



Renfrew Hydro Inc.  
29 Bridge Avenue W.  
Renfrew, ON  
K7V 3K3

January 23, 2012

Ms. Kirstin Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27th Floor  
Toronto, ON M4P 1E4

**Re: Reply Submission EB-2011-0195**

Dear Ms. Walli:

Please find enclosed Renfrew Hydro Inc.'s reply submission with respect to Renfrew Hydro's application for new rates under Third Generation Incentive Regulation Mechanism, effective May 1, 2012.

This document is being filed pursuant to the Board's e-Filing Services.

Yours Truly,

A handwritten signature in black ink that reads "J. Thomas Freemark". The signature is written in a cursive, slightly slanted style.

Tom Freemark  
President

# Reply Submission

## ***Introduction***

Renfrew Hydro Inc. (“Renfrew Hydro”) filed an application (the “Application”) with the Ontario Energy Board (the “Board”) on September 22, 2011, under section 78 of the Ontario Energy Board Act, 1998, seeking approval for changes to the distribution rates that Renfrew Hydro Inc. charges for electricity distribution, to be effective May 1, 2012. The Application is based on the 2011 3<sup>rd</sup> Generation Incentive Regulation Mechanism.

The purpose of this document is to reply to Board staffs submission dated January 13, 2012.

Board staff made detailed submissions on the following matters:

- Disposition of Account 1521 – SPC Variance;
- Account 1562 – Deferred Payments in Lieu of Taxes (“PILs”);
- Disposition Period of Deferral and Variance Account Balances and;
- Lost Revenue Adjustment Mechanism (“LRAM”).

## ***Disposition of Account 1521 – SPC Variance***

In the Board staff submission Board staff requested that Renfrew Hydro clarify three items in order to provide the Board with all information needed to make a decision on the disposition of account 1521. Renfrew Hydro will address these requests.

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1 First, Board staff requested Renfrew Hydro to distinguish between the amounts  
 2 recovered in 2010 and those recovered 2011. Renfrew Hydro presents the following  
 3 table to clarify this issue.

4

SPC Assessment (Principal balance)	Amount recovered from customers in 2010	Carrying Charges for 2010	December 31, 2010 Year End Principal Balance	December 31, 2010 Year End Carrying Charges Balance	Amount recovered from customers in 2011	Carrying Charges for 2011	Forecasted December 31, 2011 Year End Principal Balance	Forecasted December 31, 2011	Forecasted	Total for Disposition (Principal & Interest)
								Year End Carrying Charges Balance	Carrying Charges for 2012 (Jan. 1 to Apr. 30)	
\$38,812	\$16,838	\$138	\$19,974	\$138	\$20,491	\$69	-\$518	\$207	-\$3	-\$311

5

6

7 Second, Board staff requested that Renfrew Hydro confirm that it did not recover any  
 8 amounts past April 30, 2011. Renfrew Hydro confirms it did collect amounts past April  
 9 30, 2011 which are accounted for in the table above.

10

11 Third, Board staff noted that Renfrew Hydro did not enter any amounts for projected  
 12 interest from January 1, 2012 to April 30, 2012 for account 1521 on the  
 13 deferral/variance account continuity schedule. Renfrew Hydro hereby confirms that the  
 14 total balance of 1521 applied for (\$311) includes projected carrying charges to April 30,  
 15 2012 which are accounted for in the table above.

16

17 Renfrew Hydro is hereby requesting to dispose of the remaining credit balance of \$311  
 18 in 1521 which includes carrying charges over a 4 year period consistent with Renfrew  
 19 Hydro's proposed disposition period for the Group 1 accounts.

20

21 **Account 1562 – Deferred Payments in Lieu of Taxes (“PILs”)**

22 Board staff made detailed submissions on the following matters with respect to Account  
 23 1562:

24

1       • *CDM Incremental OM&A Expenses*

2  
3 Board staff submitted that Renfrew Hydro adopted an asymmetrical true-up approach  
4 with respect to CDM expenses incurred in its 2005 net income and that the treatment  
5 was deemed inappropriate. Board staff suggested that Renfrew Hydro select one of two  
6 options and file a revised 2005 SIMPIL model and PILs continuity schedule: Renfrew  
7 Hydro has reviewed Board staffs concerns and concurs with Board staff on the  
8 treatment. Therefore Renfrew Hydro has chosen Board staffs proposed option 1  
9 (Record the 2005 actual CDM expense of \$11,685 in 2005 SIMPIL model TAXCALC  
10 sheet row 44 cell G44 on the same row as the CDM proxy amount).

11  
12 Renfrew Hydro will file a revised 2005 SIMPIL model and PILs continuity schedule with  
13 this submission.

14  
15       • *Interest Expense*

16  
17 Board staff submitted that to be consistent with the Hydro One Brampton decision on  
18 disposition of PILS account balances (EB-2011-0174), the interest on customer  
19 deposits and on regulatory assets and liabilities should be excluded from the interest  
20 expense used for calculation of the excess interest true-up calculations. Board staff  
21 submitted that Renfrew Hydro should file revised SIMPIL models with the recalculated  
22 interest expense.

23  
24 Renfrew Hydro has reviewed Board staffs concerns and concurs with Board staff on the  
25 treatment. Renfrew Hydro will file revised SIMPIL models and PILs continuity schedule  
26 with this submission. Below Renfrew Hydro has tabled it revised interest calculation.  
27 Renfrew Hydro continues to believe it would be appropriate to remove Hydro One  
28 prudential letters of credit fees from the calculation of interest expense.

1

Interest Ex - total per financial statements	\$98,660	\$210,095	\$254,238	\$240,581	\$248,877
Less: Interest ex - customer deposits	-\$438	-\$3,245	-\$5,252	-\$4,430	-\$5,424
Less: Interest ex - reg assets & liabilities	\$0	\$0	-\$24,225	-\$14,011	-\$22,759
Less: Interest ex - letter of credit hydro one	\$0	-\$4,178	-\$18,553	-\$18,255	-\$17,986
Interest Expense for PIL's	\$98,222	\$202,672	\$206,208	\$203,885	\$202,708

2

3 ***Disposition Period of Deferral and Variance Account Balances***

4 With respect to disposition period Renfrew Hydro requested four years with the view to  
5 mitigate and smooth rate impacts when the rate rider ceases. Renfrew Hydro believes  
6 that this will stabilize the rate adjustment process in the future.

7

8 Renfrew Hydro would point out that Renfrew Hydro currently has a credit deferral  
9 variance account rate rider that terminates on April 30, 2013. The termination of this  
10 rate rider will have the potential to increase delivery charges by approximately 20%  
11 ((\$1,197,028/3) /\$2,017,737) for rates effective May 1, 2013. This is before any other  
12 adjustment.

13

14 Renfrew would further suggest that the future rate impact of the proposed deferral  
15 would have the following potential to increases delivery charges before any other  
16 adjustments when the rate rider terminates.

Current Deferral Variance Proposed	\$543,546
2010 Revenue Requirement	\$2,017,737
	Delivery Charge Impact
One year disposition 2013	26.9%
Two year disposition 2014	13.5%
Three year disposition 2015	9.0%
Four year disposition 2016	6.7%

17

18

1 Board staff has recommended that a two-year disposition period be adopted to strike a  
2 balance between reducing intergenerational inequity and mitigating rate volatility.  
3 Renfrew would note that this will potentially increase delivery charges by 13.5% in 2014.

4  
5 While Renfrew Hydro acknowledges the desire to reduce the intergenerational inequity,  
6 Renfrew Hydro stands behind its request for four year disposition for all Group 1  
7 account balances including accounts 1521 and 1562 but excluding the 1588 Global  
8 Adjustment sub-account which Renfrew Hydro stands behind its request for a one year  
9 disposition.

### 10 ***Lost Revenue Adjustment Mechanism (“LRAM”)***

11 Board staff’s submission on Renfrew Hydro’s LRAM claim focused on two issues:  
12 whether the 2010 approved cost of service load forecast had already included load  
13 reductions to account for subsequent CDM initiatives and lost revenues related to prior  
14 to 2010. Renfrew Hydro concurs with Board staff submission with respect to lost  
15 revenues prior to 2010. However Renfrew Hydro wishes to address the issue with  
16 respect to load reductions included in its 2010 load forecast.

17  
18 In its submission, Board staff stated:

19  
20 *“In cases in which it was clear in the application or settlement agreement that an*  
21 *adjustment for CDM was not being incorporated into the load forecast specifically*  
22 *because of an expectation that an LRAM application would address the issue,*  
23 *and if this approach was accepted by the Board, then Board staff would agree*  
24 *that an LRAM application is appropriate. Renfrew may want to highlight in its*  
25 *reply whether the issue of an LRAM application was addressed in their cost of*  
26 *service application.”*  
27

28 In developing the 2010 load forecast in its cost of service application, Renfrew Hydro  
29 used a Normalized Average Consumption (NAC) approach. The Board acknowledged

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1 “that despite an applicant’s best attempt, sometimes because of lack of data or models  
2 that do not produce supportable results, the results from the multiple regression  
3 approach are not always meaningful and the applicant is forced to use a less  
4 sophisticated forecasting technique; such was the case here.”<sup>1</sup>

5  
6 As noted above NAC was applied to Renfrew Hydro’s consumption for the limited  
7 periods 2005 to 2009. While some LDCs in their applications specifically lower their load  
8 forecast in the test year and in subsequent years to include expected future reductions  
9 due to their adoption of CDM initiatives, Renfrew Hydro did not have the sophistication  
10 to take this approach. One could conclude that Renfrew Hydro’s forecast was  
11 developed in expectation of making LRAM claims in future years to compensate it for  
12 any subsequent CDM initiatives it undertook. Therefore, Renfrew Hydro submits that its  
13 LRAM application is indeed appropriate.

14  
15 Renfrew Hydro’s LRAM current claim is built on the same premise of persistency as  
16 accepted by the Board in earlier decisions. These decisions include Burlington Hydro’s  
17 LRAM claims (Decision on EB-2010-0067 dated March 17, 2011; Decision on EB-2009-  
18 0259 dated March 1, 2010) as well as decisions on other LDCs’ LRAM claims (Decision  
19 on Middlesex Power Distribution’s LRAM claim EB-2010-0098 dated March 17, 2011;  
20 Decision on Norfolk Power Distribution’s LRAM claim EB-2011-0046 dated May 6,  
21 2011; Decision on Hydro One Brampton’s LRAM claim EB-2010-0132 dated April 4,  
22 2011).

23  
24 Renfrew Hydro by default did not include CDM programs in its 2010 load forecast and  
25 should be fully entitled to claim an LRAM related to these programs. Renfrew Hydro  
26 submits that disallowing an LRAM claim for un-forecasted CDM would act as a major  
27 disincentive to participation in future CDM initiatives at Renfrew Hydro and other LDCs.

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<sup>1</sup> OEB Decision EB-2009-0146 November 25, 2010

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Tab: 1  
Schedule: 1  
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1  
2 In submitting that its LRAM claim is appropriate and is fully consistent with previous  
3 Board decisions, Renfrew Hydro requests that the Board approve the LRAM claim for  
4 \$58,310.02 as developed and fully supported in the evidence.

5

6 ~ All of which is respectively submitted ~

## **Exhibit 5**

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### **Tab 2 of 2**

## **Models**

File Number:EB-2011-0195

Exhibit: 5

Tab: 2

Schedule: 1

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## Attachment 1 of 7

# RHI 2001 1562 Disposition PILs Model Reply Submission

## Disposition of Balance Recorded in Account 1562 D

Distributor	Renfrew Hydro Inc.
OEB File Number	EB-2011-0195
Filing Year	2001

**Deferred PILs**

	A	B	C	D	E
1	<b>PILs TAXES</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	Utility Name: Renfrew Hydro Inc.			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	<b>BACKGROUND</b>				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	Y	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		3%	
22		LCT		0%	
23					
24	Accounting Year End		Date	31-Dec-01	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			4,958,520	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			424,697	
42					
43	1999 return from RUD Sheet #7			213,033	213,033
44					
45	Total Incremental revenue			211,664	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			70,556	70,556
48	Amount allowed in 2002				0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	<b>Total Regulatory Income</b>				<b>283,589</b>
55					
56	Equity			2,479,260	
57					
58	Return at target ROE			244,951	
59					
60	Debt			2,479,260	
61					
62	Deemed interest amount in 100% of MARR			179,746	
63					
64	Phase-in of interest - Year 1 (2001)			120,025	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			120,025	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			120,025	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			179,746	
71					
72					

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance	Variance		
3	TAX CALCULATIONS (TAXCALC)				K-C	Explanation		
4	("Wires-only" business - see Tab TAXREC)						Version 2009.1	
5		0						
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2001							
8							Column Brought From	
9	Days in reporting period:	365	days				TAXREC	
10	Total days in the calendar year:	365	days				\$	
11								
12			\$		\$			
13								
14	<b>II) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	70,897		-161,814		-90,917	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	81,466		4,160		85,626	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material" Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	28,261		329		28,590	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	30,006		68,216		98,222	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		94,096		-226,199	Before loss C/F	-132,103	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-34.1200%		0.00%	
54								
55	REGULATORY INCOME TAX		32,106		-32,106	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	<b>Total Regulatory Income Tax</b>		32,106		-32,106	Actual	0	
61								
62								
63	<b>III) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	4,958,520		-4,958,520			
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		0		5,000,000	
68	Taxable Capital		0		-4,958,520		0	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0	Overpaid	0	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	4,958,520		-4,958,520			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		-4,958,520		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance K-C	Variance Explanation		
3	TAX CALCULATIONS (TAXCALC)						Version 2009.1	
4	("Wires-only" business - see Tab TAXREC)							
5		0						
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2001							
8							Column Brought From	
9	Days in reporting period:	365	days				TAXREC	
10	Total days in the calendar year:	365	days				\$	
11								
12			\$		\$			
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross-up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	48,733			Actual 2001	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2001	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			Actual 2001	0	
93								
94								
95	Total PILs for Rate Adjustment -- <b>MUST AGREE WITH 2002 RAM DECISION</b>	25	48,733			Actual 2002	0	
96								
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				DR/(CR)			
101	<b>In Additions:</b>							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	<b>In Deductions - positive numbers</b>							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			
121								
122	Income Tax Rate (including surtax) from 2001 Utility's tax return			x	32.12%			
123								
124	Income Tax Effect on True-up adjustments			=	0			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				0			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				31.00%			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				0			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	94,096			
137								
138	REVISED CORPORATE INCOME TAX RATE (including Surtax)			x	32.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	30,224			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	30,224			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	32,106			
147								
148	Regulatory Income Tax Variance			=	-1,882			
149								

	A	B	C	D	E	F	G	H
1	PILs TAXES	ITEM	Initial Estimate		M of F Filing	M of F Filing	Tax Returns	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS				Variance K-C	Variance Explanation		
3	TAX CALCULATIONS (TAXCALC)							
4	("Wires-only" business - see Tab TAXREC)							
5		0					Version 2009.1	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2001							
8								
9	Days in reporting period:	365	days				Column Brought From	
10	Total days in the calendar year:	365	days				TAXREC	
11							\$	
12			\$		\$			
13								
150	Ontario Capital Tax							
151	Base			=	4,958,520			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	-41,480			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	Federal LCT							
162	Base			=	4,958,520			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-5,041,480			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51			=	0.2250%			
167								
168	Gross Amount			=	0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)			=	31.00%			
176								
177	Income Tax (grossed-up)			+	-2,727			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180								
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	-2,727			
182								
183	TRUE-UP VARIANCE (from cell I130)			+	0			
184								
185	Total Deferral Account Entry (Positive Entry = Debit)			=	-2,727			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	V) INTEREST PORTION OF TRUE-UP							
191	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)			=	179,746			
194	Interest phased-in (Cell C36)			=	120,025			
195								
196	Variance due to phase-in of debt component of MARR in rates			=	59,722			
197	according to the Board's decision							
198								
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)			=	98,222			
202	Total deemed interest (REGINFO CELL D61)			=	179,746			
203								
204	Variance caused by excess debt			=	0			
205								
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)			=	0			
207								
208	Total Interest Variance			=	59,722			
209								
210								
211								

	A	B	C	D	E	F
1	<b>PILs TAXES</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
6	<b>Section A: Identification:</b>					
7	Utility Name: Renfrew Hydro Inc.					
8	Reporting period: 2001					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year: 365 days					
12						
13	Please enter the Materiality Level : 6,198 < - enter materiality level					
14	(0.25% x Rate Base x CER) Y/N Y					
15	(0.25% x Net Assets) Y/N N					
16	Or other measure (please provide the basis of the amount) Y/N N					
17	Does the utility carry on non-wires related operation? Y/N N					
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	<b>Section B: Financial statements data:</b>					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	<b>Income:</b>					
31	Energy Sales	+	1,988,542		1,988,542	
32	Distribution Revenue	+			0	
33	Other Income	+	28,007		28,007	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	<b>Costs and Expenses:</b>					
39	Cost of energy purchased	-	1,845,647		1,845,647	
40	Administration	-	176,193		176,193	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	85,626		85,626	
44	Ontario Capital Tax	-			0	
45	Reg Assets	-			0	
46	Municipal property taxes	-			0	
47	Federal LCT	-			0	
48		-			0	
49						
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	-90,917	0	-90,917	
51	Less: Interest expense for accounting purposes	-	98,222		98,222	
52	Provision for payments in lieu of income taxes	-			0	
53	<b>Net Income (loss)</b>	=	-189,139	0	-189,139	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return. )					
55						
56	<b>Section C: Reconciliation of accounting income to taxable income</b>					
57	<b>From T2 Schedule 1</b>					
58	<b>BOOK TO TAX ADDITIONS:</b>					
59	Provision for income tax	+	0	0	0	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	85,626	0	85,626	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		85,626	0	85,626	

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	<i>Total Other Additions</i>	=	0	0	0	
81						
82	<i>Total Additions</i>	=	85,626	0	85,626	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions &gt;materiality level</i>		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	<i>Total Other Additions</i>		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	28,552		28,552	
98	Cumulative eligible capital deduction	-	38		38	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<b><i>Items on which true-up does not apply "TAXREC 3"</i></b>		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	<i>Subtotal</i>	=	28,590	0	28,590	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	<b>Charitable donations - tax basis</b>	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118		-			0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	<i>Total Deductions</i>	=	28,590	0	28,590	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	<i>Total Other Deductions</i>		0	0	0	
133						
134	<b>TAXABLE INCOME</b>	=	-132,103	0	-132,103	
135	DEDUCT:					
136	Non-capital loss applied <b>positive number</b>	-			0	
137	Net capital loss applied <b>positive number</b>	-			0	

	A	B	C	D	E	F
1	<b>PILs TAXES</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
138					0	
139	NET TAXABLE INCOME	=	-132,103	0	-132,103	
140						
141	<b>FROM ACTUAL TAX RETURNS</b>					
142	Net Federal Income Tax (Must agree with tax return)	+			0	
143	Net Ontario Income Tax (Must agree with tax return)	+			0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	<b>Total Income Tax</b>	=	0	0	0	
147						
148	<b>FROM ACTUAL TAX RETURNS</b>					
149	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
151	Blended Income Tax Rate		0.00%	*****	0.00%	
152						
153	<b>Section F: Income and Capital Taxes</b>					
154						
155	<b>RECAP</b>					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+			0	
158	Federal Large Corporations Tax	+			0	
159						
160	<b>Total income and capital taxes</b>	=	0	0	0	
161						
162						

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

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Renfrew Hydro Inc.					
9	Reporting period: 2001					
10	Number of days in taxation year:		365			
11	Materiality Level:		6,198			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Renfrew Hydro Inc.					
9	Reporting period: 2001					
10	Number of days in taxation year:		365			
11	Materiality Level:		6,198			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-			0	
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7		0	Return			
8	<b>Utility Name: Renfrew Hydro Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2001</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	<b>Ontario capital tax adjustments</b>	+			0	
41	<b>Changes in Regulatory Asset balances</b>	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	
65		-			0	
66	<b>Changes in Regulatory Asset balances</b>	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	0	0	0	

