



January 24, 2012

Ontario Energy Board
P.O. Box 2310
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Attention: Board Secretary

VIA RESS and COURIER

**RE: BRANTFORD POWER INC.
2012 3RD GENERATION IRM DISTRIBUTION RATE APPLICATION
EB-2011-0147**

Dear Sir or Madam:

Brantford Power Inc. is refiling our SIMPIL models, further to discussion with Board Staff.

Brantford Power Inc. notes that with this submission, the amount claimed for deferred PILs disposition has changed from the original IRM filing. Pending the review of the IRM application and other adjustments that may be required, the rate rider will need to be adjusted accordingly.

If you have any further questions regarding this matter, please call me at 519-751-3522 x 3226.

Thank you,

Original signed by

George Mychailenko
CEO, Brantford Power Inc.

cc. Heather Wyatt, Manager, Regulatory Compliance and Governance.

Deferred Payment in Lieu of Taxes (1562) Preliminary - REVISED

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Total
2001													
Interest Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
G/L Beginning Balance	-	-	-	-	-	-	-	-	-	-	143,653.66	287,307.33	
PILS Monthly Accrual	-	-	-	-	-	-	-	-	-	143,653.66	143,653.67	143,653.67	430,961.00
Monthly Variance	-	-	-	-	-	-	-	-	-	143,653.66	143,653.67	143,653.67	430,961.00
G/L Ending Balance	-	-	-	-	-	-	-	-	-	143,653.66	287,307.33	430,961.00	
Interest Improvement	-	-	-	-	-	-	-	-	-	-	867.91	1,735.82	2,603.73
Accumulated Interest	-	-	-	-	-	-	-	-	-	-	867.91	2,603.73	
2002													
Interest Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
G/L Beginning Balance	430,961.00	558,862.00	686,763.00	744,073.30	744,951.42	719,006.07	783,008.65	718,480.76	671,263.67	630,377.88	599,407.39	571,321.25	
PILS Monthly Accrual	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	1,534,812.00
Monthly Billing			(70,590.70)	(127,022.88)	(153,846.35)	(63,898.42)	(192,428.89)	(175,118.09)	(168,786.79)	(158,871.49)	(155,987.14)	(155,647.16)	(1,422,197.91)
True up Variance						-							-
Monthly Variance	127,901.00	127,901.00	57,310.30	878.12	(25,945.35)	64,002.58	(64,527.89)	(47,217.09)	(40,885.79)	(30,970.49)	(28,086.14)	(27,746.16)	112,614.09
G/L Ending Balance	558,862.00	686,763.00	744,073.30	744,951.42	719,006.07	783,008.65	718,480.76	671,263.67	630,377.88	599,407.39	571,321.25	543,575.09	
Interest Improvement	2,603.72	3,376.46	4,149.19	4,495.44	4,500.75	4,344.00	4,730.68	4,340.82	4,055.55	3,808.53	3,621.42	3,451.73	47,478.29
Accumulated Interest	5,207.45	8,583.91	12,733.10	17,228.54	21,729.29	26,073.29	30,803.97	35,144.79	39,200.34	43,008.87	46,630.29	50,082.02	
2003													
Interest Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
G/L Beginning Balance	543,575.09	507,453.54	467,593.93	434,644.58	404,170.31	376,340.74	149,829.20	117,510.30	77,996.47	41,341.92	10,699.07	(18,255.56)	
PILS Monthly Accrual	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	127,901.00	1,534,812.00
Monthly Billing	(164,022.55)	(167,760.61)	(160,850.35)	(158,375.27)	(155,730.57)	(151,384.54)	(160,219.90)	(167,414.83)	(164,555.55)	(158,543.85)	(156,855.63)	(156,786.53)	(1,922,500.18)
True up Variance						(203,028.00)							(203,028.00)
Monthly Variance	(36,121.55)	(39,859.61)	(32,949.35)	(30,474.27)	(27,829.57)	(226,511.54)	(32,318.90)	(39,513.83)	(36,654.55)	(30,642.85)	(28,954.63)	(28,885.53)	(590,716.18)
G/L Ending Balance	507,453.54	467,593.93	434,644.58	404,170.31	376,340.74	149,829.20	117,510.30	77,996.47	41,341.92	10,699.07	(18,255.56)	(47,141.09)	
Interest Improvement	3,284.10	3,065.87	2,825.05	2,625.98	2,441.86	2,273.73	905.22	709.96	471.23	249.77	64.64	(110.29)	18,807.12
Accumulated Interest	53,366.12	56,431.99	59,257.04	61,883.02	64,324.88	66,598.61	67,503.83	68,213.79	68,685.02	68,934.79	68,999.43	68,889.14	
2004													
Interest Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
G/L Beginning Balance	(47,141.09)	(94,351.14)	(145,216.60)	(189,412.41)	(195,361.43)	(184,983.43)	(611,998.29)	(609,943.60)	(615,297.39)	(618,553.20)	(616,211.30)	(605,851.41)	
PILS Monthly Accrual	119,600.00	119,600.00	119,600.00	119,600.00	119,600.00	119,600.00	119,600.00	119,600.00	119,600.00	119,600.00	119,600.00	119,603.00	1,435,203.00
Monthly Billing	(166,810.05)	(170,465.46)	(163,795.81)	(125,549.02)	(109,222.00)	(108,684.86)	(117,545.31)	(124,953.79)	(122,855.81)	(117,258.10)	(109,240.11)	(118,211.57)	(1,554,591.89)
True up Variance						(437,930.00)							(437,930.00)
Monthly Variance	(47,210.05)	(50,865.46)	(44,195.81)	(5,949.02)	10,378.00	(427,014.86)	2,054.69	(5,353.79)	(3,255.81)	2,341.90	10,359.89	1,391.43	(557,318.89)
G/L Ending Balance	(94,351.14)	(145,216.60)	(189,412.41)	(195,361.43)	(184,983.43)	(611,998.29)	(609,943.60)	(615,297.39)	(618,553.20)	(616,211.30)	(605,851.41)	(604,459.98)	
Interest Improvement	(284.81)	(570.04)	(877.35)	(1,144.37)	(1,180.31)	(1,117.61)	(3,697.49)	(3,685.08)	(3,717.42)	(3,737.09)	(3,722.94)	(3,660.35)	(27,394.86)

Deferred Payment in Lieu of Taxes (1562) Preliminary - REVISED

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Total
Accumulated Interest	68,604.33	68,034.29	67,156.94	66,012.57	64,832.26	63,714.65	60,017.16	56,332.08	52,614.66	48,877.57	45,154.63	41,494.28	

Deferred Payment in Lieu of Taxes (1562) Preliminary - REVISED

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Total
2005													
Interest Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
G/L Beginning Balance	(604,459.98)	(608,531.28)	(612,674.56)	(608,335.85)	(605,885.24)	(597,294.82)	(1,050,575.63)	(1,072,237.79)	(1,109,097.81)	(1,132,922.78)	(1,132,887.13)	(1,124,963.07)	
PILS Monthly Accrual	128,624.00	128,624.00	128,624.00	128,624.00	128,624.00	128,624.00	128,624.00	128,624.00	128,624.00	128,624.00	128,624.00	128,624.00	1,543,488.00
Monthly Billing	(132,695.30)	(132,767.28)	(124,285.29)	(126,173.39)	(120,033.58)	(119,745.81)	(150,286.16)	(165,484.02)	(152,448.97)	(128,588.35)	(120,699.94)	(129,767.67)	(1,602,975.76)
True up Variance						(462,159.00)							(462,159.00)
Monthly Variance	(4,071.30)	(4,143.28)	4,338.71	2,450.61	8,590.42	(453,280.81)	(21,662.16)	(36,860.02)	(23,824.97)	35.65	7,924.06	(1,143.67)	(521,646.76)
G/L Ending Balance	(608,531.28)	(612,674.56)	(608,335.85)	(605,885.24)	(597,294.82)	(1,050,575.63)	(1,072,237.79)	(1,109,097.81)	(1,132,922.78)	(1,132,887.13)	(1,124,963.07)	(1,126,106.74)	
Interest Improvement	(3,651.95)	(3,676.54)	(3,701.58)	(3,675.36)	(3,660.56)	(3,608.66)	(6,347.23)	(6,478.10)	(6,700.80)	(6,844.74)	(6,844.53)	(6,796.65)	(61,986.70)
Accumulated Interest	37,842.33	34,165.79	30,464.21	26,788.85	23,128.29	19,519.63	13,172.40	6,694.30	(6.50)	(6,851.24)	(13,695.77)	(20,492.42)	
2006													
Interest Rate	7.25%	7.25%	7.25%	7.25%	4.14%	4.14%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	
G/L Beginning Balance	(1,126,106.74)	(1,142,216.51)	(1,154,296.70)	(1,161,229.96)	(1,167,843.30)	(1,280,254.95)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
PILS Monthly Accrual	128,624.00	128,624.00	128,624.00	128,624.00	-	-	-	-	-	-	-	-	514,496.00
Monthly Billing	(144,733.77)	(140,704.19)	(135,557.26)	(135,237.34)	(112,411.65)	(13,976.23)	-	-	-	-	-	-	(682,620.44)
True up Variance						(74,290.00)	-	-	-	-	-	-	(74,290.00)
Monthly Variance	(16,109.77)	(12,080.19)	(6,933.26)	(6,613.34)	(112,411.65)	(88,266.23)	-	-	-	-	-	-	(242,414.44)
G/L Ending Balance	(1,142,216.51)	(1,154,296.70)	(1,161,229.96)	(1,167,843.30)	(1,280,254.95)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Interest Improvement	(6,803.56)	(6,900.89)	(6,973.88)	(7,015.76)	(4,029.06)	(4,416.88)	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(67,547.57)
Accumulated Interest	(27,295.98)	(34,196.87)	(41,170.75)	(48,186.51)	(52,215.57)	(56,632.45)	(61,867.04)	(67,101.63)	(72,336.22)	(77,570.81)	(82,805.40)	(88,039.99)	
2007													
Interest Rate	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	5.14%	5.14%	5.14%	
G/L Beginning Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Variance	-	-	-	-	-	-	-	-	-	-	-	-	-
G/L Ending Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Interest Improvement	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(5,234.59)	(5,861.83)	(5,861.83)	(5,861.83)	(64,696.80)
Accumulated Interest	(93,274.58)	(98,509.17)	(103,743.76)	(108,978.35)	(114,212.94)	(119,447.53)	(124,682.12)	(129,916.71)	(135,151.30)	(141,013.13)	(146,874.96)	(152,736.79)	
2008													
Interest Rate	5.14%	5.14%	5.14%	4.08%	4.08%	4.08%	3.35%	3.35%	3.35%	3.35%	3.35%	3.35%	
G/L Beginning Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Variance	-	-	-	-	-	-	-	-	-	-	-	-	-
G/L Ending Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Interest Improvement	(5,861.83)	(5,861.83)	(5,861.83)	(4,652.97)	(4,652.97)	(4,652.97)	(3,820.45)	(3,820.45)	(3,820.45)	(3,820.45)	(3,820.45)	(3,820.45)	(54,467.10)
Accumulated Interest	(158,598.62)	(164,460.45)	(170,322.28)	(174,975.25)	(179,628.22)	(184,281.19)	(188,101.64)	(191,922.09)	(195,742.54)	(199,562.99)	(203,383.44)	(207,203.89)	

Deferred Payment in Lieu of Taxes (1562) Preliminary - REVISED

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Total
2009													
Interest Rate	2.45%	2.45%	2.45%	1.00%	1.00%	1.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	
G/L Beginning Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Variance	-	-	-	-	-	-	-	-	-	-	-	-	-
G/L Ending Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Interest Improvement	(2,794.06)	(2,794.06)	(2,794.06)	(1,140.43)	(1,140.43)	(1,140.43)	(627.24)	(627.24)	(627.24)	(627.24)	(627.24)	(627.24)	(15,566.91)
Accumulated Interest	(209,997.95)	(212,792.01)	(215,586.07)	(216,726.50)	(217,866.93)	(219,007.36)	(219,634.60)	(220,261.84)	(220,889.08)	(221,516.32)	(222,143.56)	(222,770.80)	
2010													
Interest Rate	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.89%	0.89%	0.89%	1.20%	1.20%	1.20%	
G/L Beginning Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Variance	-	-	-	-	-	-	-	-	-	-	-	-	-
G/L Ending Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Interest Improvement	(627.24)	(627.24)	(627.24)	(627.24)	(627.24)	(627.24)	(1,014.99)	(1,014.99)	(1,014.99)	(1,368.52)	(1,368.52)	(1,368.52)	(10,913.97)
Accumulated Interest	(223,398.04)	(224,025.28)	(224,652.52)	(225,279.76)	(225,907.00)	(226,534.24)	(227,549.23)	(228,564.22)	(229,579.21)	(230,947.73)	(232,316.25)	(233,684.77)	
2011													
Interest Rate	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	
G/L Beginning Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Variance	-	-	-	-	-	-	-	-	-	-	-	-	-
G/L Ending Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Interest Improvement	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	(20,117.28)
Accumulated Interest	(235,361.21)	(237,037.65)	(238,714.09)	(240,390.53)	(242,066.97)	(243,743.41)	(245,419.85)	(247,096.29)	(248,772.73)	(250,449.17)	(252,125.61)	(253,802.05)	
2012													
Interest Rate	1.47%	1.47%	1.47%	1.47%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
G/L Beginning Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Variance	-	-	-	-	-	-	-	-	-	-	-	-	-
G/L Ending Balance	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	(1,368,521.18)	
Interest Improvement	(1,676.44)	(1,676.44)	(1,676.44)	(1,676.44)	-	-	-	-	-	-	-	-	(6,705.76)
Accumulated Interest	(255,478.49)	(257,154.93)	(258,831.37)	(260,507.81)	(260,507.81)	(260,507.81)	(260,507.81)	(260,507.81)	(260,507.81)	(260,507.81)	(260,507.81)	(260,507.81)	
Projected Balance to April 30, 2012													
Principle	(1,368,521.18)	(1,368,521.18)	(1,196,903.18)	(171,618.00)									
Interest	(260,507.81)	(260,507.81)	(248,439.96)	(12,067.85)									
Balance	(1,629,028.99)	(1,629,028.99)	(1,445,343.14)	(183,685.85)									

Colour Code

Input Cell

Formula in Cell

Days in reporting period: 92 days
Total days in the calendar year: 365 days

BACKGROUND

Has the utility reviewed section 149(1) ITA to confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?

Y/N

Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?

Y/N

Is the utility a non-profit corporation?

Y/N

(If it is a non-profit corporation, please contact the Rates Manager at the OEB)

Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?

OCT

Y/N

LCT

Y/N

Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.

