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January 27, 2012

Delivered By Courier and RESS

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

Attention: Kirsten Walli
Board Secretary

Re: Haldimand County Hydro Inc.
Disposition of Account 1562 Deferred PILs
Stand-Alone Application (EB-2012-0027)

Dear Ms. Walli:

In accordance with the Board's letter dated November 15, 2011, Haldimand County Hydro Inc. hereby submits its Disposition of Account 1562 Deferred Payments in Lieu of Taxes ("PILs") stand-alone application for rates to be effective May 1, 2012.

Two hard copies of this application are now enclosed. An electronic copy of the application in PDF format will be submitted through the Board's *Regulatory Electronic Submission System* ("RESS").

All of which is respectfully submitted for the Board's consideration.

Yours truly,
HALDIMAND COUNTY HYDRO INC.

Original signed by

Jacqueline A. Scott
Finance Manager

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

AND IN THE MATTER OF an Application by Haldimand County Hydro Inc. to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates for the disposition of Account 1562 Deferred Payments in Lieu of Taxes ("PILs") as of May 1, 2012.

Title of Proceeding:	An application by Haldimand County Hydro Inc. for an Order or Orders approving or fixing just and reasonable rates for the disposition of Account 1562 Deferred PILs, effective May 1, 2012.
Applicant's Name:	Haldimand County Hydro Inc.
Applicant's Address for Service:	1 Greendale Drive Caledonia, Ontario N3W 2J3
	Attention: Mr. Lloyd E. Payne, President & CEO
	Telephone: 905-765-5344 Fax: 905-765-5316 E-mail: lpayne@hchydro.ca

DISPOSITION OF ACCOUNT 1562 DEFERRED PILs

MANAGER'S SUMMARY

Background

Haldimand County Hydro Inc. (referred to in this Application as the "Applicant" or "HCHI") is a corporation incorporated pursuant to the Ontario *Business Corporations Act* with its head office in the Haldimand County. HCHI owns and operates the electricity distribution system in its licensed service area in Haldimand County, serving approximately 21,147 Residential, General Service, Street Lighting, Sentinel Lighting and Unmetered Scattered Load customers and one Embedded Distributor as at December 31, 2011.

In the Board's Decision and Order in the EB-2008-0381 Account 1562 Deferred Payments in Lieu of Taxes ("PILs") Combined Proceeding (the "Combined PILs proceeding") on June 24, 2011 (the "Combined PILs Decision"), the Board directed distributors to apply for final disposition of account 1562 with its next general rates application (either IRM or cost of service). In the Combined PILs Proceeding, Halton Hills Hydro Inc. filed revised spreadsheet implementation models for payments in lieu of taxes ("SIMPIL") to calculate the balance in account 1562 deferred PILs. As noted in the Decision:

> "*If the distributor files evidence in accordance with all the various decisions made in the course of this proceeding, including the use of the updated model referenced above and certifies to that effect, the distributor may expect that the determination of the final account balance will be handled expeditiously and in a largely administrative manner.*"

Further, as noted in the Board's letter, "*2012 EDR – Disposition of account 1562 deferred PILs*" (the "Letter)" dated September 13, 2011:

> "*Board staff recently submitted interrogatories in the Oshawa PUC case EB-2011-0073 (Board Staff Interrogatory #60) in which Oshawa was asked to file a number of models, schedules and documents, and to confirm their approach to account 1562 deferred PILs on a number of issues. Board staff anticipates that similar interrogatories will be sent to all other distributors that have not filed this information as part of their evidence. It would expedite matters if this information is filed with all applications to clear account 1562 deferred PILs.*"

HCHI filed an incentive regulation mechanism ("IRM") rate application with the Board on September 30, 2011 seeking approval for changes to electricity distribution rates and other charges to be effective May 1, 2012 under proceeding number EB-2011-0170. Contained within this IRM rate application was a request for the final disposition of Account 1562 Deferred PILs, including all of the required evidence in support of that disposition, in accordance with the Combined PILs Decision and the Board's letter of September 13, 2011.

In its letter dated November 15, 2011, and based on Board staff review of the evidence filed by HCHI supporting the disposition of Account 1562 Deferred PILs,

> "*…the Board has determined that Haldimand's application is not consistent with the various decisions made in the course of the Combined PILs proceeding. The inconsistencies identified relate to: i) the inclusion of regulatory assets in the determination of the PILs Account 1562 balance; and ii) the selection of income tax rates. Therefore, the Board will not hear the application for disposition of Account 1562 as part of Haldimand's 2012 IRM application but will consider it on a stand-alone basis in a separate application. The Board expects Haldimand to address the disposition of account 1562 in a stand-alone application to be to be filed no later than April 1, 2012.*"

Effectively the letter suggests that "the determination of the final account balance could not be handled expeditiously and in a largely administrative manner".

As noted in its Reply Submission in EB-2011-0170 filed January 6, 2012,

> "*HCHI intends to file this stand-alone application for the disposition of Account 1562 very shortly, and expects that it will be resubmitted as originally filed. In an effort to alleviate customer confusion and frustration with more than one rate change in a relatively short period of time, the stand-alone application will continue to request to dispose of the debit amount of $1,008,852 in the Account 1562 Deferred PILs over a one year rate period commencing May 1, 2012. Bill impacts would be minimized by including this recovery from customers commencing at the same time and over the same period as the $1,356,288 credit amount is being refunded to customers on account of the Group 1 Deferral and Variance Account Balances. This would further facilitate cost savings by not having to publish an additional Notice of Application.*

Disposition of Account 1562 Deferred PILs – Stand-Alone Application

(All As Originally Filed in EB-2011-0170 on September 30, 2011)

HCHI is applying to recover a debit balance (i.e. owing from customers) of $1,008,852 as summarized in Table 1 below. The ending balance now reported as at December 31, 2010 and the RRR filing differ in the amount of $7,658 and this reflects adjustments to the principal balance as a result of the revised SIMPIL models and corresponding adjustments to the carrying charges.

Table 1: Continuity Schedule
Account 1562 Deferred PILs

Principal	Interest								Disposition Total
Closing Dec. 31, 2006	Opening Jan. 1, 2006	Actual Annual 2006	Actual Annual 2007	Actual Annual 2008	Actual Annual 2009	Actual Annual 2010	Projected Annual 2011	Projected to April 30, 2012	
$808,242	$58,676	$40,076	$38,210	$32,168	$9,193	$6,446	$11,881	$3,960	$1,008,852

This account balance is being allocated to customer classes on the basis of approved test year distribution revenue (base revenue requirement) as per HCHI's 2010 cost of service application (EB-2009-0265).

HCHI is seeking to recover the account balance over a one year rate period commencing May 1, 2012 for the reasons noted above; and as such, believes that the proposed rate riders are appropriate, as summarized in Table 2 below.

Table 2: Allocation of Account 1562 Balance and Proposed Rate Riders over a One Year Period

Rate Class	Allocator (2010 Distribution Revenue)	Allocation %	Allocation of Account 1562 Balance	Billing Determinant (2010 Approved Forecast)		Proposed Rate Rider	
				kWh	kW	$	per
Residential	$ 8,461,082	67.8%	$ 684,279	171,936,412		$ 0.0040	kWh
General Service Less Than 50 kW	$ 2,057,572	16.5%	$ 166,404	61,801,919		$ 0.0027	kWh
General Service 50 kW to 4999 kW	$ 1,664,038	13.3%	$ 134,577	110,031,720	298,148	$ 0.4514	kW
Unmetered Scattered Load	$ 21,999	0.2%	$ 1,779	482,264		$ 0.0037	kWh
Sentinel Lighting	$ 73,999	0.6%	$ 5,985	418,928	1,167	$ 5.1282	kW
Street Lighting	$ 195,717	1.6%	$ 15,828	2,328,757	6,475	$ 2.4445	kW
	$ 12,474,407	100.0%	$ 1,008,852	347,000,000	305,790		

The detailed "Continuity Schedule Account 1562", which is being provided in Excel format, is now included as ***Attachment 1*** and it reports:

a) The PILs proxy amounts allowed for the number of months in each tax period, which are based on approved PILs amounts included in approved distribution rates. The following supporting rate application filing models, which are being provided in Excel format, have been verified to the respective approved rate schedules, all of which are included as follows:

   - ***Attachment 2*** – 2002 RAM Application; Q4 2001 PILs Proxy Model; 2002 PILs Proxy Model; Signed Decision and Rate Order, issued June 12, 2002

   - ***Attachment 3*** – 2004 RAM Application; Signed Decision and Rate Order, issued April 14, 2004

   - ***Attachment 4*** – 2005 RAM Application; 2005 PILs Proxy Model; Signed Decision and Rate Order, issued March 23, 2005

b) The PILs amounts billed to customers (i.e. recovered in rates) during the same tax periods. Collections from customers have been defined as the amounts billed to customers up to April 2006 and adjusting for all unbilled revenue amounts reported up to June 2006. Detailed calculations supporting the amounts billed to customers, which are being provided in Excel format, are also included as ***Attachment 5***.

c) The true-up variance and deferral account variance adjustments as calculated in the SIMPIL true up model (TAXCALC worksheet) for each tax period, which are being provided in Excel format, are also included as follows:

   - ***Attachment 6*** – 2002 SIMPIL True Up Model

- ***Attachment 7*** – 2003 SIMPIL True Up Model
- ***Attachment 8*** – 2004 SIMPIL True Up Model
- ***Attachment 9*** – 2005 SIMPIL True Up Model

These revised SIMPIL true up models contain details of final tax data and have been balanced to the source documents for each tax period. HCHI believes that it has addressed any errors that have arisen from the SIMPIL models that were previously released for reporting to the Board by utilizing the Board's recommended revised model arising from the Combined PILs proceeding.

HCHI used data from its final tax returns for the tax years 2001 through 2005, including reassessments if applicable. A copy of each of the Notice of Assessment and Reassessment (if applicable), Federal T2 Tax Return and Provincial CT23 Tax Return for each of 2001 through 2005 are included in ***Attachments 10, 11, 12, 13, and 14*** respectively. All tax years from 2001 through 2005 are statute-barred (i.e. no longer open for audit).

(i) For the tax period ended December 31, 2001, HCHI incurred a loss and thus had no taxable income. For the 2002 tax year and part of the 2003 tax year, HCHI utilized the associated loss carry forwards. The income tax rate used for true-up purposes is the actual legislated tax rate for the applicable year not the rate used to estimate PILs included in rates or the actual income tax rate paid. The capital tax rates and thresholds or exemptions chosen are supported by reference to tax law and Board precedents. The true up rates utilize the maximum tax rates for the applicable tax year and are consistent with the maximum tax rates approved for use by the Board in the Combined PILs

proceeding; accordingly HCHI believes that it has used the appropriate rates in accordance with the Board's direction.

(ii) HCHI excluded variances associated with Ontario Capital Tax (OCT) in the income tax true up reconciliation, understanding that under the SIMPIL methodology, OCT does not true up for income tax purposes, only for OCT purposes in the appropriate section of the SIMPIL TAXCALC worksheet. With respect to the Large Corporation Tax (LCT), no portion was included in 2005 rates that relates to the January 1 to April 30, 2006 period.

(iii) Items that should not true up to ratepayers under the SIMPIL methodology have been isolated from those items that are included in the true up in worksheet TAXREC3 and TAXREC2 respectively.

(iv) HCHI excluded regulatory assets and liabilities, when they were created or collected, in the calculation of the final balance in its PILs account 1562 regardless of the actual tax treatment accorded these amounts.

d) Interest carrying charges for each tax period. For the period Q4 2001 through April 2006, the annual deemed debt rate of 7.25% was applied. For the period May 2006 through December 2011, the Board's quarterly prescribed interest rates were applied. For the period January to April 2012, the Q4 2011 prescribed rate has been used to project interest carrying charges.

HCHI's submission regarding its Disposition of Account 1562 Deferred PILs – both as originally filed on September 30, 2011 as part of its IRM rate application and now re-filed in this stand-alone application – complies with the Board's Combined PILs Decision and follow-up letter of September 13, 2011.

Accordingly, HCHI is requesting that this matter be disposed of expeditiously and in a largely administrative manner, particularly considering the Board's "Performance Standards for Processing Applications" states that the typical approval timeframe for distribution rate applications is 185 days for a standard written hearing and 140 days for a streamlined written hearing. These timeframes would not allow for HCHI's continued request to dispose of the Account 1562 Deferred PILs debit amount of $1,008,852 over a one year rate period commencing May 1, 2012.

HCHI reiterates its reasons for this disposition period, including (i) alleviating customer confusion and frustration with more than one rate change in a relatively short period of time; (ii) minimizing bill impacts by including this recovery from customers commencing at the same time and over the same period as the $1,356,288 credit amount is being refunded to customers on account of the Group 1 Deferral and Variance Account Balances as applied for in EB-2011-0170; and (iii) facilitating cost savings by not having to publish an additional Notice of Application. HCHI's Notice of Application in EB-2011-0170, published during the week of October 19, 2011, previously alerted customers to the request to dispose of account 1562. Further, HCHI is required to file an application for its smart meter cost recovery and prudence review and expects that this significant application will be submitted within the first quarter of 2012. Having a May 1, 2012 distribution rate change, followed sometime thereafter by a PILs disposition rate rider rate change, and then followed by a smart meter recovery adder rate change will only exacerbate customer confusion and frustration, bill impacts and publication costs.

HCHI understands that the Board is committed to processing applications in an efficient and timely manner, and that the timely filings of the applicant are important requirements if the Board is to achieve greater efficiency in processing applications. HCHI filed its original Account 1562 Deferred PILs submission in a timely manner; that is, on its required due date of September 30, 2011, and is now re-filing this submission

on a stand-alone basis well in advance of the Board's required due date of April 1, 2012.

All of which is respectfully submitted this 27th day of January, 2012.

Attachments:

Attachment 1	Continuity Schedule Account 1562
Attachment 2	2002 RAM Application and Q4 2001 PILs Proxy Model Signed Decision & Rate Order (June 12, 2002)
Attachment 3	2004 RAM Application Signed Decision & Rate Order (April 14, 2004)
Attachment 4	2005 RAM Application and 2005 PILs Proxy Model Signed Decision & Rate Order (March 23, 2005)
Attachment 5	PILs Amounts Billed to Customers 2002 to 2006
Attachment 6	2002 SIMPIL True Up Model
Attachment 7	2003 SIMPIL True Up Model
Attachment 8	2004 SIMPIL True Up Model
Attachment 9	2005 SIMPIL True Up Model
Attachment 10	2001 Tax Returns • Federal T2 • Provincial CT23 • Notice of Assessment
Attachment 11	2002 Tax Returns • Federal T2 • Provincial CT23 • Notice of Assessment
Attachment 12	2003 Tax Returns • Federal T2 • Provincial CT23 • Notice of Assessment
Attachment 13	2004 Tax Returns • Federal T2 • Provincial CT23 • Notice of Assessment
Attachment 14	2005 Tax Returns • Federal T2 • Provincial CT23 • Notice of Assessment

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 1

Continuity Schedule Account 1562

2001	2001 January	2001 February	2001 March	2001 April	2001 May	2001 June	2001 July	2001 August	2001 September	2001 October	2001 November	2001 December	2001 TOTAL
PRINICIPAL													
Opening Balance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 111,642	$ 223,285	
Additions / Adjustments													
2001 Deferred (Oct. to Dec.)										$111,642	$111,642	$111,642	$334,927
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$111,642	$111,642	$111,642	$334,927
Rate Recoveries	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Closing Balance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$111,642	$223,285	$334,927	
INTEREST											*7.25%*	*7.25%*	
Opening Balance	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$675	
Carrying Charges	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$675	$1,349	$2,024
Closing Balalnce	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$675	$2,024	

2002	2002 January	2002 February	2002 March	2002 April	2002 May	2002 June	2002 July	2002 August	2002 September	2002 October	2002 November	2002 December	2002 TOTAL
PRINICIPAL													
Opening Balance	$334,927	$426,289	$517,652	$609,014	$700,376	$791,738	$823,108	$791,522	$759,572	$732,569	$721,254	$707,595	
Additions / Adjustments													
2002 Proxy (Jan. to Dec.)	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$1,096,347
	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$1,096,347
Rate Recoveries	$0	$0	$0	$0	$0	($59,992)	($122,949)	($123,312)	($118,365)	($102,677)	($105,021)	($85,734)	($718,050)
Closing Balance	$426,289	$517,652	$609,014	$700,376	$791,738	$823,108	$791,522	$759,572	$732,569	$721,254	$707,595	$713,224	
INTEREST	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	
Opening Balance	$2,024	$4,047	$6,623	$9,750	$13,429	$17,661	$22,444	$27,417	$32,199	$36,788	$41,214	$45,572	
Carrying Charges	$2,024	$2,575	$3,127	$3,679	$4,231	$4,783	$4,973	$4,782	$4,589	$4,426	$4,358	$4,275	$47,824
Closing Balalnce	$4,047	$6,623	$9,750	$13,429	$17,661	$22,444	$27,417	$32,199	$36,788	$41,214	$45,572	$49,847	