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

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

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1	<b>PILs TAXES</b>															
2	<b>Analysis of PILs Tax Account 1562:</b>															
3	<b>Utility Name: Renfrew Hydro Inc.</b>															
4	<b>Reporting period: 2001</b>															
5	<b>Sign Convention: + for increase; - for decrease</b>															
6																
7																
8	<b>Year start:</b>		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006			
9	<b>Year end:</b>		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006			<b>Total</b>
10																
11	<b>Opening balance:</b>	=	0		-2,727		-2,727		-2,727		-2,727		-2,727		-2,727	0
12	<b>Board-approved PILs tax proxy from Decisions (1)</b>	+/-														0
14	<b>True-up Variance Adjustment Q4, 2001 (2)</b>	+/-	0													0
16	<b>True-up Variance Adjustment (3)</b>	+/-														0
18	<b>Deferral Account Variance Adjustment Q4, 2001 (4)</b>	+/-	-2,727													-2,727
20	<b>Deferral Account Variance Adjustment (5)</b>	+/-														0
22	<b>Adjustments to reported prior years' variances (6)</b>	+/-														0
23	<b>Carrying charges (7)</b>	+/-														0
25	<b>PILs billed to (collected from) customers (8)</b>	-	0													0
26																
27	<b>Ending balance: # 1562</b>		-2,727		-2,727		-2,727		-2,727		-2,727		-2,727		-2,727	-2,727
28																
29																
30																
31	<b>Uncollected PILs</b>															
32																
33	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.															
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.															
35																
36	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:</b>															
37																
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.															
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.															
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.															
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.															
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.															
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.															
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.															
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.															
46																
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be															
48	true-up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.															
49																
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.															
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.															
52																
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be															
54	true-up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.															
55																
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.															
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.															
58																
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.															
60																
61	(7) Carrying charges are calculated on a simple interest basis.															
62																
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate															
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the															
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.															
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.															
67																
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied															
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;															
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.															
71																
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,															
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.															
74																
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,															
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used															
77	to calculate the recovery for the period January 1 to March 31, 2005.															
78																
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes															
80	will have to include amounts from 1562 and from 1590.															
81																
82																

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File Number:EB-2011-0195

Exhibit: 5

Tab: 2

Schedule: 1

Date Filed:January 23, 2012

## Attachment 2 of 7

# RHI 2002 1562 Disposition PILs Model Reply Submission

## Disposition of Balance Recorded in Account 1562 Deferred F

<b>Distributor</b>	<b>Renfrew Hydro Inc.</b>
<b>OEB File Number</b>	<b>EB-2011-0195</b>
<b>Filing Year</b>	<b>2002</b>

	A	B	C	D	E
1	<b>PILs TAXES</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	Utility Name: Renfrew Hydro Inc.			Colour Code	
4	Reporting period: 2002			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	<b>BACKGROUND</b>				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	Y	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		3%	
22		LCT		0%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			4,958,520	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			424,697	
42					
43	1999 return from RUD Sheet #7			213,033	213,033
44					
45	Total Incremental revenue			211,664	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			70,556	70,556
48	Amount allowed in 2002			70,556	70,556
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	<b>Total Regulatory Income</b>				<b>354,145</b>
55					
56	Equity			2,479,260	
57					
58	Return at target ROE			244,951	
59					
60	Debt			2,479,260	
61					
62	Deemed interest amount in 100% of MARR			179,746	
63					
64	Phase-in of interest - Year 1 (2001)			120,025	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			149,886	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			149,886	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			179,746	
71					
72					

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Renfrew Hydro Inc.</b>							
7	<b>Reporting period: 2002</b>							
8								
9	<b>Days in reporting period:</b>	365	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12							<b>TAXREC</b>	
13			\$		\$		\$	
14	<b>I) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	354,145		2,474		356,619	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	325,863		23,407		349,270	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	16,200		-16,200		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	211,710		42,227		253,937	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	4,860		-4,860		0	
37	Interest Expense Deemed/ Incurred	11	149,886		52,786		202,672	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	<b>TAXABLE INCOME/ (LOSS)</b>		329,752		-80,472	Before loss C/F	249,280	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-11.8370%		22.28%	
54								
55	<b>REGULATORY INCOME TAX</b>		112,511		-90,105	Actual	22,406	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	<b>Total Regulatory Income Tax</b>		112,511		-90,105	Actual	22,406	
61								
62								
63	<b>II) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	4,958,520		811,941		5,770,461	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-1,751,143		3,248,857	
68	Taxable Capital		0		-939,202		2,521,604	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		7,565	Overpaid	7,565	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	4,958,520		-4,958,520			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		-4,958,520		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	<b>Net LCT</b>		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Renfrew Hydro Inc.</b>							
7	<b>Reporting period: 2002</b>							
8							<b>Column</b>	
9	<b>Days in reporting period:</b>	365	days				<b>Brought</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	170,782			<b>Actual 2002</b>	22,406	
91	LCT (proxy tax is grossed-up)	23	0			<b>Actual 2002</b>	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			<b>Actual 2002</b>	7,565	
93								
94								
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	170,782			<b>Actual 2002</b>	29,971	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-16,200			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	<b>In Deductions - positive numbers</b>							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			-4,860			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			22,926			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-34,266			
121								
122	Income Tax Rate (including surtax) from 2002 Utility's tax return			x	34.12%			
123								
124	Income Tax Effect on True-up adjustments			=	-11,691			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-11,691			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				33.00%			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				-17,450			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	329,752			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	34.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	112,511			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	112,511			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	112,511			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	<b>Utility Name: Renfrew Hydro Inc.</b>							
7	<b>Reporting period: 2002</b>							
8								
9	<b>Days in reporting period:</b>	365	days				<b>Column</b>	
10	<b>Total days in the calendar year:</b>	365	days				<b>Brought</b>	
11							<b>From</b>	
12					\$	\$	<b>TAXREC</b>	
13							\$	
150	<b>Ontario Capital Tax</b>							
151	Base			=	4,958,520			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	-41,480			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	<b>Federal LCT</b>							
162	Base				4,958,520			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-5,041,480			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				34.12%			
176								
177	<b>Income Tax (grossed-up)</b>			+	0			
178	<b>LCT (grossed-up)</b>			+	0			
179	<b>Ontario Capital Tax</b>			+	0			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	0			
182								
183	<b>TRUE-UP VARIANCE (from cell I130)</b>			+	-17,450			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	-17,450			
186	<i>(Deferral Account Variance + True-up Variance)</i>							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				179,746			
194	Interest phased-in (Cell C36)				149,886			
195								
196	Variance due to phase-in of debt component of MARR in rates				29,860			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell K36+K41)				202,672			
202	Total deemed interest (REGINFO CELL D61)				179,746			
203								
204	Variance caused by excess debt				22,926			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I110)</b>				22,926			
207								
208	<b>Total Interest Variance</b>				6,934			
209								
210								
211								

	A	B	C	D	E
1	<b>PILs TAXES</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>
4		<b>0</b>	<b>Return</b>		
5					<b>Version 2009.1</b>
6	<b>Section A: Identification:</b>				
7	Utility Name: Renfrew Hydro Inc.				
8	Reporting period: 2002				
9	Taxation Year's start date:				
10	Taxation Year's end date:				
11	Number of days in taxation year:		365	days	
12					
13	Please enter the Materiality Level :		6,198	< - enter materiality level	
14	(0.25% x Rate Base x CER)	Y/N	Y		
15	(0.25% x Net Assets)	Y/N	N		
16	Or other measure (please provide the basis of the amount)	Y/N	N		
17	Does the utility carry on non-wires related operation?	Y/N	N		
18	(Please complete the questionnaire in the Background questionnaire worksheet.)				
19					
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K				
21					
22	<b>Section B: Financial statements data:</b>				
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>				
24	<i>The actual categories of the income statements should be used.</i>				
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>				
26					
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>				
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>				
29					
30	<b>Income:</b>				
31	Energy Sales	+			0
32	Distribution Revenue	+	1,354,761		1,354,761
33	Other Income	+	96,218		96,218
34	Miscellaneous income	+	35,350		35,350
35		+			0
36	Revenue should be entered above this line				
37					
38	<b>Costs and Expenses:</b>				
39	Cost of energy purchased	-			0
40	Administration	-	780,440		780,440
41	Customer billing and collecting	-			0
42	Operations and maintenance	-			0
43	Amortization	-	349,270		349,270
44	Ontario Capital Tax	-			0
45		-			0
46		-			0
47		-			0
48		-			0
49					
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	356,619	0	356,619
51	Less: Interest expense for accounting purposes	-	202,672		202,672
52	Provision for payments in lieu of income taxes	-	22,406		22,406
53	<b>Net Income (loss)</b>	=	131,541	0	131,541
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return. )				
55					
56	<b>Section C: Reconciliation of accounting income to taxable income</b>				
57	<b>From T2 Schedule 1</b>				
58	<b>BOOK TO TAX ADDITIONS:</b>				
59	Provision for income tax	+	22,406	0	22,406
60	Federal large corporation tax	+			0
61	Depreciation & Amortization	+	349,270	0	349,270
62	Employee benefit plans-accrued, not paid	+		0	0
63	Tax reserves - beginning of year	+	0	0	0
64	Reserves from financial statements- end of year	+	0	0	0
65	Regulatory adjustments on which true-up may apply (see A66)	+			0

	A	B	C	D	E
1	<b>PILs TAXES</b>	<b>LINE</b>	<b>M of F</b>	<b>Non-wires</b>	<b>Wires-only</b>
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	<b>Eliminations</b>	<b>Tax</b>
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>
4		<b>0</b>	<b>Return</b>		
5					<b>Version 2009.1</b>
66	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0
67	Material addition items from TAXREC 2	+	0	0	0
68	Other addition items (not Material) from TAXREC 2	+	0	0	0
69					
70	Subtotal		371,676	0	371,676
71					
72	Other Additions: (Please explain the nature of the additions)				
73	Recapture of CCA	+			0
74	Non-deductible meals and entertainment expense	+			0
75	Capital items expensed	+			0
76		+			0
77		+			0
78		+			0
79		+			0
80	Total Other Additions	=	0	0	0
81					
82	Total Additions	=	371,676	0	371,676
83					
84	Recap Material Additions:				
85			0	0	0
86			0	0	0
87			0	0	0
88			0	0	0
89			0	0	0
90			0	0	0
91			0	0	0
92	Total Other additions >materiality level		0	0	0
93	Other additions (less than materiality level)		0	0	0
94	Total Other Additions		0	0	0
95					
96	BOOK TO TAX DEDUCTIONS:				
97	Capital cost allowance	-	253,790		253,790
98	Cumulative eligible capital deduction	-	147		147
99	Employee benefit plans-paid amounts	-			0
100	Items capitalized for regulatory purposes	-			0
101	Regulatory adjustments :	-			0
102	CCA	-			0
103	other deductions	-			0
104	Tax reserves - end of year	-	0	0	0
105	Reserves from financial statements- beginning of year	-	0	0	0
106	Contributions to deferred income plans	-			0
107	Contributions to pension plans	-			0
108	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0
109	Interest capitalized for accounting deducted for tax	-			0
110	Material deduction items from TAXREC 2	-	0	0	0
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0
112					
113	Subtotal	=	253,937	0	253,937
114	Other deductions (Please explain the nature of the deductions)				
115	Charitable donations - tax basis	-			0
116	Gain on disposal of assets	-			0
117		-			0
118		-			0
119		-			0
120	Total Other Deductions	=	0	0	0
121					
122	Total Deductions	=	253,937	0	253,937
123					
124	Recap Material Deductions:				
125			0	0	0
126			0	0	0

	A	B	C	D	E
1	<b>PILs TAXES</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>
4		<b>0</b>	<b>Return</b>		
5					<b>Version 2009.1</b>
127			0	0	0
128			0	0	0
129			0	0	0
130	<i>Total Other Deductions exceed materiality level</i>		0	0	0
131	Other Deductions less than materiality level		0	0	0
132	Total Other Deductions		0	0	0
133					
134	<b>TAXABLE INCOME</b>	=	249,280	0	249,280
135	<b>DEDUCT:</b>				
136	Non-capital loss applied <i>positive number</i>	-	132,103		132,103
137	Net capital loss applied <i>positive number</i>	-			0
138					0
139	<b>NET TAXABLE INCOME</b>	=	117,177	0	117,177
140					
141	<b>FROM ACTUAL TAX RETURNS</b>				
142	Net Federal Income Tax <i>(Must agree with tax return)</i>	+	15,373		15,373
143	Net Ontario Income Tax <i>(Must agree with tax return)</i>	+	7,033		7,033
144	Subtotal	=	22,406	0	22,406
145	Less: Miscellaneous tax credits <i>(Must agree with tax returns)</i>	-	0		0
146	<b>Total Income Tax</b>	=	22,406	0	22,406
147					
148	<b>FROM ACTUAL TAX RETURNS</b>				
149	Net Federal Income Tax Rate <i>(Must agree with tax return)</i>		13.12%		13.12%
150	Net Ontario Income Tax Rate <i>(Must agree with tax return)</i>		6.00%		6.00%
151	Blended Income Tax Rate		19.12%	*****	19.12%
152					
153	<b>Section F: Income and Capital Taxes</b>				
154					
155	<b>RECAP</b>				
156	Total Income Taxes	+	22,406	0	22,406
157	Ontario Capital Tax	+	7,565		7,565
158	Federal Large Corporations Tax	+			0
159					
160	<b>Total income and capital taxes</b>	=	29,971	0	29,971

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

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Renfrew Hydro Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		6,198			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Renfrew Hydro Inc.					
9	Reporting period: 2002					
10	Number of days in taxation year:		365			
11	Materiality Level:		6,198			
12						
13						
75			0	0	0	
76			0	0	0	
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-			0	
93		-			0	
94		-			0	
95	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7		0	Return			
8	<b>Utility Name: Renfrew Hydro Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2002</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	<b>Ontario capital tax adjustments</b>	+			0	
41	<b>Changes in Regulatory Asset balances</b>	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	
65		-			0	
66	<b>Changes in Regulatory Asset balances</b>	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	

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

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Renfrew Hydro Inc.									
5	Reporting period: 2002									
6										
7										
8	Table 1									
9	<b>Rates Used in 2002 RAM PILs Applications for 2002</b>									
10	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
11	RAM 2002	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2002								
14	Federal (Includes surtax) and Ontario blended		13.12%		26.12%		26.12%			
15	Blended rate		6.00%		6.00%		12.50%			
16			19.12%		34.12%		38.62%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.225%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000							
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000							
23	<b>**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing</b>									
24										
25	Table 2									
26	<b>Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002</b>									
27	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
28	Expected Rates	Year								
29	Income Tax Rate									
30	Current year	2002								
31	Federal (Includes surtax) and Ontario	2002	13.12%		26.12%		26.12%			
32	Blended rate	2002	6.00%		6.00%		12.50%			
33		2002	19.12%		34.12%		38.62%			
34										
35	Capital Tax Rate	2002	0.300%							
36	LCT rate	2002	0.225%							
37	Surtax	2002	1.12%							
38	Ontario Capital Tax Exemption *** 2002	MAX \$5MM	5,000,000							
39	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM	10,000,000							
40	<b>***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.</b>									
41										
42										
43	Table 3									
44	<b>Input Information from Utility's Actual 2002 Tax Returns</b>									
45	Income Range		0 to 200,000		200,001 to 700,000		>700,000			
46		Year								
47	Income Tax Rate									
48	Current year	2002								
49	Federal (Includes surtax) and Ontario		13.12%		26.12%		26.12%			
50	Blended rate		6.00%		6.00%		12.50%			
51			19.12%		34.12%		38.62%			
52										
53	Capital Tax Rate		0.300%							
54	LCT rate		0.225%							
55	Surtax		1.12%							
56	Ontario Capital Tax Exemption *	MAX \$5MM	3,248,857							
57	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000							
58	<b>* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36</b>									
59										
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	<b>PILs TAXES</b>														
2	<b>Analysis of PILs Tax Account 1562:</b>														
3	<b>Utility Name: Renfrew Hydro Inc.</b>														
4	<b>Reporting period: 2002</b>														
5	<b>Sign Convention: + for increase; - for decrease</b>														
6															
7															
8	<b>Year start:</b>		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	<b>Year end:</b>		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	<b>Opening balance:</b>	=	0		0		-17,450		-17,450		-17,450		-17,450		0
12	<b>Board-approved PILs tax proxy from Decisions (1)</b>	+/-													0
14	<b>True-up Variance Adjustment Q4, 2001 (2)</b>	+/-													0
16	<b>True-up Variance Adjustment (3)</b>	+/-			-17,450										-17,450
18	<b>Deferral Account Variance Adjustment Q4, 2001 (4)</b>	+/-													0
20	<b>Deferral Account Variance Adjustment (5)</b>	+/-			0										0
22	<b>Adjustments to reported prior years' variances (6)</b>	+/-													0
23	<b>Carrying charges (7)</b>	+/-													0
25	<b>PILs billed to (collected from) customers (8)</b>	-	0												0
26															
27	<b>Ending balance: # 1562</b>		0		-17,450		-17,450		-17,450		-17,450		-17,450		-17,450
28															
29															
30															
31	<b>Uncollected PILs</b>														
32															
33	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:</b>														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
46															
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														
81															
82															

File Number:EB-2011-0195

Exhibit: 5

Tab: 2

Schedule: 1

Date Filed:January 23, 2012

## Attachment 3 of 7

# RHI 2003 1562 Disposition PILs Model Reply Submission

## Disposition of Balance Recorded in Account 1562 Deferred F

<b>Distributor</b>	<b>Renfrew Hydro Inc.</b>
<b>OEB File Number</b>	<b>EB-2011-0195</b>
<b>Filing Year</b>	<b>2003</b>

	A	B	C	D	E
1	<b>PILs TAXES</b>				<b>Version 2009.1</b>
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	Utility Name: Renfrew Hydro Inc.			Colour Code	
4	Reporting period: 2003			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	<b>BACKGROUND</b>				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	Y	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		3%	
22		LCT		0%	
23					
24	Accounting Year End		Date	31-Dec-03	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			4,958,520	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			424,697	
42					
43	1999 return from RUD Sheet #7			213,033	213,033
44					
45	Total Incremental revenue			211,664	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			70,556	70,556
48	Amount allowed in 2002			70,556	70,556
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	<b>Total Regulatory Income</b>				<b>354,145</b>
55					
56	Equity			2,479,260	
57					
58	Return at target ROE			244,951	
59					
60	Debt			2,479,260	
61					
62	Deemed interest amount in 100% of MARR			179,746	
63					
64	Phase-in of interest - Year 1 (2001)			120,025	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			149,886	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			149,886	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			179,746	
71					
72					