OCT

100%

LCT

100%

Accounting Year End

Date

12-31-2001

MARR NO TAX CALCULATIONS
SHEET #7 FINAL RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)
USE BOARD-APPROVED AMOUNTS

Regulatory
Income

Rate Base (wires-only)	46,980,726	
Common Equity Ratio (CER)	50.00%	
1-CER	50.00%	
Target Return On Equity	9.88%	
Debt rate	7.25%	
Market Adjusted Revenue Requirement	4,023,899	
1999 return from RUD Sheet #7	0	0
Total Incremental revenue	4,023,899	
Input: Board-approved dollar amounts phased-in		
Amount allowed in 2001	1,341,300	1,341,300
Amount allowed in 2002	1,341,300	0
Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)	0	0
Amount allowed in 2005 - Third tranche of MARR re: CDM		0
Other Board-approved changes to MARR or incremental revenue		0
Total Regulatory Income		1,341,300
Equity	23,490,363	
Return at target ROE	2,320,848	
Debt	23,490,363	
Deemed interest amount in 100% of MARR	1,703,051	
Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61	567,684	
Phase-in of interest - Year 2 (2002) ((D43+D47+D48)/D41)*D61	1,135,368	
Phase-in of interest - Year 3 (2003) and forward ((D43+D47+D48)/D41)*D61 (due to Bill 210)	1,135,368	
Phase-in of interest - 2005	1,703,051	

PILS TAXES - EB-2010- PILS DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate	M of F Filing Variance G-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1
Utility Name: Brantford Power Inc. Reporting period: 2001						Column Brought From TAXREC \$
Days in reporting period:		92	days			
Total days in the calendar year:		365	days			
			\$	\$		
II) CORPORATE INCOME TAXES						
Regulatory Net Income REGINFO E53	1	335,325	-136,675	198,650		
BOOK TO TAX ADJUSTMENTS						
Additions:						
Depreciation & Amortization	2	655,457	-195,303	460,154		
Employee Benefit Plans - Accrued, Not Paid	3	0	0	0		
Tax reserves - beginning of year	4	0	0	0		
Reserves from financial statements - end of year	4	0	0	0		
Regulatory Adjustments - increase in income	5	0	0	0		
Other Additions (See Tab entitled "TAXREC")						
"Material" Items from "TAXREC" worksheet	6	0	0	0		
Other Additions (not "Material") "TAXREC"	6	2,408	2,408			
"Material" Items from "TAXREC 2" worksheet	6	0	0	0		
Other Additions (not "Material") "TAXREC 2"	6	0	0	0		
Items on which true-up does not apply "TAXREC 3"		0	0	0		
Deductions: Input positive numbers						
Capital Cost Allowance and CEC	7	290,498	362,630	653,128		
Employee Benefit Plans - Paid Amounts	8	0	0	0		
Items Capitalized for Regulatory Purposes	9	0	0	0		
Regulatory Adjustments - deduction for tax purposes in Item 5	10	0	0	0		
Interest Expense Deemed/ Incurred	11	141,921	395,517	537,438		
Tax reserves - end of year	4	0	0	0		
Reserves from financial statements - beginning of year	4	0	0	0		
Contributions to deferred income plans	3	0	0	0		
Contributions to pension plans	3	0	0	0		
Interest capitalized for accounting but deducted for tax	11	0	0	0		
Other Deductions (See Tab entitled "TAXREC")						
"Material" Items from "TAXREC" worksheet	12	0	0	0		
Other Deductions (not "Material") "TAXREC"	12	0	0	0		
Material Items from "TAXREC 2" worksheet	12	0	0	0		
Other Deductions (not "Material") "TAXREC 2"	12	0	0	0		
Items on which true-up does not apply "TAXREC 3"		2,913,529	2,913,529			
TAXABLE INCOME/ (LOSS)		558,363	(4,001,246)	(3,442,883)		
BLENDED INCOME TAX RATE						
Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	40.62%	-28.1200%	12.50%		
REGULATORY INCOME TAX		226,807	-226,807	Actual 0		
Miscellaneous Tax Credits	14	0	0	Actual 0		
Total Regulatory Income Tax		226,807	-226,807	Actual 0		
III) CAPITAL TAXES						
Ontario						
Base	15	46,980,726	-4,220,453	42,760,273		
Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000	-242,770	4,757,230		
Taxable Capital		41,980,726	-4,463,223	38,003,043		
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%	0.3000%		
Ontario Capital Tax		31,744	-3,008	28,737		
Federal Large Corporations Tax						
Base	18	46,980,726	-1,134,680	45,846,046		
Less: Exemption - Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	-2,087,553	7,912,447		
Taxable Capital		36,980,726	-3,222,233	37,933,599		
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	0.0000%	0.2250%		
Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		20,973	540	21,513		
Less: Federal Surtax 1.12% x Taxable Income	21	6,254	-6,254	0		
Net LCT		14,719	6,794	21,513		
III) INCLUSION IN RATES						
Income Tax Rate used for gross- up (exclude surtax)		39.50%				
Income Tax (proxy tax is grossed-up)	22	374,888	Actual 2001	0		
LCT (proxy tax is grossed-up)	23	24,329	Actual 2001	21,513		
Ontario Capital Tax (no gross-up since it is deductible)	24	31,744	Actual 2001	28,737		
Total PILs for Rate Adjustment -- MUST AGREE WITH 2001 RAM DECISION	25	430,961	Actual 2001	50,250		
IV) FUTURE TRUE-UPS						
IV a) Calculation of the True-up Variance						
In Additions:						
Employee Benefit Plans - Accrued, Not Paid	3	0	DR/(CR)			
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 TAXREC	6	0				
Other additions "Material" Items TAXREC 2	6	0				
In Deductions - positive numbers						
Employee Benefit Plans - Paid Amounts	8	0				
Items Capitalized for Regulatory Purposes	9	0				
Regulatory Adjustments	10	0				
Interest Adjustment for tax purposes (See Below - cell E206)	11	0				
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				
Other deductions "Material" Items TAXREC	12	0				
Other deductions "Material" Item TAXREC 2	12	0				
Total TRUE-UPS before tax effect	26	=	0			

PILS TAXES - EB-2010- PILS DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate	M of F Filing Variance G-C	M of F Filing Variance Explanation	Tax Returns	
Utility Name: Brantford Power Inc. Reporting period: 2001		0				Version 2009.1	
Days in reporting period:		92	days			Column Brought From TAXREC \$	
Total days in the calendar year:		365	days				
			\$	\$			
Income Tax Rate (including surtax) from 2001 Utility's tax return		14		x	19.12%		
Income Tax Effect on True-up adjustments			=	0			
Less: Miscellaneous Tax Credits				0			
Total Income Tax on True-ups				0			
Income Tax Rate used for gross-up (exclude surtax)				39.50%			
TRUE-UP VARIANCE ADJUSTMENT				0			
IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	558,363			
REVISED CORPORATE INCOME TAX RATE			x	40.62%			
REVISED REGULATORY INCOME TAX			=	226,807			
Less: Revised Miscellaneous Tax Credits			-	0			
Total Revised Regulatory Income Tax			=	226,807			
Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C60)			-	226,807			
Regulatory Income Tax Variance			=	0			
<u>Ontario Capital Tax</u>							
Base			=	46,980,726			
Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
Revised deemed taxable capital			=	41,980,726			
Rate - Tab Tax Rates cell C54			x	0.3000%			
Revised Ontario Capital Tax			=	31,744			
Less: Ontario Capital Tax reported in the initial estimate column (Cell C72)			-	31,744			
Regulatory Ontario Capital Tax Variance			=	0			
<u>Federal LCT</u>							
Base				46,980,726			
Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
Revised Federal LCT			=	36,980,726			
Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
Gross Amount				20,973			
Less: Federal surtax			-	6,254			
Revised Net LCT			=	14,719			
Less: Federal LCT reported in the initial estimate column (Cell C84)			-	14,719			
Regulatory Federal LCT Variance			=	0			
Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%			
Income Tax (grossed-up)			+	0			
LCT (grossed-up)			+	0			
Ontario Capital Tax			+	0			
DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0			
TRUE-UP VARIANCE (from cell I132)			+	0			
Total Deferral Account Entry (Positive Entry = Debit) (Deferral Account Variance + True-up Variance)			=	0			
V) INTEREST PORTION OF TRUE-UP <u>Variance Caused By Phase-in of Deemed Debt</u>							
Total deemed interest (REGINFO)			1,703,051				
Interest phased-in (Cell C37)			141,921				
Variance due to phase-in of debt component of MARR in rates according to the Board's decision			1,561,130				
Other Interest Variances (i.e. Borrowing Levels <u>Above Deemed Debt per Rate Handbook</u>)							
Interest deducted on MoF filing (Cell G37+G42)			1,296,456				
Total deemed interest (REGINFO CELL D62)			1,703,051				
Variance caused by excess debt			0				
Interest Adjustment for Tax Purposes (carry forward to Cell E112)			0				
Total Interest Variance			1,561,130				

**PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC)**
(for "wires-only" business - see s. 72 OEB Act)

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
0			

Version 2009.1

Section A: Identification:

Utility Name: Brantford Power Inc.

Reporting period: 2001

Taxation Year's start date:

Taxation Year's end date:

Number of days in taxation year: 92 days

Please enter the Materiality Level :

14,802 < - enter materiality level

(0.25% x Rate Base x CER)

Y/N

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statements data:

Input unconsolidated financial statement data submitted with Tax returns.

The actual categories of the income statements should be used.

If required please change the descriptions except for amortization, interest expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+	19,163,063		19,163,063
Distribution Revenue	+			0
Other Income	+			0
Miscellaneous income	+	520,888		520,888
	+			0

Revenue should be entered above this line

Costs and Expenses:

Cost of energy purchased	-	18,522,843		18,522,843
Administration	-	502,304		502,304
Customer billing and collecting	-	0		0
Operations and maintenance	-	0		0
Amortization	-	460,154		460,154
Ontario Capital Tax	-			0
	-			0
	-			0
	-			0
	-			0

Net Income Before Interest & Income Taxes EBIT

Less: Interest expense for accounting purposes	-	198,650	0	198,650
Provision for payments in lieu of income taxes	-	537,438		537,438
	-			0

Net Income (loss)

(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.)

-338,788 0 -338,788

Section C: Reconciliation of accounting income to taxable income

From T2 Schedule 1

BOOK TO TAX ADDITIONS:

Provision for income tax	+	0	0	0
Federal large corporation tax	+			0
Depreciation & Amortization	+	460,154	0	460,154
Employee benefit plans-accrued, not paid	+	0	0	0
Tax reserves - beginning of year	+	0	0	0
Reserves from financial statements- end of year	+	0	0	0
Regulatory adjustments on which true-up may apply (see A66)	+			0
Items on which true-up does not apply "TAXREC 3"		0	0	0
Material addition items from TAXREC 2	+	0	0	0
Other addition items (not Material) from TAXREC 2	+	0	0	0
Subtotal		460,154	0	460,154

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0
Non-deductible meals and entertainment expense	+	2,408		2,408
Capital items expensed - Software expensed per F/S	+	0		0
	+			0
	+			0
	+			0
	+			0
Total Other Additions	=	2,408	0	2,408

Total Additions

= 462,562 0 462,562

Recap Material Additions:

		0	0	0
--	--	---	---	---

**PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC)**
(for "wires-only" business - see s. 72 OEB Act)

	LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
	0			Version 2009.1
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
<i>Total Other additions >materiality level</i>		0	0	0
Other additions (less than materiality level)		2,408	0	2,408
Total Other Additions		2,408	0	2,408

BOOK TO TAX DEDUCTIONS:

Capital cost allowance	-	629,949		629,949
Cumulative eligible capital deduction	-	23,179		23,179
Employee benefit plans-paid amounts	-			0
Items capitalized for regulatory purposes	-			0
Regulatory adjustments :	-			0
CCA	-			0
other deductions	-	0		0
Tax reserves - end of year	-	0	0	0
Reserves from financial statements- beginning of year	-	0	0	0
Contributions to deferred income plans	-			0
Contributions to pension plans	-			0
Items on which true-up does not apply "TAXREC 3"		2,913,529	0	2,913,529
Interest capitalized for accounting deducted for tax	-			0
Material deduction items from TAXREC 2	-	0	0	0
Other deduction items (not Material) from TAXREC 2	-	0	0	0

Subtotal

= 3,566,657 0 3,566,657

Other deductions (Please explain the nature of the deductions)

Charitable donations - tax basis

Gain on disposal of assets

-				0
-				0
-				0
-				0
-				0
-				0

Total Other Deductions

= 0 0 0

Total Deductions

= 3,566,657 0 3,566,657

Recap Material Deductions:

		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
<i>Total Other Deductions exceed materiality level</i>		0	0	0
Other Deductions less than materiality level		0	0	0
Total Other Deductions		0	0	0

TAXABLE INCOME

= -3,442,883 0 -3,442,883

DEDUCT:

Non-capital loss applied	-			0
Net capital loss applied	-			0
				0

NET TAXABLE INCOME

= (3,442,883) 0 (3,442,883)

FROM ACTUAL TAX RETURNS

Net Federal Income Tax (Must agree with tax return)	+	0		0
Net Ontario Income Tax (Must agree with tax return)	+	0		0
Subtotal	=	0	0	0
Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0
Total Income Tax	=	0	0	0

FROM ACTUAL TAX RETURNS

Net Federal Income Tax Rate (Must agree with tax return)	0.00%	0.00%
Net Ontario Income Tax Rate (Must agree with tax return)	12.50%	12.50%
Blended Income Tax Rate	12.50%	12.50%

Section F: Income and Capital Taxes

RECAP FROM ABOVE:

Total Income Taxes	+	0	0	0
Ontario Capital Tax	+	28,737		28,737
Federal Large Corporations Tax	+	21,513		21,513
Total income and capital taxes	=	50,250	0	50,250

**PILs TAXES - EB-2010-
Tax and Accounting Reserves**
For MoF Column of TAXCALC
(for "wires-only" business - see s. 72 OEB Act)

LINE

M of F
Corporate
Tax
Return

Non-wires
Eliminations

**Wires-only
Tax
Return**

0

Version 2009.1

Utility Name: Brantford Power Inc.
Reporting period: 2001

TAX RESERVES

Beginning of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Total (carry forward to the TAXREC worksheet)		0	0	0

End of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Insert line above this line				
Total (carry forward to the TAXREC worksheet)		0	0	0

FINANCIAL STATEMENT RESERVES

Beginning of Year:				
				0
				0
Environmental				0
Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Please describe				0
Other - Please describe				0
				0
Total (carry forward to the TAXREC worksheet)		0	0	0

End of Year:				
				0
				0
Environmental				0
Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Please describe				0
Other - Please describe				0
				0
Insert line above this line				
Total (carry forward to the TAXREC worksheet)		0	0	0

Shareholder-only Items should be shown on TAXREC 3

Version 2009.1

Materiality Level:

92
14,802

Add:

	+			0
Gain on sale of eligible capital property	+			0
Loss on disposal of assets	+			0
Charitable donations (Only if it benefits ratepayers)	+			0
Taxable capital gains	+			0
	+			0
Scientific research expenditures deducted per financial statements	+			0
Capitalized interest	+			0
Soft costs on construction and renovation of buildings	+			0
Capital items expensed	+			0
Debt issue expense	+			0
Financing fees deducted in books	+			0
Gain on settlement of debt	+			0
Interest paid on income debentures	+			0
Recapture of SR&ED expenditures	+			0
Share issue expense	+			0
Write down of capital property	+			0
Amounts received in respect of qualifying environment trust	+			0
	+			0
	+			0
	+			0
Other Additions: (please explain in detail the nature of the item)	+			0
	+			0
	+			0
	+			0
	+			0
	+			0
Total Additions	=	0	0	0

Recap of Material Additions:

[illegible]

Shareholder-only Items should be shown on TAXREC 3

M of F
Corporate
Tax
Return

Non-wires Eliminations

**Wires-only
Tax
Return**

Version 2009.1

Materiality Level:

92
14,802

		0	0	0
		0	0	0
Total Material additions		0	0	0
Other additions less than materiality level		0	0	0
Total Additions		0	0	0

Other income from financial statements

[illegible]

Total Deductions

Recap of Material Deductions:

Group of Material Deductions:					
		0	0	0	
		0	0	0	
		0	0	0	
		0	0	0	
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PILs TAXES - EB-2010-

TAX RETURN RECONCILIATION (TAXREC 3)

**Shareholder-only Items should be shown on TAXREC 3
ITEMS ON WHICH TRUE-UP DOES NOT APPLY**

(for "wires-only" business - see s. 72 OEB Act)

Utility Name: Brantford Power Inc.