2003	2003 January	2003 February	2003 March	2003 April	2003 May	2003 June	2003 July	2003 August	2003 September	2003 October	2003 November	2003 December	2003 TOTAL
PRINICIPAL													
Opening Balance	$713,224	$702,003	$682,356	$675,904	$673,559	$678,372	($410,330)	($400,848)	($402,697)	($405,134)	($400,059)	($396,741)	
Additions / Adjustments													
2001 Deferred (Jan. to Dec.)	$27,911	$27,911	$27,911	$27,911	$27,911	$27,911	$27,911	$27,911	$27,911	$27,911	$27,911	$27,911	$334,927
2003 Proxy (Jan. to Dec.)	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$1,096,347
2002 SIMPIL Model True-Ups						($1,103,647)							($1,103,647)
	$119,273	$119,273	$119,273	$119,273	$119,273	($984,374)	$119,273	$119,273	$119,273	$119,273	$119,273	$119,273	$327,627
Rate Recoveries	($130,494)	($138,920)	($125,725)	($121,618)	($114,459)	($104,328)	($109,791)	($121,122)	($121,710)	($114,197)	($115,955)	($113,811)	($1,432,130)
Closing Balance	$702,003	$682,356	$675,904	$673,559	$678,372	($410,330)	($400,848)	($402,697)	($405,134)	($400,059)	($396,741)	($391,279)	
INTEREST	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	
Opening Balance	$49,847	$54,156	$58,397	$62,520	$66,604	$70,673	$74,771	$72,292	$69,871	$67,438	$64,990	$62,573	
Carrying Charges	$4,309	$4,241	$4,123	$4,084	$4,069	$4,098	($2,479)	($2,422)	($2,433)	($2,448)	($2,417)	($2,397)	$10,329
Closing Balalnce	$54,156	$58,397	$62,520	$66,604	$70,673	$74,771	$72,292	$69,871	$67,438	$64,990	$62,573	$60,176	

2004	2004 January	2004 February	2004 March	2004 April	2004 May	2004 June	2004 July	2004 August	2004 September	2004 October	2004 November	2004 December	2004 TOTAL
PRINICIPAL													
Opening Balance	($391,279)	($400,451)	($419,867)	($432,410)	($465,735)	($473,290)	($164,888)	($159,963)	($163,304)	($161,518)	($158,418)	($157,423)	
Additions / Adjustments													
2001 Deferred (Jan. to Mar.)	$27,911	$27,911	$27,911										$83,732
2004 Proxy (Jan. to Dec.)	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$1,096,347
2003 SIMPIL Model True-Ups						$314,038							$314,038
	$119,273	$119,273	$119,273	$91,362	$91,362	$405,400	$91,362	$91,362	$91,362	$91,362	$91,362	$91,362	$1,494,117
Rate Recoveries	($128,445)	($138,689)	($131,816)	($124,687)	($98,917)	($96,998)	($86,438)	($94,703)	($89,576)	($88,262)	($90,368)	($86,477)	($1,255,376)
Closing Balance	($400,451)	($419,867)	($432,410)	($465,735)	($473,290)	($164,888)	($159,963)	($163,304)	($161,518)	($158,418)	($157,423)	($152,538)	
INTEREST	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	
Opening Balance	$60,176	$57,812	$55,393	$52,856	$50,243	$47,430	$44,570	$43,574	$42,607	$41,621	$40,645	$39,688	
Carrying Charges	($2,364)	($2,419)	($2,537)	($2,612)	($2,814)	($2,859)	($996)	($966)	($987)	($976)	($957)	($951)	($21,439)
Closing Balalnce	$57,812	$55,393	$52,856	$50,243	$47,430	$44,570	$43,574	$42,607	$41,621	$40,645	$39,688	$38,737	

2005	2005 January	2005 February	2005 March	2005 April	2005 May	2005 June	2005 July	2005 August	2005 September	2005 October	2005 November	2005 December	2005 TOTAL
PRINICIPAL													
Opening Balance	($152,538)	($159,504)	($177,390)	($188,969)	($183,223)	($175,893)	$748,091	$748,059	$711,102	$704,315	$710,441	$715,830	
Additions / Adjustments													
2002 Proxy (Jan. to Mar.)	$91,362	$91,362	$91,362										$274,087
2005 Proxy (Apr. to Dec.)				$98,276	$98,276	$98,276	$98,276	$98,276	$98,276	$98,276	$98,276	$98,276	$884,486
2004 SIMPIL Model True-Ups						$915,731							$915,731
	$91,362	$91,362	$91,362	$98,276	$98,276	$1,014,007	$98,276	$98,276	$98,276	$98,276	$98,276	$98,276	$2,074,304
Rate Recoveries	($98,328)	($109,248)	($102,941)	($92,531)	($90,946)	($90,023)	($98,308)	($135,233)	($105,064)	($92,150)	($92,887)	($93,397)	($1,201,057)
Closing Balance	($159,504)	($177,390)	($188,969)	($183,223)	($175,893)	$748,091	$748,059	$711,102	$704,315	$710,441	$715,830	$720,709	
INTEREST	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*7.25%*	
Opening Balance	$38,737	$37,815	$36,852	$35,780	$34,638	$33,531	$32,468	$36,988	$41,508	$45,804	$50,059	$54,351	
Carrying Charges	($922)	($964)	($1,072)	($1,142)	($1,107)	($1,063)	$4,520	$4,520	$4,296	$4,255	$4,292	$4,325	$19,939
Closing Balalnce	$37,815	$36,852	$35,780	$34,638	$33,531	$32,468	$36,988	$41,508	$45,804	$50,059	$54,351	$58,676	

2006	2006 January	2006 February	2006 March	2006 April	2006 May	2006 June	2006 July	2006 August	2006 September	2006 October	2006 November	2006 December	2006 TOTAL
PRINICIPAL													
Opening Balance	$720,709	$706,835	$700,598	$686,651	$699,493	$610,815	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
Additions / Adjustments													
2005 Proxy (Jan. to Apr.)	$98,276	$98,276	$98,276	$98,276									$393,105
2005 SIMPIL Model True-Ups						$212,284							$212,284
	$98,276	$98,276	$98,276	$98,276	$0	$212,284	$0	$0	$0	$0	$0	$0	$605,389
Rate Recoveries	($112,150)	($104,514)	($112,223)	($85,434)	($88,678)	($14,857)							($517,856)
Closing Balance	$706,835	$700,598	$686,651	$699,493	$610,815	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
INTEREST	*7.25%*	*7.25%*	*7.25%*	*7.25%*	*4.14%*	*4.14%*	*4.59%*	*4.59%*	*4.59%*	*4.59%*	*4.59%*	*4.59%*	
Opening Balance	$58,676	$63,031	$67,301	$71,534	$75,682	$78,096	$80,203	$83,294	$86,386	$89,477	$92,569	$95,660	
Carrying Charges	$4,354	$4,270	$4,233	$4,149	$2,413	$2,107	$3,092	$3,092	$3,092	$3,092	$3,092	$3,092	$40,076
Closing Balalnce	$63,031	$67,301	$71,534	$75,682	$78,096	$80,203	$83,294	$86,386	$89,477	$92,569	$95,660	$98,752	

2007	2007 January	2007 February	2007 March	2007 April	2007 May	2007 June	2007 July	2007 August	2007 September	2007 October	2007 November	2007 December	2007 TOTAL
PRINICIPAL													
Opening Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
Additions / Adjustments													
													$0
													$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Rate Recoveries													$0
Closing Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
INTEREST	*4.59%*	*4.59%*	*4.59%*	*4.59%*	*4.59%*	*4.59%*	*4.59%*	*4.59%*	*4.59%*	*5.14%*	*5.14%*	*5.14%*	
Opening Balance	$98,752	$101,844	$104,935	$108,027	$111,118	$114,210	$117,301	$120,393	$123,484	$126,576	$130,038	$133,500	
Carrying Charges	$3,092	$3,092	$3,092	$3,092	$3,092	$3,092	$3,092	$3,092	$3,092	$3,462	$3,462	$3,462	$38,210
Closing Balalnce	$101,844	$104,935	$108,027	$111,118	$114,210	$117,301	$120,393	$123,484	$126,576	$130,038	$133,500	$136,962	

2008	2008 January	2008 February	2008 March	2008 April	2008 May	2008 June	2008 July	2008 August	2008 September	2008 October	2008 November	2008 December	2008 TOTAL
PRINICIPAL													
Opening Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
Additions / Adjustments													
													$0
													$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Rate Recoveries													$0
Closing Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
INTEREST	*5.14%*	*5.14%*	*5.14%*	*4.08%*	*4.08%*	*4.08%*	*3.35%*	*3.35%*	*3.35%*	*3.35%*	*3.35%*	*3.35%*	
Opening Balance	$136,962	$140,424	$143,886	$147,348	$150,096	$152,844	$155,592	$157,848	$160,104	$162,361	$164,617	$166,873	
Carrying Charges	$3,462	$3,462	$3,462	$2,748	$2,748	$2,748	$2,256	$2,256	$2,256	$2,256	$2,256	$2,256	$32,168
Closing Balalnce	$140,424	$143,886	$147,348	$150,096	$152,844	$155,592	$157,848	$160,104	$162,361	$164,617	$166,873	$169,130	

2009	2009 January	2009 February	2009 March	2009 April	2009 May	2009 June	2009 July	2009 August	2009 September	2009 October	2009 November	2009 December	2009 TOTAL
PRINICIPAL													
Opening Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
Additions / Adjustments													
													$0
													$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Rate Recoveries													$0
Closing Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
INTEREST	*2.45%*	*2.45%*	*2.45%*	*1.00%*	*1.00%*	*1.00%*	*0.55%*	*0.55%*	*0.55%*	*0.55%*	*0.55%*	*0.55%*	
Opening Balance	$169,130	$170,780	$172,430	$174,080	$174,754	$175,427	$176,101	$176,471	$176,842	$177,212	$177,583	$177,953	
Carrying Charges	$1,650	$1,650	$1,650	$674	$674	$674	$370	$370	$370	$370	$370	$370	$9,193
Closing Balalnce	$170,780	$172,430	$174,080	$174,754	$175,427	$176,101	$176,471	$176,842	$177,212	$177,583	$177,953	$178,323	

2010	2010 January	2010 February	2010 March	2010 April	2010 May	2010 June	2010 July	2010 August	2010 September	2010 October	2010 November	2010 December	2010 TOTAL
PRINICIPAL													
Opening Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
Additions / Adjustments													
													$0
													$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Rate Recoveries													$0
Closing Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
INTEREST	*0.55%*	*0.55%*	*0.55%*	*0.55%*	*0.55%*	*0.55%*	*0.89%*	*0.89%*	*0.89%*	*1.20%*	*1.20%*	*1.20%*	
Opening Balance	$178,323	$178,694	$179,064	$179,435	$179,805	$180,176	$180,546	$181,146	$181,745	$182,344	$183,153	$183,961	
Carrying Charges	$370	$370	$370	$370	$370	$370	$599	$599	$599	$808	$808	$808	$6,446
Closing Balalnce	$178,694	$179,064	$179,435	$179,805	$180,176	$180,546	$181,146	$181,745	$182,344	$183,153	$183,961	$184,769	

2011 *Projected*	2011 January	2011 February	2011 March	2011 April	2011 May	2011 June	2011 July	2011 August	2011 September	2011 October	2011 November	2011 December	2011 TOTAL
PRINICIPAL													
Opening Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
Additions / Adjustments													
													$0
													$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Rate Recoveries													$0
Closing Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
INTEREST	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	*1.47%*	
Opening Balance	$184,769	$185,759	$186,749	$187,739	$188,730	$189,720	$190,710	$191,700	$192,690	$193,680	$194,670	$195,660	
Carrying Charges	$990	$990	$990	$990	$990	$990	$990	$990	$990	$990	$990	$990	$11,881
Closing Balalnce	$185,759	$186,749	$187,739	$188,730	$189,720	$190,710	$191,700	$192,690	$193,680	$194,670	$195,660	$196,650	

2012 *Projected*	2012 January	2012 February	2012 March	2012 April									2012 TOTAL
PRINICIPAL													
Opening Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
Additions / Adjustments													
													$0
													$0
	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Rate Recoveries													$0
Closing Balance	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	$808,242	
INTEREST	*1.47%*	*1.47%*	*1.47%*	*1.47%*									
Opening Balance	$196,650	$197,640	$198,630	$199,621	$200,611	$200,611	$200,611	$200,611	$200,611	$200,611	$200,611	$200,611	
Carrying Charges	$990	$990	$990	$990	$0	$0	$0	$0	$0	$0	$0	$0	$3,960
Closing Balalnce	$197,640	$198,630	$199,621	$200,611	$200,611	$200,611	$200,611	$200,611	$200,611	$200,611	$200,611	$200,611	

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 2

2002 RAM Application
Q4 2001 PILs Proxy Model
2002 PILs Proxy Model
Signed Decision & Rate Order (June 12, 2002)

SHEET 1 - 2001 OEB Approved Rate Schedule

V2

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	905 765-5211	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	19-Apr-02					

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

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0129
MONTHLY SERVICE CHARGE (Per Customer)	$8.43
COST OF POWER KWH RATE	$0.0751

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0129
MONTHLY SERVICE CHARGE (Per Customer)	$8.43

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

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0117
MONTHLY SERVICE CHARGE (Per Customer)	$11.41
COST OF POWER KWH RATE	$0.0741

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0117
MONTHLY SERVICE CHARGE (Per Customer)	$11.41

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

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.5500
MONTHLY SERVICE CHARGE (Per Customer)	$21.67
COST OF POWER KW RATE	$3.2000
COST OF POWER KWH RATE	$0.0622

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.5900					
MONTHLY SERVICE CHARGE (Per Customer)	$7.97					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$11.82	$8.94	$0.0728	$0.0434	$0.0614	$0.0321

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.4555
MONTHLY SERVICE CHARGE (Per Connection)	$1.09
COST OF POWER KW RATE	$23.4800

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$1.4571
MONTHLY SERVICE CHARGE (Per Connection)	$0.95
COST OF POWER KW RATE	$23.8400

OR

MISCELLANEOUS CHARGES

ADD 2001 OEB APPROVED MISCELLANEOUS CHARGES BELOW.
Please enter these charges exactly as they are entered in your current approved rate schedule.
Please add your specific charges as necessary.

Specific Service Charges	
Customer Administration	
Account set-up Charge	$ 8.80
Arrears Certificate	$ 10.50
Non-payment of account	
Late Payment	5 %
Returned Cheque Charge - includes Bank Charges	$ 13.00
Collection of Account Charge	$ 9.00
Reconnection - during regular working hours	$ 20.00
Reconnection - after regular working hours	$ 50.00
Credits	
Transformer ownership allowance	$0.60 / kW
(for connections prior to Jan 1, 2001)	

SHEET 1 - 2001 OEB Approved Rate Schedule			V2			
NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**		
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					
Enter the values for your 2001 OEB approved distribution rates in the appropriate areas which are highlighted in yellow.						
SUBURBAN						
RESIDENTIAL						
DISTRIBUTION KWH RATE	$0.0139					
MONTHLY SERVICE CHARGE (Per Customer)	$9.68					
COST OF POWER KWH RATE	$0.0758					
RESIDENTIAL (TIME OF USE)						
DISTRIBUTION KWH RATE	$0.0139					
MONTHLY SERVICE CHARGE (Per Customer)	$9.68					
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK		
	$/KWH	$/KWH	$/KWH	$/KWH		
	$0.0000	$0.0000	$0.0000	$0.0000		
GENERAL SERVICE < 50 KW						
DISTRIBUTION KWH RATE	$0.0109					
MONTHLY SERVICE CHARGE (Per Customer)	$11.72					
COST OF POWER KWH RATE	$0.0747					
GENERAL SERVICE < 50 KW (TIME OF USE)						
DISTRIBUTION KWH RATE	$0.0109					
MONTHLY SERVICE CHARGE (Per Customer)	$11.72					
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK		
	$/KWH	$/KWH	$/KWH	$/KWH		
	$0.0000	$0.0000	$0.0000	$0.0000		
GENERAL SERVICE > 50 KW (NON TIME OF USE)						
DISTRIBUTION KW RATE	$3.5400					
MONTHLY SERVICE CHARGE (Per Customer)	$21.60					
COST OF POWER KW RATE	$2.9400					
COST OF POWER KWH RATE	$0.0624					

SHEET 2 - 2002 Rate Schedule including 2nd Year PBR Adjustment

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	905 765-5211	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365		**IPI**	**PF**	**Adjustment Factor**	
Enter the IPI for 2001 when released by the Board in January.			0.4%	-1.5%	-1.1%	
					or	
This schedule includes distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment.					98.90%	
					of current rates.	