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2003							
8								
9	Days in reporting period:	365	days				<b>Column</b>	
10	Total days in the calendar year:	365	days				<b>Brought</b>	
11							<b>From</b>	
12							<b>TAXREC</b>	
13							<b>\$</b>	
14	<b>I) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	354,145		-124,744		229,401	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	325,863		20,013		345,876	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	16,200		-16,200		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	211,710		43,150		254,860	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	4,860		-4,860		0	
37	Interest Expense Deemed/ Incurred	11	149,886		56,322		206,208	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		329,752		-215,543	Before loss C/F	114,209	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.5006%		18.62%	
54								
55	REGULATORY INCOME TAX		112,511		-91,246	Actual	21,265	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	<b>Total Regulatory Income Tax</b>		112,511		-91,246	Actual	21,265	
61								
62								
63	<b>II) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	4,958,520		882,263		5,840,783	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-466,321		4,533,679	
68	Taxable Capital		0		415,942		1,307,104	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		3,921	Overpaid	3,921	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	4,958,520		-4,958,520			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		0		-4,958,520		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		0.0000%		0.2250%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2003							
8							<b>Column</b>	
9	Days in reporting period:	365	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	170,782			<b>Actual 2003</b>	21,265	
91	LCT (proxy tax is grossed-up)	23	0			<b>Actual 2003</b>	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			<b>Actual 2003</b>	3,921	
93								
94								
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	170,782			<b>Actual 2003</b>	25,186	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-16,200			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	<b>In Deductions - positive numbers</b>							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			-4,860			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			26,462			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-37,802			
121								
122	Income Tax Rate (including surtax) from 2003 Utility's tax return			x	23.92%			
123								
124	Income Tax Effect on True-up adjustments			=	-9,043			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-9,043			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				22.80%			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				-11,715			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	329,752			
137								
138	REVISED CORPORATE INCOME TAX RATE (including Surtax)			x	23.92%			
139								
140	REVISED REGULATORY INCOME TAX			=	78,887			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	78,887			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	112,511			
147								
148	Regulatory Income Tax Variance			=	-33,625			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2003							
8								
9	Days in reporting period:	365	days				<b>Column</b>	
10	Total days in the calendar year:	365	days				<b>Brought</b>	
11							<b>From</b>	
12							<b>TAXREC</b>	
13							<b>\$</b>	
150	<b>Ontario Capital Tax</b>							
151	Base			=	4,958,520			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	-41,480			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	<b>Federal LCT</b>							
162	Base				4,958,520			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	-5,041,480			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				22.80%			
176								
177	<b>Income Tax (grossed-up)</b>			+	-43,557			
178	<b>LCT (grossed-up)</b>			+	0			
179	<b>Ontario Capital Tax</b>			+	0			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	-43,557			
182								
183	<b>TRUE-UP VARIANCE (from cell I130)</b>			+	-11,715			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	-55,272			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				179,746			
194	Interest phased-in (Cell C36)				149,886			
195								
196	Variance due to phase-in of debt component of MARR in rates				29,860			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell K36+K41)				206,208			
202	Total deemed interest (REGINFO CELL D61)				179,746			
203								
204	Variance caused by excess debt				26,462			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I110)</b>				26,462			
207								
208	<b>Total Interest Variance</b>				3,398			
209								
210								

	A	B	C	D	E	F
1	<b>PILs TAXES</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
6	<b>Section A: Identification:</b>					
7	Utility Name: Renfrew Hydro Inc.					
8	Reporting period: 2003					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		6,198	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	<b>Section B: Financial statements data:</b>					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	<b>Income:</b>					
31	Energy Sales	+			0	
32	Distribution Revenue	+	1,330,792		1,330,792	
33	Other Income	+	120,468		120,468	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	<b>Costs and Expenses:</b>					
39	Cost of energy purchased	-			0	
40	Administration	-	875,983		875,983	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	345,876		345,876	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	229,401	0	229,401	
51	Less: Interest expense for accounting purposes	-	206,208		206,208	
52	Provision for payments in lieu of income taxes	-	21,265		21,265	
53	<b>Net Income (loss)</b>	=	1,928	0	1,928	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return. )</i>					
55						
56	<b>Section C: Reconciliation of accounting income to taxable income</b>					
57	<b>From T2 Schedule 1</b>					
58	<b>BOOK TO TAX ADDITIONS:</b>					
59	Provision for income tax	+	21,265	0	21,265	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	345,876	0	345,876	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		367,141	0	367,141	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					

	A	B	C	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	367,141	0	367,141	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	Total Other additions >materiality level		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	254,724		254,724	
98	Cumulative eligible capital deduction	-	136		136	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	Regulatory adjustments :	-			0	
102	CCA	-			0	
103	other deductions	-			0	
104	Tax reserves - end of year	-	0	0	0	
105	Reserves from financial statements- beginning of year	-	0	0	0	
106	Contributions to deferred income plans	-			0	
107	Contributions to pension plans	-			0	
108	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	254,860	0	254,860	
114	Other deductions (Please explain the nature of the deductions)					
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117		-			0	
118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122	Total Deductions	=	254,860	0	254,860	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	TAXABLE INCOME	=	114,209	0	114,209	
135	DEDUCT:					
136	Non-capital loss applied positive number	-			0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	114,209	0	114,209	
140						

	A	B	C	D	E	F
1	<b>PILs TAXES</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
141	<b>FROM ACTUAL TAX RETURNS</b>					
142	Net Federal Income Tax (Must agree with tax return)	+	14,984		14,984	
143	Net Ontario Income Tax (Must agree with tax return)	+	6,281		6,281	
144	Subtotal	=	21,265	0	21,265	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	<b>Total Income Tax</b>	=	21,265	0	21,265	
147						
148	<b>FROM ACTUAL TAX RETURNS</b>					
149	Net Federal Income Tax Rate (Must agree with tax return)		13.12%		13.12%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		5.50%		5.50%	Divide Ontario
151	Blended Income Tax Rate		18.62%	*****	18.62%	
152						
153	<b>Section F: Income and Capital Taxes</b>					
154						
155	<b>RECAP</b>					
156	Total Income Taxes	+	21,265	0	21,265	
157	Ontario Capital Tax	+	3,921		3,921	
158	Federal Large Corporations Tax	+			0	
159						
160	<b>Total income and capital taxes</b>	=	25,186	0	25,186	
161						
162						

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

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	Utility Name: Renfrew Hydro Inc.					
9	Reporting period: 2003					
10	Number of days in taxation year:		365			
11	Materiality Level:		6,198			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Renfrew Hydro Inc.</b>					
9	<b>Reporting period: 2003</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		6,198			
12						
13						
77	Total Material additions		0	0	0	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		0	0	0	
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-			0	
93		-			0	
94		-			0	
95	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
96		-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						
123						
124						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7		0	Return			
8	<b>Utility Name: Renfrew Hydro Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2003</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>	+			0	
36	Interest and penalties on unpaid taxes	+			0	
37	Management bonuses unpaid after 180 days of year end	+			0	
38	Imputed interest expense on Regulatory Assets	+			0	
39		+			0	
40	<b>Ontario capital tax adjustments</b>	+			0	
41	<b>Changes in Regulatory Asset balances</b>	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	
65		-			0	
66	<b>Changes in Regulatory Asset balances</b>	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	

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

	A	B	C	D	E	F	G
1	<b>PILs TAXES</b>						
2	Corporate Tax Rates					Version 2009.1	
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Renfrew Hydro Inc.						
5	Reporting period: 2003						
6							
7							
8	<b>Rates Used in 2002 RAM PILs Applications for 2002</b>					Table 1	
9	Income Range		0 to 200,000		200,001 to 700,000		>700,000
10	RAM 2002						
11		Year					
12	Income Tax Rate						
13	Proxy Tax Year	2002					
14	Federal (Includes surtax)		13.12%		26.12%		26.12%
15	and Ontario blended		6.00%		6.00%		12.50%
16	Blended rate		19.12%		34.12%		38.62%
17							
18	Capital Tax Rate		0.300%				
19	LCT rate		0.225%				
20	Surtax		1.12%				
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000				
23	<b>**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing</b>						
24							
25							
26	<b>Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003</b>					Table 2	
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1128000
28	Expected Rates						
29		Year					
30	Income Tax Rate						
31	Current year	2003					
32	Federal (Includes surtax)		13.12%	22.12%	22.12%		24.12%
33	Ontario		5.50%	5.50%	9.75%		12.50%
34	Blended rate		18.62%	27.62%	31.87%		36.62%
35							
36	Capital Tax Rate		0.300%				
37	LCT rate		0.225%				
38	Surtax		1.12%				
39	Ontario Capital Tax Exemption *** 2003	MAX \$5MM	5,000,000				
40	Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	10,000,000				
41	<b>***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.</b>						
42							
43							
44	<b>Input Information from Utility's Actual 2003 Tax Returns</b>					Table 3	
45	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1128000
46							
47		Year					
48	Income Tax Rate						
49	Current year	2003					
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		24.12%
51	Ontario		5.50%	5.50%	9.75%		12.50%
52	Blended rate		18.62%	27.62%	31.87%		36.62%
53							
54	Capital Tax Rate		0.300%				
55	LCT rate		0.225%				
56	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5.0MM	4,533,679				
58	Federal Large Corporations Tax Exemption *	MAX \$10MM	10,000,000				
59	<b>* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36</b>						
60							

	A	B	C	D	E	F	G	H	I	J	K
1	<b>PILs TAXES</b>										
2	<b>Analysis of PILs Tax Account 1562:</b>										
3	<b>Utility Name: Renfrew Hydro Inc.</b>										
4	<b>Reporting period: 2003</b>										
5	<b>Sign Convention: + for increase; - for decrease</b>										
6											
7											
8	<b>Year start:</b>		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005
9	<b>Year end:</b>		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005
10											
11	<b>Opening balance:</b>	=	0		0		0		-55,272		-55,272
12	<b>Board-approved PILs tax proxy from Decisions (1)</b>	+/-									
14	<b>True-up Variance Adjustment Q4, 2001 (2)</b>	+/-									
16	<b>True-up Variance Adjustment (3)</b>	+/-					-11,715				
18	<b>Deferral Account Variance Adjustment Q4, 2001 (4)</b>	+/-									
20	<b>Deferral Account Variance Adjustment (5)</b>	+/-					-43,557				
22	<b>Adjustments to reported prior years' variances (6)</b>	+/-									
23	<b>Carrying charges (7)</b>	+/-									
25	<b>PILs billed to (collected from) customers (8)</b>	-									
26			0		0		-55,272		-55,272		-55,272
27	<b>Ending balance: # 1562</b>		0		0		-55,272		-55,272		-55,272
28											
29											
30											
31	<b>Uncollected PILs</b>										
32											
33	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.										
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.										
35											
36	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:</b>										
37											
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.										
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.										
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.										
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.										
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.										
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.										
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.										
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.										
46											
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be										
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.										
49											
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.										
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.										
52											
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be										
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.										
55											
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.										
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.										
58											
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.										
60											
61	(7) Carrying charges are calculated on a simple interest basis.										
62											
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate										
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the										
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.										
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.										
67											
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied										
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;										
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.										
71											
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,										
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.										
74											
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,										
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used										
77	to calculate the recovery for the period January 1 to March 31, 2005.										
78											
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes										
80	will have to include amounts from 1562 and from 1590.										
81											

	L	M	N	O
1				
2				
3				Version 2009.1
4				0
5				
6				
7				
8		01/01/2006		
9		30/04/2006		Total
10				
11		-55,272		0
12				0
14				0
16				-11,715
18				0
20				-43,557
22				0
23				0
25				0
26				
27		<u>-55,272</u>		<u>-55,272</u>
28				
29				
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81				

File Number:EB-2011-0195

Exhibit: 5

Tab: 2

Schedule: 1

Date Filed:January 23, 2012

## Attachment 4 of 7

# RHI 2004 1562 Disposition PILs Model Reply Submission

## Disposition of Balance Recorded in Account 1562 D

Distributor	Renfrew Hydro Inc.
OEB File Number	EB-2011-0195
Filing Year	2004

**Deferred PILs**

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	Utility Name: Renfrew Hydro Inc.			Colour Code	
4	Reporting period: 2004			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	<b>BACKGROUND</b>				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	Y	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		2.4490%	
22		LCT		2.4490%	
23					
24	Accounting Year End		Date	31-Dec-04	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			4,958,520	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			424,697	
42					
43	1999 return from RUD Sheet #7			213,033	213,033
44					
45	Total Incremental revenue			211,664	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			70,556	70,556
48	Amount allowed in 2002			70,556	70,556
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210				0
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52	Other Board-approved changes to MARR or incremental revenue				0
53					0
54	<b>Total Regulatory Income</b>				<b>354,145</b>
55					
56	Equity			2,479,260	
57					
58	Return at target ROE			244,951	
59					
60	Debt			2,479,260	
61					
62	Deemed interest amount in 100% of MARR			179,746	
63					
64	Phase-in of interest - Year 1 (2001)			120,025	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			149,886	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			149,886	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			179,746	
71					
72					
73					

	A	B	C	D	E	F	G	H
1	PILs TAXES - EB-2008-381	ITEM	Initial		M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					Version 2009.1	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2004							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
14	<b>I) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	354,145		-54,356		299,789	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	325,863		26,908		352,771	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	16,200		-16,200		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	211,710		23,499		235,209	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	4,860		-4,860		0	
37	Interest Expense Deemed/ Incurred	11	149,886		53,999		203,885	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		329,752		-116,286	Before loss C/F	213,466	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%		-15.5006%		18.62%	
54								
55	REGULATORY INCOME TAX		112,511		-72,765	Actual	39,746	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	<b>Total Regulatory Income Tax</b>		112,511		-72,765	Actual	39,746	
61								
62								
63	<b>II) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	4,958,520		1,031,540		5,990,060	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-532,216		4,467,784	
68	Taxable Capital		0		499,324		1,522,276	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		4,567	Overpaid	4,567	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	4,958,520		-4,958,520			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		40,000,000		50,000,000	
77	Taxable Capital		0		35,041,480		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%		-0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2004							
8							<b>Column</b>	
9	Days in reporting period:	365	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	170,782			<b>Actual 2004</b>	39,746	
91	LCT (proxy tax is grossed-up)	23	0			<b>Actual 2004</b>	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			<b>Actual 2004</b>	4,567	
93								
94								
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	170,782			<b>Actual 2004</b>	44,313	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			-16,200			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	<b>In Deductions - positive numbers</b>							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			-4,860			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			24,139			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-35,479			
121								
122	Income Tax Rate (including surtax) from 2004 Utility's tax return			x	22.50%			
123								
124	Income Tax Effect on True-up adjustments			=	-7,982			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-7,982			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				21.38%			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				-10,153			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	329,752			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	22.50%			
139								
140	REVISED REGULATORY INCOME TAX			=	74,190			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	74,190			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	112,511			
147								
148	Regulatory Income Tax Variance			=	-38,321			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2004							
8							<b>Column</b>	
9	Days in reporting period:	365	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12					\$	\$	\$	
13								
150	<b>Ontario Capital Tax</b>							
151	Base			=	4,958,520			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	-41,480			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	<b>Federal LCT</b>							
162	Base				4,958,520			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-45,041,480			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				21.38%			
176								
177	<b>Income Tax (grossed-up)</b>			+	-48,741			
178	<b>LCT (grossed-up)</b>			+	0			
179	<b>Ontario Capital Tax</b>			+	0			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	-48,741			
182								
183	<b>TRUE-UP VARIANCE (from cell I130)</b>			+	-10,153			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	-58,894			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				179,746			
194	Interest phased-in (Cell C36)				149,886			
195								
196	Variance due to phase-in of debt component of MARR in rates				29,860			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell K36+K41)				203,885			
202	Total deemed interest (REGINFO CELL D61)				179,746			
203								
204	Variance caused by excess debt				24,139			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I110)</b>				24,139			
207								
208	<b>Total Interest Variance</b>				5,721			
209								
210								

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
6	<b>Section A: Identification:</b>					
7	Utility Name: Renfrew Hydro Inc.					
8	Reporting period: 2004					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		6,198	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	<b>Section B: Financial statements data:</b>					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	<b>Income:</b>					
31	Energy Sales	+			0	
32	Distribution Revenue	+	1,330,885		1,330,885	
33	Other Income	+	131,678		131,678	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	<b>Costs and Expenses:</b>					
39	Cost of energy purchased	-			0	
40	Administration	-	810,003		810,003	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	352,771		352,771	
44	Ontario Capital Tax	-			0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	299,789	0	299,789	
51	Less: Interest expense for accounting purposes	-	203,885		203,885	
52	Provision for payments in lieu of income taxes	-	39,746		39,746	
53	<b>Net Income (loss)</b>	=	56,158	0	56,158	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return. )</i>					
55						
56	<b>Section C: Reconciliation of accounting income to taxable income</b>					
57	<b>From T2 Schedule 1</b>					
58	<b>BOOK TO TAX ADDITIONS:</b>					
59	Provision for income tax	+	39,746	0	39,746	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	352,771	0	352,771	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		392,517	0	392,517	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	<i>Total Other Additions</i>	=	0	0	0	
81						
82	Total Additions	=	392,517	0	392,517	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions &gt;materiality level</i>		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	235,082		235,082	
98	Cumulative eligible capital deduction	-	127		127	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	235,209	0	235,209	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	<b>Charitable donations - tax basis</b>	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118		-			0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	235,209	0	235,209	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	<b>TAXABLE INCOME</b>	=	213,466	0	213,466	
135	DEDUCT:					
136	Non-capital loss applied <b>positive number</b>	-			0	
137	Net capital loss applied <b>positive number</b>	-			0	
138					0	
139	<b>NET TAXABLE INCOME</b>	=	213,466	0	213,466	
140						

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
141	<b>FROM ACTUAL TAX RETURNS</b>					
142	Net Federal Income Tax (Must agree with tax return)	+	28,006		28,006	
143	Net Ontario Income Tax (Must agree with tax return)	+	11,740		11,740	
144	Subtotal	=	39,746	0	39,746	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	<b>Total Income Tax</b>	=	39,746	0	39,746	
147						
148	<b>FROM ACTUAL TAX RETURNS</b>					
149	Net Federal Income Tax Rate (Must agree with tax return)		13.12%		13.12%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		5.50%		5.50%	Divide Ontario
151	Blended Income Tax Rate		18.62%	*****	18.62%	
152						
153	<b>Section F: Income and Capital Taxes</b>					
154						
155	<b>RECAP</b>					
156	Total Income Taxes	+	39,746	0	39,746	
157	Ontario Capital Tax	+	4,567		4,567	
158	Federal Large Corporations Tax	+			0	
159						
160	<b>Total income and capital taxes</b>	=	44,313	0	44,313	
161						
162						

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Renfrew Hydro Inc.</b>					
8	<b>Reporting period: 2004</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49	Other - Please describe				0	
50					0	
51	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
52						
53	<b>End of Year:</b>					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
65						
66						
67						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Renfrew Hydro Inc.</b>					
9	<b>Reporting period: 2004</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		6,198			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations <i>(Only if it benefits ratepayers)</i>	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	<b>Recap of Material Additions:</b>					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Renfrew Hydro Inc.</b>					
9	<b>Reporting period: 2004</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		6,198			
12						
13						
77			0	0	0	
78						
79	Total Material additions		0	0	0	
80	Other additions less than materiality level		0	0	0	
81	Total Additions		0	0	0	
82						
83	Deduct:					
84	Gain on disposal of assets per f/s	-			0	
85	Dividends not taxable under section 83	-			0	
86	Terminal loss from Schedule 8	-			0	
87	Depreciation in inventory, end of prior year	-			0	
88	Scientific research expenses claimed in year from Form T661	-			0	
89	Bad debts	-			0	
90	Book income of joint venture or partnership	-			0	
91	Equity in income from subsidiary or affiliates	-			0	
92	Contributions to a qualifying environment trust	-			0	
93	Other income from financial statements	-			0	
94		-			0	
95		-			0	
96		-			0	
97	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
98		-			0	
99		-			0	
100		-			0	
101		-			0	
102	Total Deductions	=	0	0	0	
103						
104	Recap of Material Deductions:					
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119			0	0	0	
120			0	0	0	
121			0	0	0	
122	Total Deductions exceed materiality level		0	0	0	
123	Other deductions less than materiality level		0	0	0	
124	Total Deductions		0	0	0	
125						
126						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7		0	Return			
8	<b>Utility Name: Renfrew Hydro Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2004</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>	+			0	
36	Interest and penalties on unpaid taxes	+			0	
37	Management bonuses unpaid after 180 days of year end	+			0	
38	Imputed interest expense on Regulatory Assets	+			0	
39		+			0	
40	<b>Ontario capital tax adjustments</b>	+			0	
41	<b>Changes in Regulatory Asset balances</b>	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44		+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	
65		-			0	
66	<b>Changes in Regulatory Asset balances</b>	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	