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
0			Version 2009.1

Reporting period: 2001

Number of days in taxation year:

92

Section C: Reconciliation of accounting income to taxable income

Add:

Recapture of capital cost allowance	+			0
CCA adjustments	+			0
CEC adjustments	+			0
Gain on sale of non-utility eligible capital property	+			0
Gain on sale of utility eligible capital property	+			0
Loss from joint ventures or partnerships	+			0
Deemed dividend income	+			0
Loss in equity of subsidiaries and affiliates	+			0
Loss on disposal of utility assets	+			0
Loss on disposal of non-utility assets	+			0
Depreciation in inventory -end of year	+			0
Depreciation and amortization adjustments	+			0
Dividends credited to investment account	+			0
Non-deductible meals	+			0
Non-deductible club dues	+			0
Non-deductible automobile costs	+			0
Donations - amount per books	+			
Interest and penalties on unpaid taxes	+			
Management bonuses unpaid after 180 days of year end	+			
Ontario Capital Tax per books	+			
	+			0
Changes in Regulatory Asset balances	+			0
Imputed interest expense on Regulatory Assets	+			0
	+			0
<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0
Capital contributions - s.12(1)(x)	+			0
	+			0
	+			0
	+			0
Total Additions on which true-up does not apply	=	0	0	0

Deduct:

CCA adjustments	-			0
CEC adjustments	-			0
Depreciation and amortization adjustments	-			0
Gain on disposal of assets per financial statements	-	21,731		21,731
Financing fee amortization - considered to be interest expense for PILs	-			0
Imputed interest income on Regulatory Assets	-			0
Donations - amount deductible for tax purposes	-			0
Income from joint ventures or partnerships	-			0
	-			0
Ontario Capital Tax per tax return	-			0
	-			0
Changes in Regulatory Asset balances	-	2,891,798		2,891,798
	-			0
	-			0
	-			0
	-			0
	-			0
<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0
Capital contributions s.13(7.4) Election	-			0
	-			0
	-			0
	-			0
Total Deductions on which true-up does not apply	=	2,913,529	0	2,913,529

Table 1

Rates Used in 2002 RAM PILs Applications for 2001 Q4

Income Range RAM 2002	Year	0 to 50,000		50,000 to 175,000	>175,000
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 Expected Rates	Year	0 to 50,000		50,000 to 175,000	>175,000
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	Year	0 to 50,000		50,000 to 175,000	>175,000
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	4,757,230			
Federal Large Corporations Tax Exemption *	MAX \$10MM	7,912,447			

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

PILs TAXES - EB-2010-
Analysis of PILs Tax Account 1562:
Utility Name: Brantford Power Inc.
Reporting period: 2001
Version 2009.1
0
Sign Convention: + for increase; - for decrease

Year start:	8/1/2001	1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006	Total
Year end:	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	4/30/2006	
Opening balance:	= 0	0	0	0	0	0	0
Board-approved PILs tax proxy from Decisions (1)	+/-		0	0	0	0	0
PILs proxy from April 1, 2005 - input 9/12 of amount							0
True-up Variance	+/-						0
Adjustment Q4, 2001 (2)							0
True-up Variance	+/-						0
Adjustment (3)						0	0
Deferral Account Variance							0
Adjustment Q4, 2001 (4)							0
Deferral Account Variance	+/-						0
Adjustment (5)						0	0
Adjustments to reported prior years' variances (6)	+/-						0
Carrying charges (7)	+/-						0
PILs billed to (collected from) customers (8)	- 0						0
Ending balance: # 1562	0	0	0	0	0	0	0

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: 3

- (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
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 be 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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 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 trueed 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, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- (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.

**PILs TAXES - EB-2010-
REGULATORY INFORMATION (REGINFO)**
Utility Name: Brantford Power Inc.
Reporting period: 2002

Version 2009.1

Colour Code
Input Cell
Formula in Cell

Days in reporting period: 365 days
Total days in the calendar year: 365 days

BACKGROUND

Has the utility reviewed section 149(1) ITA to confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?

Y/N Y

Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?

Y/N N

Is the utility a non-profit corporation?

Y/N N

(If it is a non-profit corporation, please contact the Rates Manager at the OEB)

Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?

OCT Y/N N
LCT Y/N N

Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.

OCT 100%
LCT 100%

Accounting Year End

Date 12-31-2002

**MARR NO TAX CALCULATIONS
SHEET #7 FINAL RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)
USE BOARD-APPROVED AMOUNTS**

**Regulatory
Income**

Rate Base (wires-only)	46,980,726	
Common Equity Ratio (CER)	50.00%	
1-CER	50.00%	
Target Return On Equity	9.88%	
Debt rate	7.25%	
Market Adjusted Revenue Requirement	4,023,899	
1999 return from RUD Sheet #7	0	0
Total Incremental revenue	4,023,899	
Input: Board-approved dollar amounts phased-in		
Amount allowed in 2001	1,341,300	1,341,300
Amount allowed in 2002	1,341,300	1,341,300
Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)		0
Amount allowed in 2005 - Third tranche of MARR re: CDM		0
Other Board-approved changes to MARR or incremental revenue		0
Total Regulatory Income		2,682,600
Equity	23,490,363	
Return at target ROE	2,320,848	
Debt	23,490,363	
Deemed interest amount in 100% of MARR	1,703,051	
Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61	567,684	
Phase-in of interest - Year 2 (2002) ((D43+D47+D48)/D41)*D61	1,135,368	
Phase-in of interest - Year 3 (2003) and forward ((D43+D47+D48)/D41)*D61 (due to Bill 210)	1,135,368	
Phase-in of interest - 2005	1,703,051	

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1 Column Brought From TAXREC \$
Utility Name: Brantford Power Inc. Reporting period: 2002		0				
Days in reporting period:		365	days			
Total days in the calendar year:		365	days			
			\$	\$		
I) CORPORATE INCOME TAXES						
Regulatory Net Income REGINFO E53		1	2,682,600	2,180,141		4,862,741
BOOK TO TAX ADJUSTMENTS						
Additions:						
Depreciation & Amortization		2	2,600,455	-675,014		1,925,441
Employee Benefit Plans - Accrued, Not Paid		3		0		0
Tax reserves - beginning of year		4		0		0
Reserves from financial statements - end of year		4		337,623		337,623
Regulatory Adjustments - increase in income		5	363,368	-363,368		0
Other Additions (See Tab entitled "TAXREC")						
"Material" Items from "TAXREC" worksheet		6		0		0
Other Additions (not "Material") "TAXREC"		6		40,026		40,026
"Material" Items from "TAXREC 2" worksheet		6		0		0
Other Additions (not "Material") "TAXREC 2"		6		0		0
Items on which true-up does not apply "TAXREC 3"				2,361,134		2,361,134
Deductions: Input positive numbers						
Capital Cost Allowance and CEC		7	2,286,863	-357,448		1,929,415
Employee Benefit Plans - Paid Amounts		8		0		0
Items Capitalized for Regulatory Purposes		9		0		0
Regulatory Adjustments - deduction for tax purposes in Item 5		10	97,960	-97,960		0
Interest Expense Deemed/ Incurred		11	1,135,368	1,041,657		2,177,025
Tax reserves - end of year		4		0		0
Reserves from financial statements - beginning of year		4		261,905		261,905
Contributions to deferred income plans		3		0		0
Contributions to pension plans		3		0		0
Interest capitalized for accounting but deducted for tax		11		0		0
Other Deductions (See Tab entitled "TAXREC")						
"Material" Items from "TAXREC" worksheet		12		0		0
Other Deductions (not "Material") "TAXREC"		12		0		0
Material Items from "TAXREC 2" worksheet		12		0		0
Other Deductions (not "Material") "TAXREC 2"		12		0		0
Items on which true-up does not apply "TAXREC 3"				5,152,832		5,152,832
TAXABLE INCOME/ (LOSS)			2,126,232	(2,120,444)	Before loss C/F	5,788
BLENDED INCOME TAX RATE						
Tab Tax Rates - Regulatory from Table 1; Actual from Table 3		13	38.62%	0.0000%		38.62%
REGULATORY INCOME TAX			821,151	-727,274	Actual	93,877
Miscellaneous Tax Credits		14		0	Actual	0
Total Regulatory Income Tax			821,151	-727,274	Actual	93,877
II) CAPITAL TAXES						
Ontario						
Base		15	46,980,726	1,688,000		48,668,726
Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		16	5,000,000	-198,112		4,801,888
Taxable Capital			41,980,726	1,489,888		43,866,838
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3		17	0.3000%	0.0000%		0.3000%
Ontario Capital Tax			125,942	5,658	Overpaid	131,601
Federal Large Corporations Tax						
Base		18	46,980,726	4,535,472		51,516,198
Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		19	10,000,000	-1,780,648		8,219,352
Taxable Capital			36,980,726	2,754,824		43,296,846
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3		20	0.2250%	0.0000%		0.2250%
Gross Amount of LCT before surtax offset (Taxable Capital x Rate)			83,207	14,211		97,418
Less: Federal Surtax 1.12% x Taxable Income		21	23,814	-23,814		0
Net LCT			59,393	38,025		97,418

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1	
Utility Name: Brantford Power Inc. Reporting period: 2002		0					
Days in reporting period:		365	days				
Total days in the calendar year:		365	days				
			\$	\$		Column Brought From TAXREC \$	
III) INCLUSION IN RATES							
Income Tax Rate used for gross- up (exclude surtax)			37.50%				
Income Tax (proxy tax is grossed-up)		22	1,313,841		Actual 2002	93,877	
LCT (proxy tax is grossed-up)		23	95,029		Actual 2002	97,418	
Ontario Capital Tax (no gross-up since it is deductible)		24	125,942		Actual 2002	131,601	
Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION		25	1,534,812		Actual 2002	322,896	
IV) FUTURE TRUE-UPS							
IV a) Calculation of the True-up Variance				DR/(CR)			
In Additions:							
Employee Benefit Plans - Accrued, Not Paid		3		0			
Tax reserves deducted in prior year		4		0			
Reserves from financial statements-end of year		4		337,623			
Regulatory Adjustments		5		-363,368			
Other additions "Material" Items TAXREC		6		0			
Other additions "Material" Items TAXREC 2		6		0			
In Deductions - positive numbers							
Employee Benefit Plans - Paid Amounts		8		0			
Items Capitalized for Regulatory Purposes		9		0			
Regulatory Adjustments		10		-97,960			
Interest Adjustment for tax purposes (See Below - cell E206)		11		473,974			
Tax reserves claimed in current year		4		0			
Reserves from F/S beginning of year		4		261,905			
Contributions to deferred income plans		3		0			
Contributions to pension plans		3		0			
Other deductions "Material" Items TAXREC		12		0			
Other deductions "Material" Item TAXREC 2		12		0			
Total TRUE-UPS before tax effect		26		= -663,664			
Income Tax Rate (including surtax) from 2002 Utility's tax return				x 19.12%			
Income Tax Effect on True-up adjustments				= -126,892			
Less: Miscellaneous Tax Credits		14		0			
Total Income Tax on True-ups				-126,892			
Income Tax Rate used for gross-up (exclude surtax)				37.50%			
TRUE-UP VARIANCE ADJUSTMENT				(203,028)			
IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)				= 2,126,232			
REVISED CORPORATE INCOME TAX RATE				x 38.62%			
REVISED REGULATORY INCOME TAX				= 821,151			
Less: Revised Miscellaneous Tax Credits				- 0			
Total Revised Regulatory Income Tax				= 821,151			
Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)				- 821,151			
Regulatory Income Tax Variance				= 0			

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC) Utility Name: Brantford Power Inc. Reporting period: 2002	ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1	
					Column Brought From TAXREC \$	
Days in reporting period:	365	days				
Total days in the calendar year:	365	days				
		\$	\$			
Ontario Capital Tax						
Base			=	46,980,726		
Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000		
Revised deemed taxable capital			=	41,980,726		
Rate - Tab Tax Rates cell C54			x	0.3000%		
Revised Ontario Capital Tax			=	125,942		
Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	125,942		
Regulatory Ontario Capital Tax Variance			=	0		
Federal LCT						
Base				46,980,726		
Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000		
Revised Federal LCT			=	36,980,726		
Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%		
Gross Amount				83,207		
Less: Federal surtax			-	23,814		
Revised Net LCT			=	59,393		
Less: Federal LCT reported in the initial estimate column (Cell C82)			-	59,393		
Regulatory Federal LCT Variance			=	0		
Actual Income Tax Rate used for gross-up (exclude surtax)				18.00%		
Income Tax (grossed-up)			+	0		
LCT (grossed-up)			+	0		
Ontario Capital Tax			+	0		
DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	0		
TRUE-UP VARIANCE (from cell I130)			+	(203,028)		
Total Deferral Account Entry (Positive Entry = Debit) (Deferral Account Variance + True-up Variance)			=	(203,028)		
V) INTEREST PORTION OF TRUE-UP						
Variance Caused By Phase-in of Deemed Debt						
Total deemed interest (REGINFO)				1,703,051		
Interest phased-in (Cell C37)				1,135,368		
Variance due to phase-in of debt component of MARR in rates according to the Board's decision				567,684		
Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)						
Interest deducted on MoF filing (Cell G37+G42)				2,177,025		
Total deemed interest (REGINFO CELL D62)				1,703,051		
Variance caused by excess debt				473,974		
Interest Adjustment for Tax Purposes (carry forward to Cell E112)				473,974		
Total Interest Variance				93,710		

**PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC)**
(for "wires-only" business - see s. 72 OEB Act)

LINE **M of F** **Non-wires** **Wires-only**
Corporate **Eliminations** **Tax**
Tax **Return**
Return

0

Version 2009.1

Section A: Identification:

Utility Name: Brantford Power Inc.