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.012758
MONTHLY SERVICE CHARGE (Per Customer)	$8.3373
COST OF POWER KWH RATE	$0.0751

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.012758				
MONTHLY SERVICE CHARGE (Per Customer)	$8.3373				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	$/KWH	$/KWH	$/KWH	$/KWH	
	$0.0000	$0.0000	$0.0000	$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.011571
MONTHLY SERVICE CHARGE (Per Customer)	$11.2845
COST OF POWER KWH RATE	$0.07410

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.011571				
MONTHLY SERVICE CHARGE (Per Customer)	$11.2845				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	$/KWH	$/KWH	$/KWH	$/KWH	
	$0.0000	$0.0000	$0.0000	$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.510950
MONTHLY SERVICE CHARGE (Per Customer)	$21.4316
COST OF POWER KW RATE	$3.2000
COST OF POWER KWH RATE	$0.0622

GENERAL SERVICE > 50 KW (TIME OF USE)						
DISTRIBUTION KW RATE	$0.583510					
MONTHLY SERVICE CHARGE (Per Customer)	$7.8823					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$11.82	$8.94	$0.0728	$0.0434	$0.0614	$0.0321
SENTINEL LIGHTS (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.439490					
MONTHLY SERVICE CHARGE (Per Connection)	$1.0780					
COST OF POWER KW RATE	$23.4800					
STREET LIGHTING (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.4411					
MONTHLY SERVICE CHARGE (Per Connection)	$0.9396					
COST OF POWER KW RATE	$23.8400					

SHEET 2 - 2002 Rate Schedule including 2nd Year PBR Adjustment						
NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	0	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365		**IPI**	**PF**	**Adjustment Factor**	
Enter the IPI for 2001 when released by the Board in January.			0.4%	-1.5%	-1.1%	
					or	
This schedule includes distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment.					98.90%	
					of current rates.	
SUBURBAN						
RESIDENTIAL						
DISTRIBUTION KWH RATE	$0.013747					
MONTHLY SERVICE CHARGE (Per Customer)	$9.5735					
COST OF POWER KWH RATE	$0.0758					
RESIDENTIAL (TIME OF USE)						
DISTRIBUTION KWH RATE	$0.013747					
MONTHLY SERVICE CHARGE (Per Customer)	$9.5735					
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK		
	$/KWH	$/KWH	$/KWH	$/KWH		
	$0.0000	$0.0000	$0.0000	$0.0000		
GENERAL SERVICE < 50 KW						
DISTRIBUTION KWH RATE	$0.010780					
MONTHLY SERVICE CHARGE (Per Customer)	$11.5911					
COST OF POWER KWH RATE	$0.07470					
GENERAL SERVICE < 50 KW (TIME OF USE)						
DISTRIBUTION KWH RATE	$0.010780					
MONTHLY SERVICE CHARGE (Per Customer)	$11.5911					
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK		
	$/KWH	$/KWH	$/KWH	$/KWH		
	$0.0000	$0.0000	$0.0000	$0.0000		
GENERAL SERVICE > 50 KW (NON TIME OF USE)						
DISTRIBUTION KW RATE	$3.501060					
MONTHLY SERVICE CHARGE (Per Customer)	$21.3624					
COST OF POWER KW RATE	$2.9400					
COST OF POWER KWH RATE	$0.0624					

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

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	905 765-5211
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	19-Apr-02		

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

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

Enter the permanent revenue adjustment amount here: $ 184,653.00 Cell G36 will be adjusted by this amount.

Enter the 1/3 of incremental MARR used in the RUD Model that your LDC used for approved 2001 rates. $ 437,478.22

Enter the 1/3 of incremental MARR you seek to recover in 2002 (should be same as previous entry) $ 437,478.22

Enter the 1/3 of incremental MARR you will seek to recover in 2003 (should be same as first 1/3 increment) $ 437,478.22

Use the Table below to enter the 1999 statistics for your LDC. These should be the same as reported to the OEB in your approved RUD Model used to set current rates.
The share of class distribution revenue in 1999 is used to allocate the additional 1/3 incremental MARR to the classes for 2002 rates.

1999 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Revenue Shares	2002 1/3 MARR Allocations
RESIDENTIAL CLASS	-	84,316,557	11,499	$2,085,512.68	38.70%	$ 240,749.43
GENERAL SERVICE <50 KW CLASS	-	38,348,956	1,611	$618,260.56	11.47%	$ 71,371.36
GENERAL SERVICE >50 KW NON TIME OF USE	110,793	-	108	$390,040.51	7.24%	$ 45,025.87
GENERAL SERVICE >50 KW TIME OF USE	28,601	-	4	$15,947.69	0.30%	$ 1,840.98
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	1,758	-	834	$12,457.50	0.23%	$ 1,438.08
STREET LIGHTING CLASS	5,721	-	1,276	$21,181.93	0.39%	$ 2,445.22
TOTALS				$3,143,400.87	0.58	$ 362,870.95
		Allocated Total for 2002 including adjustments at Cell B13 ==>				$ 622,131.22

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.484	0.516	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	$ 116,522.72	$ 124,226.71	$ 240,749.43
(B) RETAIL KWH	84,316,557		
(C) NUMBER OF CUSTOMERS		11,499	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.001382		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$0.9003	

General Service <50kW Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.670	0.330	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G27 above)	$ 47,818.81	$ 23,552.55	$ 71,371.36
(B) RETAIL KWH	38,348,956		
(C) NUMBER OF CUSTOMERS		1,611	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.001247		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$1.2183	

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.933	0.067	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G28 above)	$ 42,009.14	$ 3,016.73	$ 45,025.87
(B) RETAIL KW	110,793		
(C) NUMBER OF CUSTOMERS		108	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.379168		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$2.3277	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.978	0.022	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G29 above)	$ 1,800.48	$ 40.50	$ 1,840.98
(B) RETAIL KW	28,601		
(C) NUMBER OF CUSTOMERS		4	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.062952		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$0.8438	

Sentinel Lighting Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.190	0.810	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G32 above)	$ 273.24	$ 1,164.85	$ 1,438.08
(B) RETAIL KW	1,758		
(C) NUMBER OF CUSTOMERS (Connections)		834	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.155424		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$0.1164	

Streetlighting Class						
Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE			
	Percentage	Percentage				
	0.364	0.636	100%			
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G33 above)	$ 890.06	$ 1,555.16	$ 2,445.22			
(B) RETAIL KW	5,721					
(C) NUMBER OF CUSTOMERS		1,276				
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.155578					
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$0.1016				

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

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	0
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

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

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

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

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

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

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

Use the Table below to enter the 1999 statistics for your LDC. These should be the same as reported to the OEB in your approved RUD Model used to set current rates.
The share of class distribution revenue in 1999 is used to allocate the additional 1/3 incremental MARR to the classes for 2002 rates.

SUBURBAN

1999 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	1999 Revenue Shares	2002 1/3 MARR Allocations
RESIDENTIAL CLASS	-	71,168,780	5,204	$1,476,239.14	27.39%	$ 170,415.52
GENERAL SERVICE <50 KW CLASS	-	27,142,799	895	$390,490.80	7.25%	$ 45,077.85
GENERAL SERVICE >50 KW NON TIME OF USE	110,843	-	68	$379,134.55	7.03%	$ 43,766.90
GENERAL SERVICE >50 KW TIME OF USE	0	-	0	$0.00	0.00%	$ -
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	0	-	-	$0.00	0.00%	$ -
STREET LIGHTING CLASS	0	-	-	$0.00	0.00%	$ -
TOTALS				$2,245,864.48	0.42	$ 259,260.28
		Allocated Total for 2002 including adjustments at Cell B13 ==>				$ -

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE
	Percentage	Percentage	
	0.621	0.379	100%
(A) ALLOCATED 2002 1/3 MARR REVENUE (Total in Cell G26 above)	$ 105,828.04	$ 64,587.48	$ 170,415.52
(B) RETAIL KWH	71,168,780		
(C) NUMBER OF CUSTOMERS		5,204	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.001487		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 2 and the total new Service Charge appears on the Rate Schedule on Sheet 4)		$1.0343	

General Service <50kW Class						
Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE			
	Percentage	Percentage				
	0.702	0.298	100%			
(A) ALLOCATED 2002 1/3 MARR REVENUE	$ 31,644.65	$ 13,433.20	$ 45,077.85			
(Total in Cell G27 above)						
(B) RETAIL KWH	27,142,799					
(C) NUMBER OF CUSTOMERS		895				
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)	$0.001166					
(this amount is added to the kWh rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$1.2508				
(this amount is added to the Service Charge shown on Sheet 2 and						
the total new Service Charge appears on the Rate Schedule on Sheet 4)						
General Service >50kW Class Non TOU						
Enter Your approved Variable Charge/Fixed Charge Split from your approved 2001 RUD Model for this class:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	TOTAL 2002 ALLOCATED DISTRIBUTION REVENUE			
	Percentage	Percentage				
	0.957	0.043	100%			
(A) ALLOCATED 2002 1/3 MARR REVENUE	$ 41,884.92	$ 1,881.98	$ 43,766.90			
(Total in Cell G28 above)						
(B) RETAIL KW	110,843					
(C) NUMBER OF CUSTOMERS		68				
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.377876					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$2.3063				
(this amount is added to the Service Charge shown on Sheet 2 and						
the total new Service Charge appears on the Rate Schedule on Sheet 4)						

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	905 765-5211	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	19-Apr-02					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

This is the **Base Rate Schedule** which will be used as the base for the March 1, 2003 PBR Rate Adjustment.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0141
MONTHLY SERVICE CHARGE (Per Customer)	$9.24
COST OF POWER KWH RATE	$0.0751

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0141			
MONTHLY SERVICE CHARGE (Per Customer)	$9.24			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0128
MONTHLY SERVICE CHARGE (Per Customer)	$12.50
COST OF POWER KWH RATE	$0.0741

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0128			
MONTHLY SERVICE CHARGE (Per Customer)	$12.50			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.8901
MONTHLY SERVICE CHARGE (Per Customer)	$23.76
COST OF POWER KW RATE	$3.2000
COST OF POWER KWH RATE	$0.0622

GENERAL SERVICE > 50 KW (TIME OF USE)						
DISTRIBUTION KW RATE	$0.646462					
MONTHLY SERVICE CHARGE (Per Customer)	$8.73					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$11.8200	$8.9400	$0.0728	$0.0434	$0.0614	$0.0321
SENTINEL LIGHTS (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.5949					
MONTHLY SERVICE CHARGE (Per Connection)	$1.19					
COST OF POWER KW RATE	$23.4800					
STREET LIGHTING (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.5966					
MONTHLY SERVICE CHARGE (Per Connection)	$1.04					
COST OF POWER KW RATE	$23.8400					

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	0	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment and the addition of the 2nd Installment of 1/3 Incremental MARR.

This is the **Base Rate Schedule** which will be used as the base for the March 1, 2003 PBR Rate Adjustment.

SUBURBAN

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0152
MONTHLY SERVICE CHARGE (Per Customer)	$10.61
COST OF POWER KWH RATE	$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0152			
MONTHLY SERVICE CHARGE (Per Customer)	$10.61			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0119
MONTHLY SERVICE CHARGE (Per Customer)	$12.84
COST OF POWER KWH RATE	$0.0747

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0119			
MONTHLY SERVICE CHARGE (Per Customer)	$12.84			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.8789
MONTHLY SERVICE CHARGE (Per Customer)	$23.67
COST OF POWER KW RATE	$2.9400
COST OF POWER KWH RATE	$0.0624

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

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	905 765-5211
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

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

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

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL		CURRENT 2001 BILL	KWH	RATE	CHARGE		2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)	KWH	RATE	CHARGE	IMPACT	IMPACT
100 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
		MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24		
		DISTRIBUTION KWH	100	0.0129	$ 1.29		DISTRIBUTION KWH	100	0.01414	$ 1.41		
		COST OF POWER KWH	100	0.0751	$ 7.51		COST OF POWER KWH	100	0.0751	$ 7.51		
		CURRENT 2001 BILL			$ 17.23		Adjusted 2002 BILL			$ 18.16	$ 0.93	5.4%
MONTHLY CONSUMPTION OF			**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
		MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24		
		DISTRIBUTION KWH	250	0.0129	$ 3.23		DISTRIBUTION KWH	250	0.01414	$ 3.54		
		COST OF POWER KWH	250	0.0751	$ 18.78		COST OF POWER KWH	250	0.0751	$ 18.78		
		CURRENT 2001 BILL			$ 30.43		Adjusted 2002 BILL			$ 31.55	$ 1.12	3.7%
MONTHLY CONSUMPTION OF			**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
		MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24		
		DISTRIBUTION KWH	500	0.0129	$ 6.45		DISTRIBUTION KWH	500	0.01414	$ 7.07		
		COST OF POWER KWH	500	0.0751	$ 37.55		COST OF POWER KWH	500	0.0751	$ 37.55		
		CURRENT 2001 BILL			$ 52.43		Adjusted 2002 BILL			$ 53.86	$ 1.43	2.7%
MONTHLY CONSUMPTION OF			**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
		MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24		
		DISTRIBUTION KWH	750	0.0129	$ 9.68		DISTRIBUTION KWH	750	0.01414	$ 10.61		
		COST OF POWER KWH	750	0.0751	$ 56.33		COST OF POWER KWH	750	0.0751	$ 56.33		
		CURRENT 2001 BILL			$ 74.43		Adjusted 2002 BILL			$ 76.17	$ 1.74	2.3%
MONTHLY CONSUMPTION OF			**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
		MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24		
		DISTRIBUTION KWH	1000	0.0129	$ 12.90		DISTRIBUTION KWH	1000	0.01414	$ 14.14		
		COST OF POWER KWH	1000	0.0751	$ 75.10		COST OF POWER KWH	1000	0.0751	$ 75.10		
		CURRENT 2001 BILL			$ 96.43		Adjusted 2002 BILL			$ 98.48	$ 2.05	2.1%

MONTHLY CONSUMPTION OF		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
1500 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24		
	DISTRIBUTION KWH	1500	0.0129	$ 19.35	DISTRIBUTION KWH	1500	0.01414	$ 21.21		
	COST OF POWER KWH	1500	0.0751	$ 112.65	COST OF POWER KWH	1500	0.0751	$ 112.65		
	CURRENT 2001 BILL			$ 140.43	Adjusted 2002 BILL			$ 143.10	$ 2.67	1.9%

MONTHLY CONSUMPTION OF		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24		
	DISTRIBUTION KWH	2000	0.0129	$ 25.80	DISTRIBUTION KWH	2000	0.01414	$ 28.28		
	COST OF POWER KWH	2000	0.0751	$ 150.20	COST OF POWER KWH	2000	0.0751	$ 150.20		
	CURRENT 2001 BILL			$ 184.43	Adjusted 2002 BILL			$ 187.72	$ 3.29	1.8%

GENERAL SERVICE < 50 KW

	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVEL										
1000 kWh		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.50		
	DISTRIBUTION KWH	1000	0.0117	$ 11.70	DISTRIBUTION KWH	1000	0.01282	$ 12.82		
	COST OF POWER KWH	1000	0.0741	$ 74.10	COST OF POWER KWH	1000	0.0741	$ 74.10		
	CURRENT 2001 BILL			$ 97.21	Adjusted 2002 BILL			$ 99.42	$ 2.21	2.3%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.50		
	DISTRIBUTION KWH	2000	0.0117	$ 23.40	DISTRIBUTION KWH	2000	0.01282	$ 25.64		
	COST OF POWER KWH	2000	0.0741	$ 148.20	COST OF POWER KWH	2000	0.0741	$ 148.20		
	CURRENT 2001 BILL			$ 183.01	Adjusted 2002 BILL			$ 186.34	$ 3.33	1.8%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
5000 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.50		
	DISTRIBUTION KWH	5000	0.0117	$ 58.50	DISTRIBUTION KWH	5000	0.01282	$ 64.09		
	COST OF POWER KWH	5000	0.0741	$ 370.50	COST OF POWER KWH	5000	0.0741	$ 370.50		
	CURRENT 2001 BILL			$ 440.41	Adjusted 2002 BILL			$ 447.09	$ 6.68	1.5%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
10,000 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.50		
	DISTRIBUTION KWH	10000	0.0117	$ 117.00	DISTRIBUTION KWH	10000	0.01282	$ 128.18		
	COST OF POWER KWH	10000	0.0741	$ 741.00	COST OF POWER KWH	10000	0.0741	$ 741.00		
	CURRENT 2001 BILL			$ 869.41	Adjusted 2002 BILL			$ 881.69	$ 12.28	1.4%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
20,000 KWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.50		
	DISTRIBUTION KWH	20000	0.0117	$ 234.00	DISTRIBUTION KWH	20000	0.01282	$ 256.36		
	COST OF POWER KWH	20000	0.0741	$ 1,482.00	COST OF POWER KWH	20000	0.0741	$ 1,482.00		
	CURRENT 2001 BILL			$ 1,727.41	Adjusted 2002 BILL			$ 1,750.87	$ 23.46	1.4%