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

	A	B	C	D	E	F	G
1	PILs TAXES - EB-2008-381						
2	Corporate Tax Rates						Version 2009.1
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Renfrew Hydro Inc.						
5	Reporting period: 2004						
6							
7							
8	Table 1						
9	<b>Rates Used in 2002 RAM PILs Applications for 2002</b>						
9	Income Range		0 to 200,000		200,001 to 700,000		>700,000
10	RAM 2002						
11		Year					
12	Income Tax Rate						
13	Proxy Tax Year	2002					
14	Federal (Includes surtax)		13.12%		26.12%		26.12%
15	and Ontario blended		6.00%		6.00%		12.50%
16	Blended rate		19.12%		34.12%		38.62%
17							
18	Capital Tax Rate		0.300%				
19	LCT rate		0.225%				
20	Surtax		1.12%				
21	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM	10,000,000				
23	<b>**Exemption amounts must agree with the Board-approved 2002 RAM PILs filing</b>						
24							
25	Table 2						
26	<b>Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004</b>						
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000
28	Expected Rates						
29		Year					
30	Income Tax Rate						
31	Current year	2004					
32	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%
33	Ontario		5.50%	5.50%	9.75%		14.00%
34	Blended rate		18.62%	27.62%	31.87%		36.12%
35							
36	Capital Tax Rate		0.300%				
37	LCT rate		0.200%				
38	Surtax		1.12%				
39	Ontario Capital Tax Exemption *** 2004	MAX \$5MM	5,000,000				
40	Federal Large Corporations Tax Exemption *** 2004	MAX \$50MM	50,000,000				
41	<b>*** Allocation of exemptions must comply with the Board's instructions regarding regulated activities.</b>						
42							
43	Table 3						
44	<b>Input Information from Utility's Actual 2004 Tax Returns</b>						
45	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000
46							
47		Year					
48	Income Tax Rate						
49	Current year	2004					
50	Federal (Includes surtax)		13.12%	22.12%	22.29%		22.12%
51	Ontario		5.50%	5.50%	13.77%		14.00%
52	Blended rate		18.62%	27.62%	36.06%		36.12%
53							
54	Capital Tax Rate		0.300%				
55	LCT rate		0.200%				
56	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,467,784				
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000				
59	<b>* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36</b>						
60							
61							

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	<b>PILs TAXES - EB-2008-381</b>														
2	<b>Analysis of PILs Tax Account 1562:</b>														
3	Utility Name: Renfrew Hydro Inc.														Version 2009.1
4	Reporting period: 2004														0
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001		01/01/2002		01/01/2003		01/01/2004		01/01/2005		01/01/2006		
9	Year end:		31/12/2001		31/12/2002		31/12/2003		31/12/2004		31/12/2005		30/04/2006		Total
10															
11	Opening balance:	=	0		0		0		0		-58,894		-58,894		0
12	Board-approved PILs tax proxy from Decisions (1)	+/-													0
14	True-up Variance Adjustment Q4, 2001 (2)	+/-													0
16	True-up Variance Adjustment (3)	+/-							-10,153						-10,153
18	Deferral Account Variance Adjustment Q4, 2001 (4)	+/-													0
20	Deferral Account Variance Adjustment (5)	+/-							-48,741						-48,741
22	Adjustments to reported prior years' variances (6)	+/-													0
23	Carrying charges (7)	+/-													0
25	PILs billed to (collected from) customers (8)	-	0												0
26															
27	Ending balance: # 1562		0		0		0		-58,894		-58,894		-58,894		-58,894
28															
29															
30															
31	<b>Uncollected PILs</b>														
32															
33	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	<b>Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:</b>														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
45	(vi) Column M - The 2005 PILs tax proxy will be used for the period from January 1 to April 30, 2006.														
46															
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														

File Number:EB-2011-0195

Exhibit: 5

Tab: 2

Schedule: 1

Date Filed:January 23, 2012

## Attachment 5 of 7

# RHI 2005 1562 Disposition PILs Model Reply Submission

## Disposition of Balance Recorded in Account 1562 Deferred F

<b>Distributor</b>	<b>Renfrew Hydro Inc.</b>
<b>OEB File Number</b>	<b>EB-2011-0195</b>
<b>Filing Year</b>	<b>2005</b>

	A	B	C	D	E
1	PILs TAXES - EB-2008-381				Version 2009.1
2	<b>REGULATORY INFORMATION (REGINFO)</b>				
3	Utility Name: Renfrew Hydro Inc.			Colour Code	
4	Reporting period: 2005			Input Cell	
5				Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8					
9	<b>BACKGROUND</b>				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	Y	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		3.0000%	
22		LCT			
23					
24	Accounting Year End		Date	31-Dec-05	
25					
26	<b>MARR NO TAX CALCULATIONS</b>				<b>Regulatory</b>
27	<b>SHEET #7 FINAL RUD MODEL DATA</b>				<b>Income</b>
28	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>				
29	<b>USE BOARD-APPROVED AMOUNTS</b>				
30					
31	Rate Base (wires-only)			4,958,520	
32					
33	Common Equity Ratio (CER)			50.00%	
34					
35	1-CER			50.00%	
36					
37	Target Return On Equity			9.88%	
38					
39	Debt rate			7.25%	
40					
41	Market Adjusted Revenue Requirement			424,697	
42					
43	1999 return from RUD Sheet #7			213,033	213,033
44					
45	Total Incremental revenue			211,664	
46	<b>Input: Board-approved dollar amounts phased-in</b>				
47	Amount allowed in 2001			70,555	70,555
48	Amount allowed in 2002			70,555	70,555
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			70,555	70,555
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				
52	Other Board-approved changes to MARR or incremental revenue				
53					21,500
54	<b>Total Regulatory Income</b>				<b>446,198</b>
55					
56	Equity			2,479,260	
57					
58	Return at target ROE			244,951	
59					
60	Debt			2,479,260	
61					
62	Deemed interest amount in 100% of MARR			179,746	
63					
64	Phase-in of interest - Year 1 (2001)			120,024	
65	$((D43+D47)/D41)*D61$				
66	Phase-in of interest - Year 2 (2002)			149,885	
67	$((D43+D47+D48)/D41)*D61$				
68	Phase-in of interest - Year 3 (2003) and forward			149,885	
69	$((D43+D47+D48)/D41)*D61$ (due to Bill 210)				
70	Phase-in of interest - 2005			179,746	
71					
72					

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2005							
8							<b>Column</b>	
9	Days in reporting period:	365	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12			\$		\$		\$	
13								
14	<b>I) CORPORATE INCOME TAXES</b>							
15								
16	Regulatory Net Income REGINFO E53	1	446,198		-67,291		378,907	
17								
18	<b>BOOK TO TAX ADJUSTMENTS</b>							
19	<b>Additions:</b>							
20	Depreciation & Amortization	2	325,863		28,974		354,837	
21	Employee Benefit Plans - Accrued, Not Paid	3			0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")							
26	"Material" Items from "TAXREC" worksheet	6			0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6			0		0	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
31								
32	<b>Deductions: Input positive numbers</b>							
33	Capital Cost Allowance and CEC	7	211,710		14,291		226,001	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9			0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10			0		0	
37	Interest Expense Deemed/ Incurred	11	179,746		22,962		202,708	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12	25,000		-13,315		11,685	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	<b>Items on which true-up does not apply "TAXREC 3"</b>				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		355,605		-62,255	Before loss C/F	293,350	
51								
52	<b>BLENDED INCOME TAX RATE</b>							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	18.62%		0.1483%		18.77%	
54								
55	REGULATORY INCOME TAX		66,214		-8,964	Actual	57,250	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	<b>Total Regulatory Income Tax</b>		66,214		-8,964	Actual	57,250	
61								
62								
63	<b>II) CAPITAL TAXES</b>							
64								
65	<b>Ontario</b>							
66	Base	15	4,958,520		1,254,616		6,213,136	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000		-891,276		6,608,724	
68	Taxable Capital		0		363,340		0	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		0		0	Overpaid	0	
73								
74	<b>Federal Large Corporations Tax</b>							
75	Base	18	4,958,520		-4,958,520			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		0		50,000,000	
77	Taxable Capital		0		-4,958,520		0	
78								
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		0.0250%		0.2000%	
80								
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		0		0		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	0		0		0	
83								
84	Net LCT		0		0		0	
85								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2005							
8							<b>Column</b>	
9	Days in reporting period:	365	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12					\$	\$	<b>\$</b>	
13								
86	<b>III) INCLUSION IN RATES</b>							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		18.62%					
89								
90	Income Tax (proxy tax is grossed-up)	22	81,363			<b>Actual 2005</b>	57,250	
91	LCT (proxy tax is grossed-up)	23	0			<b>Actual 2005</b>	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	0			<b>Actual 2005</b>	0	
93								
94								
95	<b>Total PILs for Rate Adjustment -- MUST AGREE WITH 2002</b>	25	81,363			<b>Actual 2005</b>	57,250	
96	<b>RAM DECISION</b>							
97								
98								
99	<b>IV) FUTURE TRUE-UPS</b>							
100	<b>IV a) Calculation of the True-up Variance</b>				<b>DR/(CR)</b>			
101	<b>In Additions:</b>							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	<b>In Deductions - positive numbers</b>							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			22,962			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			-13,315			
118	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	-9,647			
121								
122	Income Tax Rate (including surtax) from 2005 Utility's tax return			x	18.77%			
123								
124	Income Tax Effect on True-up adjustments			=	-1,811			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-1,811			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				0.176483381			
131								
132	<b>TRUE-UP VARIANCE ADJUSTMENT</b>				-2,199			
133								
134	<b>IV b) Calculation of the Deferral Account Variance caused by changes in legislation</b>							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	355,605			
137								
138	REVISED CORPORATE INCOME TAX RATE (including surtax)			x	18.77%			
139								
140	REVISED REGULATORY INCOME TAX			=	66,741			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	66,741			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	66,214			
147								
148	Regulatory Income Tax Variance			=	527			
149								

	A	B	C	D	E	F	G	H
1	<b>PILs TAXES - EB-2008-381</b>	<b>ITEM</b>	<b>Initial</b>		M of F	M of F	<b>Tax</b>	
2	<b>PILs DEFERRAL AND VARIANCE ACCOUNTS</b>		<b>Estimate</b>		Filing	Filing	<b>Returns</b>	
3	<b>TAX CALCULATIONS (TAXCALC)</b>				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5		0					<b>Version 2009.1</b>	
6	Utility Name: Renfrew Hydro Inc.							
7	Reporting period: 2005							
8							<b>Column</b>	
9	Days in reporting period:	365	days				<b>Brought</b>	
10	Total days in the calendar year:	365	days				<b>From</b>	
11							<b>TAXREC</b>	
12					\$	\$	<b>\$</b>	
13								
150	<b>Ontario Capital Tax</b>							
151	Base			=	4,958,520			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	-2,541,480			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	0			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	0			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	<b>Federal LCT</b>							
162	Base				4,958,520			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	-45,041,480			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167								
168	Gross Amount				0			
169	Less: Federal surtax			-	0			
170	Revised Net LCT			=	0			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				0.176483381			
176								
177	<b>Income Tax (grossed-up)</b>			+	641			
178	<b>LCT (grossed-up)</b>			+	0			
179	<b>Ontario Capital Tax</b>			+	0			
180								
181	<b>DEFERRAL ACCOUNT VARIANCE ADJUSTMENT</b>			=	641			
182								
183	<b>TRUE-UP VARIANCE (from cell I130)</b>			+	-2,199			
184								
185	<b>Total Deferral Account Entry (Positive Entry = Debit)</b>			=	-1,558			
186	(Deferral Account Variance + True-up Variance)							
187								
188								
189								
190	<b>V) INTEREST PORTION OF TRUE-UP</b>							
191	<b>Variance Caused By Phase-in of Deemed Debt</b>							
192								
193	Total deemed interest (REGINFO)				179,746			
194	Interest phased-in (Cell C36)				149,885			
195								
196	Variance due to phase-in of debt component of MARR in rates				29,861			
197	according to the Board's decision							
198								
199	<b>Other Interest Variances (i.e. Borrowing Levels</b>							
200	<b>Above Deemed Debt per Rate Handbook)</b>							
201	Interest deducted on MoF filing (Cell K36+K41)				202,708			
202	Total deemed interest (REGINFO CELL D61)				179,746			
203								
204	Variance caused by excess debt				22,962			
205								
206	<b>Interest Adjustment for Tax Purposes (carry forward to Cell I110)</b>				22,962			
207								
208	<b>Total Interest Variance</b>				6,899			
209								
210								
211								

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
6	<b>Section A: Identification:</b>					
7	Utility Name: Renfrew Hydro Inc.					
8	Reporting period: 2005					
9	Taxation Year's start date:					
10	Taxation Year's end date:					
11	Number of days in taxation year:		365	days		
12						
13	Please enter the Materiality Level :		6,198	< - enter materiality level		
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	(0.25% x Net Assets)	Y/N	N			
16	Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N	N			
18	(Please complete the questionnaire in the Background questionnaire worksheet.)					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	<b>Section B: Financial statements data:</b>					
23	<i>Input unconsolidated financial statement data submitted with Tax returns.</i>					
24	<i>The actual categories of the income statements should be used.</i>					
25	<i>If required please change the descriptions except for amortization, interest expense and provision for income tax</i>					
26						
27	<i>Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts</i>					
28	<i>in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.</i>					
29						
30	<b>Income:</b>					
31	Energy Sales	+			0	
32	Distribution Revenue	+	1,354,295		1,354,295	
33	Other Income	+	158,438		158,438	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	<b>Costs and Expenses:</b>					
39	Cost of energy purchased	-			0	
40	Administration	-	778,989		778,989	
41	Customer billing and collecting	-			0	
42	Operations and maintenance	-			0	
43	Amortization	-	354,837		354,837	
44	Ontario Capital Tax	-			0	
45	Reg Assets	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	<b>Net Income Before Interest &amp; Income Taxes EBIT</b>	=	378,907	0	378,907	
51	Less: Interest expense for accounting purposes	-	202,708		202,708	
52	Provision for payments in lieu of income taxes	-	57,250		57,250	
53	<b>Net Income (loss)</b>	=	118,949	0	118,949	
54	<i>(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return. )</i>					
55						
56	<b>Section C: Reconciliation of accounting income to taxable income</b>					
57	<b>From T2 Schedule 1</b>					
58	<b>BOOK TO TAX ADDITIONS:</b>					
59	Provision for income tax	+	57,250	0	57,250	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	354,837	0	354,837	
62	Employee benefit plans-accrued, not paid	+		0	0	
63	Tax reserves - beginning of year	+	0	0	0	
64	Reserves from financial statements- end of year	+	0	0	0	
65	Regulatory adjustments on which true-up may apply (see A66)	+			0	
66	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0	
67	Material addition items from TAXREC 2	+	0	0	0	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	<i>Subtotal</i>		412,087	0	412,087	
71						
72	<i>Other Additions: (Please explain the nature of the additions)</i>					

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+			0	
77		+			0	
78		+			0	
79		+			0	
80	<i>Total Other Additions</i>	=	0	0	0	
81						
82	Total Additions	=	412,087	0	412,087	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92	<i>Total Other additions &gt;materiality level</i>		0	0	0	
93	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
95						
96	BOOK TO TAX DEDUCTIONS:					
97	Capital cost allowance	-	225,883		225,883	
98	Cumulative eligible capital deduction	-	118		118	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	<i>Regulatory adjustments :</i>	-			0	
102	CCA	-			0	
103	<i>other deductions</i>	-			0	
104	<i>Tax reserves - end of year</i>	-	0	0	0	
105	<i>Reserves from financial statements- beginning of year</i>	-	0	0	0	
106	<i>Contributions to deferred income plans</i>	-			0	
107	<i>Contributions to pension plans</i>	-			0	
108	<b>Items on which true-up does not apply "TAXREC 3"</b>		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	226,001	0	226,001	
114	<i>Other deductions (Please explain the nature of the deductions)</i>					
115	<b>Charitable donations - tax basis</b>	-			0	
116	<i>Gain on disposal of assets</i>	-			0	
117		-			0	
118		-			0	
119		-			0	
120	<i>Total Other Deductions</i>	=	0	0	0	
121						
122	Total Deductions	=	226,001	0	226,001	
123						
124	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128			0	0	0	
129			0	0	0	
130	<i>Total Other Deductions exceed materiality level</i>		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
132	Total Other Deductions		0	0	0	
133						
134	<b>TAXABLE INCOME</b>	=	305,035	0	305,035	
135	DEDUCT:					
136	Non-capital loss applied <b>positive number</b>	-			0	
137	Net capital loss applied <b>positive number</b>	-			0	
138					0	
139	<b>NET TAXABLE INCOME</b>	=	305,035	0	305,035	
140						

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	<b>LINE</b>	<b>M of F</b>	Non-wires	<b>Wires-only</b>	
2	<b>TAX RETURN RECONCILIATION (TAXREC)</b>		<b>Corporate</b>	Eliminations	<b>Tax</b>	
3	(for "wires-only" business - see s. 72 OEB Act)		<b>Tax</b>		<b>Return</b>	
4		<b>0</b>	<b>Return</b>			
5					<b>Version 2009.1</b>	
141	<b>FROM ACTUAL TAX RETURNS</b>					
142	Net Federal Income Tax (Must agree with tax return)	+	40,473		40,473	
143	Net Ontario Income Tax (Must agree with tax return)	+	16,777		16,777	
144	Subtotal	=	57,250	0	57,250	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
146	<b>Total Income Tax</b>	=	57,250	0	57,250	
147						
148	<b>FROM ACTUAL TAX RETURNS</b>					
149	Net Federal Income Tax Rate (Must agree with tax return)		13.27%		13.27%	Divide federal
150	Net Ontario Income Tax Rate (Must agree with tax return)		5.50%		5.50%	Divide Ontario
151	Blended Income Tax Rate		18.77%	*****	18.77%	
152						
153	<b>Section F: Income and Capital Taxes</b>					
154						
155	<b>RECAP</b>					
156	Total Income Taxes	+	57,250	0	57,250	
157	Ontario Capital Tax	+			0	
158	Federal Large Corporations Tax	+			0	
159						
160	<b>Total income and capital taxes</b>	=	57,250	0	57,250	
161						

	A	B	C	D	E	F
1	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
2	<b>Tax and Accounting Reserves</b>		Corporate	Eliminations	<b>Tax</b>	
3	For MoF Column of TAXCALC		Tax		<b>Return</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	<b>0</b>				<b>Version 2009.1</b>	
6						
7	<b>Utility Name: Renfrew Hydro Inc.</b>					
8	<b>Reporting period: 2005</b>					
9						
10	<b>TAX RESERVES</b>					
11						
12	<b>Beginning of Year:</b>					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
23						
24	<b>End of Year:</b>					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
36						
37						
38	<b>FINANCIAL STATEMENT RESERVES</b>					
39						
40	<b>Beginning of Year:</b>					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	OPEB				0	
48	Other - Please describe				0	
49	Other - Please describe				0	
50					0	
51	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
52						
53	<b>End of Year:</b>					
54					0	
55					0	
56	Environmental				0	
57	Allowance for doubtful accounts				0	
58	Inventory obsolescence				0	
59	Property taxes				0	
60	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	<b>Total (carry forward to the TAXREC worksheet)</b>		0	0	0	
65						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Renfrew Hydro Inc.</b>					
9	<b>Reporting period: 2005</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		6,198			
12						
13						
14						
15	<b>Section C: Reconciliation of accounting income to taxable income</b>					
16	<b>Add:</b>					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
23	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			0	
26	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54			0	0	0	
55			0	0	0	
56			0	0	0	
57			0	0	0	
58			0	0	0	
59			0	0	0	
60			0	0	0	
61			0	0	0	
62			0	0	0	
63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77			0	0	0	
78						
79	Total Material additions		0	0	0	
80	Other additions less than materiality level		0	0	0	

