Bank pursuant to which the Corporation could borrow up to \$480,000 in the form of an operating loan. The amount drawn under the credit facility as at December 31, 2002 was \$nil (2002 - \$nil).

13. Financial Guarantees

Participants in the wholesale market for electricity that is administered by the Independent Electricity Market Operator are required to satisfy prescribed prudential requirements.

During the year the Corporation became party to an irrevocable standby letter of credit with a Canadian Chartered Bank. The credit amounts to 2003 - \$628,544 (2002 - \$517,117).

14. Power Agreement

Since 1905, residents of Fort Frances have enjoyed historically low electricity rates. This energy benefit is attributed to a highly beneficial and long-term power procurement agreement between the Town and a local pulp and paper mill, today owned by Abitibi-Consolidated Inc.

At one time all the Town's electrical needs were provided for by this agreement until a successful legal challenge by the mill in 1983 capped the benefit at 3 MW at the original rate. This still covers between 30 - 33% of the Town's electrical needs and continues to be very favourable for the Fort Frances rate payers. Fort Frances still lays claim to the lowest electrical rates in the Province.

The relevant power procurement contract with the Mill dated back to January 9, 1905. This continues to be valid and binding contract, as confirmed by the Supreme Court of Canada in 1983 (Fort Frances (Town) vs. Boise Cascade Canada Ltd., (1983) 1 S.C.R. 171).

Prior to deregulation in May 2002, the newly formed Fort Frances Power Corporation applied for an exemption from the Standard Supply Service (SSS) code in order to effectively pass on the continuing benefits of the power agreement. In the past, Fort Frances Public Utilities Commission rates were a blend of the current Ontario Hydro rate and the Mill rate. Going forward, OEB regulations necessitated the implementation of a fully unbundled electrical bill that specifically showed the pure price of the commodity. In order to meet this requirement and pass on the power agreement benefit, Fort Frances Power Corporation gained OEB approval for a mechanism known as the power agreement credit. This credit is currently set at 1.23 cents for every kWh consumed.

Fort Frances Power Corporation Notes to Financial Statements

December 31, 2003

15. Contingency

A class actions 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 electrical utilities in Ontario which have charged late payment charges on overdue 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 Municipal Electric Association is undertaking the defence of this action. Fort Frances Power Corporation assumed all of the liabilities of the former utilities on transfer of electrical distribution assets referred to in Note 7. At this time it is not possible to quantify the effect, if any, on the financial statements of Fort Frances Power Corporation.



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Account No
1800090

35 A
PX5000

FORT FRANCES POWER CORPORATION
MARK MCCAIG
320 PORTAGE AVE

FORT FRANCES ON
P9A 3P9

Taxation Year End: (YYYYMMDD)

Payment Amount: \$

Taxation Year End: (YYYYMMDD)

Payment Amount: \$

Total Payment Enclosed: \$



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.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2003/01/13

	Account No.	Statement Date (year, month, day)	Page
FORT FRANCES POWER CORPORATION	1800090	2003/01/13	1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2002/07/11		OPENING BALANCE FOR: 2001/12/31	634.00CR	
2002/10/07	2	return assessment	634.00	0.00
		BALANCE		0.00

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2002/07/11	OPENING BALANCE FOR: 2002/12/31	0.00
	BALANCE	0.00
	OPENING BALANCE FOR: 2003/12/31	0.00
	BALANCE	0.00

A balance of tax payment is required 2 or 3 months after the taxation period end. The return is due 6 months after the taxation period.

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

SL

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



Ministry of Finance
PO Box 620 (CT)
33 King Street West
Oshawa ON L1H 8E9

X X X X X X X X X X

Account No
7110010

Taxation Year End: (YYYYMMDD)

Payment Amount: \$

35S

CT PX4003

FORT FRANCES POWER CORPORATION
MARK MCCAIG
320 PORTAGE AVENUE

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

FORT FRANCES
P9A 3P9

ON

Total Payment
Enclosed: \$

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Ministry of Finance
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

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Statement of Account

for transactions up to and including 2003/08/13

Account No. Statement Date Page

FORT FRANCES POWER CORPORATION

7110010

2003/08/13

1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2001/06/09		OPENING BALANCE FOR: 2000/12/31	0.00	
		BALANCE	0.00	
2001/06/09		OPENING BALANCE FOR: 2001/12/31	0.00	
		BALANCE	0.00	
		OPENING BALANCE FOR: 2002/12/31	0.00	
2003/08/05	1	payment	49,380.00CR	
		BALANCE	49,380.00CR	
		OPENING BALANCE FOR: 2003/12/31	0.00	
		BALANCE	0.00	

The account taxation period has been changed from 2000/06/19 - 2001/05/31 to 2000/06/19 - 2000/12/31. As a result, transactions may have been reallocated.