GENERAL SERVICE > 50 KW NON TIME OF USE

	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVEL										
		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	0	3.5500	$ -	DISTRIBUTION KW	0	3.89012	$ -		
	COST OF POWER KW	0	3.2000	$ -	COST OF POWER KW	0	3.2000	$ -		
	COST OF POWER **KWH**	0	0.0622	$ -	COST OF POWER **KWH**	0	0.0622	$ -		
	CURRENT 2001 BILL			$ 21.67	Adjusted 2002 BILL			$ 23.76	$ 2.09	9.6%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
100kW, 30,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	100	3.5500	$ 355.00	DISTRIBUTION KW	100	3.89012	$ 389.01		
	COST OF POWER KW	100	3.2000	$ 320.00	COST OF POWER KW	100	3.2000	$ 320.00		
	COST OF POWER **KWH**	30,000	0.0622	$ 1,866.00	COST OF POWER **KWH**	30,000	0.0622	$ 1,866.00		
	CURRENT 2001 BILL			$ 2,562.67	Adjusted 2002 BILL			$ 2,598.77	$ 36.10	1.4%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
100kW, 40,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	100	3.5500	$ 355.00	DISTRIBUTION KW	100	3.89012	$ 389.01		
	COST OF POWER KW	100	3.2000	$ 320.00	COST OF POWER KW	100	3.2000	$ 320.00		
	COST OF POWER **KWH**	40,000	0.0622	$ 2,488.00	COST OF POWER **KWH**	40,000	0.0622	$ 2,488.00		
	CURRENT 2001 BILL			$ 3,184.67	Adjusted 2002 BILL			$ 3,220.77	$ 36.10	1.1%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
500kW, 100,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	500	3.5500	$ 1,775.00	DISTRIBUTION KW	500	3.89012	$ 1,945.06		
	COST OF POWER KW	500	3.2000	$ 1,600.00	COST OF POWER KW	500	3.2000	$ 1,600.00		
	COST OF POWER **KWH**	100,000	0.0622	$ 6,220.00	COST OF POWER **KWH**	100,000	0.0622	$ 6,220.00		
	CURRENT 2001 BILL			$ 9,616.67	Adjusted 2002 BILL			$ 9,788.82	$ 172.15	1.8%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
500kW, 250,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	500	3.5500	$ 1,775.00	DISTRIBUTION KW	500	3.89012	$ 1,945.06		
	COST OF POWER KW	500	3.2000	$ 1,600.00	COST OF POWER KW	500	3.2000	$ 1,600.00		
	COST OF POWER **KWH**	250,000	0.0622	$ 15,550.00	COST OF POWER **KWH**	250,000	0.0622	$ 15,550.00		
	CURRENT 2001 BILL			$ 18,946.67	Adjusted 2002 BILL			$ 19,118.82	$ 172.15	0.9%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
1000kW, 400,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	1000	3.5500	$ 3,550.00	DISTRIBUTION KW	1000	3.89012	$ 3,890.12		
	COST OF POWER KW	1000	3.2000	$ 3,200.00	COST OF POWER KW	1000	3.2000	$ 3,200.00		
	COST OF POWER **KWH**	400,000	0.0622	$ 24,880.00	COST OF POWER **KWH**	400,000	0.0622	$ 24,880.00		
	CURRENT 2001 BILL			$ 31,651.67	Adjusted 2002 BILL			$ 31,993.88	$ 342.21	1.1%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
1000kW, 500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	1000	3.5500	$ 3,550.00	DISTRIBUTION KW	1000	3.89012	$ 3,890.12		
	COST OF POWER KW	1000	3.2000	$ 3,200.00	COST OF POWER KW	1000	3.2000	$ 3,200.00		
	COST OF POWER **KWH**	500,000	0.0622	$ 31,100.00	COST OF POWER **KWH**	500,000	0.0622	$ 31,100.00		
	CURRENT 2001 BILL			$ 37,871.67	Adjusted 2002 BILL			$ 38,213.88	$ 342.21	0.9%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,000,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	3000	3.5500	$ 10,650.00	DISTRIBUTION KW	3000	3.89012	$ 11,670.35		
	COST OF POWER KW	3000	3.2000	$ 9,600.00	COST OF POWER KW	3000	3.2000	$ 9,600.00		
	COST OF POWER **KWH**	1,000,000	0.0622	$ 62,200.00	COST OF POWER **KWH**	1,000,000	0.0622	$ 62,200.00		
	CURRENT 2001 BILL			$ 82,471.67	Adjusted 2002 BILL			$ 83,494.11	$ 1,022.44	1.2%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	3000	3.5500	$ 10,650.00	DISTRIBUTION KW	3000	3.89012	$ 11,670.35		
	COST OF POWER KW	3000	3.2000	$ 9,600.00	COST OF POWER KW	3000	3.2000	$ 9,600.00		
	COST OF POWER **KWH**	1,500,000	0.0622	$ 93,300.00	COST OF POWER **KWH**	1,500,000	0.0622	$ 93,300.00		
	CURRENT 2001 BILL			$ 113,571.67	Adjusted 2002 BILL			$ 114,594.11	$ 1,022.44	0.9%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,200,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	4000	3.5500	$ 14,200.00	DISTRIBUTION KW	4000	3.89012	$ 15,560.47		
	COST OF POWER KW	4000	3.2000	$ 12,800.00	COST OF POWER KW	4000	3.2000	$ 12,800.00		
	COST OF POWER **KWH**	1,200,000	0.0622	$ 74,640.00	COST OF POWER **KWH**	1,200,000	0.0622	$ 74,640.00		
	CURRENT 2001 BILL			$ 101,661.67	Adjusted 2002 BILL			$ 103,024.23	$ 1,362.56	1.3%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,800,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.76		
	DISTRIBUTION KW	4000	3.5500	$ 14,200.00	DISTRIBUTION KW	4000	3.89012	$ 15,560.47		
	COST OF POWER KW	4000	3.2000	$ 12,800.00	COST OF POWER KW	4000	3.2000	$ 12,800.00		
	COST OF POWER **KWH**	1,800,000	0.0622	$ 111,960.00	COST OF POWER **KWH**	1,800,000	0.0622	$ 111,960.00		
	CURRENT 2001 BILL			$ 138,981.67	Adjusted 2002 BILL			$ 140,344.23	$ 1,362.56	1.0%

GENERAL SERVICE >50 KW TIME OF USE

	CURRENT 2001 BILL				**2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)**					
ENTER DESIRED CONSUMPTION LEVELS										
100kW, 40,000kWh	**WINTER**				**WINTER**					
		KW	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
			$/kW	**$**			**$/kW**	**$**	**DOLLARS**	**%**
	DISTRIBUTION kW	100	0.5900	$ 59.00	DISTRIBUTION kW	100	0.6465	$ 64.65		
	kW COST OF POWER Demand Charge	100	11.8200	$ 1,182.00	kW COST OF POWER Demand Charge	100	11.8200	$ 1,182.00		
			RATE				**RATE**			
	COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
	WINTER PEAK	20,000	0.0728	$ 1,456.00	WINTER PEAK	20,000	0.0728	$ 1,456.00		
	WINTER OFF PEAK	20,000	0.0434	$ 868.00	WINTER OFF PEAK	20,000	0.0434	$ 868.00		
	MONTHLY SERVICE CHARGE			$ 7.97	MONTHLY SERVICE CHARGE			$ 8.73		
	TOTAL			$ 3,572.97	**TOTAL**			$ 3,579.37	$ 6.40	0.2%
	SUMMER				**SUMMER**					
		KW	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
			$/kW	**$**			**$/kW**	**$**	**DOLLARS**	**%**
	DISTRIBUTION kW	100	0.5900	$ 59.00	DISTRIBUTION kW	100	0.6465	$ 64.65		
	kW COST OF POWER Demand Charge	100	8.9400	$ 894.00	kW COST OF POWER Demand Charge	100	8.9400	$ 894.00		
			RATE				**RATE**			
	COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
	SUMMER PEAK	20,000	0.0614	$ 1,228.00	SUMMER PEAK	20,000	0.0614	$ 1,228.00		
	SUMMER OFF PEAK	20,000	0.0321	$ 642.00	SUMMER OFF PEAK	20,000	0.0321	$ 642.00		
	MONTHLY SERVICE CHARGE			$ 7.97	MONTHLY SERVICE CHARGE			$ 8.73		
	TOTAL			$ 2,830.97	**TOTAL**			$ 2,837.37	$ 6.40	0.2%

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

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	0
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

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

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

SUBURBAN

RESIDENTIAL CLASS

NON-TIME OF USE

CURRENT 2001 BILL					**2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)**					
ENTER DESIRED CONSUMPTION LEVEL	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68		MONTHLY SERVICE CHARGE	n/a	n/a	$ 10.61		
DISTRIBUTION KWH	100	0.0139	$ 1.39		DISTRIBUTION KWH	100	0.01523	$ 1.52		
COST OF POWER KWH	100	0.0758	$ 7.58		COST OF POWER KWH	100	0.0758	$ 7.58		
CURRENT 2001 BILL			$ 18.65		Adjusted 2002 BILL			$ 19.71	$ 1.06	5.7%
MONTHLY CONSUMPTION OF	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68		MONTHLY SERVICE CHARGE	n/a	n/a	$ 10.61		
DISTRIBUTION KWH	250	0.0139	$ 3.48		DISTRIBUTION KWH	250	0.01523	$ 3.81		
COST OF POWER KWH	250	0.0758	$ 18.95		COST OF POWER KWH	250	0.0758	$ 18.95		
CURRENT 2001 BILL			$ 32.11		Adjusted 2002 BILL			$ 33.37	$ 1.26	3.9%
MONTHLY CONSUMPTION OF	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68		MONTHLY SERVICE CHARGE	n/a	n/a	$ 10.61		
DISTRIBUTION KWH	500	0.0139	$ 6.95		DISTRIBUTION KWH	500	0.01523	$ 7.62		
COST OF POWER KWH	500	0.0758	$ 37.90		COST OF POWER KWH	500	0.0758	$ 37.90		
CURRENT 2001 BILL			$ 54.53		Adjusted 2002 BILL			$ 56.12	$ 1.59	2.9%
MONTHLY CONSUMPTION OF	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68		MONTHLY SERVICE CHARGE	n/a	n/a	$ 10.61		
DISTRIBUTION KWH	750	0.0139	$ 10.43		DISTRIBUTION KWH	750	0.01523	$ 11.43		
COST OF POWER KWH	750	0.0758	$ 56.85		COST OF POWER KWH	750	0.0758	$ 56.85		
CURRENT 2001 BILL			$ 76.96		Adjusted 2002 BILL			$ 78.88	$ 1.93	2.5%
MONTHLY CONSUMPTION OF	**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh	**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68		MONTHLY SERVICE CHARGE	n/a	n/a	$ 10.61		
DISTRIBUTION KWH	1000	0.0139	$ 13.90		DISTRIBUTION KWH	1000	0.01523	$ 15.23		
COST OF POWER KWH	1000	0.0758	$ 75.80		COST OF POWER KWH	1000	0.0758	$ 75.80		
CURRENT 2001 BILL			$ 99.38		Adjusted 2002 BILL			$ 101.64	$ 2.26	2.3%

MONTHLY CONSUMPTION OF		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
1500 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 10.61		
	DISTRIBUTION KWH	1500	0.0139	$ 20.85	DISTRIBUTION KWH	1500	0.01523	$ 22.85		
	COST OF POWER KWH	1500	0.0758	$ 113.70	COST OF POWER KWH	1500	0.0758	$ 113.70		
	CURRENT 2001 BILL			$ 144.23	Adjusted 2002 BILL			$ 147.16	$ 2.93	2.0%

MONTHLY CONSUMPTION OF		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 10.61		
	DISTRIBUTION KWH	2000	0.0139	$ 27.80	DISTRIBUTION KWH	2000	0.01523	$ 30.47		
	COST OF POWER KWH	2000	0.0758	$ 151.60	COST OF POWER KWH	2000	0.0758	$ 151.60		
	CURRENT 2001 BILL			$ 189.08	Adjusted 2002 BILL			$ 192.68	$ 3.60	1.9%

GENERAL SERVICE < 50 KW

	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVEL										
1000 kWh		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	1000	0.0109	$ 10.90	DISTRIBUTION KWH	1000	0.01195	$ 11.95		
	COST OF POWER KWH	1000	0.0747	$ 74.70	COST OF POWER KWH	1000	0.0747	$ 74.70		
	CURRENT 2001 BILL			$ 97.32	Adjusted 2002 BILL			$ 99.49	$ 2.17	2.2%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	2000	0.0109	$ 21.80	DISTRIBUTION KWH	2000	0.01195	$ 23.89		
	COST OF POWER KWH	2000	0.0747	$ 149.40	COST OF POWER KWH	2000	0.0747	$ 149.40		
	CURRENT 2001 BILL			$ 182.92	Adjusted 2002 BILL			$ 186.13	$ 3.21	1.8%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
5000 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	5000	0.0109	$ 54.50	DISTRIBUTION KWH	5000	0.01195	$ 59.73		
	COST OF POWER KWH	5000	0.0747	$ 373.50	COST OF POWER KWH	5000	0.0747	$ 373.50		
	CURRENT 2001 BILL			$ 439.72	Adjusted 2002 BILL			$ 446.07	$ 6.35	1.4%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
10,000 kWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	10000	0.0109	$ 109.00	DISTRIBUTION KWH	10000	0.01195	$ 119.46		
	COST OF POWER KWH	10000	0.0747	$ 747.00	COST OF POWER KWH	10000	0.0747	$ 747.00		
	CURRENT 2001 BILL			$ 867.72	Adjusted 2002 BILL			$ 879.30	$ 11.58	1.3%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
20,000 KWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.84		
	DISTRIBUTION KWH	20000	0.0109	$ 218.00	DISTRIBUTION KWH	20000	0.01195	$ 238.92		
	COST OF POWER KWH	20000	0.0747	$ 1,494.00	COST OF POWER KWH	20000	0.0747	$ 1,494.00		
	CURRENT 2001 BILL			$ 1,723.72	Adjusted 2002 BILL			$ 1,745.76	$ 22.04	1.3%

GENERAL SERVICE > 50 KW NON TIME OF USE

	CURRENT 2001 BILL				2002 BILL (IPI-PF & 2nd Installment 1/3 Incremental MARR)					
ENTER DESIRED CONSUMPTION LEVEL										
		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	0	3.5400	$ -	DISTRIBUTION KW	0	3.87894	$ -		
	COST OF POWER KW	0	2.9400	$ -	COST OF POWER KW	0	2.9400	$ -		
	COST OF POWER **KWH**	0	0.0624	$ -	COST OF POWER **KWH**	0	0.0624	$ -		
	CURRENT 2001 BILL			$ 21.60	Adjusted 2002 BILL			$ 23.67	$ 2.07	9.6%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
100kW, 30,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	100	3.5400	$ 354.00	DISTRIBUTION KW	100	3.87894	$ 387.89		
	COST OF POWER KW	100	2.9400	$ 294.00	COST OF POWER KW	100	2.9400	$ 294.00		
	COST OF POWER **KWH**	30,000	0.0624	$ 1,872.00	COST OF POWER **KWH**	30,000	0.0624	$ 1,872.00		
	CURRENT 2001 BILL			$ 2,541.60	Adjusted 2002 BILL			$ 2,577.56	$ 35.96	1.4%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
100kW, 40,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	100	3.5400	$ 354.00	DISTRIBUTION KW	100	3.87894	$ 387.89		
	COST OF POWER KW	100	2.9400	$ 294.00	COST OF POWER KW	100	2.9400	$ 294.00		
	COST OF POWER **KWH**	40,000	0.0624	$ 2,496.00	COST OF POWER **KWH**	40,000	0.0624	$ 2,496.00		
	CURRENT 2001 BILL			$ 3,165.60	Adjusted 2002 BILL			$ 3,201.56	$ 35.96	1.1%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
500kW, 100,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	500	3.5400	$ 1,770.00	DISTRIBUTION KW	500	3.87894	$ 1,939.47		
	COST OF POWER KW	500	2.9400	$ 1,470.00	COST OF POWER KW	500	2.9400	$ 1,470.00		
	COST OF POWER **KWH**	100,000	0.0624	$ 6,240.00	COST OF POWER **KWH**	100,000	0.0624	$ 6,240.00		
	CURRENT 2001 BILL			$ 9,501.60	Adjusted 2002 BILL			$ 9,673.14	$ 171.54	1.8%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
500kW, 250,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	500	3.5400	$ 1,770.00	DISTRIBUTION KW	500	3.87894	$ 1,939.47		
	COST OF POWER KW	500	2.9400	$ 1,470.00	COST OF POWER KW	500	2.9400	$ 1,470.00		
	COST OF POWER **KWH**	250,000	0.0624	$ 15,600.00	COST OF POWER **KWH**	250,000	0.0624	$ 15,600.00		
	CURRENT 2001 BILL			$ 18,861.60	Adjusted 2002 BILL			$ 19,033.14	$ 171.54	0.9%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
1000kW, 400,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	1000	3.5400	$ 3,540.00	DISTRIBUTION KW	1000	3.87894	$ 3,878.94		
	COST OF POWER KW	1000	2.9400	$ 2,940.00	COST OF POWER KW	1000	2.9400	$ 2,940.00		
	COST OF POWER **KWH**	400,000	0.0624	$ 24,960.00	COST OF POWER **KWH**	400,000	0.0624	$ 24,960.00		
	CURRENT 2001 BILL			$ 31,461.60	Adjusted 2002 BILL			$ 31,802.60	$ 341.00	1.1%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
1000kW, 500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	1000	3.5400	$ 3,540.00	DISTRIBUTION KW	1000	3.87894	$ 3,878.94		
	COST OF POWER KW	1000	2.9400	$ 2,940.00	COST OF POWER KW	1000	2.9400	$ 2,940.00		
	COST OF POWER **KWH**	500,000	0.0624	$ 31,200.00	COST OF POWER **KWH**	500,000	0.0624	$ 31,200.00		
	CURRENT 2001 BILL			$ 37,701.60	Adjusted 2002 BILL			$ 38,042.60	$ 341.00	0.9%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,000,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	3000	3.5400	$ 10,620.00	DISTRIBUTION KW	3000	3.87894	$ 11,636.81		
	COST OF POWER KW	3000	2.9400	$ 8,820.00	COST OF POWER KW	3000	2.9400	$ 8,820.00		
	COST OF POWER **KWH**	1,000,000	0.0624	$ 62,400.00	COST OF POWER **KWH**	1,000,000	0.0624	$ 62,400.00		
	CURRENT 2001 BILL			$ 81,861.60	Adjusted 2002 BILL			$ 82,880.48	$ 1,018.88	1.2%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	3000	3.5400	$ 10,620.00	DISTRIBUTION KW	3000	3.87894	$ 11,636.81		
	COST OF POWER KW	3000	2.9400	$ 8,820.00	COST OF POWER KW	3000	2.9400	$ 8,820.00		
	COST OF POWER **KWH**	1,500,000	0.0624	$ 93,600.00	COST OF POWER **KWH**	1,500,000	0.0624	$ 93,600.00		
	CURRENT 2001 BILL			$ 113,061.60	Adjusted 2002 BILL			$ 114,080.48	$ 1,018.88	0.9%
MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,200,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67		
	DISTRIBUTION KW	4000	3.5400	$ 14,160.00	DISTRIBUTION KW	4000	3.87894	$ 15,515.74		
	COST OF POWER KW	4000	2.9400	$ 11,760.00	COST OF POWER KW	4000	2.9400	$ 11,760.00		
	COST OF POWER **KWH**	1,200,000	0.0624	$ 74,880.00	COST OF POWER **KWH**	1,200,000	0.0624	$ 74,880.00		
	CURRENT 2001 BILL			$ 100,821.60	Adjusted 2002 BILL			$ 102,179.41	$ 1,357.81	1.3%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT	
4,000kW, 1,800,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 23.67			
	DISTRIBUTION KW	4000	3.5400	$ 14,160.00	DISTRIBUTION KW	4000	3.87894	$ 15,515.74			
	COST OF POWER KW	4000	2.9400	$ 11,760.00	COST OF POWER KW	4000	2.9400	$ 11,760.00			
	COST OF POWER **KWH**	1,800,000	0.0624	$ 112,320.00	COST OF POWER **KWH**	1,800,000	0.0624	$ 112,320.00			
	CURRENT 2001 BILL			$ 138,261.60	Adjusted 2002 BILL			$ 139,619.41	$ 1,357.81	1.0%	