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
3	<b>TAX RETURN RECONCILIATION (TAXREC 2)</b>		Corporate	Eliminations	<b>Tax</b>	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
5	<b>RATEPAYERS ONLY</b>		Return			
6	<b>Shareholder-only Items should be shown on TAXREC 3</b>				<b>Version 2009.1</b>	
7						
8	<b>Utility Name: Renfrew Hydro Inc.</b>					
9	<b>Reporting period: 2005</b>					
10	<b>Number of days in taxation year:</b>		365			
11	<b>Materiality Level:</b>		6,198			
12						
13						
81	Total Additions		0	0	0	
82						
83	Deduct:					
84	Gain on disposal of assets per f/s	-			0	
85	Dividends not taxable under section 83	-			0	
86	Terminal loss from Schedule 8	-			0	
87	Depreciation in inventory, end of prior year	-			0	
88	Scientific research expenses claimed in year from Form T661	-			0	
89	Bad debts	-			0	
90	Book income of joint venture or partnership	-			0	
91	Equity in income from subsidiary or affiliates	-			0	
92	Contributions to a qualifying environment trust	-			0	
93	Other income from financial statements	-			0	
94		-				
95		-			0	
96		-			0	
97	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
98		-			0	
99		-			0	
100		-			0	
101		-			0	
102	Total Deductions	=	0	0	0	
103						
104	Recap of Material Deductions:					
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119			0	0	0	
120			0	0	0	
121			0	0	0	
122	Total Deductions exceed materiality level		0	0	0	
123	Other deductions less than materiality level		0	0	0	
124	Total Deductions		0	0	0	
125						

	A	B	C	D	E	F
1						
2	<b>PILs TAXES - EB-2008-381</b>					
3	<b>TAX RETURN RECONCILIATION (TAXREC 3)</b>					
4	<b>Shareholder-only Items should be shown on TAXREC 3</b>	LINE	M of F	Non-wires	<b>Wires-only</b>	
5	<b><u>ITEMS ON WHICH TRUE-UP DOES NOT APPLY</u></b>		Corporate	Eliminations	<b>Tax</b>	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		<b>Return</b>	
7		0	Return			
8	<b>Utility Name: Renfrew Hydro Inc.</b>				<b>Version 2009.1</b>	
9						
10						
11	<b>Reporting period: 2005</b>					
12	<b>Number of days in taxation year:</b>		365			
13						
14						
15						
16	<b>Section C: Reconciliation of accounting income to taxable income</b>					
17	<b>Add:</b>					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	<b>Donations - amount per books</b>				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	<b>Ontario capital tax adjustments</b>	+			0	
41	<b>Changes in Regulatory Asset balances</b>	+			0	
42		+			0	
43	<i>Other Additions: (please explain in detail the nature of the item)</i>	+			0	
44	Income from joint ventures or partnerships	+			0	
45		+			0	
46		+			0	
47	<b>Total Additions on which true-up does not apply</b>	=	0	0	0	
48						
49	<b>Deduct:</b>					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amortization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	<b>Donations - amount deductible for tax purposes</b>	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	<b>Ontario capital tax adjustments to current or prior year</b>	-			0	
65		-			0	
66	<b>Changes in Regulatory Asset balances</b>	-			0	
67		-			0	
68	<i>Other deductions: (Please explain in detail the nature of the item)</i>	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	<b>Total Deductions on which true-up does not apply</b>	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	PILs TAXES - EB-2008-381									
2	Corporate Tax Rates									
3	Exemptions, Deductions, or Thresholds									
4	Utility Name: Renfrew Hydro Inc.									
5	Reporting period: 2005									
6										
7										
8	Table 1									
9	<b>Rates Used in 2005 RAM PILs Applications for 2005</b>									
10	Income Range		0 to 400,000		400,001 to 1,128,000		>1128000			
11	RAM 2002	Year								
12	Income Tax Rate									
13	Proxy Tax Year	2005								
14	Federal (Includes surtax)		13.12%		17.75%		22.12%			
15	and Ontario blended		5.50%		9.75%		14.00%			
16	Blended rate		18.62%		27.50%		36.12%			
17										
18	Capital Tax Rate		0.300%							
19	LCT rate		0.175%							
20	Surtax		1.12%							
21	Ontario Capital Tax Exemption **	MAX \$7.5MM	7,500,000							
22	Federal Large Corporations Tax Exemption **	MAX \$50MM	50,000,000							
23	<b>**Exemption amounts must agree with the Board-approved 2005 RAM PILs filing</b>									
24										
25	Table 2									
26	<b>Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005</b>									
27	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
28	Expected Rates	Year								
29										
30	Income Tax Rate									
31	Current year	2005								
32	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
33	Ontario		5.50%	5.50%	9.75%		14.00%			
34	Blended rate		18.62%	27.62%	31.87%		36.12%			
35										
36	Capital Tax Rate		0.300%							
37	LCT rate		0.225%							
38	Surtax		1.12%							
39	Ontario Capital Tax Exemption *** 2002	MAX \$7.5MM	7,500,000							
40	Federal Large Corporations Tax Exemption *** 2002	MAX \$50MM	50,000,000							
41	<b>***Allocation of exemptions must comply with the Board's instructions regarding regulated activities.</b>									
42										
43	Table 3									
44	<b>Input Information from Utility's Actual 2005 Tax Returns</b>									
45	Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000		>1,128,000			
46		Year								
47										
48	Income Tax Rate									
49	Current year	2005								
50	Federal (Includes surtax)		13.12%	22.12%	22.12%		22.12%			
51	Ontario		5.50%	5.50%	9.75%		14.00%			
52	Blended rate		18.62%	27.62%	31.87%		36.12%			
53										
54	Capital Tax Rate		0.300%							
55	LCT rate		0.200%							
56	Surtax		1.12%							
57	Ontario Capital Tax Exemption *	MAX \$7.5MM	6,608,724							
58	Federal Large Corporations Tax Exemption *	MAX \$50MM	50,000,000							
59	<b>* Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36</b>									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	PILs TAXES - EB-2008-381														
2	Analysis of PILs Tax Account 1562:														
3	Utility Name: Renfrew Hydro Inc.														
4	Reporting period: 2005														
5	Sign Convention: + for increase; - for decrease														
6															
7															
8	Year start:		01/10/2001	01/01/2002	01/01/2003	01/01/2004	01/01/2005	01/01/2006							
9	Year end:		31/12/2001	31/12/2002	31/12/2003	31/12/2004	31/12/2005	30/04/2006	Total						
10															
11	Opening balance:	=		0	0	0	0	-1,558	0						
12	Board-approved PILs tax proxy from Decisions (1)	+/-							0						
14	True-up Variance Adjustment Q4, 2001 (2)	+/-							0						
16	True-up Variance Adjustment (3)	+/-						-2,199	-2,199						
18	Deferral Account Variance Adjustment Q4, 2001 (4)								0						
20	Deferral Account Variance Adjustment (5)	+/-						641	641						
22	Adjustments to reported prior years' variances (6)	+/-							0						
23	Carrying charges (7)	+/-							0						
25	PILs billed to (collected from) customers (8)	-	0						0						
26															
27	Ending balance: # 1562		0	0	0	0	-1,558	-1,558	-1,558						
28															
29															
30															
31	Uncollected PILs														
32															
33	<b>NOTE:</b> The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
34	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
35															
36	Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:														
37															
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
39	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
40	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
41	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
45	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
46															
47	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
48	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconciliation.														
49															
50	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
51	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
52															
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
54	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
55															
56	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
57	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
58															
59	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
60															
61	(7) Carrying charges are calculated on a simple interest basis.														
62															
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
64	components for Q4, 2001 and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
65	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
66	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
67															
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kW, Kva) for the period (including net unbilled at period end), multiplied														
69	by the PILs volumetric proxy rates by class (from the Q4, 2001 and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
70	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
71															
72	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
73	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
74															
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
76	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
77	to calculate the recovery for the period January 1 to March 31, 2005.														
78															
79	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
80	will have to include amounts from 1562 and from 1590.														
81															
82															

File Number:EB-2011-0195

Exhibit: 5

Tab: 2

Schedule: 1

Date Filed:January 23, 2012

## Attachment 6 of 7

# RHI ED Disposition 1562 Balance Reply Submission

Name of LDC: Renfrew Hydro Inc.  
OEB Licence Number: ED-2002-0577

## Distributor Information

**Applicant Name**

Renfrew Hydro Inc.

**OEB Licence Number**

ED-2002-0577



Name of LDC: Renfrew Hydro Inc.

OEB Licence Number: ED-2002-0577

## Table of Contents

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

Name of LDC: Renfrew Hydro Inc.

OEB Licence Number: ED-2002-0577

## Prescribed Interest Rates

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

ates

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

### Annual Interest

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

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

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

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

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

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

Month	Prescribed Interest	Monthly Interest	Cummulative
January 31, 2007	4.59	0.39%	0.39%
February 28, 2007	4.59	0.35%	0.74%
March 31, 2007	4.59	0.39%	1.13%
April 30, 2007	4.59	0.38%	1.51%
May 31, 2007	4.59	0.39%	1.90%
June 30, 2007	4.59	0.38%	2.28%

July 31, 2007	4.59	0.39%	2.67%
August 31, 2007	4.59	0.39%	3.06%
September 30, 2007	4.59	0.38%	3.43%
October 31, 2007	5.14	0.44%	3.87%
November 30, 2007	5.14	0.42%	4.29%
December 31, 2007	5.14	0.44%	4.73%
<b>Effective Annual Interest</b>		<b>4.73%</b>	

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

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

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

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

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

**Name of LDC: Renfrew Hydro Inc.**

**OEB Licence Number: ED-2002-0577**

### **PILs Tax Proxy**

	Year	Amount
Board-approved PILs tax proxy from Decisions	2001	48,733
Board-approved PILs tax proxy from Decisions	2002	170,782
Board-approved PILs tax proxy from Decisions	2005	81,363

**Name of LDC: Renfrew Hydro Inc.**

**OEB Licence Number: ED-2002-0577**

## Rate Class Selection

Rate Group	Rate Class	Fixed Metric	Vol Metric
RES	Residential	Customer	kWh
GSLT50	General Service Less Than 50 kV	Customer	kWh
GSGT50	General Service 50 to 4,999 kW	Customer	kW
USL	Unmetered Scattered Load	Connection	kWh
SL	Street Lighting	Connection	kW
NA	Rate Class 6	NA	NA
NA	Rate Class 7	NA	NA
NA	Rate Class 8	NA	NA
NA	Rate Class 9	NA	NA
NA	Rate Class 10	NA	NA
NA	Rate Class 11	NA	NA
NA	Rate Class 12	NA	NA
NA	Rate Class 13	NA	NA
NA	Rate Class 14	NA	NA
NA	Rate Class 15	NA	NA
NA	Rate Class 16	NA	NA
NA	Rate Class 17	NA	NA
NA	Rate Class 18	NA	NA
NA	Rate Class 19	NA	NA
NA	Rate Class 20	NA	NA
NA	Rate Class 21	NA	NA
NA	Rate Class 22	NA	NA
NA	Rate Class 23	NA	NA
NA	Rate Class 24	NA	NA
NA	Rate Class 25	NA	NA



Name of LDC: Renfrew Hydro Inc.  
 OEB Licence Number: ED-2002-0577

**PILs Recovered 2003**

Rate Class	Fixed Metric	PILs Rate 2001 <b>A</b>	PILs Rate 2002 <b>B</b>	Total PILs Rate <b>C = A + B</b>	Monthly Service Charge	Cust/Conn Billed <b>D</b>	PILs Recovered <b>E = C * D * 12</b>
Residential	Customer	0.482339	1.690294	2.172633	14.0100	3,471	90,495
General Service Less Than 50 kW	Customer	1.012605	3.548542	4.561146	29.3100	494	27,038
General Service 50 to 4,999 kW	Customer	5.313774	18.621434	23.935208	154.2800	55	15,797
Unmetered Scattered Load	Connection	1.012605	3.548542	4.561146	29.3100	28	1,533
Street Lighting	Connection	0.032559	0.114098	0.146656	0.9400	1,121	1,973
						<b>5,169</b>	<b>136,836</b>

Rate Class	Vol Metric	PILs Rate 2001 <b>A</b>	PILs Rate 2002 <b>B</b>	Total PILs Rate <b>C = A + B</b>	Distribution Charge	kWh/kW Billed 2003 <b>D</b>	PILs Recovered <b>E = C * D</b>
Residential	kWh	0.000293	0.001027	0.001320	0.0085	31,953,378	42,189
General Service Less Than 50 kW	kWh	0.000183	0.000643	0.000826	0.0054	14,546,908	12,023
General Service 50 to 4,999 kW	kW	0.051780	0.181457	0.233237	1.5062	123,406	28,783
Unmetered Scattered Load	kWh	0.000183	0.000643	0.000826	0.0054	160,000	132
Street Lighting	kW	0.064829	0.227185	0.292014	1.9084	3,002	877
						<b>46,786,694</b>	<b>84,003</b>

**220,838**

Name of LDC: Renfrew Hydro Inc.  
 OEB Licence Number: ED-2002-0577

**PILs Recovered January to March 2004**

Rate Class	Fixed Metric	PILs Rate 2001 <b>A</b>	PILs Rate 2002 <b>B</b>	Total PILs Rate <b>C = A + B</b>	Monthly Service Charge	Cust/Conn Billed Jan to Mar 2004 <b>D</b>	PILs Recovered <b>E = C * D * 3</b>
Residential	Customer	0.482339	1.690294	2.172633	14.0100	3,472	22,630
General Service Less Than 50 kW	Customer	1.012605	3.548542	4.561146	29.3100	489	6,691
General Service 50 to 4,999 kW	Customer	5.313774	18.621434	23.935208	154.2800	61	4,380
Unmetered Scattered Load	Connection	1.012605	3.548542	4.561146	29.3100	28	383
Street Lighting	Connection	0.032559	0.114098	0.146656	0.9400	1,067	469
						<b>5,117</b>	<b>34,554</b>

Rate Class	Vol Metric	PILs Rate 2001 <b>A</b>	PILs Rate 2002 <b>B</b>	Total PILs Rate <b>C = A + B</b>	Distribution Charge	kWh/kW Billed Jan To Mar 2004 <b>D</b>	PILs Recovered <b>E = C * D</b>
Residential	kWh	0.000293	0.001027	0.001320	0.0085	16,722,880	22,079
General Service Less Than 50 kW	kWh	0.000183	0.000643	0.000826	0.0054	6,394,968	5,285
General Service 50 to 4,999 kW	kW	0.051780	0.181457	0.233237	1.5062	49,570	11,562
Unmetered Scattered Load	kWh	0.000183	0.000643	0.000826	0.0054	40,000	33
Street Lighting	kW	0.064829	0.227185	0.292014	1.9084	1,004	293
						<b>23,208,422</b>	<b>39,253</b>

**73,807**

Name of LDC: Renfrew Hydro Inc.  
 OEB Licence Number: ED-2002-0577

**PILs Recovered April to December 2004**

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

Rate Class	Vol Metric	PILs Rate Apr to Dec 2004 <b>A</b>	Distribution Charge	kWh/kW Billed Apr To Dec 2004 <b>B</b>	PILs Recovered <b>C = A * B</b>
Residential	kWh	0.003275	0.0074	14,316,747	46,890
General Service Less Than 50 kW	kWh	0.002221	0.0047	7,491,937	16,641
General Service 50 to 4,999 kW	kW	0.247509	1.3688	83,144	20,579
Unmetered Scattered Load	kWh	0.002221	0.0047	120,000	267
Street Lighting	kW	0.747722	1.6224	2,028	1,516
				<u>22,013,856</u>	<u>85,893</u>

85,893

Name of LDC: Renfrew Hydro Inc.  
 OEB Licence Number: ED-2002-0577

**PILs Recovered January to March 2005**

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

Rate Class	Vol Metric	PILs Rate Jan To Mar 2005 <b>A</b>	Distribution Charge	kWh/kW Billed Jan To Mar 2005 <b>B</b>	PILs Recovered <b>C = A * B</b>
Residential	kWh	0.003275	0.0074	9,447,708	30,943
General Service Less Than 50 kW	kWh	0.002221	0.0047	3,937,406	8,746
General Service 50 to 4,999 kW	kW	0.247509	1.3688	36,274	8,978
Unmetered Scattered Load	kWh	0.002221	0.0047	42,851	95
Street Lighting	kW	0.747722	1.6224	762	570
				<u>13,465,001</u>	<u>49,332</u>

49,332

Name of LDC: Renfrew Hydro Inc.  
 OEB Licence Number: ED-2002-0577

**PILs Recovered April to December 2005**

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

Rate Class	Vol Metric	PILs Rate Apr to Dec 2005 <b>A</b>	Distribution Charge	kWh/kW Billed Apr To Dec 2005 <b>B</b>	PILs Recovered <b>C = A * B</b>
Residential	kWh	0.001600	0.0088	22,684,116	36,295
General Service Less Than 50 kW	kWh	0.001100	0.0049	10,410,520	11,452
General Service 50 to 4,999 kW	kW	0.109600	0.7472	110,953	12,160
Unmetered Scattered Load	kWh	0.001100	0.0049	126,000	139
Street Lighting	kW	0.367400	1.6787	2,289	841
				<u>33,333,878</u>	<u>60,886</u>

60,886

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**PILs Recovered January to April 2006**

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

Rate Class	Vol Metric	PILs Rate Jan To Apr 2006 <b>A</b>	Distribution Charge	kWh/kW Billed Jan To Apr 2006 <b>B</b>	PILs Recovered <b>C = A * B</b>
Residential	kWh	0.001600	0.0088	12,174,489	19,479
General Service Less Than 50 kW	kWh	0.001100	0.0049	5,117,902	5,630
General Service 50 to 4,999 kW	kW	0.109600	0.7472	50,089	5,490
Unmetered Scattered Load	kWh	0.001100	0.0049	55,599	61
Street Lighting	kW	0.367400	1.6787	1,016	373
				<b>17,399,095</b>	<b>31,033</b>

**31,033**

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Total PIL's Recoverd**

Rate Class	Fixed Metric	PILs Recovered	PILs Recovered	PILs Recovered	PILs Recovered				PILs Recovered Total
		Mar to Dec 2002	Jan to Dec 2003	Jan to Mar 2004	PILs Recovered Apr to Dec 2004	Jan to Mar 2005	PILs Recovered Apr to Dec 2005	PILs Recovered Jan to Apr 2006	
Residential	Customer	74,739	90,495	22,630	0	0	0	0	187,863
General Service Less Than 50 kW	Customer	21,072	27,038	6,691	0	0	0	0	54,802
General Service 50 to 4,999 kW	Customer	12,925	15,797	4,380	0	0	0	0	33,102
Unmetered Scattered Load	Connection	1,277	1,533	383	0	0	0	0	3,193
Street Lighting	Connection	1,644	1,973	469	0	0	0	0	4,086
		<b>111,657</b>	<b>136,836</b>	<b>34,554</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>283,047</b>

Rate Class	Vol Metric	PILs Recovered	PILs Recovered	PILs Recovered	PILs Recovered				PILs Recovered Total
		Mar to Dec 2002	Jan to Dec 2003	Jan to Mar 2004	PILs Recovered Apr to Dec 2004	Jan to Mar 2005	PILs Recovered Apr to Dec 2005	PILs Recovered Jan to Apr 2006	
Residential	kWh	34,661	42,189	22,079	46,890	30,943	36,295	19,479	232,536
General Service Less Than 50 kW	kWh	9,962	12,023	5,285	16,641	8,746	11,452	5,630	69,738
General Service 50 to 4,999 kW	kW	23,709	28,783	11,562	20,579	8,978	12,160	5,490	111,261
Unmetered Scattered Load	kWh	111	132	33	267	95	139	61	838
Street Lighting	kW	727	877	293	1,516	570	841	373	5,197
		<b>69,171</b>	<b>84,003</b>	<b>39,253</b>	<b>85,893</b>	<b>49,332</b>	<b>60,886</b>	<b>31,033</b>	<b>419,570</b>