Reporting period: 2002

Taxation Year's start date:

Taxation Year's end date:

Number of days in taxation year: 365 days

Please enter the Materiality Level :

(0.25% x Rate Base x CER)

Y/N

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statements data:

Input unconsolidated financial statement data submitted with Tax returns.

The actual categories of the income statements should be used.

If required please change the descriptions except for amortization, interest expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+	78,803,666		78,803,666
Distribution Revenue	+			0
Other Income	+			0
Miscellaneous income	+	1,079,652		1,079,652
	+			0

Revenue should be entered above this line

Costs and Expenses:

Cost of energy purchased	-	67,257,926		67,257,926
Administration	-	2,642,644		2,642,644
Customer billing and collecting	-			0
Operations and maintenance	-	3,194,566		3,194,566
Amortization	-	1,925,441		1,925,441
Ontario Capital Tax	-			0
Reg Assets	-			0
	-			0
	-			0
	-			0

Net Income Before Interest & Income Taxes EBIT

	=	4,862,741	0	4,862,741
Less: Interest expense for accounting purposes	-	2,177,025		2,177,025
Provision for payments in lieu of income taxes	-	83,550		83,550
	=	2,602,166	0	2,602,166

Net Income (loss)

(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.)

Section C: Reconciliation of accounting income to taxable income

From T2 Schedule 1

BOOK TO TAX ADDITIONS:

Provision for income tax	+	83,550	0	83,550
Federal large corporation tax	+			0
Depreciation & Amortization	+	1,925,441	0	1,925,441
Employee benefit plans-accrued, not paid	+			0
Tax reserves - beginning of year	+	0	0	0
Reserves from financial statements- end of year	+	337,623	0	337,623
Regulatory adjustments on which true-up may apply (see A66)	+			0
Items on which true-up does not apply "TAXREC 3"	+	2,361,134	0	2,361,134
Material addition items from TAXREC 2	+	0	0	0
Other addition items (not Material) from TAXREC 2	+	0	0	0
Subtotal		4,707,748	0	4,707,748

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0
Non-deductible meals and entertainment expense	+	3,166		3,166
Capital items expensed	+	36,860		36,860
DEPRECIATION DIFFERENCE	+			0
	+			0
	+			0
	+			0
Total Other Additions	=	40,026	0	40,026

Total Additions

= 4,747,774 0 4,747,774

Recap Material Additions:

		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
Total Other additions >materiality level		0	0	0

PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)

LINE M of F Non-wires Wires-only
Corporate Tax Eliminations Tax
Return
0 Return

Version 2009.1

BOOK TO TAX DEDUCTIONS:

Capital cost allowance	-	1,839,075		1,839,075
Cumulative eligible capital deduction	-	90,340		90,340
Employee benefit plans-paid amounts	-			0
Items capitalized for regulatory purposes	-			0
Regulatory adjustments :	-			0
CCA	-			0
other deductions	-			0
Tax reserves - end of year	-	0	0	0
Reserves from financial statements- beginning of year	-	261,905	0	261,905
Contributions to deferred income plans	-			0
Contributions to pension plans	-			0
Items on which true-up does not apply "TAXREC 3"	-	5,152,832	0	5,152,832
Interest capitalized for accounting deducted for tax	-			0
Material deduction items from TAXREC 2	-	0	0	0
Other deduction items (not Material) from TAXREC 2	-	0	0	0

Subtotal

= 7,344,152 0 7,344,152

Other deductions (Please explain the nature of the deductions)

Charitable donations - tax basis

Gain on disposal of assets

- 0
- 0
- 0
- 0
- 0
- 0

Total Other Deductions

= 0 0 0

Total Deductions

= 7,344,152 0 7,344,152

Recap Material Deductions:

		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
Total Other Deductions exceed materiality level		0	0	0
Other Deductions less than materiality level		0	0	0
Total Other Deductions		0	0	0

TAXABLE INCOME

= 5,788 0 5,788

DEDUCT:

Non-capital loss applied	-	5,788		5,788
Net capital loss applied	-			0
	-			0

NET TAXABLE INCOME

= 0 0 0

FROM ACTUAL TAX RETURNS

Net Federal Income Tax (Must agree with tax return)	+	0		0
Net Ontario Income Tax (Must agree with tax return)	+	93,877		93,877
Subtotal	=	93,877	0	93,877
Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0
Total Income Tax	=	93,877	0	93,877

FROM ACTUAL TAX RETURNS

Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%
Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%
Blended Income Tax Rate		38.62%	*****	38.62%

Section F: Income and Capital Taxes

RECAP

Total Income Taxes	+	93,877	0	93,877
Ontario Capital Tax	+	131,601		131,601
Federal Large Corporations Tax	+	97,418		97,418

Total income and capital taxes

= 322,896 0 322,896

**PILs TAXES - EB-2010-
Tax and Accounting Reserves**
For MoF Column of TAXCALC
(for "wires-only" business - see s. 72 OEB Act)

LINE

0

M of F
Corporate
Tax
Return

Non-wires
Eliminations

**Wires-only
Tax
Return**

Version 2009.1

Utility Name: Brantford Power Inc.
Reporting period: 2002

TAX RESERVES

Beginning of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Total (carry forward to the TAXREC worksheet)		0	0	0

End of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0

Insert line above this line

Total (carry forward to the TAXREC worksheet)		0	0	0
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FINANCIAL STATEMENT RESERVES

Beginning of Year:				
				0
				0
Environmental				0
Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Employee Future Benefits		261,905		261,905
Other - Please describe				0
				0
Total (carry forward to the TAXREC worksheet)		261,905	0	261,905

End of Year:				
				0
				0
Environmental				0
Other Liabilities (2405) - Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Employee Future Benefits		337,623		337,623
Other - Please describe				0
				0

Insert line above this line

Total (carry forward to the TAXREC worksheet)		337,623	0	337,623
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RATEPAYERS ONLY

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
Version 2009.1			

Reporting period: 2002

Number of days in taxation year:

Materiality Level:

365
58.726

Add:

	+	-	0
Gain on sale of eligible capital property	+		0
Loss on disposal of assets	+		0
Charitable donations (Only if it benefits ratepayers)	+		0
Taxable capital gains	+		0
	+		0
Scientific research expenditures deducted per financial statements	+		0
Capitalized interest	+		0
Soft costs on construction and renovation of buildings	+		0
Capital items expensed	+		0
Debt issue expense	+		0
Financing fees deducted in books	+		0
Gain on settlement of debt	+		0
Interest paid on income debentures	+		0
Recapture of SR&ED expenditures	+		0
Share issue expense	+		0
Write down of capital property	+		0
Amounts received in respect of qualifying environment trust	+		0
Provision for bad debts	+		0
	+		0
	+		0
	+		0
Other Additions: (please explain in detail the nature of the item)	+		0
	+		0
	+		0
	+		0
	+		0
	+		0
Total Additions	=	0	0

Recap of Material Additions:

Recap of Material Additions.					
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		0			

RATEPAYERS ONLY

RATEPAYERS ONLY

Shareholder-only Items should be shown on TAXREC 3

M of F
Corporate
Tax
Return

Non-wires
Eliminations

**Wires-only
Tax
Return**

Version 2009.1

Reporting period: 2002

Number of days in taxation year:

Materiality Level:

365

58,726

Deduct:

Gain on disposal of assets per f/s

Dividends not taxable under section 83

Terminal loss from Schedule 8

Depreciation in inventory, end of prior year

Scientific research expenses claimed in year from Form T661

Bad debts

Book income of joint venture or partnership

Equity in income from subsidiary or affiliates

Contributions to a qualifying environment trust

Other income from financial statements

OPEB Amounts Capitalized

Other deductions: (Please explain in detail the nature of the item)

Non-taxable load transfers

Prospectus & underwriting fees

Total Deductions

[illegible]

Recap of Material Deductions:

Recap of Material Deductions:					
		0	0	0	0
		0	0	0	0
		0	0	0	0
		0	0	0	0
		0	0	0	0
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		0	0	0	0
		0	0	0	0
		0	0	0	0
		0	0	0	0
		0	0	0	0
		0	0	0	0
		0	0	0	0
Total Deductions exceed materiality level		0	0	0	0
Other deductions less than materiality level		0	0	0	0
Total Deductions		0	0	0	0

PILs TAXES - EB-2010-

TAX RETURN RECONCILIATION (TAXREC 3)

**Shareholder-only Items should be shown on TAXREC 3
ITEMS ON WHICH TRUE-UP DOES NOT APPLY**

(for "wires-only" business - see s. 72 OEB Act)

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
0			Version 2009.1

Utility Name: Brantford Power Inc.

Reporting period: 2002

Number of days in taxation year:

365

Section C: Reconciliation of accounting income to taxable income

Add:

Recapture of capital cost allowance	+			0
CCA adjustments	+			0
CEC adjustments	+			0
Gain on sale of non-utility eligible capital property	+			0
Gain on sale of utility eligible capital property	+			0
Loss from joint ventures or partnerships	+			0
Deemed dividend income	+			0
Loss in equity of subsidiaries and affiliates	+			0
Loss on disposal of utility assets	+			0
Loss on disposal of non-utility assets	+			0
Depreciation in inventory -end of year	+			0
Depreciation and amortization adjustments	+			0
Dividends credited to investment account	+			0
Non-deductible meals	+			0
Non-deductible club dues	+			0
Non-deductible automobile costs	+			0
Donations - amount per books				0
Interest and penalties on unpaid taxes				0
Management bonuses unpaid after 180 days of year end				0
Imputed interest expense on Regulatory Assets				0
	+			0
Ontario capital tax adjustments	+			0
Changes in Regulatory Asset balances	+	2,358,235		2,358,235
	+			0
<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0
Partnership income per T5013 (net of 2001 loss)	+	2,899		2,899
	+			0
	+			
Total Additions on which true-up does not apply	=	2,361,134	0	2,361,134

Deduct:

CCA adjustments	-			0
CEC adjustments	-			0
Depreciation and amortization adjustments	-			0
Gain on disposal of assets per financial statements	-			0
Financing fee amortization - considered to be interest expense for PILs	-			0
Imputed interest income on Regulatory Assets	-			0
Donations - amount deductible for tax purposes	-			0
Income from joint ventures or partnerships	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
Ontario capital tax adjustments to current or prior year	-			0
	-			0
Changes in Regulatory Asset balances	-	5,152,832		5,152,832
	-			0
<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
Total Deductions on which true-up does not apply	=	5,152,832	0	5,152,832

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) and Ontario blended		13.12%		26.12%	26.12%
		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%
Ontario		6.00%		9.75%	12.50%
Blended rate		19.12%		31.87%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption *	MAX \$5MM	4,801,888			
Federal Large Corporations Tax Exemption *	MAX \$10MM	8,219,352			

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

Year start:	8/1/2001	1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006	Total
Year end:	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	4/30/2006	
Opening balance:	= 0	0	0	0	0	0	0
Board-approved PILs tax proxy from Decisions (1)	+/-		0	0	0	0	0
PILs proxy from April 1, 2005 - input 9/12 of amount							0
True-up Variance Adjustment Q4, 2001 (2)	+/-						0
True-up Variance Adjustment (3)	+/-						0
Deferral Account Variance Adjustment Q4, 2001 (4)							0
Deferral Account Variance Adjustment (5)	+/-					0	0
Adjustments to reported prior years' variances (6)	+/-						0
Carrying charges (7)	+/-						0
PILs billed to (collected from) customers (8)	- 0						0
Ending balance: # 1562	0	0	0	0	0	0	0

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. **ANSWER:** 3

- (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. 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 be 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 true'd up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 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 true'd up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
- (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 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, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- (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.

**PILs TAXES - EB-2010-
REGULATORY INFORMATION (REGINFO)**
Utility Name: Brantford Power Inc.
Reporting period: 2003

Version 2009.1

Colour Code
Input Cell
Formula in Cell

Days in reporting period: 365 days
Total days in the calendar year: 365 days

BACKGROUND

Has the utility reviewed section 149(1) ITA to confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?

Y/N Y

Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?

Y/N N

Is the utility a non-profit corporation?

Y/N N

(If it is a non-profit corporation, please contact the Rates Manager at the OEB)

Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?

OCT Y/N N
LCT Y/N N

Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.