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**		ED-1999-0096
NAME OF CONTACT	Michael Price			**PHONE NUMBER**		905 765-5211
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	19-Apr-02					

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

Enter the Estimated Value for the 2001 PILs Defferal Account. $ 334,927.26 19-Apr-02

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2001 PILs defferal amount and to create the adders in each class.
Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

2001 Statistics by Class	**kW**	**kWh**	**Number of Customers**	**Distribution Revenues**	**2001 Revenue Shares**	**2001 PILs Deferral Allocations**
RESIDENTIAL CLASS	-	88,183,888	11,700	$2,222,061.81	40.00%	$ 133,986.54
GENERAL SERVICE <50 KW CLASS	-	40,557,801	1,710	$689,350.53	12.41%	$ 41,566.66
GENERAL SERVICE >50 KW NON TIME OF USE	133,390	-	86	$298,474.64	5.37%	$ 17,997.51
GENERAL SERVICE >50 KW TIME OF USE	30,978	-	7	$6,641.27	0.12%	$ 400.46
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,187	-	834	$18,564.07	0.33%	$ 1,119.38
STREET LIGHTING CLASS	5,621	-	1,276	$11,027.74	0.20%	$ 664.95
TOTALS				$3,246,120.05	0.58	334,927.26
						$ 334,927.26

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.484	0.516	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	$ 64,849.48	$ 69,137.05	$ 133,986.54
(B) RETAIL KWH	88,183,888		
(C) NUMBER OF CUSTOMERS		11,700	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.000735		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.4924	

General Service <50kW Class						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE			
	Percentage	Percentage				
	0.670	0.330	100%			
(A) ALLOCATED 2001 PILs Estimate	$ 27,849.66	$ 13,717.00	$ 41,566.66			
(Total in Cell G27 above)						
(B) RETAIL KWH	40,557,801					
(C) NUMBER OF CUSTOMERS		1,710				
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B	$0.000687					
(this amount is added to the kWh rate shown on Sheet 4 and						
the total new rate appears on the Rate Schedule on Sheet 7)						
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$0.6685				
(this amount is added to the Service Charge shown on Sheet 4 and						
the total new Service Charge appears on the Rate Schedule on Sheet 7)						
General Service >50kW Class Non TOU						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE			
	Percentage	Percentage				
	0.933	0.067	100%			
(A) ALLOCATED 2001 PILs Estimate	$ 16,791.68	$ 1,205.83	$ 17,997.51			
(Total in Cell G28 above)						
(B) RETAIL KW	133,390					
(C) NUMBER OF CUSTOMERS		86				
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.125884					
(this amount is added to the kW rate shown on Sheet 4 and						
the total new rate appears on the Rate Schedule on Sheet 7)						
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$1.1684				
(this amount is added to the Service Charge shown on Sheet 4 and						
the total new Service Charge appears on the Rate Schedule on Sheet 7)						

General Service >50kW ClassTOU						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE			
	Percentage	Percentage				
	0.978	0.022	100%			
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G29 above)	$ 391.65	$ 8.81	$ 400.46			
(B) RETAIL KW	30,978					
(C) NUMBER OF CUSTOMERS		7				
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.012643					
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.1049				
Sentinel Lighting Class						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE			
	Percentage	Percentage				
	0.190	0.810	100%			
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G32 above)	$ 212.68	$ 906.70	$ 1,119.38			
(B) RETAIL KW	2,187					
(C) NUMBER OF CUSTOMERS		834				
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.097259					
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.0906				

Streetlighting Class						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE			
	Percentage	Percentage				
	0.364	0.636	100%			
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G33 above)	$ 242.04	$ 422.91	$ 664.95			
(B) RETAIL KW	5,621					
(C) NUMBER OF CUSTOMERS (Connections)		1,276				
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.043061					
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.0276				

SHEET 6 - 2001 PILs Deferral Account Estimate Adder Calculation

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**		ED-1999-0096
NAME OF CONTACT	Michael Price			**PHONE NUMBER**		0
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

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

Enter the Estimated Value for the 2001 PILs Defferal Account. $ -

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2001 PILs defferal amount and to create the adders in each class.
Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

SUBURBAN

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2001 PILs Deferral Allocations
RESIDENTIAL CLASS	-	80,412,846	5,541	$1,598,679.51	28.78%	$ 96,397.65
GENERAL SERVICE <50 KW CLASS	-	30,442,477	683	$387,990.39	6.99%	$ 23,395.16
GENERAL SERVICE >50 KW NON TIME OF USE	87,720	-	54	$321,716.45	5.79%	$ 19,398.95
GENERAL SERVICE >50 KW TIME OF USE	0	-	0	$0.00	0.00%	$ -
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	0	-	-	$0.00	0.00%	$ -
STREET LIGHTING CLASS	0	-	-	$0.00	0.00%	$ -
TOTALS				$2,308,386.35	0.42	-
						$ 139,191.76

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE
	Percentage	Percentage	
	0.621	0.379	100%
(A) ALLOCATED 2001 PILs Estimate (Total in Cell G26 above)	$ 59,862.94	$ 36,534.71	$ 96,397.65
(B) RETAIL KWH	80,412,846		
(C) NUMBER OF CUSTOMERS		5,541	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 4 and the total new rate appears on the Rate Schedule on Sheet 7)	$0.000744		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 4 and the total new Service Charge appears on the Rate Schedule on Sheet 7)		$0.5495	

General Service <50kW Class						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE			
	Percentage	Percentage				
	0.702	0.298	100%			
(A) ALLOCATED 2001 PILs Estimate	$ 16,423.40	$ 6,971.76	$ 23,395.16			
(Total in Cell G27 above)						
(B) RETAIL KWH	30,442,477					
(C) NUMBER OF CUSTOMERS		683				
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B	$0.000539					
(this amount is added to the kWh rate shown on Sheet 4 and						
the total new rate appears on the Rate Schedule on Sheet 7)						
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$0.8506				
(this amount is added to the Service Charge shown on Sheet 4 and						
the total new Service Charge appears on the Rate Schedule on Sheet 7)						
General Service >50kW Class Non TOU						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2001 PILs Estimate REVENUE			
	Percentage	Percentage				
	0.957	0.043	100%			
(A) ALLOCATED 2001 PILs Estimate	$ 18,564.80	$ 834.15	$ 19,398.95			
(Total in Cell G28 above)						
(B) RETAIL KW	87,720					
(C) NUMBER OF CUSTOMERS		54				
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.211637					
(this amount is added to the kW rate shown on Sheet 4 and						
the total new rate appears on the Rate Schedule on Sheet 7)						
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$1.2873				
(this amount is added to the Service Charge shown on Sheet 4 and						
the total new Service Charge appears on the Rate Schedule on Sheet 7)						

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	905 765-5211	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR and 2001PILs Deferral Account Estimate Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.01488
MONTHLY SERVICE CHARGE (Per Customer)	$9.72997
COST OF POWER KWH RATE	$0.07510

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01488			
MONTHLY SERVICE CHARGE (Per Customer)	$9.72997			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01350
MONTHLY SERVICE CHARGE (Per Customer)	$13.17128
COST OF POWER KWH RATE	$0.074100

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01350			
MONTHLY SERVICE CHARGE (Per Customer)	$13.17128			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.01600
MONTHLY SERVICE CHARGE (Per Customer)	$24.92780
COST OF POWER KW RATE	$3.200000
COST OF POWER KWH RATE	$0.062200

GENERAL SERVICE > 50 KW (TIME OF USE)						
DISTRIBUTION KW RATE	$0.65910					
MONTHLY SERVICE CHARGE (Per Customer)	$8.83100					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$11.8200	$8.9400	$0.0728	$0.0434	$0.0614	$0.0321
SENTINEL LIGHTS (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.69217					
MONTHLY SERVICE CHARGE (Per Connection)	$1.28500					
COST OF POWER KW RATE	$23.4800					
STREET LIGHTING (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.63971					
MONTHLY SERVICE CHARGE (Per Connection)	$1.06873					
COST OF POWER KW RATE	$23.8400					

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	0	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the addition of the 2nd Installment of 1/3 Incremental MARR and 2001PILs Deferral Account Estimate Adder.

SUBURBAN

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.01598
MONTHLY SERVICE CHARGE (Per Customer)	$11.15724
COST OF POWER KWH RATE	$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01598			
MONTHLY SERVICE CHARGE (Per Customer)	$11.15724			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01249
MONTHLY SERVICE CHARGE (Per Customer)	$13.69247
COST OF POWER KWH RATE	$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01249			
MONTHLY SERVICE CHARGE (Per Customer)	$13.69247			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.09057
MONTHLY SERVICE CHARGE (Per Customer)	$24.95602
COST OF POWER KW RATE	$2.940000
COST OF POWER KWH RATE	$0.062400

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	905 765-5211
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	19-Apr-02		

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

Enter the Estimated Value for the 2002 PILs Proxy: $ 1,096,347.38 — 19-Apr-02

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2002 PILs Proxy Estimate amount and to create the adders in each class.
Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

When this data was added on Sheet 6, it will also appear in the table below.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 PILs Estimate Allocations
RESIDENTIAL CLASS	-	88,183,888	11,700	$2,222,061.81	40.00%	$ 438,590.12
GENERAL SERVICE <50 KW CLASS	-	40,557,801	1,710	$689,350.53	12.41%	$ 136,063.87
GENERAL SERVICE >50 KW NON TIME OF USE	133,390	-	86	$298,474.64	5.37%	$ 58,912.87
GENERAL SERVICE >50 KW TIME OF USE	30,978	-	7	$6,641.27	0.12%	$ 1,310.85
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,187	-	834	$18,564.07	0.33%	$ 3,664.17
STREET LIGHTING CLASS	5,621	-	1,276	$11,027.74	0.20%	$ 2,176.65
TOTALS				$3,246,120.05	0.58	1,096,347.38
						$ 640,718.53

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.484	0.516	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	$ 212,277.62	$ 226,312.50	$ 438,590.12
(B) RETAIL KWH	88,183,888		
(C) NUMBER OF CUSTOMERS		11,700	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.002407		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$1.6119	

General Service <50kW Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.670	0.330	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	$ 91,162.79	$ 44,901.08	$ 136,063.87
(B) RETAIL KWH	40,557,801		
(C) NUMBER OF CUSTOMERS		1,710	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.002248		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$2.1882	

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.933	0.067	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	$ 54,965.70	$ 3,947.16	$ 58,912.87
(B) RETAIL KW	133,390		
(C) NUMBER OF CUSTOMERS		86	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.412068		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$3.8248	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.978	0.022	100%
(A) ALLOCATED 2002 PILs (Total in Cell G29 above)	$ 1,282.01	$ 28.84	$ 1,310.85
(B) RETAIL KW	30,978		
(C) NUMBER OF CUSTOMERS		7	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.041385		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.3433	

Sentinel Lighting Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.190	0.810	100%
(A) ALLOCATED 2002 PILs (Total in Cell G32 above)	$ 696.19	$ 2,967.98	$ 3,664.17
(B) RETAIL KW	2,187		
(C) NUMBER OF CUSTOMERS		834	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.318367		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.2966	

Streetlighting Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.364	0.636	100%
(A) ALLOCATED 2002 PILs (Total in Cell G33 above)	$ 792.30	$ 1,384.35	$ 2,176.65
(B) RETAIL KW	5,621		
(C) NUMBER OF CUSTOMERS (Connections)		1,276	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.140954		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$0.0904	

SHEET 8 - 2002 PILs Proxy Estimate Adder Calculation

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	0
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

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

Enter the Estimated Value for the 2002 PILs Proxy $ -

The Table below uses your best estimate of the 2001 statistics for your LDC to allocate the 2002 PILs Proxy Estimate amount and to create the adders in each class.
Ideally, these statistics should agree with those to be filed by your LDC as part of the PBR filing requirements.

When this data was added on Sheet 6, it will also appear in the table below.

SUBURBAN

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 PILs Estimate Allocations
RESIDENTIAL CLASS	-	80,412,846	5,541	$1,598,679.51	28.78%	$ 315,547.05
GENERAL SERVICE <50 KW CLASS	-	30,442,477	683	$387,990.39	6.99%	$ 76,581.47
GENERAL SERVICE >50 KW NON TIME OF USE	87,720	-	54	$321,716.45	5.79%	$ 63,500.33
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	$0.00	0.00%	$ -
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	0	-	-	$0.00	0.00%	$ -
STREET LIGHTING CLASS	0	-	-	$0.00	0.00%	$ -
TOTALS				$2,308,386.35	0.42	-
						$ 455,628.84

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.621	0.379	100%
(A) ALLOCATED 2002 PILs (Total in Cell G26 above)	$ 195,954.72	$ 119,592.33	$ 315,547.05
(B) RETAIL KWH	80,412,846		
(C) NUMBER OF CUSTOMERS		5,541	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.002437		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$1.7986	

General Service <50kW Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.702	0.298	100%
(A) ALLOCATED 2002 PILs (Total in Cell G27 above)	$ 53,760.19	$ 22,821.28	$ 76,581.47
(B) RETAIL KWH	30,442,477		
(C) NUMBER OF CUSTOMERS		683	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.001766		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$2.7844	

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED TOTAL 2002 PILs Estimate REVENUE
	Percentage	Percentage	
	0.957	0.043	100%
(A) ALLOCATED 2002 PILs (Total in Cell G28 above)	$ 60,769.82	$ 2,730.51	$ 63,500.33
(B) RETAIL KW	87,720		
(C) NUMBER OF CUSTOMERS		54	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 7 and the total new rate appears on the Rate Schedule on Sheet 9)	$0.692770		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 7and the total new Service Charge appears on the Rate Schedule on Sheet 9)		$4.2138	

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	905 765-5211	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, and the 2002 PILs Estimate Adder. If you are not applying to recover any Z-factors or transistion costs for March 1, 2002, this becomes your final 2002 Rate Schedule and will appear at Sheet 16.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.01728
MONTHLY SERVICE CHARGE (Per Customer)	$11.34188
COST OF POWER KWH RATE	$0.07510

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01728			
MONTHLY SERVICE CHARGE (Per Customer)	$11.34188			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01575
MONTHLY SERVICE CHARGE (Per Customer)	$15.35944
COST OF POWER KWH RATE	$0.074100

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01575			
MONTHLY SERVICE CHARGE (Per Customer)	$15.35944			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.42807
MONTHLY SERVICE CHARGE (Per Customer)	$28.75257
COST OF POWER KW RATE	$3.200000
COST OF POWER KWH RATE	$0.062200

GENERAL SERVICE > 50 KW (TIME OF USE)						
DISTRIBUTION KW RATE	$0.70049					
MONTHLY SERVICE CHARGE (Per Customer)	$9.17431					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$11.8200	$8.9400	$0.0728	$0.0434	$0.0614	$0.0321
SENTINEL LIGHTS (NON TIME OF USE)						
DISTRIBUTION KW RATE	$2.01054					
MONTHLY SERVICE CHARGE (Per Connection)	$1.58156					
COST OF POWER KW RATE	$23.4800					
STREET LIGHTING (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.78066					
MONTHLY SERVICE CHARGE (Per Connection)	$1.15914					
COST OF POWER KW RATE	$23.8400					

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	0	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, and the 2002 PILs Estimate Adder. If you are not applying to recover any Z-factors or transistion costs for March 1, 2002, this becomes your final 2002 Rate Schedule and will appear at Sheet 16.