Rate Class		PILs Recovered	PILs Recovered	PILs Recovered	PILs Recovered				PILs Recovered Total
		Mar to Dec 2002	Jan to Dec 2003	Jan to Mar 2004	PILs Recovered Apr to Dec 2004	Jan to Mar 2005	PILs Recovered Apr to Dec 2005	PILs Recovered Jan to Apr 2006	
Residential		109,399	132,683	44,710	46,890	30,943	36,295	19,479	420,400
General Service Less Than 50 kW		31,035	39,061	11,976	16,641	8,746	11,452	5,630	124,540
General Service 50 to 4,999 kW		36,634	44,580	15,942	20,579	8,978	12,160	5,490	144,363
Unmetered Scattered Load		1,388	1,665	416	267	95	139	61	4,031
Street Lighting		2,371	2,849	763	1,516	570	841	373	9,284
		<b>180,828</b>	<b>220,838</b>	<b>73,807</b>	<b>85,893</b>	<b>49,332</b>	<b>60,886</b>	<b>31,033</b>	<b>702,617</b>

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Total PIL's Recoverd by Year**

Rate Class	Fixed Metric	PILs Recovered Mar to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Dec 2004	PILs Recovered Jan to Dec 2005	PILs Recovered Jan to Apr 2006	PILs Recovered Total
Residential	Customer	74,739	90,495	22,630	0	0	187,863
General Service Less Than 50 kW	Customer	21,072	27,038	6,691	0	0	54,802
General Service 50 to 4,999 kW	Customer	12,925	15,797	4,380	0	0	33,102
Unmetered Scattered Load	Connection	1,277	1,533	383	0	0	3,193
Street Lighting	Connection	1,644	1,973	469	0	0	4,086
		<b>111,657</b>	<b>136,836</b>	<b>34,554</b>	<b>0</b>	<b>0</b>	<b>283,047</b>

Rate Class	Vol Metric	PILs Recovered Mar to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Dec 2004	PILs Recovered Jan to Dec 2005	PILs Recovered Jan to Apr 2006	PILs Recovered Total
Residential	kWh	34,661	42,189	68,970	67,238	19,479	232,536
General Service Less Than 50 kW	kWh	9,962	12,023	21,926	20,197	5,630	69,738
General Service 50 to 4,999 kW	kW	23,709	28,783	32,140	21,139	5,490	111,261
Unmetered Scattered Load	kWh	111	132	300	234	61	838
Street Lighting	kW	727	877	1,810	1,411	373	5,197
		<b>69,171</b>	<b>84,003</b>	<b>125,146</b>	<b>110,218</b>	<b>31,033</b>	<b>419,570</b>

Rate Class		PILs Recovered Mar to Dec 2002	PILs Recovered Jan to Dec 2003	PILs Recovered Jan to Mar 2004	PILs Recovered Apr to Dec 2004	PILs Recovered Jan to Apr 2006	PILs Recovered Total
Residential		109,399	132,683	91,600	67,238	19,479	420,400
General Service Less Than 50 kW		31,035	39,061	28,617	20,197	5,630	124,540
General Service 50 to 4,999 kW		36,634	44,580	36,521	21,139	5,490	144,363
Unmetered Scattered Load		1,388	1,665	683	234	61	4,031
Street Lighting		2,371	2,849	2,279	1,411	373	9,284
		<b>180,828</b>	<b>220,838</b>	<b>159,700</b>	<b>110,218</b>	<b>31,033</b>	<b>702,617</b>

Name of LDC: Renfrew Hydro Inc.  
 OEB Licence Number: ED-2002-0577

**Disposition of Balance Recorded in Account 1562 Deferred PILs**

Year start:	01/10/2001	01/01/2002	01/01/2003	01/01/2004	01/01/2005	01/01/2006	01/05/2006	01/01/2007	01/01/2008	01/01/2009	01/01/2010	01/01/2011	01/01/2012
Year end:	31/12/2001	31/12/2002	31/12/2003	31/12/2004	31/12/2005	30/04/2006	31/12/2006	31/12/2007	31/12/2008	31/12/2009	31/12/2010	31/12/2011	30/04/2012
Principal Opening balance: # 1562	=	48,733	35,960	17,186	-14,820	-80,214	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Board-approved PILs tax proxy from	+/-	48,733	170,782	219,515	182,965	103,718	27,121						
True-up Variance Adjustment Q4, 2001 <sup>(2)</sup>	+/-		0					0	0	0	0	0	0
True-up Variance Adjustment <sup>(3)</sup>	+/-			-17,450	-11,715	-10,153	-2,199	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001 <sup>(4)</sup>	+/-		-2,727					0	0	0	0	0	0
Deferral Account Variance Adjustment <sup>(5)</sup>	+/-			0	-43,557	-48,741	641	0	0	0	0	0	0
Adjustments to reported prior years <sup>†</sup>	+/-							0	0	0	0	0	0
PILs collected from customers - Proxy <sup>(6)</sup>	-	0	-180,828	-220,838	-159,700	-110,218	-31,033	0	0	0	0	0	0
<b>Principal Ending balance: # 1562</b>		<b>48,733</b>	<b>35,960</b>	<b>17,186</b>	<b>-14,820</b>	<b>-80,214</b>	<b>-85,684</b>						
Principal Opening balance: # 1562		0	297	4,495	6,475	5,425	1,377	-368	-2,944	-6,995	-10,412	-11,381	-12,066
Carrying charges <sup>(7)</sup>	+/-	297	4,198	1,980	-1,050	-4,047	-1,745	-2,575	-4,052	-3,417	-969	-685	-1,260
<b>Principal Ending balance: # 1562</b>		<b>297</b>	<b>4,495</b>	<b>6,475</b>	<b>5,425</b>	<b>1,377</b>	<b>-368</b>	<b>-2,944</b>	<b>-6,995</b>	<b>-10,412</b>	<b>-11,381</b>	<b>-12,066</b>	<b>-13,325</b>

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

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

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

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

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

In 2006, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period January 1 to April 30, 2006.

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Calculate Carrying Cost 2001**

Month	Jan-01	Feb-01	Mar-01	Apr-01	May-01	Jun-01	Jul-01	Aug-01	Sep-01	Oct-01	Nov-01	Dec-01	Total
Prescribed Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.25%	7.25%	7.25%	
Monthly Interest	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.62%	0.60%	0.62%	
Principal Opening balance: # 1562	=	0	0	0	0	0	0	0	0	0	16,244	32,489	0
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	16,244	16,244	16,244	48,733
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		0	0	0	0	0	0	0	0	16,244	32,489	48,733	48,733
Interest on Opening Balance		0	0	0	0	0	0	0	0	0	97	200	297
Cummulative Interest This Year		0	0	0	0	0	0	0	0	0	97	297	
Cummulative Interest Life to Date		0	0	0	0	0	0	0	0	0	97	297	

Name of LDC: Renfrew Hydro Inc.  
 OEB Licence Number: ED-2002-0577

### Calculate Carrying Cost 2002

Month	Jan-02	Feb-02	Mar-02	Apr-02	May-02	Jun-02	Jul-02	Aug-02	Sep-02	Oct-02	Nov-02	Dec-02	Total
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Interest	0.62%	0.56%	0.62%	0.60%	0.62%	0.60%	0.62%	0.62%	0.60%	0.62%	0.60%	0.62%	
Principal Opening balance: # 1562	= 48,733	62,738	76,742	72,664	68,586	64,507	60,429	56,351	52,273	48,194	44,116	40,038	48,733
Board-approved PILs tax proxy from Decisions(1)	+/- 14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	14,232	170,782
True-up Variance Adjustment Q4, 2001(2)	+/- 0	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/- 0	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/- -227	-227	-227	-227	-227	-227	-227	-227	-227	-227	-227	-227	-2,727
Deferral Account Variance Adjustment(5)	+/- 0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/- 0	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	- 0	0	-18,083	-18,083	-18,083	-18,083	-18,083	-18,083	-18,083	-18,083	-18,083	-18,083	-180,828
Principal Ending balance: # 1562	62,738	76,742	72,664	68,586	64,507	60,429	56,351	52,273	48,194	44,116	40,038	35,960	35,960
Interest on Opening Balance	300	349	473	433	422	384	372	347	311	297	263	247	4,198
Cummulative Interest This Year	300	649	1,122	1,555	1,977	2,361	2,733	3,080	3,392	3,689	3,951	4,198	
Cummulative Interest Life to Date	597	946	1,418	1,851	2,274	2,658	3,030	3,377	3,689	3,985	4,248	4,495	

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

### Calculate Carrying Cost 2003

Month	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	Oct-03	Nov-03	Dec-03	Total	
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%		
Monthly Interest	0.62%	0.56%	0.62%	0.60%	0.62%	0.60%	0.62%	0.62%	0.60%	0.62%	0.60%	0.62%		
Principal Opening balance: # 1562	=	35,960	34,395	32,831	31,266	29,702	28,137	26,573	25,009	23,444	21,880	20,315	18,751	35,960
Board-approved PILs tax proxy from Decisions(1)	+/-	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	18,293	219,515
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	-1,454	-1,454	-1,454	-1,454	-1,454	-1,454	-1,454	-1,454	-1,454	-1,454	-1,454	-1,454	-17,450
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	-18,403	-18,403	-18,403	-18,403	-18,403	-18,403	-18,403	-18,403	-18,403	-18,403	-18,403	-18,403	-220,838
Principal Ending balance: # 1562		34,395	32,831	31,266	29,702	28,137	26,573	25,009	23,444	21,880	20,315	18,751	17,186	17,186
Interest on Opening Balance		221	191	202	186	183	168	164	154	140	135	121	115	1,980
Cummulative Interest This Year		221	413	615	801	984	1,152	1,315	1,469	1,609	1,744	1,865	1,980	
Cummulative Interest Life to Date		4,716	4,908	5,110	5,296	5,479	5,647	5,810	5,964	6,104	6,239	6,360	6,475	

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Calculate Carrying Cost 2004**

Month	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Nov-04	Dec-04	Total
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Monthly Interest	0.62%	0.58%	0.62%	0.60%	0.62%	0.60%	0.62%	0.62%	0.60%	0.62%	0.60%	0.62%	
Principal Opening balance: # 1562	= 17,186	3,225	-10,736	-24,697	-23,599	-22,502	-21,404	-20,307	-19,209	-18,112	-17,015	-15,917	17,186
Board-approved PILs tax proxy from Decisions(1)	+/- 15,247	15,247	15,247	15,247	15,247	15,247	15,247	15,247	15,247	15,247	15,247	15,247	182,965
True-up Variance Adjustment Q4, 2001(2)	+/- 0	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/- -976	-976	-976	-976	-976	-976	-976	-976	-976	-976	-976	-976	-11,715
Deferral Account Variance Adjustment Q4, 2001(4)	+/- 0	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/- -3,630	-3,630	-3,630	-3,630	-3,630	-3,630	-3,630	-3,630	-3,630	-3,630	-3,630	-3,630	-43,557
Adjustments to reported prior years' variances(6)	+/- 0	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	- -24,602	-24,602	-24,602	-9,544	-9,544	-9,544	-9,544	-9,544	-9,544	-9,544	-9,544	-9,544	-159,700
Principal Ending balance: # 1562	<u>3,225</u>	<u>-10,736</u>	<u>-24,697</u>	<u>-23,599</u>	<u>-22,502</u>	<u>-21,404</u>	<u>-20,307</u>	<u>-19,209</u>	<u>-18,112</u>	<u>-17,015</u>	<u>-15,917</u>	<u>-14,820</u>	<u>-14,820</u>
Interest on Opening Balance	106	19	-66	-147	-145	-134	-132	-125	-114	-112	-101	-98	-1,050
Cummulative Interest This Year	106	124	58	-89	-234	-368	-500	-625	-740	-851	-952	-1,050	
Cummulative Interest Life to Date	6,581	6,600	6,533	6,386	6,241	6,107	5,975	5,850	5,736	5,624	5,523	5,425	

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Calculate Carrying Cost 2005**

Month	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Total	
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%		
Monthly Interest	0.62%	0.56%	0.62%	0.60%	0.62%	0.60%	0.62%	0.62%	0.60%	0.62%	0.60%	0.62%		
Principal Opening balance: # 1562	=	-14,820	-27,528	-40,237	-52,946	-55,976	-59,005	-62,035	-65,065	-68,095	-71,125	-74,155	-77,184	-14,820
Board-approved PILs tax proxy from Decisions(1)	+/-	8,643	8,643	8,643	8,643	8,643	8,643	8,643	8,643	8,643	8,643	8,643	8,643	103,718
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	-846	-846	-846	-846	-846	-846	-846	-846	-846	-846	-846	-846	-10,153
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	-4,062	-4,062	-4,062	-4,062	-4,062	-4,062	-4,062	-4,062	-4,062	-4,062	-4,062	-4,062	-48,741
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	-16,444	-16,444	-16,444	-6,765	-6,765	-6,765	-6,765	-6,765	-6,765	-6,765	-6,765	-6,765	-110,218
Principal Ending balance: # 1562		-27,528	-40,237	-52,946	-55,976	-59,005	-62,035	-65,065	-68,095	-71,125	-74,155	-77,184	-80,214	-80,214
Interest on Opening Balance		-91	-153	-248	-315	-345	-352	-382	-401	-406	-438	-442	-475	-4,047
Cummulative Interest This Year		-91	-244	-492	-808	-1,152	-1,504	-1,886	-2,287	-2,692	-3,130	-3,572	-4,047	
Cummulative Interest Life to Date		5,333	5,180	4,933	4,617	4,272	3,921	3,539	3,138	2,732	2,294	1,853	1,377	

Name of LDC: **Renfrew Hydro Inc.**  
 OEB Licence Number: **ED-2002-0577**

**Calculate Carrying Cost 2006**

Month	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-06	Dec-06	Total
Prescribed Rate	7.25%	7.25%	7.25%	4.14%	4.14%	4.14%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	
Monthly Interest	0.62%	0.56%	0.62%	0.34%	0.35%	0.34%	0.39%	0.39%	0.38%	0.39%	0.38%	0.39%	
Principal Opening balance: # 1562	=	-80,214	-81,582	-82,949	-84,317	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-80,214
Board-approved PILs tax proxy from Decisions(1)	+/-	6,780	6,780	6,780	6,780	0	0	0	0	0	0	0	27,121
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	-550	-550	-550	-550	0	0	0	0	0	0	0	-2,199
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	160	160	160	160	0	0	0	0	0	0	0	641
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	-7,758	-7,758	-7,758	-7,758	0	0	0	0	0	0	0	-31,033
Principal Ending balance: # 1562		-81,582	-82,949	-84,317	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Interest on Opening Balance		-494	-454	-511	-287	-301	-292	-334	-334	-323	-334	-323	-334
Cummulative Interest This Year		-494	-948	-1,458	-1,745	-2,047	-2,338	-2,672	-3,006	-3,329	-3,664	-3,987	-4,321
Cummulative Interest Life to Date		883	430	-81	-368	-669	-961	-1,295	-1,629	-1,952	-2,286	-2,609	-2,944

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Calculate Carrying Cost 2007**

Month	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Total
Prescribed Rate	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	5.14%	5.14%	5.14%	
Monthly Interest	0.39%	0.35%	0.39%	0.38%	0.39%	0.38%	0.39%	0.39%	0.38%	0.44%	0.42%	0.44%	
Principal Opening balance: # 1562	=	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Interest on Opening Balance		-334	-302	-334	-323	-334	-323	-334	-334	-323	-374	-362	-374
Cummulative Interest This Year		-334	-636	-970	-1,293	-1,627	-1,950	-2,284	-2,618	-2,942	-3,316	-3,678	-4,052
Cummulative Interest Life to Date		-3,278	-3,579	-3,913	-4,237	-4,571	-4,894	-5,228	-5,562	-5,885	-6,259	-6,621	-6,995

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Calculate Carrying Cost 2008**

Month	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	Dec-08	Total
Prescribed Rate	5.14%	5.14%	5.14%	4.08%	4.08%	4.08%	3.35%	3.35%	3.35%	3.35%	3.35%	3.35%	
Monthly Interest	0.44%	0.41%	0.44%	0.34%	0.35%	0.34%	0.28%	0.28%	0.28%	0.28%	0.28%	0.28%	
Principal Opening balance: # 1562	=	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Interest on Opening Balance		-374	-350	-374	-287	-297	-287	-244	-244	-236	-244	-236	-244
Cummulative Interest This Year		-374	-724	-1,098	-1,385	-1,682	-1,970	-2,213	-2,457	-2,693	-2,937	-3,173	-3,417
Cummulative Interest Life to Date		-7,369	-7,719	-8,093	-8,381	-8,677	-8,965	-9,209	-9,452	-9,688	-9,932	-10,168	-10,412

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Calculate Carrying Cost 2009**

Month	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Total
Prescribed Rate	2.45%	2.45%	2.45%	1.00%	1.00%	1.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	
Monthly Interest	0.21%	0.19%	0.21%	0.08%	0.08%	0.08%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	
Principal Opening balance: # 1562	=	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Interest on Opening Balance		-178	-161	-178	-70	-73	-70	-40	-40	-39	-40	-39	-40
Cummulative Interest This Year		-178	-339	-518	-588	-661	-731	-771	-811	-850	-890	-929	-969
Cummulative Interest Life to Date		-10,590	-10,751	-10,929	-11,000	-11,073	-11,143	-11,183	-11,223	-11,262	-11,302	-11,341	-11,381

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Calculate Carrying Cost 2010**

Month	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Total
Prescribed Rate	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.89%	0.89%	0.89%	1.20%	1.20%	1.20%	
Monthly Interest	0.05%	0.04%	0.05%	0.05%	0.05%	0.05%	0.08%	0.08%	0.07%	0.10%	0.10%	0.10%	
Principal Opening balance: # 1562	=	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Interest on Opening Balance		-40	-36	-40	-39	-40	-39	-65	-65	-63	-87	-85	-87
Cummulative Interest This Year		-40	-76	-116	-155	-195	-234	-298	-363	-426	-513	-598	-685
Cummulative Interest Life to Date		-11,421	-11,457	-11,497	-11,536	-11,576	-11,614	-11,679	-11,744	-11,807	-11,894	-11,978	-12,066

**Name of LDC: Renfrew Hydro Inc.**  
**OEB Licence Number: ED-2002-0577**

**Calculate Carrying Cost 2011**

Month	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Total
Prescribed Rate	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	
Monthly Interest	0.12%	0.11%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	0.12%	
Principal Opening balance: # 1562	=	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Board-approved PILs tax proxy from Decisions(1)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment Q4, 2001(2)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
True-up Variance Adjustment(3)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment Q4, 2001(4)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Deferral Account Variance Adjustment(5)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
Adjustments to reported prior years' variances(6)	+/-	0	0	0	0	0	0	0	0	0	0	0	0
PILs collected from customers - Proxy(8)	-	0	0	0	0	0	0	0	0	0	0	0	0
Principal Ending balance: # 1562		-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684	-85,684
Interest on Opening Balance		-107	-97	-107	-104	-107	-104	-107	-104	-107	-104	-107	-1,260
Cummulative Interest This Year		-107	-204	-311	-414	-521	-625	-732	-839	-942	-1,049	-1,153	-1,260
Cummulative Interest Life to Date		-12,173	-12,269	-12,376	-12,480	-12,587	-12,690	-12,797	-12,904	-13,008	-13,115	-13,218	-13,325





*ED Disposition 1562 Balance release 1.0 © Elenchus Research Associates*

**Name of LDC: Renfrew Hydro Inc.**

**OEB Licence Number: ED-2002-0577**

## **Request for Disposition of 1562 Balance**

Principal as of April 30, 2012	-85,684
Interest as of April 30, 2012	-13,743
Amount Requested for Disposition of 1562 Balance	<u>-99,427</u>

File Number:EB-2011-0195

Exhibit: 5

Tab: 2

Schedule: 1

Date Filed:January 23, 2012

## Attachment 7 of 7

# RHI 2012 IRM Rate Generator Reply Submission



Choose Your Utility:

PUC Distribution Inc.
Renfrew Hydro Inc.