OCT 100%
LCT 100%

Accounting Year End

Date 12-31-2003

**MARR NO TAX CALCULATIONS
SHEET #7 FINAL RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)
USE BOARD-APPROVED AMOUNTS**

**Regulatory
Income**

Rate Base (wires-only)	46,980,726	
Common Equity Ratio (CER)	50.00%	
1-CER	50.00%	
Target Return On Equity	9.88%	
Debt rate	7.25%	
Market Adjusted Revenue Requirement	4,023,899	
1999 return from RUD Sheet #7	0	0
Total Incremental revenue	4,023,899	
Input: Board-approved dollar amounts phased-in		
Amount allowed in 2001	1,341,300	1,341,300
Amount allowed in 2002	1,341,300	1,341,300
Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)		0
Amount allowed in 2005 - Third tranche of MARR re: CDM		0
Other Board-approved changes to MARR or incremental revenue		0
Total Regulatory Income		2,682,600
Equity	23,490,363	
Return at target ROE	2,320,848	
Debt	23,490,363	
Deemed interest amount in 100% of MARR	1,703,051	
Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61	567,684	
Phase-in of interest - Year 2 (2002) ((D43+D47+D48)/D41)*D61	1,135,368	
Phase-in of interest - Year 3 (2003) and forward ((D43+D47+D48)/D41)*D61 (due to Bill 210)	1,135,368	
Phase-in of interest - 2005	1,703,051	

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1 Column Brought From TAXREC \$
Utility Name: Brantford Power Inc. Reporting period: 2003		0				
Days in reporting period:		365	days			
Total days in the calendar year:		365	days			
			\$	\$		
II) CORPORATE INCOME TAXES						
Regulatory Net Income REGINFO E53		1	2,682,600	414,331		3,096,931
BOOK TO TAX ADJUSTMENTS						
Additions:						
Depreciation & Amortization		2	2,600,455	-630,485		1,969,970
Employee Benefit Plans - Accrued, Not Paid		3		0		0
Tax reserves - beginning of year		4		0		0
Reserves from financial statements - end of year		4		421,788		421,788
Regulatory Adjustments - increase in income		5	363,368	-363,368		0
Other Additions (See Tab entitled "TAXREC")						
"Material" Items from "TAXREC" worksheet		6		0		0
Other Additions (not "Material") "TAXREC"		6		5,009		5,009
"Material" Items from "TAXREC 2" worksheet		6		0		0
Other Additions (not "Material") "TAXREC 2"		6		0		0
Items on which true-up does not apply "TAXREC 3"				7,340,295		7,340,295
Deductions: Input positive numbers						
Capital Cost Allowance and CEC		7	2,286,863	-316,987		1,969,876
Employee Benefit Plans - Paid Amounts		8		0		0
Items Capitalized for Regulatory Purposes		9		0		0
Regulatory Adjustments - deduction for tax purposes in Item 5		10	97,960	-97,960		0
Interest Expense Deemed/ Incurred		11	1,135,368	1,041,657		2,177,025
Tax reserves - end of year		4		0		0
Reserves from financial statements - beginning of year		4		337,623		337,623
Contributions to deferred income plans		3		0		0
Contributions to pension plans		3		0		0
Interest capitalized for accounting but deducted for tax		11		0		0
Other Deductions (See Tab entitled "TAXREC")						
"Material" Items from "TAXREC" worksheet		12		0		0
Other Deductions (not "Material") "TAXREC"		12		0		0
Material Items from "TAXREC 2" worksheet		12		0		0
Other Deductions (not "Material") "TAXREC 2"		12		0		0
Items on which true-up does not apply "TAXREC 3"				6,494,664		6,494,664
TAXABLE INCOME/ (LOSS)			2,126,232	(271,427)	Before loss C/F	1,854,805
BLENDED INCOME TAX RATE						
Tab Tax Rates - Regulatory from Table 1; Actual from Table 3		13	38.62%	-2.0000%		36.62%
REGULATORY INCOME TAX			821,151	-784,355	Actual	36,796
Miscellaneous Tax Credits		14		0	Actual	0
Total Regulatory Income Tax			821,151	-784,355	Actual	36,796
III) CAPITAL TAXES						
Ontario						
Base		15	46,980,726	1,081,361		48,062,087
Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		16	5,000,000	-202,764		4,797,236
Taxable Capital			41,980,726	878,597		43,264,851
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3		17	0.3000%	0.0000%		0.3000%
Ontario Capital Tax			125,942	3,852		129,795
Federal Large Corporations Tax						
Base		18	46,980,726	5,368,070		52,348,796
Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		19	10,000,000	-1,735,128		8,264,872
Taxable Capital			36,980,726	3,632,942		44,083,924
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3		20	0.2250%	0.0000%		0.2250%
Gross Amount of LCT before surtax offset (Taxable Capital x Rate)			83,207	15,982		99,189
Less: Federal Surtax 1.12% x Taxable Income		21	23,814	-23,814		0
Net LCT			59,393	39,796		99,189

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1
Utility Name: Brantford Power Inc. Reporting period: 2003		0				
Days in reporting period:		365	days			Column Brought From TAXREC
Total days in the calendar year:		365	days			\$
			\$	\$		
III) INCLUSION IN RATES						
Income Tax Rate used for gross- up (exclude surtax)			37.50%			
Income Tax (proxy tax is grossed-up)		22	1,313,841		Actual 2003	36,796
LCT (proxy tax is grossed-up)		23	95,029		Actual 2003	99,189
Ontario Capital Tax (no gross-up since it is deductible)		24	125,942		Actual 2003	129,795
Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION		25	1,534,812		Actual 2003	265,780
IV) FUTURE TRUE-UPS						
IV a) Calculation of the True-up Variance				DR/(CR)		
In Additions:						
Employee Benefit Plans - Accrued, Not Paid		3		0		
Tax reserves deducted in prior year		4		0		
Reserves from financial statements-end of year		4		421,788		
Regulatory Adjustments		5		-363,368		
Other additions "Material" Items TAXREC		6		0		
Other additions "Material" Items TAXREC 2		6		0		
In Deductions - positive numbers						
Employee Benefit Plans - Paid Amounts		8		0		
Items Capitalized for Regulatory Purposes		9		0		
Regulatory Adjustments		10		-97,960		
Interest Adjustment for tax purposes (See Below - cell E206)		11		473,974		
Tax reserves claimed in current year		4		0		
Reserves from F/S beginning of year		4		337,623		
Contributions to deferred income plans		3		0		
Contributions to pension plans		3		0		
Other deductions "Material" Items TAXREC		12		0		
Other deductions "Material" Item TAXREC 2		12		0		
Total TRUE-UPS before tax effect		26	=	-655,217		
Income Tax Rate (including surtax) from 2003 Utility's tax return			x	36.62%		
Income Tax Effect on True-up adjustments			=	-239,940		
Less: Miscellaneous Tax Credits		14		0		
Total Income Tax on True-ups				-239,940		
Income Tax Rate used for gross-up (exclude surtax)				35.50%		
TRUE-UP VARIANCE ADJUSTMENT				(372,001)		
IV b) Calculation of the Deferral Account Variance caused by changes in legislation						
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	2,126,232		
REVISED CORPORATE INCOME TAX RATE			x	36.62%		
REVISED REGULATORY INCOME TAX			=	778,626		
Less: Revised Miscellaneous Tax Credits			-	0		
Total Revised Regulatory Income Tax			=	778,626		
Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	821,151		
Regulatory Income Tax Variance			=	(42,525)		

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC) Utility Name: Brantford Power Inc. Reporting period: 2003 Days in reporting period: Total days in the calendar year:	ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1	
					Column Brought From TAXREC \$	
0	365 days					
	365 days					
		\$	\$			
Ontario Capital Tax						
Base			=	46,980,726		
Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000		
Revised deemed taxable capital			=	41,980,726		
Rate - Tab Tax Rates cell C54			x	0.3000%		
Revised Ontario Capital Tax			=	125,942		
Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	125,942		
Regulatory Ontario Capital Tax Variance			=	0		
Federal LCT						
Base				46,980,726		
Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000		
Revised Federal LCT			=	36,980,726		
Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%		
Gross Amount				83,207		
Less: Federal surtax			-	23,814		
Revised Net LCT			=	59,393		
Less: Federal LCT reported in the initial estimate column (Cell C82)			-	59,393		
Regulatory Federal LCT Variance			=	0		
Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%		
Income Tax (grossed-up)			+	(65,930)		
LCT (grossed-up)			+	0		
Ontario Capital Tax			+	0		
DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(65,930)		
TRUE-UP VARIANCE (from cell I132)			+	(372,001)		
Total Deferral Account Entry (Positive Entry = Debit) (Deferral Account Variance + True-up Variance)			=	(437,930)		
V) INTEREST PORTION OF TRUE-UP						
Variance Caused By Phase-in of Deemed Debt						
Total deemed interest (REGINFO)				1,703,051		
Interest phased-in (Cell C37)				1,135,368		
Variance due to phase-in of debt component of MARR in rates according to the Board's decision				567,684		
Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)						
Interest deducted on MoF filing (Cell G37+G42)				2,177,025		
Total deemed interest (REGINFO CELL D62)				1,703,051		
Variance caused by excess debt				473,974		
Interest Adjustment for Tax Purposes (carry forward to Cell E112)				473,974		
Total Interest Variance				93,710		

PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
0			

Version 2009.1

Section A: Identification:

Utility Name: Brantford Power Inc.

Reporting period: 2003

Taxation Year's start date:

Taxation Year's end date:

Number of days in taxation year: 365 days

Please enter the Materiality Level :

58,726 < - enter materiality level

(0.25% x Rate Base x CER)

Y/N

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statements data:

Input unconsolidated financial statement data submitted with Tax returns.

The actual categories of the income statements should be used.

If required please change the descriptions except for amortization, interest expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+			0
Distribution Revenue	+	73,449,133		73,449,133
Other Income	+	944,277		944,277
Miscellaneous income	+			0
	+			0

Revenue should be entered above this line

Costs and Expenses:

Cost of energy purchased	-	62,453,328		62,453,328
Administration	-	3,837,749		3,837,749
Customer billing and collecting	-			0
Operations and maintenance	-	3,035,432		3,035,432
Amortization	-	1,969,970		1,969,970
Ontario Capital Tax	-			0
Reg Asset movement	-			0
	-			0
	-			0
	-			0

Net Income Before Interest & Income Taxes EBIT

= 3,096,931 0 3,096,931

Less: Interest expense for accounting purposes

- 2,177,025 0 2,177,025

Provision for payments in lieu of income taxes

- 384,845 0 384,845

Net Income (loss)

= 535,061 0 535,061

(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.)

Section C: Reconciliation of accounting income to taxable income

From T2 Schedule 1

BOOK TO TAX ADDITIONS:

Provision for income tax	+	384,845	0	384,845
Federal large corporation tax	+			0
Depreciation & Amortization	+	1,969,970	0	1,969,970
Employee benefit plans-accrued, not paid	+		0	0
Tax reserves - beginning of year	+	0	0	0
Reserves from financial statements- end of year	+	421,788	0	421,788
Regulatory adjustments on which true-up may apply (see A66)	+			0
Items on which true-up does not apply "TAXREC 3"	+	7,340,295	0	7,340,295
Material addition items from TAXREC 2	+	0	0	0
Other addition items (not Material) from TAXREC 2	+	0	0	0
Subtotal		10,116,898	0	10,116,898

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0
Non-deductible meals and entertainment expense	+	5,009		5,009
Capital items expensed	+			0
	+			0
	+			0
	+			0
Total Other Additions	=	5,009	0	5,009

Total Additions

= 10,121,907 0 10,121,907

Recap Material Additions:		0	0	0
		0	0	0
		0	0	0

PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)

LINE M of F Non-wires Wires-only
Corporate Tax Eliminations Tax
Return Return

0

Version 2009.1

		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
Total Other additions >materiality level		0	0	0
Other additions (less than materiality level)		5,009	0	5,009
Total Other Additions		5,009	0	5,009

BOOK TO TAX DEDUCTIONS:

Capital cost allowance	-	1,885,860		1,885,860
Cumulative eligible capital deduction	-	84,016		84,016
Employee benefit plans-paid amounts	-			0
Items capitalized for regulatory purposes	-			0
Regulatory adjustments :	-			0
CCA	-			0
other deductions	-			0
Tax reserves - end of year	-	0	0	0
Reserves from financial statements- beginning of year	-	337,623	0	337,623
Contributions to deferred income plans	-			0
Contributions to pension plans	-			0
Items on which true-up does not apply "TAXREC 3"		6,494,664	0	6,494,664
Interest capitalized for accounting deducted for tax	-			0
Material deduction items from TAXREC 2	-	0	0	0
Other deduction items (not Material) from TAXREC 2	-	0	0	0
Subtotal	=	8,802,163	0	8,802,163
Other deductions (Please explain the nature of the deductions)				
Charitable donations - tax basis	-			0
Gain on disposal of assets	-			0
	-			0
	-			0
	-			0
	-			0
Total Other Deductions	=	0	0	0
Total Deductions	=	8,802,163	0	8,802,163

Recap Material Deductions:				
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
Total Other Deductions exceed materiality level		0	0	0
Other Deductions less than materiality level		0	0	0
Total Other Deductions		0	0	0

TAXABLE INCOME	=	1,854,805	0	1,854,805
DEDUCT:				
Non-capital loss applied	-	1,854,805		1,854,805
Net capital loss applied	-			0
				0
NET TAXABLE INCOME	=	0	0	0

FROM ACTUAL TAX RETURNS

Net Federal Income Tax (Must agree with tax return)	+	0		0
Net Ontario Income Tax (Must agree with tax return)	+	36,796		36,796
Subtotal	=	36,796	0	36,796
Less: Miscellaneous tax credits (Must agree with tax returns)	-			0
Total Income Tax	=	36,796	0	36,796

FROM ACTUAL TAX RETURNS

Net Federal Income Tax Rate (Must agree with tax return)		24.12%		24.12%
Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%
Blended Income Tax Rate		36.62%		36.62%

Section F: Income and Capital Taxes

RECAP

Total Income Taxes	+	36,796	0	36,796
Ontario Capital Tax	+	129,795		129,795
Federal Large Corporations Tax	+	99,189		99,189
Total income and capital taxes	=	265,780	0	265,780

PILs TAXES - EB-2010-
Tax and Accounting Reserves
For MoF Column of TAXCALC
(for "wires-only" business - see s. 72 OEB Act)

LINE

M of F
Corporate
Tax
Return

Non-wires
Eliminations

**Wires-only
Tax
Return**

0

Version 2009.1

Utility Name: Brantford Power Inc.
Reporting period: 2003

TAX RESERVES

Beginning of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Total (carry forward to the TAXREC worksheet)		0	0	0

End of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Insert line above this line				
Total (carry forward to the TAXREC worksheet)		0	0	0

FINANCIAL STATEMENT RESERVES

Beginning of Year:				
				0
				0
Environmental				0
Other Liabilities (2405) - Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Employee Future Benefits		337,623		337,623
Other - Please describe				0
				0
Total (carry forward to the TAXREC worksheet)		337,623	0	337,623

End of Year:				
				0
				0
Environmental				0
Other Liabilities (2405) - Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Employee Future Benefits		421,788		421,788
Other - Please describe				0
				0
Insert line above this line				
Total (carry forward to the TAXREC worksheet)		421,788	0	421,788

M of F
Corporate
Tax
Return

**Wires-only
Tax
Return**

Reporting period: 2003

365

	58,726
--	--------

Add:

+			0
---	--	--	---

+			0
---	--	--	---

+			0
---	--	--	---

+			0
---	--	--	---

+			0

+			0
			0

+			0
			0

+			0
-			0

+			0
+			0

+			0
+			0

			9
+			0

+			0
---	--	--	---

+			0
---	--	--	---

+			0
---	--	--	---

+			0
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+			0
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+			0

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			0

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-			0

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-			0

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+			

[illegible]

PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC 2)
(for "wires-only" business - see s. 72 OEB Act)
RATEPAYERS ONLY
Shareholder-only Items should be shown on TAXREC 3

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
------	--------------------------------------	---------------------------	-----------------------------

Version 2009.1

Utility Name: Brantford Power Inc.
Reporting period: 2003
Number of days in taxation year:
Materiality Level:

365
58,726

		0	0	0
		0	0	0
Total Material additions		0	0	0
Other additions less than materiality level		0	0	0
Total Additions		0	0	0

Deduct:				
Gain on disposal of assets per f/s	-			0
Dividends not taxable under section 83	-			0
Terminal loss from Schedule 8	-			0
Depreciation in inventory, end of prior year	-			0
Scientific research expenses claimed in year from Form T661	-			0
Bad debts	-			0
Book income of joint venture or partnership	-			0
Equity in income from subsidiary or affiliates	-			0
Contributions to a qualifying environment trust	-			0
Other income from financial statements	-			0
	-			0
	-			0
	-			0
Other deductions: (Please explain in detail the nature of the item)	-			0
Non-taxable load transfers	-	0		0
	-			0
	-			0
Total Deductions	=	0	0	0

Recap of Material Deductions:

		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
Total Deductions exceed materiality level		0	0	0
Other deductions less than materiality level		0	0	0
Total Deductions		0	0	0

PILs TAXES - EB-2010-

TAX RETURN RECONCILIATION (TAXREC 3)

**Shareholder-only Items should be shown on TAXREC 3
ITEMS ON WHICH TRUE-UP DOES NOT APPLY**

(for "wires-only" business - see s. 72 OEB Act)

Utility Name: Brantford Power Inc.