SUBURBAN

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.01842
MONTHLY SERVICE CHARGE (Per Customer)	$12.95584
COST OF POWER KWH RATE	$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01842			
MONTHLY SERVICE CHARGE (Per Customer)	$12.95584			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01425
MONTHLY SERVICE CHARGE (Per Customer)	$16.47691
COST OF POWER KWH RATE	$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01425			
MONTHLY SERVICE CHARGE (Per Customer)	$16.47691			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.78334
MONTHLY SERVICE CHARGE (Per Customer)	$29.16978
COST OF POWER KW RATE	$2.940000
COST OF POWER KWH RATE	$0.062400

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

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	905 765-5211
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

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

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

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL		CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
100 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.34		
	DISTRIBUTION KWH	100	0.0129	$ 1.29	DISTRIBUTION KWH	100	0.01728	$ 1.73		
	COST OF POWER KWH	100	0.0751	$ 7.51	COST OF POWER KWH	100	0.0751	$ 7.51		
	CURRENT 2001 BILL			$ 17.23	Adjusted 2002 BILL			$ 20.58	$ 3.35	19.4%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.34		
	DISTRIBUTION KWH	250	0.0129	$ 3.23	DISTRIBUTION KWH	250	0.01728	$ 4.32		
	COST OF POWER KWH	250	0.0751	$ 18.78	COST OF POWER KWH	250	0.0751	$ 18.78		
	CURRENT 2001 BILL			$ 30.43	Adjusted 2002 BILL			$ 34.44	$ 4.01	13.2%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.34		
	DISTRIBUTION KWH	500	0.0129	$ 6.45	DISTRIBUTION KWH	500	0.01728	$ 8.64		
	COST OF POWER KWH	500	0.0751	$ 37.55	COST OF POWER KWH	500	0.0751	$ 37.55		
	CURRENT 2001 BILL			$ 52.43	Adjusted 2002 BILL			$ 57.53	$ 5.10	9.7%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.34		
	DISTRIBUTION KWH	750	0.0129	$ 9.68	DISTRIBUTION KWH	750	0.01728	$ 12.96		
	COST OF POWER KWH	750	0.0751	$ 56.33	COST OF POWER KWH	750	0.0751	$ 56.33		
	CURRENT 2001 BILL			$ 74.43	Adjusted 2002 BILL			$ 80.63	$ 6.20	8.3%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.34		
	DISTRIBUTION KWH	1000	0.0129	$ 12.90	DISTRIBUTION KWH	1000	0.01728	$ 17.28		
	COST OF POWER KWH	1000	0.0751	$ 75.10	COST OF POWER KWH	1000	0.0751	$ 75.10		
	CURRENT 2001 BILL			$ 96.43	Adjusted 2002 BILL			$ 103.72	$ 7.29	7.6%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1500 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.34		

	DISTRIBUTION KWH	1500	0.0129	$ 19.35		DISTRIBUTION KWH	1500	0.01728	$ 25.92			
	COST OF POWER KWH	1500	0.0751	$ 112.65		COST OF POWER KWH	1500	0.0751	$ 112.65			
	CURRENT 2001 BILL			$ 140.43		Adjusted 2002 BILL			$ 149.92	$ 9.49	6.8%	
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
2000 kWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.34			
	DISTRIBUTION KWH	2000	0.0129	$ 25.80		DISTRIBUTION KWH	2000	0.01728	$ 34.57			
	COST OF POWER KWH	2000	0.0751	$ 150.20		COST OF POWER KWH	2000	0.0751	$ 150.20			
	CURRENT 2001 BILL			$ 184.43		Adjusted 2002 BILL			$ 196.11	$ 11.68	6.3%	
GENERAL SERVICE < 50 KW												
	CURRENT 2001 BILL					**2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)**						
ENTER DESIRED CONSUMPTION LEVEL												
1000 kWh		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
		(enter)	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.36			
	DISTRIBUTION KWH	1000	0.0117	$ 11.70		DISTRIBUTION KWH	1000	0.01575	$ 15.75			
	COST OF POWER KWH	1000	0.0741	$ 74.10		COST OF POWER KWH	1000	0.0741	$ 74.10			
	CURRENT 2001 BILL			$ 97.21		Adjusted 2002 BILL			$ 105.21	$ 8.00	8.2%	
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
2000 kWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.36			
	DISTRIBUTION KWH	2000	0.0117	$ 23.40		DISTRIBUTION KWH	2000	0.01575	$ 31.51			
	COST OF POWER KWH	2000	0.0741	$ 148.20		COST OF POWER KWH	2000	0.0741	$ 148.20			
	CURRENT 2001 BILL			$ 183.01		Adjusted 2002 BILL			$ 195.06	$ 12.05	6.6%	
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
5000 kWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.36			
	DISTRIBUTION KWH	5000	0.0117	$ 58.50		DISTRIBUTION KWH	5000	0.01575	$ 78.76			
	COST OF POWER KWH	5000	0.0741	$ 370.50		COST OF POWER KWH	5000	0.0741	$ 370.50			
	CURRENT 2001 BILL			$ 440.41		Adjusted 2002 BILL			$ 464.62	$ 24.21	5.5%	
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
10,000 kWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.36			
	DISTRIBUTION KWH	10000	0.0117	$ 117.00		DISTRIBUTION KWH	10000	0.01575	$ 157.53			
	COST OF POWER KWH	10000	0.0741	$ 741.00		COST OF POWER KWH	10000	0.0741	$ 741.00			
	CURRENT 2001 BILL			$ 869.41		Adjusted 2002 BILL			$ 913.89	$ 44.48	5.1%	
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
20,000 KWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.36			
	DISTRIBUTION KWH	20000	0.0117	$ 234.00		DISTRIBUTION KWH	20000	0.01575	$ 315.05			
	COST OF POWER KWH	20000	0.0741	$ 1,482.00		COST OF POWER KWH	20000	0.0741	$ 1,482.00			
	CURRENT 2001 BILL			$ 1,727.41		Adjusted 2002 BILL			$ 1,812.41	$ 85.00	4.9%	

GENERAL SERVICE > 50 KW NON TIME OF USE

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
ENTER DESIRED CONSUMPTION LEVEL										
		KW	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
		(enter)	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	0	3.5500	$ -	DISTRIBUTION KW	0	4.42807	$ -		
	COST OF POWER KW	0	3.2000	$ -	COST OF POWER KW	0	3.2000	$ -		
	COST OF POWER **KWH**	0	0.0622	$ -	COST OF POWER **KWH**	0	0.0622	$ -		
	CURRENT 2001 BILL			$ 21.67	Adjusted 2002 BILL			$ 28.75	$ 7.08	32.7%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100kW, 30,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	100	3.5500	$ 355.00	DISTRIBUTION KW	100	4.42807	$ 442.81		
	COST OF POWER KW	100	3.2000	$ 320.00	COST OF POWER KW	100	3.2000	$ 320.00		
	COST OF POWER **KWH**	30,000	0.0622	$ 1,866.00	COST OF POWER **KWH**	30,000	0.0622	$ 1,866.00		
	CURRENT 2001 BILL			$ 2,562.67	Adjusted 2002 BILL			$ 2,657.56	$ 94.89	3.7%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100kW, 40,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	100	3.5500	$ 355.00	DISTRIBUTION KW	100	4.42807	$ 442.81		
	COST OF POWER KW	100	3.2000	$ 320.00	COST OF POWER KW	100	3.2000	$ 320.00		
	COST OF POWER **KWH**	40,000	0.0622	$ 2,488.00	COST OF POWER **KWH**	40,000	0.0622	$ 2,488.00		
	CURRENT 2001 BILL			$ 3,184.67	Adjusted 2002 BILL			$ 3,279.56	$ 94.89	3.0%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500kW, 100,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	500	3.5500	$ 1,775.00	DISTRIBUTION KW	500	4.42807	$ 2,214.03		
	COST OF POWER KW	500	3.2000	$ 1,600.00	COST OF POWER KW	500	3.2000	$ 1,600.00		
	COST OF POWER **KWH**	100,000	0.0622	$ 6,220.00	COST OF POWER **KWH**	100,000	0.0622	$ 6,220.00		
	CURRENT 2001 BILL			$ 9,616.67	Adjusted 2002 BILL			$ 10,062.79	$ 446.12	4.6%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500kW, 250,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	500	3.5500	$ 1,775.00	DISTRIBUTION KW	500	4.42807	$ 2,214.03		
	COST OF POWER KW	500	3.2000	$ 1,600.00	COST OF POWER KW	500	3.2000	$ 1,600.00		
	COST OF POWER **KWH**	250,000	0.0622	$ 15,550.00	COST OF POWER **KWH**	250,000	0.0622	$ 15,550.00		
	CURRENT 2001 BILL			$ 18,946.67	Adjusted 2002 BILL			$ 19,392.79	$ 446.12	2.4%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000kW, 400,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	1000	3.5500	$ 3,550.00	DISTRIBUTION KW	1000	4.42807	$ 4,428.07		
	COST OF POWER KW	1000	3.2000	$ 3,200.00	COST OF POWER KW	1000	3.2000	$ 3,200.00		
	COST OF POWER **KWH**	400,000	0.0622	$ 24,880.00	COST OF POWER **KWH**	400,000	0.0622	$ 24,880.00		
	CURRENT 2001 BILL			$ 31,651.67	Adjusted 2002 BILL			$ 32,536.82	$ 885.15	2.8%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
1000kW, 500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	1000	3.5500	$ 3,550.00	DISTRIBUTION KW	1000	4.42807	$ 4,428.07		
	COST OF POWER KW	1000	3.2000	$ 3,200.00	COST OF POWER KW	1000	3.2000	$ 3,200.00		
	COST OF POWER **KWH**	500,000	0.0622	$ 31,100.00	COST OF POWER **KWH**	500,000	0.0622	$ 31,100.00		
	CURRENT 2001 BILL			$ 37,871.67	Adjusted 2002 BILL			$ 38,756.82	$ 885.15	2.3%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,000,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	3000	3.5500	$ 10,650.00	DISTRIBUTION KW	3000	4.42807	$ 13,284.21		
	COST OF POWER KW	3000	3.2000	$ 9,600.00	COST OF POWER KW	3000	3.2000	$ 9,600.00		
	COST OF POWER **KWH**	1,000,000	0.0622	$ 62,200.00	COST OF POWER **KWH**	1,000,000	0.0622	$ 62,200.00		
	CURRENT 2001 BILL			$ 82,471.67	Adjusted 2002 BILL			$ 85,112.96	$ 2,641.29	3.2%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	3000	3.5500	$ 10,650.00	DISTRIBUTION KW	3000	4.42807	$ 13,284.21		
	COST OF POWER KW	3000	3.2000	$ 9,600.00	COST OF POWER KW	3000	3.2000	$ 9,600.00		
	COST OF POWER **KWH**	1,500,000	0.0622	$ 93,300.00	COST OF POWER **KWH**	1,500,000	0.0622	$ 93,300.00		
	CURRENT 2001 BILL			$ 113,571.67	Adjusted 2002 BILL			$ 116,212.96	$ 2,641.29	2.3%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,200,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	4000	3.5500	$ 14,200.00	DISTRIBUTION KW	4000	4.42807	$ 17,712.28		
	COST OF POWER KW	4000	3.2000	$ 12,800.00	COST OF POWER KW	4000	3.2000	$ 12,800.00		
	COST OF POWER **KWH**	1,200,000	0.0622	$ 74,640.00	COST OF POWER **KWH**	1,200,000	0.0622	$ 74,640.00		
	CURRENT 2001 BILL			$ 101,661.67	Adjusted 2002 BILL			$ 105,181.03	$ 3,519.36	3.5%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,800,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 28.75		
	DISTRIBUTION KW	4000	3.5500	$ 14,200.00	DISTRIBUTION KW	4000	4.42807	$ 17,712.28		
	COST OF POWER KW	4000	3.2000	$ 12,800.00	COST OF POWER KW	4000	3.2000	$ 12,800.00		
	COST OF POWER **KWH**	1,800,000	0.0622	$ 111,960.00	COST OF POWER **KWH**	1,800,000	0.0622	$ 111,960.00		
	CURRENT 2001 BILL			$ 138,981.67	Adjusted 2002 BILL			$ 142,501.03	$ 3,519.36	2.5%

GENERAL SERVICE >50 KW TIME OF USE												
	CURRENT 2001 BILL					2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)						
ENTER DESIRED CONSUMPTION LEVELS												
100kW, 40,000kWh	**WINTER**				**WINTER**							
		KW	**RATE**	**CHARGE**			**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
			$/kW	**$**				**$/kW**	**$**	**DOLLARS**	**%**	
	DISTRIBUTION kW	100	0.5900	$ 59.00		DISTRIBUTION kW	100	0.7005	$ 70.05			
	kW COST OF POWER Demand Charge	100	11.8200	$ 1,182.00		kW COST OF POWER Demand Charge	100	11.8200	$ 1,182.00			
			RATE					**RATE**				
	COST OF POWER	**kWh**	**$/kWh**			COST OF POWER	**kWh**	**$/kWh**				
	WINTER PEAK	20,000	0.0728	$ 1,456.00		WINTER PEAK	20,000	0.0728	$ 1,456.00			
	WINTER OFF PEAK	20,000	0.0434	$ 868.00		WINTER OFF PEAK	20,000	0.0434	$ 868.00			
	MONTHLY SERVICE CHARGE			$ 7.97		MONTHLY SERVICE CHARGE			$ 9.17			
	TOTAL			$ 3,572.97		**TOTAL**			$ 3,585.22	$ 12.25	0.3%	
	SUMMER				**SUMMER**							
		KW	**RATE**	**CHARGE**			**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
			$/kW	**$**				**$/kW**	**$**	**DOLLARS**	**%**	
	DISTRIBUTION kW	100	0.5900	$ 59.00		DISTRIBUTION kW	100	0.7005	$ 70.05			
	kW COST OF POWER Demand Charge	100	8.9400	$ 894.00		kW COST OF POWER Demand Charge	100	8.9400	$ 894.00			
			RATE					**RATE**				
	COST OF POWER	**kWh**	**$/kWh**			COST OF POWER	**kWh**	**$/kWh**				
	SUMMER PEAK	20,000	0.0614	$ 1,228.00		SUMMER PEAK	20,000	0.0614	$ 1,228.00			
	SUMMER OFF PEAK	20,000	0.0321	$ 642.00		SUMMER OFF PEAK	20,000	0.0321	$ 642.00			
	MONTHLY SERVICE CHARGE			$ 7.97		MONTHLY SERVICE CHARGE			$ 9.17			
	TOTAL			$ 2,830.97		**TOTAL**			$ 2,843.22	$ 12.25	0.4%	

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

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	0
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

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

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

SUBURBAN

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL		CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
100 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.96		
	DISTRIBUTION KWH	100	0.0139	$ 1.39	DISTRIBUTION KWH	100	0.01842	$ 1.84		
	COST OF POWER KWH	100	0.0758	$ 7.58	COST OF POWER KWH	100	0.0758	$ 7.58		
	CURRENT 2001 BILL			$ 18.65	Adjusted 2002 BILL			$ 22.38	$ 3.73	20.0%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.96		
	DISTRIBUTION KWH	250	0.0139	$ 3.48	DISTRIBUTION KWH	250	0.01842	$ 4.60		
	COST OF POWER KWH	250	0.0758	$ 18.95	COST OF POWER KWH	250	0.0758	$ 18.95		
	CURRENT 2001 BILL			$ 32.11	Adjusted 2002 BILL			$ 36.51	$ 4.40	13.7%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.96		
	DISTRIBUTION KWH	500	0.0139	$ 6.95	DISTRIBUTION KWH	500	0.01842	$ 9.21		
	COST OF POWER KWH	500	0.0758	$ 37.90	COST OF POWER KWH	500	0.0758	$ 37.90		
	CURRENT 2001 BILL			$ 54.53	Adjusted 2002 BILL			$ 60.06	$ 5.53	10.1%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.96		
	DISTRIBUTION KWH	750	0.0139	$ 10.43	DISTRIBUTION KWH	750	0.01842	$ 13.81		
	COST OF POWER KWH	750	0.0758	$ 56.85	COST OF POWER KWH	750	0.0758	$ 56.85		
	CURRENT 2001 BILL			$ 76.96	Adjusted 2002 BILL			$ 83.62	$ 6.66	8.7%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.96		
	DISTRIBUTION KWH	1000	0.0139	$ 13.90	DISTRIBUTION KWH	1000	0.01842	$ 18.42		
	COST OF POWER KWH	1000	0.0758	$ 75.80	COST OF POWER KWH	1000	0.0758	$ 75.80		
	CURRENT 2001 BILL			$ 99.38	Adjusted 2002 BILL			$ 107.17	$ 7.79	7.8%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1500 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.96		