Application Type: IRM3  
 OEB Application #: EB-2011-0195  
 LDC Licence #: ED-2002-0577

Application Contact Information

Name: Tom Freemark

Title: President

Phone Number: 613-432-4884

Email Address: jtfreemark@renfrewhydro.com

We are applying for rates effective: May 1, 2012

Please indicate the version of Microsoft Excel that you are currently using: Excel 2007

Legend



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*While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on*





 Ontario Energy Board

**3<sup>RD</sup> Generation Incentive  
Regulation Model**

Renfrew Hydro Inc. - EB-2011-0195

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Ontario Energy Board

**3<sup>RD</sup> Generation Incentive  
Regulation Model**

Renfrew Hydro Inc. - EB-2011-0195

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

Rate Description	Unit	Amount
Residential	\$/kWh	0.01460
General Service Less Than 50 kW	\$/kWh	0.01330
General Service 50 to 4,999 kW	\$/kW	2.28410
Unmetered Scattered Load	\$/kWh	0.00810
Street Lighting	\$/kW	4.88780







Ontario Energy Board

**3<sup>RD</sup> Generation Incentive  
Regulation Model**

Renfrew Hydro Inc. - EB-2011-0195

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

Rate Description	Unit	Amount
<b>Residential</b>		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00510
<b>General Service Less Than 50 kW</b>		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00470
<b>General Service 50 to 4,999 kW</b>		
Retail Transmission Rate – Network Service Rate	\$/kW	1.90810
<b>Unmetered Scattered Load</b>		
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00470
<b>Street Lighting</b>		
Retail Transmission Rate – Network Service Rate	\$/kW	1.43900

















Ontario Energy Board

**3<sup>RD</sup> Generation Incentive Regulation Model**

Renfrew Hydro Inc. - EB-2011-0195

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

Rate Description	Unit	Amount
<b>Residential</b>		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00290
<b>General Service Less Than 50 kW</b>		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00270
<b>General Service 50 to 4,999 kW</b>		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.03930
<b>Unmetered Scattered Load</b>		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00270
<b>Street Lighting</b>		
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.80340

















Ontario Energy Board  
**3<sup>RD</sup> Generation Incentive  
 Regulation Model**

Renfrew Hydro Inc. - EB-2011-0195

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

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

Account Descriptions	Account Number	2005									
		Opening Principal Amounts as of Jan-1-05	Transactions Debit / (Credit) during 2005 excluding interest and adjustments <sup>5</sup>	Board-Approved Disposition during 2005	Adjustments during 2005 - other <sup>3</sup>	Closing Principal Balance as of Dec-31-05	Opening Interest Amounts as of Jan-1-05	Interest Jan-1 to Dec-31-05	Board-Approved Disposition during 2005	Adjustments during 2005 - other <sup>3</sup>	Closing Interest Amounts as of Dec-31-05
<b>Group 1 Accounts</b>											
LV Variance Account	1550					\$ -					\$ -
RSVA - Wholesale Market Service Charge	1580					\$ -					\$ -
RSVA - Retail Transmission Network Charge	1584					\$ -					\$ -
RSVA - Retail Transmission Connection Charge	1586					\$ -					\$ -
RSVA - Power (excluding Global Adjustment)	1588					\$ -					\$ -
RSVA - Power - Sub-Account - Global Adjustment	1588					\$ -					\$ -
Recovery of Regulatory Asset Balances	1590					\$ -					\$ -
Disposition and Recovery of Regulatory Balances (2008) <sup>7</sup>	1595					\$ -					\$ -
Disposition and Recovery of Regulatory Balances (2009) <sup>7</sup>	1595					\$ -					\$ -
<b>Group 1 Sub-Total (including Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>RSVA - Power - Sub-Account - Global Adjustment</b>	<b>1588</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Special Purpose Charge Assessment Variance Account</b>	<b>1521</b>										
<b>Deferred Payments in Lieu of Taxes</b>	<b>1562</b>										
<b>Group 1 Total + 1521 + 1562</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>The following is not included in the total claim but are included on a memo basis:</b>											
Board-Approved CDM Variance Account	1567										
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592										
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592					\$ -					\$ -
Disposition and Recovery of Regulatory Balances <sup>7</sup>	1595					\$ -					\$ -

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

<sup>1</sup> Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board  
<sup>2</sup> Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs write-off, etc.  
<sup>2A</sup> Adjustments Instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the 2006 EDR and account 1595 during the 2008 EDR and subsequent years as ordered by the Board.  
<sup>3</sup> Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved disposed balances, please provide amounts for adjustments and include supporting documentations.  
<sup>4</sup> Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28 and 29.  
<sup>5</sup> For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions during the year.  
<sup>6</sup> If the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 11 on the December 31, 2010 balance. The projected interest is recorded from May 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances approved by the Board in the 2011 rate decision.  
<sup>7</sup> Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has been completed, and the audited financial statements support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include the balances in Account 1595 on a memo basis only (line 49).



Renfrew Hydro Inc. - EB-2011-0195

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

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 schedule should be the date of the approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2010 adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for entries requiring entries dating back to the beginning of the continuity schedule (i.e. Jan 1, 2005).

		2006										
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-06	Transactions Debit/(Credit) during 2006 excluding interest and adjustments <sup>5</sup>	Board-Approved Disposition during 2006 <sup>2, 2A</sup>	Adjustments during 2006 - other <sup>3</sup>	Closing Principal Balance as of Dec-31-06	Opening Interest Amounts as of Jan-1-06	Interest Jan-1 to Dec-31-06	Board-Approved Disposition during 2006 <sup>2, 2A</sup>	Adjustments during 2006 - other <sup>3</sup>	Closing Interest Amounts as of Dec-31-06	
<b>Group 1 Accounts</b>												
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -	
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -	
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -	
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -	
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -	
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances (2008) <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances (2009) <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	
<b>Group 1 Sub-Total (including Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>RSVA - Power - Sub-Account - Global Adjustment</b>	<b>1588</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Special Purpose Charge Assessment Variance Account</b>	<b>1521</b>											
<b>Deferred Payments in Lieu of Taxes</b>	<b>1562</b>										\$ -	
<b>Group 1 Total + 1521 + 1562</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>The following is not included in the total claim but are included on a memo basis:</b>												
Board-Approved CDM Variance Account	1567											
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	

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

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the adjustments. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, please provide a breakdown in rows 28-31. Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28-31. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transition from the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011. Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances applicable to the period from May 1, 2011 to April 30, 2012. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not been completed, include support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



Renfrew Hydro Inc. - EB-2011-0195

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

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 schedule should be the year you received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2010 adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for entries requiring entries dating back to the beginning of the continuity schedule (i.e. Jan 1, 2005).

		2007										
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-07	Transactions Debit / (Credit) during 2007 excluding interest and adjustments <sup>5</sup>	Board-Approved Disposition during 2007	Adjustments during 2007 - other <sup>3</sup>	Closing Principal Balance as of Dec-31-07	Opening Interest Amounts as of Jan-1-07	Interest Jan-1 to Dec-31-07	Board-Approved Disposition during 2007	Adjustments during 2007 - other <sup>3</sup>	Closing Interest Amounts as of Dec-31-07	
<b>Group 1 Accounts</b>												
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -	
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -	
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -	
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -	
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -	
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances (2008) <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances (2009) <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	
<b>Group 1 Sub-Total (including Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>RSVA - Power - Sub-Account - Global Adjustment</b>	<b>1588</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Special Purpose Charge Assessment Variance Account</b>												
	<b>1521</b>											
<b>Deferred Payments in Lieu of Taxes</b>												
	<b>1562</b>	\$ -				\$ -	\$ -				\$ -	
<b>Group 1 Total + 1521 + 1562</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>The following is not included in the total claim but are included on a memo basis:</b>												
Board-Approved CDM Variance Account	1567											
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	

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

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the adjustments. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, please provide a breakdown in rows 28-31. Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28-31. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transition from the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011. Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances applicable to the period from May 1, 2011 to April 30, 2012. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not been completed, include support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



Renfrew Hydro Inc. - EB-2011-0195

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

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 schedule should be the year you received approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2010 adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for entries requiring entries dating back to the beginning of the continuity schedule (i.e. Jan 1, 2005).

		2008										
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-08	Transactions Debit / (Credit) during 2008 excluding interest and adjustments <sup>5</sup>	Board-Approved Disposition during 2008	Adjustments during 2008 - other <sup>3</sup>	Closing Principal Balance as of Dec-31-08	Opening Interest Amounts as of Jan-1-08	Interest Jan-1 to Dec-31-08	Board-Approved Disposition during 2008	Adjustments during 2008 - other <sup>3</sup>	Closing Interest Amounts as of Dec-31-08	
<b>Group 1 Accounts</b>												
LV Variance Account	1550	\$ -				\$ -	\$ -				\$ -	
RSVA - Wholesale Market Service Charge	1580	\$ -				\$ -	\$ -				\$ -	
RSVA - Retail Transmission Network Charge	1584	\$ -				\$ -	\$ -				\$ -	
RSVA - Retail Transmission Connection Charge	1586	\$ -				\$ -	\$ -				\$ -	
RSVA - Power (excluding Global Adjustment)	1588	\$ -				\$ -	\$ -				\$ -	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -				\$ -	\$ -				\$ -	
Recovery of Regulatory Asset Balances	1590	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances (2008) <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances (2009) <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	
<b>Group 1 Sub-Total (including Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>RSVA - Power - Sub-Account - Global Adjustment</b>	<b>1588</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Special Purpose Charge Assessment Variance Account</b>	<b>1521</b>											
<b>Deferred Payments in Lieu of Taxes</b>	<b>1562</b>	\$ -				\$ -	\$ -				\$ -	
<b>Group 1 Total + 1521 + 1562</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>The following is not included in the total claim but are included on a memo basis:</b>												
Board-Approved CDM Variance Account	1567											
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	

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

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the adjustments. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, please provide a breakdown in rows 28-31. Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28-31. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transition from the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011. Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances applicable to the period from May 1, 2011 to April 30, 2012. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not been completed, include support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



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

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 schedule should be the date of the approval. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2010 adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for entries requiring entries dating back to the beginning of the continuity schedule (i.e. Jan 1, 2005).

		2009										
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-09	Transactions Debit / (Credit) during 2009 excluding interest and adjustments <sup>5</sup>	Board-Approved Disposition during 2009	Adjustments during 2009 - other <sup>3</sup>	Closing Principal Balance as of Dec-31-09	Opening Interest Amounts as of Jan-1-09	Interest Jan-1 to Dec-31-09	Board-Approved Disposition during 2009	Adjustments during 2009 - other <sup>3</sup>	Closing Interest Amounts as of Dec-31-09	
<b>Group 1 Accounts</b>												
LV Variance Account	1550	\$ -			\$ 46,710	\$ 46,710	\$ -			\$ 2,235	\$ 2,235	
RSVA - Wholesale Market Service Charge	1580	\$ -			-\$ 438,663	-\$ 438,663	\$ -			-\$ 15,513	-\$ 15,513	
RSVA - Retail Transmission Network Charge	1584	\$ -			-\$ 288,519	-\$ 288,519	\$ -			-\$ 41,572	-\$ 41,572	
RSVA - Retail Transmission Connection Charge	1586	\$ -			-\$ 429,617	-\$ 429,617	\$ -			-\$ 59,852	-\$ 59,852	
RSVA - Power (excluding Global Adjustment)	1588	\$ -			-\$ 118,201	-\$ 118,201	\$ -			-\$ 46,175	-\$ 46,175	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ -			\$ 88,985	\$ 88,985	\$ -			\$ 18,926	\$ 18,926	
Recovery of Regulatory Asset Balances	1590	\$ -			\$ 85,366	\$ 85,366	\$ -			\$ 3,292	\$ 3,292	
Disposition and Recovery of Regulatory Balances (2008) <sup>7</sup>	1595	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	
Disposition and Recovery of Regulatory Balances (2009) <sup>7</sup>	1595	\$ -			\$ -	\$ -	\$ -			\$ -	\$ -	
<b>Group 1 Sub-Total (including Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	-\$ 1,053,939	-\$ 1,053,939	\$ -	\$ -	\$ -	-\$ 138,659	-\$ 138,659	
<b>Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)</b>		\$ -	\$ -	\$ -	-\$ 1,142,924	-\$ 1,142,924	\$ -	\$ -	\$ -	-\$ 157,585	-\$ 157,585	
<b>RSVA - Power - Sub-Account - Global Adjustment</b>	<b>1588</b>	\$ -	\$ -	\$ -	\$ 88,985	\$ 88,985	\$ -	\$ -	\$ -	\$ 18,926	\$ 18,926	
<b>Special Purpose Charge Assessment Variance Account</b>												
	<b>1521</b>											
<b>Deferred Payments in Lieu of Taxes</b>												
	<b>1562</b>	\$ -				\$ -	\$ -				\$ -	
<b>Group 1 Total + 1521 + 1562</b>		\$ -	\$ -	\$ -	-\$ 1,053,939	-\$ 1,053,939	\$ -	\$ -	\$ -	-\$ 138,659	-\$ 138,659	
<b>The following is not included in the total claim but are included on a memo basis:</b>												
Board-Approved CDM Variance Account	1567											
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592											
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -				\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances <sup>7</sup>	1595	\$ -				\$ -	\$ -				\$ -	

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

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the adjustments. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, please provide a breakdown in rows 28-31. Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28-31. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions in the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011. Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances applicable to the period from May 1, 2011 to April 30, 2012. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not been completed, include support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



Renfrew Hydro Inc. - EB-2011-0195

Please complete the following continuity schedule for your Group 1 Deferral / Variance Accounts, Account 1521 and 1562, and provide supporting documentation and further instructions.

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 continuity schedule should be the closing balance as of Dec-31-10. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2010 adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for entries requiring entries dating back to the beginning of the continuity schedule i.e. Jan 1, 2005.

		2010													
Account Descriptions	Account Number	Opening Principal Amounts as of Jan-1-10	Transactions Debit / (Credit) during 2010 excluding interest and adjustments <sup>5</sup>	Board-Approved Disposition during 2010	Other <sup>3</sup> Adjustments during Q1 2010	Other <sup>3</sup> Adjustments during Q2 2010	Other <sup>3</sup> Adjustments during Q3 2010	Other <sup>3</sup> Adjustments during Q4 2010	Closing Principal Balance as of Dec-31-10	Opening Interest Amounts as of Jan-1-10	Interest Jan-1 to Dec-31-10	Board-Approved Disposition during 2010	Adjustments during 2010 - other <sup>3</sup>	Closing Interest Amounts as of Dec-31-10	
<b>Group 1 Accounts</b>															
LV Variance Account	1550	\$ 46,710	-\$ 20,712	\$ 46,710					-\$ 20,712	\$ 2,235	\$ 219	\$ 2,320		\$ 134	
RSVA - Wholesale Market Service Charge	1580	-\$ 438,663	-\$ 227,413	-\$ 438,663					-\$ 227,413	-\$ 15,513	-\$ 4,065	-\$ 16,316		-\$ 3,262	
RSVA - Retail Transmission Network Charge	1584	-\$ 288,519	\$ 28,004	-\$ 288,519					\$ 28,004	-\$ 41,572	-\$ 1,881	-\$ 42,102		-\$ 1,351	
RSVA - Retail Transmission Connection Charge	1586	-\$ 429,617	\$ 23,161	-\$ 429,617					\$ 23,161	-\$ 59,852	-\$ 2,861	-\$ 60,639		-\$ 2,074	
RSVA - Power (excluding Global Adjustment)	1588	-\$ 118,201	-\$ 231,332	-\$ 118,201					-\$ 231,332	-\$ 46,175	-\$ 786	-\$ 46,392		-\$ 569	
RSVA - Power - Sub-Account - Global Adjustment	1588	\$ 88,985	\$ 70,728	\$ 88,985					\$ 70,728	\$ 18,926	\$ 1,455	\$ 19,089		\$ 1,292	
Recovery of Regulatory Asset Balances	1590	\$ 85,366		\$ 85,366					\$ -	\$ 3,292	\$ 157	\$ 3,449		\$ -	
Disposition and Recovery of Regulatory Balances (2008) <sup>7</sup>	1595	\$ -							\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances (2009) <sup>7</sup>	1595	\$ -							\$ -	\$ -				\$ -	
<b>Group 1 Sub-Total (including Account 1588 - Global Adjustment)</b>		-\$ 1,053,939	-\$ 357,564	-\$ 1,053,939	\$ -	\$ -	\$ -	\$ -	-\$ 357,564	-\$ 138,659	-\$ 7,762	-\$ 140,591	\$ -	-\$ 5,830	
<b>Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)</b>		-\$ 1,142,924	-\$ 428,292	-\$ 1,142,924	\$ -	\$ -	\$ -	\$ -	-\$ 428,292	-\$ 157,585	-\$ 9,217	-\$ 159,680	\$ -	-\$ 7,122	
<b>RSVA - Power - Sub-Account - Global Adjustment</b>	<b>1588</b>	\$ 88,985	\$ 70,728	\$ 88,985	\$ -	\$ -	\$ -	\$ -	\$ 70,728	\$ 18,926	\$ 1,455	\$ 19,089	\$ -	\$ 1,292	
<b>Special Purpose Charge Assessment Variance Account</b>	<b>1521</b>		\$ 19,974					-\$ 20,491	-\$ 517		\$ 138			\$ 138	
<b>Deferred Payments in Lieu of Taxes</b>	<b>1562</b>	\$ -							\$ -	\$ -				\$ -	
<b>Group 1 Total + 1521 + 1562</b>		-\$ 1,053,939	-\$ 337,590	-\$ 1,053,939	\$ -	\$ -	\$ -	-\$ 20,491	-\$ 358,081	-\$ 138,659	-\$ 7,624	-\$ 140,591	\$ -	-\$ 5,692	
<b>The following is not included in the total claim but are included on a memo basis:</b>															
Board-Approved CDM Variance Account	1567								\$ -	\$ -				\$ -	
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592								\$ -	\$ -				\$ -	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592								\$ -	\$ -				\$ -	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592	\$ -							\$ -	\$ -				\$ -	
Disposition and Recovery of Regulatory Balances <sup>7</sup>	1595	\$ -							\$ -	\$ -				\$ -	

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

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the Board's decision. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved dispositions, please provide a breakdown in rows 28-31. Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28-31. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transactions in the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011. Board in the 2011 rate decision. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2012 on the December 31, 2010 balance adjusted for the disposed balances applicable to the period from May 1, 2011 to April 30, 2012. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not been completed, include support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



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

If you have received approval to dispose of balances from prior years, the starting point for entries in the 2012 schedule should be the 2011 rate year. For example, if in the 2011 EDR process (CoS or IRM) you received approval for the December 31, 2010 adjustment column AV for principal and column BA for interest. This will allow for the correct starting point for entries requiring entries dating back to the beginning of the continuity schedule (i.e. Jan 1, 2005).