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
0			Version 2009.1

Reporting period: 2003

Number of days in taxation year:

365

Section C: Reconciliation of accounting income to taxable income

Add:

Recapture of capital cost allowance	+			0
CCA adjustments	+			0
CEC adjustments	+			0
Gain on sale of non-utility eligible capital property	+			0
Gain on sale of utility eligible capital property	+			0
Loss from joint ventures or partnerships	+			0
Deemed dividend income	+			0
Loss in equity of subsidiaries and affiliates	+			0
Loss on disposal of utility assets	+			0
Loss on disposal of non-utility assets	+			0
Depreciation in inventory -end of year	+			0
Depreciation and amortization adjustments	+			0
Dividends credited to investment account	+			0
Non-deductible meals	+			0
Non-deductible club dues	+			0
Non-deductible automobile costs	+			0
Donations - amount per books		0		0
Interest and penalties on unpaid taxes				0
Management bonuses unpaid after 180 days of year end				0
Imputed interest expense on Regulatory Assets				0
	+			0
Ontario capital tax adjustments	+			0
Changes in Regulatory Asset balances	+	7,329,553		7,329,553
	+			0
<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0
Partnership income per T5013 (net of 2001 loss)	+	10,742		10,742
Amortization of debt discount	+			0
Regulatory assets contra	+			0
Total Additions on which true-up does not apply	=	7,340,295	0	7,340,295

Deduct:

CCA adjustments	-			0
CEC adjustments	-			0
Depreciation and amortization adjustments	-			0
Gain on disposal of assets per financial statements	-	15,000		15,000
Financing fee amortization - considered to be interest expense for PILs	-			0
Imputed interest income on Regulatory Assets	-			0
Donations - amount deductible for tax purposes	-			0
Income from joint ventures or partnerships	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
Ontario capital tax adjustments to current or prior year	-			0
	-			0
Changes in Regulatory Asset balances	-	6,479,664		6,479,664
	-			0
<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0
	-			0
	-			0
	-			0
	-			0
	-			0
Total Deductions on which true-up does not apply	=	6,494,664	0	6,494,664

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%
Ontario		6.00%		0.00%	12.50%
Blended rate		19.12%		0.00%	36.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption *	MAX \$5MM	4,797,236			
Federal Large Corporations Tax Exemption *	MAX \$10MM	8,264,872			

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

Sign Convention: + for increase; - for decrease

Year start:	10/1/2001	1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006	
Year end:	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	4/30/2006	Total
Opening balance:	=						
	0	0	0	0	0	0	0
Board-approved PILs tax proxy from Decisions (1)	+/-		0	0	0	0	0
PILs proxy from April 1, 2005 - input 9/12 of amount							0
True-up Variance Adjustment Q4, 2001 (2)	+/-						0
True-up Variance Adjustment (3)	+/-						0
Deferral Account Variance Adjustment Q4, 2001 (4)							0
Deferral Account Variance Adjustment (5)	+/-						0
Adjustments to reported prior years' variances (6)	+/-						0
Carrying charges (7)	+/-						0
PILs billed to (collected from) customers (8)	-	0					0
Ending balance: # 1562	0	0	0	0	0	0	0

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. **ANSWER:** 3

- (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. 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 be 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 true'd up in 2002, 2003 and for the period January 1 - March 31, 2004. Input the variance in the whole year reconciliation.
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 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 true'd up in 2002, 2003 and for the period January 1 - March 31, 2004. Input the deferral variance in the whole year reconciliation.
- (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 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, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
- (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
- In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
- In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- (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.

PILs TAXES - EB-2010-
REGULATORY INFORMATION (REGINFO)
Utility Name: Brantford Power Inc.
Reporting period: 2004

Version 2009.1

Days in reporting period: 366 days
Total days in the calendar year: 366 days

Colour Code

Input Cell

Formula in Cell

BACKGROUND

Has the utility reviewed section 149(1) ITA to confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?

Y/N Y

Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?

Y/N N

Is the utility a non-profit corporation?

Y/N N

(If it is a non-profit corporation, please contact the Rates Manager at the OEB)

Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?

OCT Y/N Y

LCT Y/N Y

Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.

OCT 100%

LCT 100%

Accounting Year End

Date 12-31-2004

MARR NO TAX CALCULATIONS
SHEET #7 FINAL RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)
USE BOARD-APPROVED AMOUNTS

**Regulatory
Income**

Rate Base (wires-only)	46,980,726	
Common Equity Ratio (CER)	50.00%	
1-CER	50.00%	
Target Return On Equity	9.88%	
Debt rate	7.25%	
Market Adjusted Revenue Requirement	4,023,899	
1999 return from RUD Sheet #7	0	0
Total Incremental revenue	4,023,899	
Input: Board-approved dollar amounts phased-in		
Amount allowed in 2001	1,341,300	1,341,300
Amount allowed in 2002	1,341,300	1,341,300
Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)		0
Amount allowed in 2005 - Third tranche of MARR re: CDM		0
Other Board-approved changes to MARR or incremental revenue		0
Total Regulatory Income		2,682,600
Equity	23,490,363	
Return at target ROE	2,320,848	
Debt	23,490,363	
Deemed interest amount in 100% of MARR	1,703,051	
Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61	567,684	
Phase-in of interest - Year 2 (2002) ((D43+D47+D48)/D41)*D61	1,135,368	
Phase-in of interest - Year 3 (2003) and forward ((D43+D47+D48)/D41)*D61 (due to Bill 210)	1,135,368	
Phase-in of interest - 2005	1,703,051	

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate		M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1 Column Brought From TAXREC \$
Utility Name: Brantford Power Inc. Reporting period: 2004		0					
Days in reporting period:		366	days				
Total days in the calendar year:		366	days				
			\$		\$		
II) CORPORATE INCOME TAXES							
Regulatory Net Income REGINFO E53		1	2,682,600		-72,023		2,610,577
BOOK TO TAX ADJUSTMENTS							
Additions:							
Depreciation & Amortization		2	2,600,455		-442,478		2,157,977
Employee Benefit Plans - Accrued, Not Paid		3			0		0
Tax reserves - beginning of year		4			0		0
Reserves from financial statements - end of year		4			474,521		474,521
Regulatory Adjustments - increase in income		5	197,353		-197,353		0
Other Additions (See Tab entitled "TAXREC")							
"Material" Items from "TAXREC" worksheet		6			0		0
Other Additions (not "Material") "TAXREC"		6			3,340		3,340
"Material Items from "TAXREC 2" worksheet		6			0		0
Other Additions (not "Material") "TAXREC 2"		6			0		0
Items on which true-up does not apply "TAXREC 3"					8,892,055		8,892,055
Deductions: Input positive numbers							
Capital Cost Allowance and CEC		7	2,286,863		-309,149		1,977,714
Employee Benefit Plans - Paid Amounts		8			0		0
Items Capitalized for Regulatory Purposes		9			0		0
Regulatory Adjustments - deduction for tax purposes in Item 5		10	97,960		-97,960		0
Interest Expense Deemed/ Incurred		11	1,135,368		1,041,657		2,177,025
Tax reserves - end of year		4			0		0
Reserves from financial statements - beginning of year		4			421,788		421,788
Contributions to deferred income plans		3			0		0
Contributions to pension plans		3			0		0
Interest capitalized for accounting but deducted for tax		11			0		0
Other Deductions (See Tab entitled "TAXREC")							
"Material" Items from "TAXREC" worksheet		12			0		0
Other Deductions (not "Material") "TAXREC"		12			0		0
Material Items from "TAXREC 2" worksheet		12			0		0
Other Deductions (not "Material") "TAXREC 2"		12			0		0
Items on which true-up does not apply "TAXREC 3"					8,379,187		8,379,187
TAXABLE INCOME/ (LOSS)			1,960,217		(777,461)	Before loss C/F	1,182,756
BLENDED INCOME TAX RATE							
Tab Tax Rates - Regulatory from Table 1; Actual from Table 3		13	38.62%		-37.1703%		1.45%
REGULATORY INCOME TAX			757,036		-739,889	Actual	17,147
Miscellaneous Tax Credits		14			0	Actual	0
Total Regulatory Income Tax			757,036		-739,889	Actual	17,147
III) CAPITAL TAXES							
Ontario							
Base		15	46,980,726		2,290,961		49,271,687
Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		16	5,000,000		-206,360		4,793,640
Taxable Capital			41,980,726		2,084,601		44,478,047
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3		17	0.3000%		0.0000%		0.3000%
Ontario Capital Tax			125,942		7,492		133,434
Federal Large Corporations Tax							
Base		18	46,980,726		5,811,277		52,792,003
Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		19	10,000,000		38,227,844		48,227,844
Taxable Capital			36,980,726		44,039,121		4,564,159
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3		20	0.2250%		-0.0250%		0.2000%
Gross Amount of LCT before surtax offset (Taxable Capital x Rate)			83,207		-74,078		9,128
Less: Federal Surtax 1.12% x Taxable Income		21	21,954		-21,954		0
Net LCT			61,252		-52,124		9,128
III) INCLUSION IN RATES							
Income Tax Rate used for gross- up (exclude surtax)			37.50%				
Income Tax (proxy tax is grossed-up)		22	1,211,257			Actual 2004	17,147
LCT (proxy tax is grossed-up)		23	98,004			Actual 2004	9,128
Ontario Capital Tax (no gross-up since it is deductible)		24	125,942			Actual 2004	133,434
Total PILs for Rate Adjustment -- MUST AGREE WITH 2002 RAM DECISION		25	1,435,203			Actual 2004	159,709
IV) FUTURE TRUE-UPS							
IV a) Calculation of the True-up Variance					DR/(CR)		
In Additions:							
Employee Benefit Plans - Accrued, Not Paid		3			0		
Tax reserves deducted in prior year		4			0		
Reserves from financial statements-end of year		4			474,521		
Regulatory Adjustments		5			-197,353		
Other additions "Material" Items TAXREC		6			0		
Other additions "Material" Items TAXREC 2		6			0		
In Deductions - positive numbers							
Employee Benefit Plans - Paid Amounts		8			0		
Items Capitalized for Regulatory Purposes		9			0		
Regulatory Adjustments		10			-97,960		
Interest Adjustment for tax purposes (See Below - cell E206)		11			473,974		
Tax reserves claimed in current year		4			0		
Reserves from F/S beginning of year		4			421,788		
Contributions to deferred income plans		3			0		
Contributions to pension plans		3			0		
Other deductions "Material" Items TAXREC		12			0		
Other deductions "Material" Item TAXREC 2		12			0		
Total TRUE-UPS before tax effect		26		=	-520,634		

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate		M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1
Utility Name: Brantford Power Inc. Reporting period: 2004		0					
Days in reporting period:		366	days				Column Brought From TAXREC \$
Total days in the calendar year:		366	days				
			\$		\$		
Income Tax Rate (including surtax) from 2004 Utility's tax return				x	36.06%		
Income Tax Effect on True-up adjustments				=	-187,741		
Less: Miscellaneous Tax Credits		14			0		
Total Income Tax on True-ups					-187,741		
Income Tax Rate used for gross-up (exclude surtax)					35.00%		
TRUE-UP VARIANCE ADJUSTMENT					(288,832)		
IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)				=	1,960,217		
REVISED CORPORATE INCOME TAX RATE				x	36.12%		
REVISED REGULATORY INCOME TAX				=	708,030		
Less: Revised Miscellaneous Tax Credits				-	0		
Total Revised Regulatory Income Tax				=	708,030		
Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)				-	757,036		
Regulatory Income Tax Variance				=	(49,005)		
Ontario Capital Tax				=	46,980,726		
Less: Exemption from tab Tax Rates, Table 2, cell C39				-	5,000,000		
Revised deemed taxable capital				=	41,980,726		
Rate - Tab Tax Rates cell C54				x	0.3000%		
Revised Ontario Capital Tax				=	125,942		
Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)				-	125,942		
Regulatory Ontario Capital Tax Variance				=	0		
Federal LCT							
Base				-	46,980,726		
Less: Exemption from tab Tax Rates, Table 2, cell C40				-	50,000,000		
Revised Federal LCT				=	(3,019,274)		
Rate (as a result of legislative changes) tab 'Tax Rates' cell C51					0.2000%		
Gross Amount					0		
Less: Federal surtax				-	0		
Revised Net LCT				=	0		
Less: Federal LCT reported in the initial estimate column (Cell C82)				-	61,252		
Regulatory Federal LCT Variance				=	(61,252)		
Actual Income Tax Rate used for gross-up (exclude surtax)					34.94%		
Income Tax (grossed-up)				+	(75,323)		
LCT (grossed-up)				+	(98,004)		
Ontario Capital Tax				+	0		
DEFERRAL ACCOUNT VARIANCE ADJUSTMENT				=	(173,327)		
TRUE-UP VARIANCE (from cell I132)				+	(288,832)		
Total Deferral Account Entry (Positive Entry = Debit) (Deferral Account Variance + True-up Variance)				=	(462,159)		
V) INTEREST PORTION OF TRUE-UP Variance Caused By Phase-in of Deemed Debt							
Total deemed interest (REGINFO)					1,703,051		
Interest phased-in (Cell C37)					1,135,368		
Variance due to phase-in of debt component of MARR in rates according to the Board's decision					567,684		
Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)							
Interest deducted on MoF filing (Cell G37+G42)					2,177,025		
Total deemed interest (REGINFO CELL D62)					1,703,051		
Variance caused by excess debt					473,974		
Interest Adjustment for Tax Purposes (carry forward to Cell E112)					473,974		
Total Interest Variance					93,710		

PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)

LINE	M of F	Non-wires	Wires-only
	Corporate	Eliminations	Tax
	Tax		Return
0	Return		

Version 2009.1

Section A: Identification:

Utility Name: Brantford Power Inc.