The account taxation period has been changed from 2001/06/01 - 2002/05/31 to 2001/01/01 - 2001/12/31. As a result, transactions may have been reallocated.

A balance of tax payment is required 2 or 3 months after the taxation period end. The return is due 6 months after the taxation period.

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Tax (Re)Assessment Enquiries:

- Oshawa and Local (905) 433-6559
- Toll-Free 1-800-262-0784 ext 6559
- Toronto (416) 920-9048 ext. 6559
- FAX (905) 433-6998

Account Billing Enquiries:

- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext 3036
- Toronto (416) 920-9048 ext 3036
- FAX (905) 433-5197



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Account No
1800090

35 A
PX5000

FORT FRANCES POWER CORPORATION
MARK MCCAIG
320 PORTAGE AVE

FORT FRANCES ON
P9A 3P9

Remittance Advice - Payment-in-Lieu (PIL)
Electricity Act, 1998
Corporations Tax Act, R.S.O. 1990

Taxation Year End: (YYYYMMDD)

Payment Amount: \$

Taxation Year End: (YYYYMMDD)

Payment Amount: \$

Total Payment
Enclosed: \$



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.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2003/09/09

FORT FRANCES POWER CORPORATION

Account No.

1800090

Statement Date
(year, month, day)

2003/09/09

Page

1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2003/01/14		OPENING BALANCE FOR: 2002/12/31	0.00	
2003/08/05	3	PIL payment	49,380.00CR	2002 - FEDERAL + PROVINCIAL
		BALANCE	49,380.00CR	OWING.
2003/01/14		OPENING BALANCE FOR: 2003/12/31	0.00	
		BALANCE	0.00	

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

SEPT 23/03
• Spoke to Mark
• This PIL will not
be constant expense
no need to make
instalment payments

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
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Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Corporations Tax Act, R.S.O. 1990

Account No
1800090

35 A
PX5000

FORT FRANCES POWER CORPORATION
MARK MCCAIG
320 PORTAGE AVE

FORT FRANCES
P9A 3P9

ON

Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Taxation Year End: (YYYYMMDD)

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Payment Amount: \$

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Total Payment
Enclosed: \$

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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.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
for transactions up to and including 2003/10/08

FORT FRANCES POWER CORPORATION

Account No.

1800090

Statement Date
(year, month, day)

2003/10/08

Page

1 of 1

TRANSACTIONS BY ASSESSED TAXATION YEAR

EFFECTIVE DATE	ID NUMBER	DESCRIPTION	AMOUNT	BALANCE
2003/09/10	OPENING	BALANCE FOR: 2002/12/31	49,380.00CR	
2003/06/30	5	assessment penalty*	3,029.74	
2003/09/23	4	return assessment	49,380.00	
2003/09/23	6	interest - assessment *	1,589.13	
2003/10/06	7	PIL payment	4,629.00CR	10.13CR
CREDIT BALANCE AVAILABLE				10.13CR

TRANSACTIONS BY UNASSESSED TAXATION YEAR

2003/09/10	OPENING BALANCE FOR: 2003/12/31	0.00
BALANCE		0.00

The 2001 Ontario Budget simplified instalment requirements for corporations with total tax payable in the current or preceding year of \$2,000 or more and less than \$10,000. For tax years commencing after 2001, these corporations may now pay quarterly instalments.

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

Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Electricity Act, 1990
Corporations Tax Act, R.S.O. 1990

Account No
1800090

35 A
PX5000

RANCES POWER CORPORATION
CCAIG
RTAGE AVE

FRANCES
3P9

ON

Taxation Year End: (YYYYMMDD)

Payment Amount:

Taxation Year End: (YYYYMMDD)

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.

Statement of Account

Electricity Act, 1998 • Corporations Tax Act, R S O. 1990
for transactions up to and including 2003/11/07

Account No.

Statement Date
(year, month, day)

Page

1800090

2003/11/07

1 of 1

FRANCES POWER CORPORATION

TRANSACTIONS BY ASSESSED TAXATION YEAR

TIME DATE	ID NUMBER	DESCRIPTION
5/10/09		OPENING BALANCE FOR: 2002/12/31
3/10/09	8	interest *
3/11/07	9	interest *
13/11/07	10	small balance adjustment
BALANCE		

AMOUNT
10.13CR
13.18
0.02
3.07CR

BALANCE

$$\begin{array}{r} 0.00 \\ \hline 0.00 \end{array}$$

TRANSACTIONS BY UNASSESSED TAXATION YEAR

03/10/09 OPENING BALANCE FOR: 2003/12/31
BALANCE

$$\begin{array}{r} 0.00 \\ \hline 0.00 \end{array}$$

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