Account Descriptions	Account Number	2011				Projected Interest on Dec-31-10 Balances			2.1.7 RRR		Variance RRR vs. 2010 Balance (Principal + Interest)
		Principal Disposition during 2011 - instructed by Board	Interest Disposition during 2011 - instructed by Board	Closing Principal Balances as of Dec 31-10 Adjusted for Dispositions during 2011	Closing Interest Balances as of Dec 31-10 Adjusted during 2011 Disposition	Projected Interest from Jan 1, 2011 to December 31, 2011 on Dec 31 -10 balance adjusted for disposition during 2011 <sup>5</sup>	Projected Interest from January 1, 2012 to April 30, 2012 on Dec 31 -10 balance adjusted for disposition during 2011 <sup>6,7</sup>	Total Claim	As of Dec 31-10 <sup>4</sup>		
<b>Group 1 Accounts</b>											
LV Variance Account	1550			-\$ 20,712	\$ 134	-\$ 304	-\$ 100	-\$ 20,982	-\$ 20,578	\$ 0	
RSVA - Wholesale Market Service Charge	1580			-\$ 227,413	-\$ 3,262	-\$ 3,343	-\$ 1,108	-\$ 235,125	-\$ 230,674	\$ 0	
RSVA - Retail Transmission Network Charge	1584			-\$ 28,004	-\$ 1,351	\$ 412	\$ 137	\$ 27,202	\$ 26,653	\$ -	
RSVA - Retail Transmission Connection Charge	1586			-\$ 23,161	-\$ 2,074	\$ 340	\$ 113	\$ 21,540	\$ 21,087	\$ -	
RSVA - Power (excluding Global Adjustment)	1588			-\$ 231,332	-\$ 569	-\$ 3,401	-\$ 1,128	-\$ 236,431	-\$ 231,902	\$ 0	
RSVA - Power - Sub-Account - Global Adjustment	1588			\$ 70,728	\$ 1,292	\$ 1,040	\$ 345	\$ 73,405	\$ 72,020	\$ -	
Recovery of Regulatory Asset Balances	1590			\$ -	\$ -			\$ -	\$ -	\$ -	
Disposition and Recovery of Regulatory Balances (2008) <sup>7</sup>	1595			\$ -	\$ -			\$ -	\$ -	\$ -	
Disposition and Recovery of Regulatory Balances (2009) <sup>7</sup>	1595			\$ -	\$ -			\$ -	\$ -	\$ -	
<b>Group 1 Sub-Total (including Account 1588 - Global Adjustment)</b>		\$ -	\$ -	-\$ 357,564	-\$ 5,830	-\$ 5,256	-\$ 1,741	-\$ 370,391	-\$ 363,394	\$ 0	
<b>Group 1 Sub-Total (excluding Account 1588 - Global Adjustment)</b>		\$ -	\$ -	-\$ 428,292	-\$ 7,122	-\$ 6,296	-\$ 2,086	-\$ 443,796	-\$ 435,414	\$ 0	
<b>RSVA - Power - Sub-Account - Global Adjustment</b>	<b>1588</b>	\$ -	\$ -	\$ 70,728	\$ 1,292	\$ 1,040	\$ 345	\$ 73,405	\$ 72,020	\$ -	
<b>Special Purpose Charge Assessment Variance Account</b>	<b>1521</b>					\$ 69	-\$ 3	\$ 313	\$ 20,112	\$ 20,491	
<b>Deferred Payments in Lieu of Taxes</b>	<b>1562</b>	\$ 85,684	\$ 13,743	-\$ 85,684	-\$ 13,743			\$ 99,427		\$ -	
<b>Group 1 Total + 1521 + 1562</b>		\$ 85,684	\$ 13,743	-\$ 443,248	-\$ 19,573	-\$ 5,187	-\$ 1,744	-\$ 470,131	-\$ 343,282	\$ 20,491	
<b>The following is not included in the total claim but are included on a memo basis:</b>											
Board-Approved CDM Variance Account	1567							\$ -		\$ -	
PILs and Tax Variance for 2006 and Subsequent Years (excludes sub-account and contra account below)	1592							\$ -		\$ -	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Input Tax Credits (ITCs)	1592							\$ -		\$ -	
PILs and Tax Variance for 2006 and Subsequent Years - Sub-Account HST/OVAT Contra Account	1592							\$ -		\$ -	
Disposition and Recovery of Regulatory Balances <sup>7</sup>	1595							\$ -		\$ -	

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

Applicants may wish to propose kWh as the allocator for account 1521 pending a final decision of the Board. Provide supporting statement indicating whether due to denial of costs in 2006 EDR by the Board, 10% transition costs adjustments instructed by the Board include deferral/variance account balances moved to Account 1590 as a result of the adjustments. Please provide explanations for the nature of the adjustments. If the adjustment relates to previously Board Approved Dispositions, please provide a breakdown in rows 28-31. Although the Global Adjustment Account is not reported separately under 2.1.7, please provide a breakdown in rows 28-31. For RSVA accounts only, report the net variance to the account during the year. For all other accounts, record the transition from the LDC's 2011 rate year started January 1, the projected interest is recorded from January 1, 2011 to December 31, 2011. If the LDC's 2011 rate year started May 1, the projected interest is recorded from January 1, 2011 to April 30, 2011 and from May 1, 2011 to December 31, 2010 balance adjusted for the disposed balances applicable to the period from May 1, 2011 to April 30, 2011. Include Account 1595 as part of Group 1 accounts (line 31) for review and disposition if the recovery (or refund) period has not been completed, include support the underlying residual balance in account 1595. If the recovery (or refund) period has not been completed, include



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

Rate Class	Unit	Metered kWh	Metered kW	Billed kWh for Non-RPP Customers	Estimated kW for Non-RPP Customers	Distribution Revenue <sup>1</sup>	1590 Recovery Share Proportion*	1595 Recovery Share Proportion (2008) <sup>2</sup>	1595 Recovery Share Proportion (2009) <sup>2</sup>
Residential	\$/kWh	30,305,144	-	2,378,006	-	1,080,948			
General Service Less Than 50 kW	\$/kWh	12,427,065	-	2,031,209	-	343,389			
General Service 50 to 4,999 kW	\$/kW	51,703,213	141,997	55,058,612	-	457,194			
Unmetered Scattered Load	\$/kWh	150,176	-	-	-	14,070			
Street Lighting	\$/kW	116,726	3,098	1,211,953	-	43,212			
<b>Total</b>		<b>94,702,324</b>	<b>145,095</b>	<b>60,679,780</b>	<b>-</b>	<b>1,938,812</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

<b>Total Claim (including Accounts 1521 and 1562)</b>	-\$	470,131
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<b>Total Claim for Threshold Test (All Group 1 Accounts)</b>	-\$	370,391
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<b>Threshold Test <sup>3</sup> (Total Claim per kWh)</b>	-	0.00391
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<sup>1</sup> For Account 1562, the allocation to customer classes should be performed on the basis of the test year distribution revenue allocation to customer classes found in the Applicant's Cost of Service application that was most recently approved at the time of disposition of the 1562 account balance.

<sup>2</sup> Residual Account balance to be allocated to rate classes in proportion to the recovery share as established when rate riders were implemented.

<sup>3</sup> The Threshold Test does not include the amount in 1521 nor 1562.



**Deferral / Variance Account  
Work Form**

Renfrew Hydro Inc. - EB-2011-0195

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

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

Rate Class	Units	Billed kWh	% kWh	1550	1580	1584	1586	1588*	1590	1595 (2008)	1595 (2009)	1521	Total
Residential	\$/kWh	30,305,144	32.00%	(6,714)	(75,241)	8,705	6,893	(75,659)	0	0	0	(100)	(142,117)
General Service Less Than 50 kW	\$/kWh	12,427,065	13.12%	(2,753)	(30,854)	3,570	2,827	(31,025)	0	0	0	(41)	(58,277)
General Service 50 to 4,999 kW	\$/kW	51,703,213	54.60%	(11,455)	(128,368)	14,851	11,760	(129,080)	0	0	0	(171)	(242,464)
Unmetered Scattered Load	\$/kWh	150,176	0.16%	(33)	(373)	43	34	(375)	0	0	0	(0)	(704)
Street Lighting	\$/kW	116,726	0.12%	(26)	(290)	34	27	(291)	0	0	0	(0)	(547)
<b>Total</b>		<b>94,702,324</b>	<b>100.00%</b>	<b>(20,982)</b>	<b>(235,125)</b>	<b>27,202</b>	<b>21,540</b>	<b>(236,431)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(313)</b>	<b>(444,109)</b>

\* RSVA - Power (Excluding Global Adjustment)

**1588 RSVA - Power (Global Adjustment Sub-Account)**

Rate Class	non-RPP kWh	% kWh	1588
Residential	2,378,006	3.92%	2,877
General Service Less Than 50 kW	2,031,209	3.35%	2,457
General Service 50 to 4,999 kW	55,058,612	90.74%	66,605
Unmetered Scattered Load	-	0.00%	-
Street Lighting	1,211,953	2.00%	1,466
<b>Total</b>	<b>60,679,780</b>	<b>100.00%</b>	<b>73,405</b>

**Allocation of Account 1562**

	% of Distribution Revenue	Allocation of Balance in Account 1562
Residential	55.8%	- 55,434
General Service Less Than 50 kW	17.7%	- 17,610
General Service 50 to 4,999 kW	23.6%	- 23,446
Unmetered Scattered Load	0.7%	- 722
Street Lighting	2.2%	- 2,216
<b>Total</b>	<b>100.0%</b>	<b>- 99,427</b>



**Deferral/ Variance Account  
Work Form**

Renfrew Hydro Inc. - EB-2011-0195

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

Please indicate the Rate Rider Recovery Period  (in years)

Rate Class	Unit	Billed kWh	Billed kW	Accounts Allocated by kWh/kW (RPP) or Distribution Revenue	Deferral/Variance Account Rate Rider	Account 1588 Global Adjustment	Billed kWh or Estimated kW for Non-RPP	Global Adjustment Rate Rider
Residential	\$/kWh	30,305,144	-	-\$ 197,550	(\$0.00163 )	\$/kWh \$ 2,877	2,378,006	\$0.00030
General Service Less Than 50 kW	\$/kWh	12,427,065	-	-\$ 75,887	(\$0.00153 )	\$/kWh \$ 2,457	2,031,209	\$0.00030
General Service 50 to 4,999 kW	\$/kW	51,703,213	141,997	-\$ 265,910	(\$0.46816 )	\$/kW \$ 66,605	-	\$0.00000
Unmetered Scattered Load	\$/kWh	150,176	-	-\$ 1,426	(\$0.00237 )	\$/kWh \$ -	-	\$0.00000
Street Lighting	\$/kW	116,726	3,098	-\$ 2,763	(\$0.22300 )	\$/kW \$ 1,466	-	\$0.00000
<b>Total</b>		<b>94,702,324</b>	<b>145,095</b>	<b>-\$ 543,536</b>		<b>\$ 73,405</b>		



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

Rate Description	Unit	Amount	Effective Until Date	Proposed Amount	Effective Until Date
<b>Residential</b>					
Service Charge	\$	14.11			
	\$				
	\$				
	\$				
<b>General Service Less Than 50 kW</b>					
Service Charge	\$	30.07			
	\$				
	\$				
	\$				
<b>General Service 50 to 4,999 kW</b>					
Service Charge	\$	170.67			
	\$				
	\$				
	\$				
<b>Unmetered Scattered Load</b>					
Service Charge	\$	35.87			
	\$				
	\$				
	\$				
<b>Street Lighting</b>					
Service Charge	\$	1.99			
	\$				
	\$				
	\$				















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

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
<b>Residential</b>				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00510	0.000%	0.00510
<b>General Service Less Than 50 kW</b>				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00470	0.000%	0.00470
<b>General Service 50 to 4,999 kW</b>				
Retail Transmission Rate – Network Service Rate	\$/kW	1.90810	-0.042%	1.90730
<b>Unmetered Scattered Load</b>				
Retail Transmission Rate – Network Service Rate	\$/kWh	0.00470	0.000%	0.00470
<b>Street Lighting</b>				
Retail Transmission Rate – Network Service Rate	\$/kW	1.43900	-0.042%	1.43840









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

Rate Description	Unit	Current Amount	% Adjustment	Proposed Amount
<b>Residential</b>				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00290	0.000%	0.00290
<b>General Service Less Than 50 kW</b>				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00270	0.000%	0.00270
<b>General Service 50 to 4,999 kW</b>				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.03930	0.115%	1.04050
<b>Unmetered Scattered Load</b>				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.00270	0.000%	0.00270
<b>Street Lighting</b>				
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.80340	0.112%	0.80430



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

Price Escalator 1.30%    Productivity Factor 0.72%    Price Cap Index **0.18%**

Choose Stretch Factor Group **II**    Associated Stretch Factor Value 0.4%

Rate Description	Unit	Current MFC	MFC Adjustment from R/C Model	Current Volumetric Charge	Unit	DVR Adjustment from R/C Model	Price Cap Index	Proposed MFC	Proposed Volumetric Charge
<b>Residential</b>									
General Service Less Than 50 kW	\$	14.11	(0.32)	0.01460	\$/kWh	(0.00033)	0.180%	13.82	0.01430
General Service 50 to 4,999 kW	\$	30.07	0.00	0.01330	\$/kWh	0.00000	0.180%	30.12	0.01332
Unmetered Scattered Load	\$	170.67	5.42	2.28410	\$/kW	0.07248	0.180%	176.40	2.36082
Street Lighting	\$	35.87	3.12	0.00810	\$/kWh	0.00070	0.180%	39.06	0.00882
	\$	1.99	0.40	4.88780	\$/kW	0.97756	0.180%	2.39	5.87592



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

**Loss Factors**

**Current**

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

1.0810
N/A
1.0802
N/A



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

UNIT      CURRENT

**ALLOWANCES**

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

**SPECIFIC SERVICE CHARGES**

**APPLICATION**

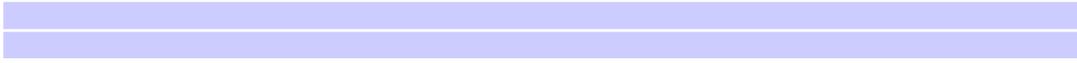
The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule

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

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

**Customer Administration**

Easement letter	\$	15.00
Arrears certificate	\$	15.00
Account history	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque charge (plus bank charges)	\$	15.00





## RETAIL SERVICE CHARGES (if applicable)

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

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

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

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

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

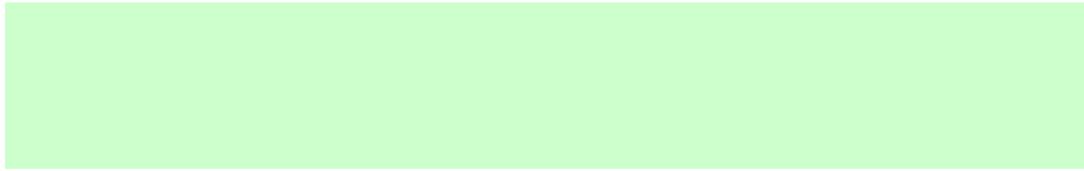
One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.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

**Renfrew Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
Effective Date May 1, 2012  
Implementation Date May 1, 2012

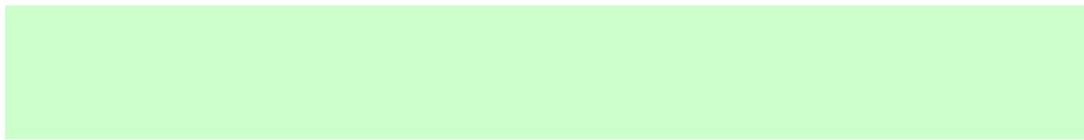
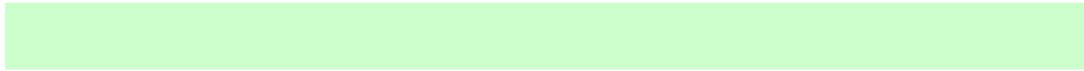
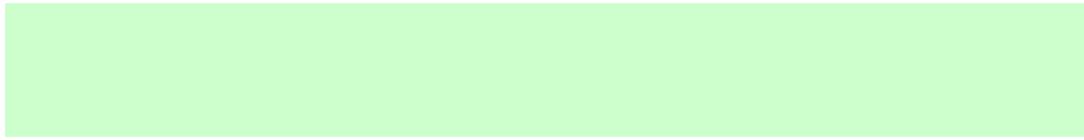
This schedule supersedes and replaces all previously approved schedules of Rates,

EB-2011-0195

**RESIDENTIAL SERVICE CLASSIFICATION**



**APPLICATION**



**MONTHLY RATES AND CHARGES - Delivery Component**



Ontario Energy Board

3<sup>RD</sup> Generation Incentive  
Regulation Model

Renfrew Hydro Inc. - EB-2011-0195



Rate Class

Residential

Monthly Rates and Charges	Current Rate	Applied For Rate
Service Charge	14.11	13.82
Smart Meter Funding Adder	2.05	-
Service Charge Rate Rider(s)	0.20	-
Distribution Volumetric Rate	0.01460	0.01430
Distribution Volumetric Rate Rider(s)	(0.00510)	(0.00533)
Low Voltage Volumetric Rate	0.00110	0.00000
Retail Transmission Rate – Network Service Rate	0.00510	0.00510
Retail Transmission Rate – Line and Transformation Connection Service Rate	0.00290	0.00290
Wholesale Market Service Rate	0.0052	0.0052
Rural Rate Protection Charge	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	0.25	0.25
Debt Retirement Charge (DRC)	0.0061	0.0061
Loss Factor	1.0810	1.0810

<b>Consumption</b>	<b>800</b>	<b>kWh</b>	<b>kW</b>
<b>RPP Tier One</b>	<b>600</b>	<b>kWh</b>	<b>Load Factor</b>

<b>Current Loss Factor</b>	<b>1.0810</b>
<b>Proposed Loss Factor</b>	<b>1.0810</b>

Residential	Volume	Current Rate (\$)	Current Charge (\$)	Volume	Proposed Rate (\$)	Proposed Charge (\$)	Change (\$)	Change (%)	% of Total Bill
Energy First Tier (kWh)	600.00	0.0680	40.80	600.00	0.0680	40.80	0.00	0.00%	35.97%
Energy Second Tier (kWh)	264.80	0.0790	20.92	264.80	0.0790	20.92	0.00	0.00%	18.44%
<b>Sub-Total: Energy</b>			<b>61.72</b>			<b>61.72</b>	<b>0.00</b>	<b>0.00%</b>	<b>54.41%</b>
Service Charge	1	14.11	14.11	1	13.82	13.82	-0.29	(2.08)%	12.18%
Service Charge Rate Rider(s)	1	2.25	2.25	1	0.00	0.00	-2.25	(100.00)%	0.00%
Distribution Volumetric Rate	800	0.0146	11.68	800	0.0143	11.44	-0.24	(2.08)%	10.08%
Low Voltage Volumetric Rate	800	0.0011	0.88	800	0.0000	0.00	-0.88	(100.00)%	0.00%
Distribution Volumetric Rate Rider(s)	800	(0.0051)	(4.08)	800	(0.0053)	(4.26)	-0.18	4.50%	(3.76)%
<b>Total: Distribution</b>			<b>24.84</b>			<b>20.99</b>	<b>-3.85</b>	<b>(15.50)%</b>	<b>18.51%</b>
Retail Transmission Rate – Network Service Rate	864.80	0.0051	4.41	864.80	0.0051	4.41	0.00	0.00%	3.89%
Retail Transmission Rate – Line and Transformation Connection Service Rate	864.80	0.0029	2.51	864.80	0.0029	2.51	0.00	0.00%	2.21%
<b>Total: Retail Transmission</b>			<b>6.92</b>			<b>6.92</b>	<b>0.00</b>	<b>0.00%</b>	<b>6.10%</b>
<b>Sub-Total: Delivery (Distribution and Retail Transmission)</b>			<b>31.76</b>			<b>27.91</b>	<b>-3.85</b>	<b>(12.12)%</b>	<b>24.60%</b>
Wholesale Market Service Rate	864.80	0.0052	4.50	864.80	0.0052	4.50	0.00	0.00%	3.96%
Rural Rate Protection Charge	864.80	0.0013	1.12	864.80	0.0013	1.12	0.00	0.00%	0.99%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.00%	0.22%
<b>Sub-Total: Regulatory</b>			<b>5.87</b>			<b>5.87</b>			<b>5.18%</b>
Debt Retirement Charge (DRC)	800.00	0.00610	4.88	800	0.0061	4.88	0.00	0.00%	4.30%
<b>Total Bill before Taxes</b>			<b>104.23</b>			<b>100.38</b>	<b>-3.85</b>	<b>(3.69)%</b>	<b>88.50%</b>
HST		13%	13.55		13%	13.05	-0.50	(3.69)%	11.50%
<b>Total Bill</b>			<b>117.78</b>			<b>113.43</b>	<b>-4.35</b>	<b>(3.69)%</b>	<b>100.00%</b>
Ontario Clean Energy Benefit (OCEB)		(10%)	-11.78		(10%)	-11.34			
<b>Total Bill (less OCEB)</b>			<b>106.00</b>			<b>102.09</b>	<b>(3.92)</b>	<b>(3.69)%</b>	