Reporting period: 2004

Taxation Year's start date:

Taxation Year's end date:

Number of days in taxation year: 366 days

Please enter the Materiality Level :

58,726 < - enter materiality level

(0.25% x Rate Base x CER)

Y/N

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statements data:

Input unconsolidated financial statement data submitted with Tax returns.

The actual categories of the income statements should be used.

If required please change the descriptions except for amortization, interest expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+	75,827,384		75,827,384
Distribution Revenue	+			0
Other Income	+	1,016,565		1,016,565
Miscellaneous income	+			0
	+			0

Revenue should be entered above this line

Costs and Expenses:

Cost of energy purchased	-	64,497,368		64,497,368
Administration	-	3,680,049		3,680,049
Customer billing and collecting	-			0
Operations and maintenance	-	3,897,978		3,897,978
Amortization	-	2,157,977		2,157,977
Ontario Capital Tax	-			0
Recovery of regulatory assets - expense	-			0
	-			0
	-			0
	-			0

Net Income Before Interest & Income Taxes EBIT

= 2,610,577 0 2,610,577

Less: Interest expense for accounting purposes

- 2,177,025 2,177,025

Provision for payments in lieu of income taxes

- 32,000 32,000

Net Income (loss)

= 401,552 0 401,552

(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.)

Section C: Reconciliation of accounting income to taxable income

From T2 Schedule 1

BOOK TO TAX ADDITIONS:

Provision for income tax	+	32,000	0	32,000
Federal large corporation tax	+	0		0
Depreciation & Amortization	+	2,157,977	0	2,157,977
Employee benefit plans-accrued, not paid	+		0	0
Tax reserves - beginning of year	+	0	0	0
Reserves from financial statements- end of year	+	474,521	0	474,521
Regulatory adjustments on which true-up may apply (see A66)	+			0
Items on which true-up does not apply "TAXREC 3"		8,892,055	0	8,892,055
Material addition items from TAXREC 2	+	0	0	0
Other addition items (not Material) from TAXREC 2	+	0	0	0
Subtotal		11,556,553	0	11,556,553

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0
Non-deductible meals and entertainment expense	+	3,340		3,340
Capital items expensed - Computer equipment expensed for book	+			0
	+			0
	+			0
	+			0
	+			0
Total Other Additions	=	3,340	0	3,340

Total Additions

= 11,559,893 0 11,559,893

Recap Material Additions:

		0	0	0
		0	0	0

**PILs TAXES - EB-2010-
Tax and Accounting Reserves**
For MoF Column of TAXCALC
(for "wires-only" business - see s. 72 OEB Act)

LINE

M of F
Corporate
Tax
Return

Non-wires
Eliminations

**Wires-only
Tax
Return**

0

Version 2009.1

Utility Name: Brantford Power Inc.
Reporting period: 2004

TAX RESERVES

Beginning of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Total (carry forward to the TAXREC worksheet)		0	0	0

End of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Insert line above this line				
Total (carry forward to the TAXREC worksheet)		0	0	0

FINANCIAL STATEMENT RESERVES

Beginning of Year:				
				0
				0
Environmental				0
Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Employee Future Benefits		421,788		421,788
Other - Please describe				0
				0
Total (carry forward to the TAXREC worksheet)		421,788	0	421,788

End of Year:				
				0
Legal Claim				0
Environmental				0
Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Employee Future Benefits		474,521		474,521
Other - Please describe				0
				0
Insert line above this line				
Total (carry forward to the TAXREC worksheet)		474,521	0	474,521

Shareholder-only Items should be shown on TAXREC 3

Version 2009.1

Materiality Level:

366
58,726

Add:

	+			0
Gain on sale of eligible capital property	+			0
Loss on disposal of assets	+			0
Charitable donations (Only if it benefits ratepayers)	+			0
Taxable capital gains	+			0
	+			0
Scientific research expenditures deducted per financial statements	+			0
Capitalized interest	+			0
Soft costs on construction and renovation of buildings	+			0
Capital items expensed	+			0
Debt issue expense	+			0
Financing fees deducted in books	+			0
Gain on settlement of debt	+			0
Interest paid on income debentures	+			0
Recapture of SR&ED expenditures	+			0
Share issue expense	+			0
Write down of capital property	+			0
Amounts received in respect of qualifying environment trust	+			0
Provision for bad debts	+			0
	+			0
	+			0
	+			0
Other Additions: (please explain in detail the nature of the item)	+			0
	+			0
	+			0
	+			0
	+			0
	+			0
Total Additions	=	0	0	0

Recap of Material Additions:

[illegible]

		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
		0	0	0
Total Deductions exceed materiality level		0	0	0
Other deductions less than materiality level		0	0	0
Total Deductions		0	0	0

PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC 3)

Shareholder-only Items should be shown on TAXREC 3
ITEMS ON WHICH TRUE-UP DOES NOT APPLY

(for "wires-only" business - see s. 72 OEB Act)

Utility Name: Brantford Power Inc.

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
0			Version 2009.1

Reporting period: 2004

Number of days in taxation year:

366

Section C: Reconciliation of accounting income to taxable income

Add:

Recapture of capital cost allowance	+			0
CCA adjustments	+			0
CEC adjustments	+			0
Gain on sale of non-utility eligible capital property	+			0
Gain on sale of utility eligible capital property	+			0
Loss from joint ventures or partnerships	+			0
Deemed dividend income	+			0
Loss in equity of subsidiaries and affiliates	+			0
Loss on disposal of utility assets	+			0
Loss on disposal of non-utility assets	+			0
Depreciation in inventory -end of year	+			0
Depreciation and amortization adjustments	+			0
Dividends credited to investment account	+			0
Non-deductible meals	+			0
Non-deductible club dues	+			0
Non-deductible automobile costs	+			0
Donations - amount per books				0
Interest and penalties on unpaid taxes				0
Management bonuses unpaid after 180 days of year end				0
Ontario capital tax adjustments				0
	+			0
Changes in Regulatory Asset balances	+	8,887,185		8,887,185
Imputed interest expense on Regulatory Assets	+			0
	+			0
<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0
	+			0
	+			0
Partnership income		4,870		
Ontario specified tax credits	+			
Total Additions on which true-up does not apply	=	8,892,055	0	8,887,185

Deduct:

CCA adjustments	-			0
CEC adjustments	-			0
Depreciation and amortization adjustments	-			0
Gain on disposal of assets per financial statements	-	58,694		58,694
Financing fee amortization - considered to be interest expense for PILs	-			0
Imputed interest income on Regulatory Assets	-			0
Donations - amount deductible for tax purposes	-			0
Income from joint ventures or partnerships	-			0
	-			0
Ontario capital tax adjustments to current or prior year	-			0
	-			0
Changes in Regulatory Asset balances	-	8,320,493		8,320,493
	-			0
Assessment Notice	-			0
	-			0
	-			0
	-			0
<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0
	-			0
	-			0
	-			0
Total Deductions on which true-up does not apply	=	8,379,187	0	8,379,187

PILs TAXES - EB-2010-
Corporate Tax Rates
Exemptions, Deductions, or Thresholds

Utility Name: Brantford Power Inc.

Reporting period: 2004

Version 2009.1

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%
Ontario		5.50%	5.50%	13.77%	14.00%
Blended rate		18.62%	27.62%	36.06%	36.12%
Capital Tax Rate		0.300%			
LCT rate		0.200%			
Surtax		1.12%			
Ontario Capital Tax Exemption *	MAX \$5MM	4,793,640			
Federal Large Corporations Tax Exemption *	MAX \$50MM	48,227,844			

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

Year start:	10/1/2001	1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006	Total
Year end:	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	4/30/2006	
Opening balance:	=						
	0	0	0	0	0	0	0
Board-approved PILs tax proxy from Decisions (1)	+/-		0	0	0	0	0
PILs proxy from April 1, 2005 - input 9/12 of amount							0
True-up Variance Adjustment Q4, 2001 (2)	+/-						0
True-up Variance Adjustment (3)	+/-					-288,832	-288,832
Deferral Account Variance Adjustment Q4, 2001 (4)							0
Deferral Account Variance Adjustment (5)	+/-					-173,327	-173,327
Adjustments to reported prior years' variances (6)	+/-						0
Carrying charges (7)	+/-						0
PILs billed to (collected from) customers (8)	-	0					0
Ending balance: # 1562	0	0	0	0	0	-462,159	-462,159

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 be 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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 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 trueed 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, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
- (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
- In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
- In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- (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.

**PILs TAXES - EB-2010-
REGULATORY INFORMATION (REGINFO)**
Utility Name: Brantford Power Inc.
Reporting period: 2005

Version 2009.1

Colour Code

Input Cell

Formula in Cell

Days in reporting period: 365 days
Total days in the calendar year: 365 days

BACKGROUND

Has the utility reviewed section 149(1) ITA to confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?

Y/N Y

Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?

Y/N N

Is the utility a non-profit corporation?

Y/N N

(If it is a non-profit corporation, please contact the Rates Manager at the OEB)

Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?

OCT Y/N N

LCT Y/N N

Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.

OCT 100%

LCT 100%

Accounting Year End

Date 12-31-2005

**MARR NO TAX CALCULATIONS
SHEET #7 FINAL RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)
USE BOARD-APPROVED AMOUNTS**

**Regulatory
Income**

Rate Base (wires-only)	46,980,726	
Common Equity Ratio (CER)	50.00%	
1-CER	50.00%	
Target Return On Equity	9.88%	
Debt rate	7.25%	
Market Adjusted Revenue Requirement	4,023,899	
1999 return from RUD Sheet #7	0	0
Total Incremental revenue	4,023,899	
Input: Board-approved dollar amounts phased-in		
Amount allowed in 2001	1,341,300	1,341,300
Amount allowed in 2002	1,341,300	1,341,300
Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)	0	0
Amount allowed in 2005 - Third tranche of MARR re: CDM	1,341,300	1,341,300
Other Board-approved changes to MARR or incremental revenue	143,900	143,900
	0	0
Total Regulatory Income		4,167,800
Equity	23,490,363	
Return at target ROE	2,320,848	
Debt	23,490,363	
Deemed interest amount in 100% of MARR	1,703,051	
Phase-in of interest - Year 1 (2001) ((D43+D47)/D41)*D61	567,684	
Phase-in of interest - Year 2 (2002) ((D43+D47+D48)/D41)*D61	1,135,368	
Phase-in of interest - Year 3 (2003) and forward ((D43+D47+D48)/D41)*D61 (due to Bill 210)	1,135,368	
Phase-in of interest - 2005	1,703,051	

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1
Utility Name: Brantford Power Inc. Reporting period: 2005		0				Column Brought From TAXREC \$
Days in reporting period:		365	days			
Total days in the calendar year:		365	days			
			\$	\$		
II) CORPORATE INCOME TAXES						
Regulatory Net Income REGINFO E53		1	4,167,800	47,439		4,215,239
BOOK TO TAX ADJUSTMENTS						
Additions:						
Depreciation & Amortization		2	2,600,455	-102,755		2,497,700
Employee Benefit Plans - Accrued, Not Paid		3		0		0
Tax reserves - beginning of year		4		0		0
Reserves from financial statements - end of year		4		821,850		821,850
Regulatory Adjustments - increase in income		5		0		0
Other Additions (See Tab entitled "TAXREC")						
"Material" Items from "TAXREC" worksheet		6		0		0
Other Additions (not "Material") "TAXREC"		6		5,748		5,748
"Material" Items from "TAXREC 2" worksheet		6		0		0
Other Additions (not "Material") "TAXREC 2"		6		0		0
Items on which true-up does not apply "TAXREC 3"				10,074,133		10,074,133
Deductions: Input positive numbers						
Capital Cost Allowance and CEC		7	2,286,863	80,153		2,367,016
Employee Benefit Plans - Paid Amounts		8		0		0
Items Capitalized for Regulatory Purposes		9	0	0		0
Regulatory Adjustments - deduction for tax purposes in Item 5		10		0		0
Interest Expense Deemed/ Incurred		11	1,703,051	473,974		2,177,025
Tax reserves - end of year		4		0		0
Reserves from financial statements - beginning of year		4		474,521		474,521
Contributions to deferred income plans		3		0		0
Contributions to pension plans		3		0		0
Interest capitalized for accounting but deducted for tax		11		0		0
Other Deductions (See Tab entitled "TAXREC")						
"Material" Items from "TAXREC" worksheet		12		0		0
Other Deductions (not "Material") "TAXREC"		12		0		0
Material Items from "TAXREC 2" worksheet		12		0		0
Other Deductions (not "Material") "TAXREC 2"		12		0		0
C&DM 2005 Incremental OM&A expenses per C&DM Plan			265,000			
Items on which true-up does not apply "TAXREC 3"				9,895,189		9,895,189
TAXABLE INCOME/ (LOSS)			2,513,341	(77,422)		2,700,919
BLENDED INCOME TAX RATE						
Tab Tax Rates - Regulatory from Table 1; Actual from Table 3		13	36.12%	-10.8161%		25.30%
REGULATORY INCOME TAX			907,819	-224,380	Actual	683,439
Miscellaneous Tax Credits		14		0	Actual	0
Total Regulatory Income Tax			907,819	-224,380	Actual	683,439
III) CAPITAL TAXES						
Ontario						
Base		15	46,980,726	8,890,957		55,871,683
Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		16	6,195,000	1,004,055		7,199,055
Taxable Capital			40,785,726	9,895,012		48,672,628
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3		17	0.3000%	0.0000%		0.3000%
Ontario Capital Tax			122,357	23,661		146,018
Federal Large Corporations Tax						
Base		18	46,980,726	13,472,091		60,452,817
Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		19	41,300,000	6,799,683		48,099,683
Taxable Capital			5,680,726	20,271,774		12,353,134
Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3		20	0.1750%	0.0000%		0.1750%
Gross Amount of LCT before surtax offset (Taxable Capital x Rate)			9,941	11,677		21,618
Less: Federal Surtax 1.12% x Taxable Income		21	28,149	-6,531		21,618
Net LCT			0	18,208		0