	DISTRIBUTION KWH	1500	0.0139	$ 20.85		DISTRIBUTION KWH	1500	0.01842	$ 27.62			
	COST OF POWER KWH	1500	0.0758	$ 113.70		COST OF POWER KWH	1500	0.0758	$ 113.70			
	CURRENT 2001 BILL			$ 144.23		Adjusted 2002 BILL			$ 154.28	$ 10.05	7.0%	
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
2000 kWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68		MONTHLY SERVICE CHARGE	n/a	n/a	$ 12.96			
	DISTRIBUTION KWH	2000	0.0139	$ 27.80		DISTRIBUTION KWH	2000	0.01842	$ 36.83			
	COST OF POWER KWH	2000	0.0758	$ 151.60		COST OF POWER KWH	2000	0.0758	$ 151.60			
	CURRENT 2001 BILL			$ 189.08		Adjusted 2002 BILL			$ 201.39	$ 12.31	6.5%	
GENERAL SERVICE < 50 KW												
	CURRENT 2001 BILL					**2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)**						
ENTER DESIRED CONSUMPTION LEVEL												
1000 kWh		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
		(enter)	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72		MONTHLY SERVICE CHARGE	n/a	n/a	$ 16.48			
	DISTRIBUTION KWH	1000	0.0109	$ 10.90		DISTRIBUTION KWH	1000	0.01425	$ 14.25			
	COST OF POWER KWH	1000	0.0747	$ 74.70		COST OF POWER KWH	1000	0.0747	$ 74.70			
	CURRENT 2001 BILL			$ 97.32		Adjusted 2002 BILL			$ 105.43	$ 8.11	8.3%	
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
2000 kWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72		MONTHLY SERVICE CHARGE	n/a	n/a	$ 16.48			
	DISTRIBUTION KWH	2000	0.0109	$ 21.80		DISTRIBUTION KWH	2000	0.01425	$ 28.50			
	COST OF POWER KWH	2000	0.0747	$ 149.40		COST OF POWER KWH	2000	0.0747	$ 149.40			
	CURRENT 2001 BILL			$ 182.92		Adjusted 2002 BILL			$ 194.38	$ 11.46	6.3%	
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
5000 kWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72		MONTHLY SERVICE CHARGE	n/a	n/a	$ 16.48			
	DISTRIBUTION KWH	5000	0.0109	$ 54.50		DISTRIBUTION KWH	5000	0.01425	$ 71.26			
	COST OF POWER KWH	5000	0.0747	$ 373.50		COST OF POWER KWH	5000	0.0747	$ 373.50			
	CURRENT 2001 BILL			$ 439.72		Adjusted 2002 BILL			$ 461.23	$ 21.51	4.9%	
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
10,000 kWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72		MONTHLY SERVICE CHARGE	n/a	n/a	$ 16.48			
	DISTRIBUTION KWH	10000	0.0109	$ 109.00		DISTRIBUTION KWH	10000	0.01425	$ 142.51			
	COST OF POWER KWH	10000	0.0747	$ 747.00		COST OF POWER KWH	10000	0.0747	$ 747.00			
	CURRENT 2001 BILL			$ 867.72		Adjusted 2002 BILL			$ 905.99	$ 38.27	4.4%	
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**			**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
20,000 KWh		**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72		MONTHLY SERVICE CHARGE	n/a	n/a	$ 16.48			
	DISTRIBUTION KWH	20000	0.0109	$ 218.00		DISTRIBUTION KWH	20000	0.01425	$ 285.03			
	COST OF POWER KWH	20000	0.0747	$ 1,494.00		COST OF POWER KWH	20000	0.0747	$ 1,494.00			
	CURRENT 2001 BILL			$ 1,723.72		Adjusted 2002 BILL			$ 1,795.51	$ 71.79	4.2%	

GENERAL SERVICE > 50 KW NON TIME OF USE

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
ENTER DESIRED CONSUMPTION LEVEL										
		KW	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
		(enter)	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	0	3.5400	$ -	DISTRIBUTION KW	0	4.78334	$ -		
	COST OF POWER KW	0	2.9400	$ -	COST OF POWER KW	0	2.9400	$ -		
	COST OF POWER **KWH**	0	0.0624	$ -	COST OF POWER **KWH**	0	0.0624	$ -		
	CURRENT 2001 BILL			$ 21.60	Adjusted 2002 BILL			$ 29.17	$ 7.57	35.0%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100kW, 30,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	100	3.5400	$ 354.00	DISTRIBUTION KW	100	4.78334	$ 478.33		
	COST OF POWER KW	100	2.9400	$ 294.00	COST OF POWER KW	100	2.9400	$ 294.00		
	COST OF POWER **KWH**	30,000	0.0624	$ 1,872.00	COST OF POWER **KWH**	30,000	0.0624	$ 1,872.00		
	CURRENT 2001 BILL			$ 2,541.60	Adjusted 2002 BILL			$ 2,673.50	$ 131.90	5.2%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100kW, 40,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	100	3.5400	$ 354.00	DISTRIBUTION KW	100	4.78334	$ 478.33		
	COST OF POWER KW	100	2.9400	$ 294.00	COST OF POWER KW	100	2.9400	$ 294.00		
	COST OF POWER **KWH**	40,000	0.0624	$ 2,496.00	COST OF POWER **KWH**	40,000	0.0624	$ 2,496.00		
	CURRENT 2001 BILL			$ 3,165.60	Adjusted 2002 BILL			$ 3,297.50	$ 131.90	4.2%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500kW, 100,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	500	3.5400	$ 1,770.00	DISTRIBUTION KW	500	4.78334	$ 2,391.67		
	COST OF POWER KW	500	2.9400	$ 1,470.00	COST OF POWER KW	500	2.9400	$ 1,470.00		
	COST OF POWER **KWH**	100,000	0.0624	$ 6,240.00	COST OF POWER **KWH**	100,000	0.0624	$ 6,240.00		
	CURRENT 2001 BILL			$ 9,501.60	Adjusted 2002 BILL			$ 10,130.84	$ 629.24	6.6%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500kW, 250,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	500	3.5400	$ 1,770.00	DISTRIBUTION KW	500	4.78334	$ 2,391.67		
	COST OF POWER KW	500	2.9400	$ 1,470.00	COST OF POWER KW	500	2.9400	$ 1,470.00		
	COST OF POWER **KWH**	250,000	0.0624	$ 15,600.00	COST OF POWER **KWH**	250,000	0.0624	$ 15,600.00		
	CURRENT 2001 BILL			$ 18,861.60	Adjusted 2002 BILL			$ 19,490.84	$ 629.24	3.3%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000kW, 400,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	1000	3.5400	$ 3,540.00	DISTRIBUTION KW	1000	4.78334	$ 4,783.34		
	COST OF POWER KW	1000	2.9400	$ 2,940.00	COST OF POWER KW	1000	2.9400	$ 2,940.00		
	COST OF POWER **KWH**	400,000	0.0624	$ 24,960.00	COST OF POWER **KWH**	400,000	0.0624	$ 24,960.00		
	CURRENT 2001 BILL			$ 31,461.60	Adjusted 2002 BILL			$ 32,712.51	$ 1,250.91	4.0%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
1000kW, 500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	1000	3.5400	$ 3,540.00	DISTRIBUTION KW	1000	4.78334	$ 4,783.34		
	COST OF POWER KW	1000	2.9400	$ 2,940.00	COST OF POWER KW	1000	2.9400	$ 2,940.00		
	COST OF POWER **KWH**	500,000	0.0624	$ 31,200.00	COST OF POWER **KWH**	500,000	0.0624	$ 31,200.00		
	CURRENT 2001 BILL			$ 37,701.60	Adjusted 2002 BILL			$ 38,952.51	$ 1,250.91	3.3%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
3,000kW, 1,000,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	3000	3.5400	$ 10,620.00	DISTRIBUTION KW	3000	4.78334	$ 14,350.03		
	COST OF POWER KW	3000	2.9400	$ 8,820.00	COST OF POWER KW	3000	2.9400	$ 8,820.00		
	COST OF POWER **KWH**	1,000,000	0.0624	$ 62,400.00	COST OF POWER **KWH**	1,000,000	0.0624	$ 62,400.00		
	CURRENT 2001 BILL			$ 81,861.60	Adjusted 2002 BILL			$ 85,599.20	$ 3,737.60	4.6%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
3,000kW, 1,500,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	3000	3.5400	$ 10,620.00	DISTRIBUTION KW	3000	4.78334	$ 14,350.03		
	COST OF POWER KW	3000	2.9400	$ 8,820.00	COST OF POWER KW	3000	2.9400	$ 8,820.00		
	COST OF POWER **KWH**	1,500,000	0.0624	$ 93,600.00	COST OF POWER **KWH**	1,500,000	0.0624	$ 93,600.00		
	CURRENT 2001 BILL			$ 113,061.60	Adjusted 2002 BILL			$ 116,799.20	$ 3,737.60	3.3%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
4,000kW, 1,200,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	4000	3.5400	$ 14,160.00	DISTRIBUTION KW	4000	4.78334	$ 19,133.37		
	COST OF POWER KW	4000	2.9400	$ 11,760.00	COST OF POWER KW	4000	2.9400	$ 11,760.00		
	COST OF POWER **KWH**	1,200,000	0.0624	$ 74,880.00	COST OF POWER **KWH**	1,200,000	0.0624	$ 74,880.00		
	CURRENT 2001 BILL			$ 100,821.60	Adjusted 2002 BILL			$ 105,802.54	$ 4,980.94	4.9%
MONTHLY CONSUMPTION		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
4,000kW, 1,800,000kWh		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.17		
	DISTRIBUTION KW	4000	3.5400	$ 14,160.00	DISTRIBUTION KW	4000	4.78334	$ 19,133.37		
	COST OF POWER KW	4000	2.9400	$ 11,760.00	COST OF POWER KW	4000	2.9400	$ 11,760.00		
	COST OF POWER **KWH**	1,800,000	0.0624	$ 112,320.00	COST OF POWER **KWH**	1,800,000	0.0624	$ 112,320.00		
	CURRENT 2001 BILL			$ 138,261.60	Adjusted 2002 BILL			$ 143,242.54	$ 4,980.94	3.6%

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	905 765-5211
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	19-Apr-02		

This schedule allows LDCs to input the Applied for Value for a Z-Factor.
The amount is allocated to the classes in the same manner as the PILs amount added on Sheet 6 and is recovered as a rate adder.

Enter the applied for Value for the Z-factor:

The Table below uses the 2001 statistics for your LDC to allocate the Z-Factor amount.
The share of class distribution revenue in 2001 is used to allocate this amount to the rate classes.

When this data was added on Sheet 6, it will also appear in the table below.

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Z-Factor for Recovery
RESIDENTIAL CLASS	-	88,183,888	11,700	$2,222,061.81	40.00%	$ -
GENERAL SERVICE <50 KW CLASS	-	40,557,801	1,710	$689,350.53	12.41%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	133,390	-	86	$298,474.64	5.37%	$ -
GENERAL SERVICE >50 KW TIME OF USE	30,978	-	7	$6,641.27	0.12%	$ -
INTERMEDIATE USE	0	-	0	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	0	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,187	-	834	$18,564.07	0.33%	$ -
STREET LIGHTING CLASS	5,621	-	1,276	$11,027.74	0.20%	$ -
TOTALS				$3,246,120.05	0.58	-
						$ -

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
	Percentage	Percentage	
	0.484	0.516	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	$ -	$ -	$ -
(B) RETAIL KWH	88,183,888		
(C) NUMBER OF CUSTOMERS		11,700	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

General Service <50kW Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
	Percentage	Percentage	
	0.670	0.330	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G27 above)	$ -	$ -	$ -
(B) RETAIL KWH	40,557,801		
(C) NUMBER OF CUSTOMERS		1,710	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
	Percentage	Percentage	
	0.933	0.067	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G28 above)	$ -	$ -	$ -
(B) RETAIL KW	133,390		
(C) NUMBER OF CUSTOMERS		86	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
	Percentage	Percentage	
	0.978	0.022	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G29 above)	$ -	$ -	$ -
(B) RETAIL KW	30,978		
(C) NUMBER OF CUSTOMERS		7	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

Sentinel Lighting Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
	Percentage	Percentage	
	0.190	0.810	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G32 above)	$ -	$ -	$ -
(B) RETAIL KW	2,187		
(C) NUMBER OF CUSTOMERS		834	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

Streetlighting Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
	Percentage	Percentage	
	0.364	0.636	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G33 above)	$ -	$ -	$ -
(B) RETAIL KW	5,621		
(C) NUMBER OF CUSTOMERS (Connections)		1,276	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

SHEET 11 - Z-Factor Adder Calculation

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	0
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

This schedule allows LDCs to input the Applied for Value for a Z-Factor.
The amount is allocated to the classes in the same manner as the PILs amount added on Sheet 6 and is recovered as a rate adder.

Enter the applied for Value for the Z-factor: $ -

The Table below uses the 2001 statistics for your LDC to allocate the Z-Factor amount.
The share of class distribution revenue in 2001 is used to allocate this amount to the rate classes.

When this data was added on Sheet 6, it will also appear in the table below.

SUBURBAN

2001 Statistics by Class	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Z-Factor for Recovery
RESIDENTIAL CLASS	-	80,412,846	5,541	$1,598,679.51	28.78%	$ -
GENERAL SERVICE <50 KW CLASS	-	30,442,477	683	$387,990.39	6.99%	$ -
GENERAL SERVICE >50 KW NON TIME OF USE	87,720	-	54	$321,716.45	5.79%	$ -
GENERAL SERVICE >50 KW TIME OF USE	0	-	-	$0.00	0.00%	$ -
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	0	-	-	$0.00	0.00%	$ -
STREET LIGHTING CLASS	0	-	-	$0.00	0.00%	$ -
TOTALS				$2,308,386.35	0.42	-
						$ -

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery
	Percentage	Percentage	
	0.621	0.379	100%
(A) ALLOCATED 2002 Z-Factor (Total in Cell G26 above)	$ -	$ -	$ -
(B) RETAIL KWH	80,412,846		
(C) NUMBER OF CUSTOMERS		5,541	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B (this amount is added to the kWh rate shown on Sheet 9 and the total new rate appears on the Rate Schedule on Sheet 12)	$0.000000		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 9and the total new Service Charge appears on the Rate Schedule on Sheet 12)		$0.0000	

General Service <50kW Class						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery			
	Percentage	Percentage				
	0.702	0.298	100%			
(A) ALLOCATED 2002 Z-Factor	$ -	$ -	$ -			
(Total in Cell G27 above)						
(B) RETAIL KWH	30,442,477					
(C) NUMBER OF CUSTOMERS		683				
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B	$0.000000					
(this amount is added to the kWh rate shown on Sheet 9 and						
the total new rate appears on the Rate Schedule on Sheet 12)						
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$0.0000				
(this amount is added to the Service Charge shown on Sheet 9and						
the total new Service Charge appears on the Rate Schedule on Sheet 12)						
General Service >50kW Class Non TOU						
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:						
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	ALLOCATED Z-Factor Amount for Recovery			
	Percentage	Percentage				
	0.957	0.043	100%			
(A) ALLOCATED 2002 Z-Factor	$ -	$ -	$ -			
(Total in Cell G28 above)						
(B) RETAIL KW	87,720					
(C) NUMBER OF CUSTOMERS		54				
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.000000					
(this amount is added to the kW rate shown on Sheet 9 and						
the total new rate appears on the Rate Schedule on Sheet 12)						
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$0.0000				
(this amount is added to the Service Charge shown on Sheet 9and						
the total new Service Charge appears on the Rate Schedule on Sheet 12)						

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	905 765-5211	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Proxy Estimate Adder, and the Z-Factor Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.01728
MONTHLY SERVICE CHARGE (Per Customer)	$11.34188
COST OF POWER KWH RATE	$0.07510

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01728				
MONTHLY SERVICE CHARGE (Per Customer)	$11.34188				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	$/KWH	$/KWH	$/KWH	$/KWH	
	$0.0000	$0.0000	$0.0000	$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01575
MONTHLY SERVICE CHARGE (Per Customer)	$15.35944
COST OF POWER KWH RATE	$0.074100

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01575				
MONTHLY SERVICE CHARGE (Per Customer)	$15.35944				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	$/KWH	$/KWH	$/KWH	$/KWH	
	$0.0000	$0.0000	$0.0000	$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.42807
MONTHLY SERVICE CHARGE (Per Customer)	$28.75257
COST OF POWER KW RATE	$3.200000
COST OF POWER KWH RATE	$0.062200

GENERAL SERVICE > 50 KW (TIME OF USE)						
DISTRIBUTION KW RATE	$0.70049					
MONTHLY SERVICE CHARGE (Per Customer)	$9.17431					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$11.8200	$8.9400	$0.0728	$0.0434	$0.0614	$0.0321
SENTINEL LIGHTS (NON TIME OF USE)						
DISTRIBUTION KW RATE	$2.01054					
MONTHLY SERVICE CHARGE (Per Connection)	$1.58156					
COST OF POWER KW RATE	$23.4800					
STREET LIGHTING (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.78066					
MONTHLY SERVICE CHARGE (Per Connection)	$1.15914					
COST OF POWER KW RATE	$23.8400					

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	0	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Proxy Estimate Adder, and the Z-Factor Adder.