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)		ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1	
Utility Name: Brantford Power Inc. Reporting period: 2005		0					
Days in reporting period:		365	days				
Total days in the calendar year:		365	days				
			\$	\$		Column Brought From TAXREC \$	
<u>III) INCLUSION IN RATES</u>							
Income Tax Rate used for gross- up (exclude surtax)			36.12%				
Income Tax (proxy tax is grossed-up)		22	1,421,132		Actual 2005	683,439	
LCT (proxy tax is grossed-up)		23	0		Actual 2005	0	
Ontario Capital Tax (no gross-up since it is deductible)		24	122,357		Actual 2005	146,018	
Total PILs for Rate Adjustment -- MUST AGREE WITH 2005 RAM DECISION		25	1,543,489		Actual 2005	829,457	
<u>IV) FUTURE TRUE-UPS</u>							
IV a) Calculation of the True-up Variance				DR/(CR)			
In Additions:							
Employee Benefit Plans - Accrued, Not Paid		3		0			
Tax reserves deducted in prior year		4		0			
Reserves from financial statements-end of year		4		821,850			
Regulatory Adjustments		5		0			
Other additions "Material" Items TAXREC		6		0			
Other additions "Material" Items TAXREC 2		6		0			
In Deductions - positive numbers							
Employee Benefit Plans - Paid Amounts		8		0			
Items Capitalized for Regulatory Purposes		9		0			
Regulatory Adjustments		10		0			
Interest Adjustment for tax purposes (See Below - cell E207)		11		473,974			
Tax reserves claimed in current year		4		0			
Reserves from F/S beginning of year		4		474,521			
Contributions to deferred income plans		3		0			
Contributions to pension plans		3		0			
Other deductions "Material" Items TAXREC		12		0			
Other deductions "Material" Item TAXREC 2		12		0			
Total TRUE-UPS before tax effect		26		= -126,645			
Income Tax Rate (including surtax) from 2005 Utility's tax return				x 36.12%			
Income Tax Effect on True-up adjustments				= -45,744			
Less: Miscellaneous Tax Credits		14		0			
Total Income Tax on True-ups				-45,744			
Income Tax Rate used for gross-up (exclude surtax)				35.00%			
TRUE-UP VARIANCE ADJUSTMENT				(70,375)			
IV b) Calculation of the Deferral Account Variance caused by changes in legislation							
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)				= 2,513,341			
REVISED CORPORATE INCOME TAX RATE				x 36.12%			
REVISED REGULATORY INCOME TAX				= 907,819			
Less: Revised Miscellaneous Tax Credits				- 0			
Total Revised Regulatory Income Tax				= 907,819			
Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)				- 907,819			
Regulatory Income Tax Variance				= 0			

PILs TAXES - EB-2010- PILs DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC) Utility Name: Brantford Power Inc. Reporting period: 2005	ITEM	Initial Estimate	M of F Filing Variance K-C	M of F Filing Variance Explanation	Tax Returns Version 2009.1	
					Column Brought From TAXREC \$	
Days in reporting period:	365	days				
Total days in the calendar year:	365	days				
		\$	\$			
<u>Ontario Capital Tax</u>						
Base			=	46,980,726		
Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000		
Revised deemed taxable capital			=	39,480,726		
Rate - Tab Tax Rates cell C54			x	0.3000%		
Revised Ontario Capital Tax			=	118,442		
Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	122,357		
Regulatory Ontario Capital Tax Variance			=	(3,915)		
<u>Federal LCT</u>						
Base				46,980,726		
Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000		
Revised Federal LCT			=	(3,019,274)		
Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.1750%		
Gross Amount				0		
Less: Federal surtax			-	0		
Revised Net LCT			=	0		
Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0		
Regulatory Federal LCT Variance			=	0		
Actual Income Tax Rate used for gross-up (exclude surtax)				35.00%		
Income Tax (grossed-up)			+	0		
LCT (grossed-up)			+	0		
Ontario Capital Tax			+	(3,915)		
DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(3,915)		
TRUE-UP VARIANCE (from cell I132)			+	(70,375)		
Total Deferral Account Entry (Positive Entry = Debit) (Deferral Account Variance + True-up Variance)			=	(74,290)		
V) INTEREST PORTION OF TRUE-UP						
<u>Variance Caused By Phase-in of Deemed Debt</u>						
Total deemed interest (REGINFO)				1,703,051		
Interest phased-in (Cell C37)				1,703,051		
Variance due to phase-in of debt component of MARR in rates according to the Board's decision				0		
<u>Other Interest Variances (i.e. Borrowing Levels Above Deemed Debt per Rate Handbook)</u>						
Interest deducted on MoF filing (Cell G37+G42)				2,177,025		
Total deemed interest (REGINFO CELL D62)				1,703,051		
Variance caused by excess debt				473,974		
Interest Adjustment for Tax Purposes (carry forward to Cell E113)				473,974		
Total Interest Variance				-473,974		

PILs TAXES - EB-2010-
TAX RETURN RECONCILIATION (TAXREC)
(for "wires-only" business - see s. 72 OEB Act)

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
0			

Version 2009.1

Section A: Identification:

Utility Name: Brantford Power Inc.

Reporting period: 2005

Taxation Year's start date:

Taxation Year's end date:

Number of days in taxation year: 365 days

Please enter the Materiality Level :

(0.25% x Rate Base x CER)

Y/N

(0.25% x Net Assets)

Y/N

Or other measure (please provide the basis of the amount)

Y/N

Does the utility carry on non-wires related operation?

Y/N

(Please complete the questionnaire in the Background questionnaire worksheet.)

Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K

Section B: Financial statements data:

Input unconsolidated financial statement data submitted with Tax returns.

The actual categories of the income statements should be used.

If required please change the descriptions except for amortization, interest expense and provision for income tax

Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.

Income:

Energy Sales	+	91,924,315		91,924,315
Distribution Revenue	+			0
Other Income	+	868,279		868,279
Miscellaneous income	+			0
	+			0

Revenue should be entered above this line

Costs and Expenses:

Cost of energy purchased	-	78,083,275		78,083,275
Administration	-	2,504,491		2,504,491
Customer billing and collecting	-			0
Operations and maintenance	-	5,491,889		5,491,889
Amortization	-	2,497,700		2,497,700
Ontario Capital Tax	-			0
Capitalized	-			0
Recovery of Regulatory Assets	-			0
	-			0
	-			0

Net Income Before Interest & Income Taxes EBIT

Less: Interest expense for accounting purposes

Provision for payments in lieu of income taxes

Net Income (loss)

(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.)

Section C: Reconciliation of accounting income to taxable income

From T2 Schedule 1

BOOK TO TAX ADDITIONS:

Provision for income tax	+	650,513	0	650,513
Federal large corporation tax	+	0		0
Depreciation & Amortization	+	2,497,700	0	2,497,700
Employee benefit plans-accrued, not paid	+		0	0
Tax reserves - beginning of year	+	0	0	0
Reserves from financial statements- end of year	+	821,850	0	821,850
Regulatory adjustments on which true-up may apply (see A66)	+			0
Items on which true-up does not apply "TAXREC 3"		10,074,133	0	10,074,133
Material addition items from TAXREC 2	+	0	0	0
Other addition items (not Material) from TAXREC 2	+	0	0	0
Subtotal		14,044,196	0	14,044,196

Other Additions: (Please explain the nature of the additions)

Recapture of CCA	+			0
Non-deductible meals and entertainment expense	+	5,748		5,748
Capital items expensed - Computer equipment expensed for book	+			0
	+			0
	+			0
	+			0
Total Other Additions	=	5,748	0	5,748

Total Additions = 14,049,944 0 14,049,944

Recap Material Additions:

0 0 0

PILs TAXES - EB-2010-
Tax and Accounting Reserves
For MoF Column of TAXCALC
(for "wires-only" business - see s. 72 OEB Act)

LINE

M of F
Corporate
Tax
Return

Non-wires
Eliminations

**Wires-only
Tax
Return**

0

Version 2009.1

Utility Name: Brantford Power Inc.
Reporting period: 2005

TAX RESERVES

Beginning of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)				0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Total (carry forward to the TAXREC worksheet)		0	0	0

End of Year:				
				0
Reserve for doubtful accounts ss. 20(1)(l)		0		0
Reserve for goods & services ss.20(1)(m)				0
Reserve for unpaid amounts ss.20(1)(n)				0
Debt and share issue expenses ss.20(1)(e)				0
Other - Please describe				0
Other - Please describe				0
				0
				0
Insert line above this line				
Total (carry forward to the TAXREC worksheet)		0	0	0

FINANCIAL STATEMENT RESERVES

Beginning of Year:				
				0
Legal claim provision				0
Environmental				0
Allowance for doubtful accounts				0
Inventory obsolescence				0
Property taxes				0
Other - Employee Future Benefits		474,521		474,521
Other - Please describe				0
				0
Total (carry forward to the TAXREC worksheet)		474,521	0	474,521

End of Year:				
				0
Legal claim provision				0
Environmental				0
Allowance for doubtful accounts		330,000		330,000
Inventory obsolescence				0
Property taxes				0
Other - Employee Future Benefits		491,850		491,850
Other - Please describe				0
				0
Insert line above this line				
Total (carry forward to the TAXREC worksheet)		821,850	0	821,850

RATEPAYERS ONLY

M of F
Corporate
Tax
Return

**Wires-only
Tax
Return**

Version 2009.1

Reporting period: 2005

Number of days in taxation year:

Materiality Level:

365

58,726

Add:

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RATEPAYERS ONLY**RATEPAYERS ONLY**

Shareholder-only Items should be shown on TAXREC 3

Shareholder-only Items should be shown on TAXREC 3

Version 2009.1

Reporting period: 2005

Reporting period: 2005

365

58,726

		0	0	0
Total Material additions		0	0	0
Other additions less than materiality level		0	0	0
Total Additions		0	0	0

Gain on disposal of assets per f/s

-		0
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-		0
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-			0
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-			0
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		0	0	0
		0	0	0
		0	0	0
Total Deductions exceed materiality level		0	0	0
Other deductions less than materiality level		0	0	0
Total Deductions		0	0	0

PILs TAXES - EB-2010-

TAX RETURN RECONCILIATION (TAXREC 3)

**Shareholder-only Items should be shown on TAXREC 3
ITEMS ON WHICH TRUE-UP DOES NOT APPLY**

(for "wires-only" business - see s. 72 OEB Act)

Utility Name: Brantford Power Inc.

LINE	M of F Corporate Tax Return	Non-wires Eliminations	Wires-only Tax Return
0			Version 2009.1

Reporting period: 2005

Number of days in taxation year:

365

Section C: Reconciliation of accounting income to taxable income

Add:

Recapture of capital cost allowance	+			0
CCA adjustments	+			0
CEC adjustments	+			0
Gain on sale of non-utility eligible capital property	+			0
Gain on sale of utility eligible capital property	+			0
Loss from joint ventures or partnerships	+			0
Deemed dividend income	+			0
Loss in equity of subsidiaries and affiliates	+			0
Loss on disposal of utility assets	+			0
Loss on disposal of non-utility assets	+			0
Depreciation in inventory -end of year	+			0
Depreciation and amortization adjustments	+			0
Dividends credited to investment account	+			0
Non-deductible meals	+			0
Non-deductible club dues	+			0
Non-deductible automobile costs	+			0
Donations - amount per books				0
Interest and penalties on unpaid taxes				0
Management bonuses unpaid after 180 days of year end				0
Ontario capital tax adjustments				0
	+			0
Changes in Regulatory Asset balances	+	10,074,133		10,074,133
Imputed interest expense on Regulatory Assets	+			0
	+			0
<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0
Amortization of debt discount	+			0
Bill 4 deferred revenue	+			0
Depreciation expensed via OM&A	+			0
Total Additions on which true-up does not apply	=	10,074,133	0	10,074,133

Deduct:

CCA adjustments	-			0
CEC adjustments	-			0
Depreciation and amortization adjustments	-			0
Gain on disposal of assets per financial statements	-			0
Financing fee amortization - considered to be interest expense for PILs	-			0
Imputed interest income on Regulatory Assets	-			0
Donations - amount deductible for tax purposes	-			0
Income from joint ventures or partnerships	-	1,342		1,342
	-			0
Ontario capital tax adjustments to current or prior year	-			0
	-			0
Changes in Regulatory Asset balances	-	9,893,847		9,893,847
	-			0
	-			0
	-			0
	-			0
	-			0
<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0
Prospectus & underwriting fees	-			0
RSVA	-			0
Bill 4 deferred revenue	-			0
Deferred cost deductible (market ready)	-			0
Removal costs for West Drive	-			0
Total Deductions on which true-up does not apply	=	9,895,189	0	9,895,189

Table 1

Rates Used in 2005 RAM PILs Applications for 2005

Income Range RAM 2005	Year	0 to 400,000		400,001 to 1,128,000	>1,128,000
Income Tax Rate					
Proxy Tax Year	2005				
Federal (Includes surtax)		13.12%		17.75%	22.12%
and Ontario blended		5.50%		9.75%	14.00%
Blended rate		18.62%		27.50%	36.12%
Capital Tax Rate		0.300%			
LCT rate		0.175%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX \$7.5MM	6,195,000			
Federal Large Corporations Tax Exemption **	MAX \$50MM	41,300,000			

****Exemption amounts must agree with the Board-approved 2005 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005

Income Range Expected Rates	Year	0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000
Income Tax Rate					
Current year	2005				
Federal (Includes surtax)	2005	13.12%	22.12%	22.12%	22.12%
Ontario	2005	5.50%	5.50%	9.75%	14.00%
Blended rate	2005	18.62%	27.62%	31.87%	36.12%
Capital Tax Rate	2005	0.300%			
LCT rate	2005	0.200%			
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	Year	0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000
Income Tax Rate					
Current year	2005				
Federal (Includes surtax)		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		0.175%			
Surtax		1.12%			
Ontario Capital Tax Exemption *	MAX \$7.5MM	7,199,055			
Federal Large Corporations Tax Exemption *	MAX \$50MM	48,099,683			

*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**

Year start:	8/1/2001	1/1/2002	1/1/2003	1/1/2004	1/1/2005	1/1/2006	Total
Year end:	12/31/2001	12/31/2002	12/31/2003	12/31/2004	12/31/2005	4/30/2006	
Opening balance:	= 0	0	0	0	0	0	0
Board-approved PILs tax proxy from Decisions (1)	+/-		0	0	0		0
PILs proxy from April 1, 2005 - input 9/12 of amount							0
True-up Variance	+/-						
Adjustment Q4, 2001 (2)			0				0
True-up Variance	+/-						
Adjustment (3)		0					0
Deferral Account Variance							
Adjustment Q4, 2001 (4)					0		0
Deferral Account Variance	+/-						
Adjustment (5)		0					0
Adjustments to reported prior years' variances (6)	+/-						0
Carrying charges (7)	+/-						0
PILs billed to (collected from) customers (8)	- 0						0
Ending balance: # 1562	0	0	0	0	0	0	0

Uncollected PILs

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. **ANSWER:**

- (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. If the Board gave more than one decision in the year, calculate a weighted average proxy.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
 - (iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M - The 2005 PILs tax proxy will be 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 trueed up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.
- (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell 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 trueed 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, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.

In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
- (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.