SUBURBAN

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.01842
MONTHLY SERVICE CHARGE (Per Customer)	$12.95584
COST OF POWER KWH RATE	$0.07580

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01842			
MONTHLY SERVICE CHARGE (Per Customer)	$12.95584			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.01425
MONTHLY SERVICE CHARGE (Per Customer)	$16.47691
COST OF POWER KWH RATE	$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.01425			
MONTHLY SERVICE CHARGE (Per Customer)	$16.47691			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.78334
MONTHLY SERVICE CHARGE (Per Customer)	$29.16978
COST OF POWER KW RATE	$2.940000
COST OF POWER KWH RATE	$0.062400

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	905 765-5211
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	19-Apr-02		

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

These categories are:				
1	**Billing Activities**	6	**Staff Adjustment Activities**
2	**Customer Education Services**	7	**Regulatory Costs**
3	**Wholesale Market Requirements**	8	**Taxes**
4	**IMO Requirements**	9	**Regulatory Requirements**
5	**Retailer/Customer Requirements**	10	**Other**

Enter the Amounts to be Applied under each category. The model will allocate the cost under each category to a rate class based on 2001 Distribution Revenue as shown in the 2001 Statistics Table below.
If the Utility would like to allocate the costs on a different basis, allocations can be adjusted manually.

Enter the applied for Total Value for Transition Costs: $ 214,577.14

2001 Statistics by Class	**kW**	**kWh**	**Number of Customers**	**Distribution Revenues**	**2001 Revenue Shares**	**2002 Transition Costs for Recovery**
RESIDENTIAL CLASS	-	88,183,888	11,700	$2,222,061.81	40.00%	$ 85,840.87
GENERAL SERVICE <50 KW CLASS	-	40,557,801	1,710	$689,350.53	12.41%	$ 26,630.42
GENERAL SERVICE >50 KW NON TIME OF USE	133,390	-	86	$298,474.64	5.37%	$ 11,530.43
GENERAL SERVICE >50 KW TIME OF USE	30,978	-	7	$6,641.27	0.12%	$ 256.56
INTERMEDIATE USE	0	-	-	$0.00	0.00%	$ -
LARGE USER CLASS	0	-	-	$0.00	0.00%	$ -
SENTINEL LIGHTS	2,187	-	834	$18,564.07	33.00%	$ 717.15
STREET LIGHTING CLASS	5,621	-	1,276	$11,027.74	20.00%	$ 426.01
TOTALS				$3,246,120.05	1.11	214,577.14
						$ 125,401.44

Residential Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
	0.484	0.516	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)	$ 41,546.98	$ 44,293.89	$ 85,840.87
(B) RETAIL KWH	88,183,888		
(C) NUMBER OF CUSTOMERS		11,700	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000471		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.3155	

General Service <50kW Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
	0.670	0.330	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G43 above)	$ 17,842.38	$ 8,788.04	$ 26,630.42
(B) RETAIL KWH	40,557,801		
(C) NUMBER OF CUSTOMERS		1,710	
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.000440		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.4283	

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
	0.933	0.067	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G44 above)	$ 10,757.89	$ 772.54	$ 11,530.43
(B) RETAIL KW	133,390		
(C) NUMBER OF CUSTOMERS		86	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.080650		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.7486	

General Service >50kW ClassTOU

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
	0.978	0.022	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G45 above)	$ 250.92	$ 5.64	$ 256.56
(B) RETAIL KW	30,978		
(C) NUMBER OF CUSTOMERS		7	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.008100		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0672	

Sentinel Lighting Class

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

	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
	0.190	0.810	100%
(A) ALLOCATED 2002 Transition Costs (Total in Cell G48 above)	$ 136.26	$ 580.89	$ 717.15
(B) RETAIL KW	2,187		
(C) NUMBER OF CUSTOMERS		834	
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)	$0.062311		
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)		$0.0580	

Streetlighting Class										
When you entered your approved Variable/Fixed Charge Split from your 2001 RUD Model for this class on Sheet 3, it will also appear below:										
	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery							
	Percentage	Percentage								
	0.364	0.636	100%							
(A) ALLOCATED 2002 Transition Costs	$ 155.07	$ 270.94	$ 426.01							
(Total in Cell G49 above)										
(B) RETAIL KW	5,621									
(C) NUMBER OF CUSTOMERS (Connections)		1,276								
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.027587									
(this amount is added to the kW rate shown on Sheet 12 and										
the total new rate appears on the Rate Schedule on Sheet 14)										
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12		$0.0177								
(this amount is added to the Service Charge shown on Sheet 12 and										
the total new Service Charge appears on the Rate Schedule on Sheet 14)										

SHEET 13 - Transition Cost Adder Calculation

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	0
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

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

These categories are:				
1	**Billing Activities**	6	**Staff Adjustment Activities**
2	**Customer Education Services**	7	**Regulatory Costs**
3	**Wholesale Market Requirements**	8	**Taxes**
4	**IMO Requirements**	9	**Regulatory Requirements**
5	**Retailer/Customer Requirements**	10	**Other**

Enter the Amounts to be Applied under each category. The model will allocate the cost under each category to a rate class based on 2001 Distribution Revenue as shown in the 2001 Statistics Table below.
If the Utility would like to allocate the costs on a different basis, allocations can be adjusted manually.

Enter the applied for Total Value for Transition Costs: $ -

SUBURBAN

	kW	kWh	Number of Customers	Distribution Revenues	2001 Revenue Shares	2002 Transition Costs for Recovery
	-	80,412,846	5,541	$1,598,679.51	69.26%	$ 61,758.87
	-	30,442,477	683	$387,990.39	16.81%	$ 14,988.53
2001 Statistics by Class	87,720	-	54	$321,716.45	13.94%	$ 12,428.29
RESIDENTIAL CLASS				$2,308,386.35	1.00	-
GENERAL SERVICE <50 KW CLASS						$ 89,175.69
GENERAL SERVICE >50 KW NON TIME OF USE						
TOTALS						

Residential Class	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
When you entered your approved Variable/Fixed Charge Sp	0.621	0.379	100%
	$ 38,352.26	$ 23,406.61	$ 61,758.87
	80,412,846		
(A) ALLOCATED 2002 Transition Costs (Total in Cell G42 above)		5,541	
(B) RETAIL KWH	$0.000477		
(C) NUMBER OF CUSTOMERS			
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 12 and the total new rate appears on the Rate Schedule on Sheet 14)		$0.3520	
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12 (this amount is added to the Service Charge shown on Sheet 12 and the total new Service Charge appears on the Rate Schedule on Sheet 14)			

General Service <50kW Class	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
When you entered your approved Variable/Fixed Charge S	0.702	0.298	100%
	$ 10,521.95	$ 4,466.58	$ 14,988.53
	30,442,477		
(A) ALLOCATED 2002 Transition Costs			
(Total in Cell G43 above)		683	
(B) RETAIL KWH	$0.000346		
(C) NUMBER OF CUSTOMERS			
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)		$0.5450	
(this amount is added to the kWh rate shown on Sheet 12 and			
the total new rate appears on the Rate Schedule on Sheet 14)			
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12			
(this amount is added to the Service Charge shown on Sheet 12 and			
the total new Service Charge appears on the Rate Schedule on Sheet 14)			

General Service >50kW Class Non TOU	VARIABLE CHARGE REVENUE	SERVICE CHARGE REVENUE	2002 Transition Costs for Recovery
	Percentage	Percentage	
When you entered your approved Variable/Fixed Charge S	0.957	0.043	100%
	$ 11,893.87	$ 534.42	$ 12,428.29
	87,720		
(A) ALLOCATED 2002 Transition Costs			
(Total in Cell G44 above)		54	
(B) RETAIL KW	$0.135589		
(C) NUMBER OF CUSTOMERS			
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)		$0.8247	
(this amount is added to the kW rate shown on Sheet 12 and			
the total new rate appears on the Rate Schedule on Sheet 14)			
(E) ADDITIONAL MONTHLY SERVICE CHARGE (A)/(C)/12			
(this amount is added to the Service Charge shown on Sheet 12 and			
the total new Service Charge appears on the Rate Schedule on Sheet 14)			

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

NAME OF UTILITY	Haldimand County Hydro Inc.			**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price			**PHONE NUMBER**	905 765-5211	
E- Mail Address	mprice@hchydro.ca					
VERSION NUMBER	002					
Date	37365					

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Estimate Adder, the Z-Factor Adder and the Transition Cost Adder.

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0178
MONTHLY SERVICE CHARGE (Per Customer)	$11.6574
COST OF POWER KWH RATE	$0.0751

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0178				
MONTHLY SERVICE CHARGE (Per Customer)	$11.6574				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	$/KWH	$/KWH	$/KWH	$/KWH	
	$0.0000	$0.0000	$0.0000	$0.0000	

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0162
MONTHLY SERVICE CHARGE (Per Customer)	$15.7877
COST OF POWER KWH RATE	$0.074100

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0162				
MONTHLY SERVICE CHARGE (Per Customer)	$15.7877				
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK	
	$/KWH	$/KWH	$/KWH	$/KWH	
	$0.0000	$0.0000	$0.0000	$0.0000	

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.5087
MONTHLY SERVICE CHARGE (Per Customer)	$29.5012
COST OF POWER KW RATE	$3.200000
COST OF POWER KWH RATE	$0.062200

GENERAL SERVICE > 50 KW (TIME OF USE)						
DISTRIBUTION KW RATE	$0.7086					
MONTHLY SERVICE CHARGE (Per Customer)	$9.2415					
COST OF POWER TIME OF USE RATES	WINTER PEAK	SUMMER PEAK	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KW	$/KW	$/KWH	$/KWH	$/KWH	$/KWH
	$11.8200	$8.9400	$0.0728	$0.0434	$0.0614	$0.0321
SENTINEL LIGHTS (NON TIME OF USE)						
DISTRIBUTION KW RATE	$2.0728					
MONTHLY SERVICE CHARGE (Per Connection)	$1.6396					
COST OF POWER KW RATE	$23.4800					
STREET LIGHTING (NON TIME OF USE)						
DISTRIBUTION KW RATE	$1.8083					
MONTHLY SERVICE CHARGE (Per Connection)	$1.1768					
COST OF POWER KW RATE	$23.8400					

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

NAME OF UTILITY	Haldimand County Hydro Inc.		**LICENCE NUMBER**	ED-1999-0096	
NAME OF CONTACT	Michael Price		**PHONE NUMBER**	0	
E- Mail Address	mprice@hchydro.ca				
VERSION NUMBER	002				
Date	37365				

This schedule includes the 2002 distribution rates which have been adjusted for the IPI - PF 2nd year PBR rate adjustment, the 2nd Installment of 1/3 Incremental MARR, the 2001PILs Deferral Account Estimate Adder, the 2002 PILs Estimate Adder, the Z-Factor Adder and the Transition Cost Adder.

SUBURBAN

RESIDENTIAL

DISTRIBUTION KWH RATE	$0.0189
MONTHLY SERVICE CHARGE (Per Customer)	$13.3079
COST OF POWER KWH RATE	$0.0758

RESIDENTIAL (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0189			
MONTHLY SERVICE CHARGE (Per Customer)	$13.3079			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE < 50 KW

DISTRIBUTION KWH RATE	$0.0146
MONTHLY SERVICE CHARGE (Per Customer)	$17.0219
COST OF POWER KWH RATE	$0.074700

GENERAL SERVICE < 50 KW (TIME OF USE)

DISTRIBUTION KWH RATE	$0.0146			
MONTHLY SERVICE CHARGE (Per Customer)	$17.0219			
COST OF POWER TIME OF USE RATES	WINTER PEAK	WINTER OFF-PEAK	SUMMER PEAK	SUMMER OFF-PEAK
	$/KWH	$/KWH	$/KWH	$/KWH
	$0.0000	$0.0000	$0.0000	$0.0000

GENERAL SERVICE > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.9189
MONTHLY SERVICE CHARGE (Per Customer)	$29.9945
COST OF POWER KW RATE	$2.940000
COST OF POWER KWH RATE	$0.062400

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

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	905 765-5211
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

Ures	$ 8.08	8.4%
SUIBures	$ 8.62	8.7%

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

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

RESIDENTIAL CLASS

NON-TIME OF USE

ENTER DESIRED CONSUMPTION LEVEL		CURRENT 2001 BILL	KWH	RATE	CHARGE		2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)	KWH	RATE	CHARGE	IMPACT	IMPACT
100 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE		n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION KWH		100	0.0129	$ 1.29		DISTRIBUTION KWH	100	0.01775	$ 1.78		
	COST OF POWER KWH		100	0.0751	$ 7.51		COST OF POWER KWH	100	0.0751	$ 7.51		
	CURRENT 2001 BILL				$ 17.23		Adjusted 2002 BILL			$ 20.94	$ 3.71	21.5%
250 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE		n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION KWH		250	0.0129	$ 3.23		DISTRIBUTION KWH	250	0.01775	$ 4.44		
	COST OF POWER KWH		250	0.0751	$ 18.78		COST OF POWER KWH	250	0.0751	$ 18.78		
	CURRENT 2001 BILL				$ 30.43		Adjusted 2002 BILL			$ 34.87	$ 4.44	14.6%
500 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE		n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION KWH		500	0.0129	$ 6.45		DISTRIBUTION KWH	500	0.01775	$ 8.88		
	COST OF POWER KWH		500	0.0751	$ 37.55		COST OF POWER KWH	500	0.0751	$ 37.55		
	CURRENT 2001 BILL				$ 52.43		Adjusted 2002 BILL			$ 58.08	$ 5.65	10.8%
750 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE		n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION KWH		750	0.0129	$ 9.68		DISTRIBUTION KWH	750	0.01775	$ 13.32		
	COST OF POWER KWH		750	0.0751	$ 56.33		COST OF POWER KWH	750	0.0751	$ 56.33		
	CURRENT 2001 BILL				$ 74.43		Adjusted 2002 BILL			$ 81.30	$ 6.87	9.2%
1000 kWh			**(enter)**	**$/KWH**	**$**				**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE		n/a	n/a	$ 8.43		MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION KWH		1000	0.0129	$ 12.90		DISTRIBUTION KWH	1000	0.01775	$ 17.75		
	COST OF POWER KWH		1000	0.0751	$ 75.10		COST OF POWER KWH	1000	0.0751	$ 75.10		
	CURRENT 2001 BILL				$ 96.43		Adjusted 2002 BILL			$ 104.51	$ 8.08	8.4%

MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1500 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION KWH	1500	0.0129	$ 19.35	DISTRIBUTION KWH	1500	0.01775	$ 26.63		
	COST OF POWER KWH	1500	0.0751	$ 112.65	COST OF POWER KWH	1500	0.0751	$ 112.65		
	CURRENT 2001 BILL			$ 140.43	Adjusted 2002 BILL			$ 150.94	$ 10.51	7.5%
MONTHLY CONSUMPTION OF		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
2000 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 8.43	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION KWH	2000	0.0129	$ 25.80	DISTRIBUTION KWH	2000	0.01775	$ 35.51		
	COST OF POWER KWH	2000	0.0751	$ 150.20	COST OF POWER KWH	2000	0.0751	$ 150.20		
	CURRENT 2001 BILL			$ 184.43	Adjusted 2002 BILL			$ 197.36	$ 12.93	7.0%

GENERAL SERVICE < 50 KW

	CURRENT 2001 BILL				**2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)**					
ENTER DESIRED CONSUMPTION LEVEL										
1000 kWh		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
		(enter)	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION KWH	1000	0.0117	$ 11.70	DISTRIBUTION KWH	1000	0.01619	$ 16.19		
	COST OF POWER KWH	1000	0.0741	$ 74.10	COST OF POWER KWH	1000	0.0741	$ 74.10		
	CURRENT 2001 BILL			$ 97.21	Adjusted 2002 BILL			$ 106.08	$ 8.87	9.1%
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
2000 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION KWH	2000	0.0117	$ 23.40	DISTRIBUTION KWH	2000	0.01619	$ 32.39		
	COST OF POWER KWH	2000	0.0741	$ 148.20	COST OF POWER KWH	2000	0.0741	$ 148.20		
	CURRENT 2001 BILL			$ 183.01	Adjusted 2002 BILL			$ 196.37	$ 13.36	7.3%
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
5000 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION KWH	5000	0.0117	$ 58.50	DISTRIBUTION KWH	5000	0.01619	$ 80.96		
	COST OF POWER KWH	5000	0.0741	$ 370.50	COST OF POWER KWH	5000	0.0741	$ 370.50		
	CURRENT 2001 BILL			$ 440.41	Adjusted 2002 BILL			$ 467.25	$ 26.84	6.1%
MONTHLY CONSUMPTION		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
10,000 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION KWH	10000	0.0117	$ 117.00	DISTRIBUTION KWH	10000	0.01619	$ 161.93		
	COST OF POWER KWH	10000	0.0741	$ 741.00	COST OF POWER KWH	10000	0.0741	$ 741.00		
	CURRENT 2001 BILL			$ 869.41	Adjusted 2002 BILL			$ 918.71	$ 49.30	5.7%

MONTHLY CONSUMPTION		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
20,000 KWh		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.41	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION KWH	20000	0.0117	$ 234.00	DISTRIBUTION KWH	20000	0.01619	$ 323.85		
	COST OF POWER KWH	20000	0.0741	$ 1,482.00	COST OF POWER KWH	20000	0.0741	$ 1,482.00		
	CURRENT 2001 BILL			$ 1,727.41	Adjusted 2002 BILL			$ 1,821.64	$ 94.23	5.5%

GENERAL SERVICE > 50 KW NON TIME OF USE

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)					
ENTER DESIRED CONSUMPTION LEVEL										
		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	0	3.5500	$ -	DISTRIBUTION KW	0	4.50872	$ -		
	COST OF POWER KW	0	3.2000	$ -	COST OF POWER KW	0	3.2000	$ -		
	COST OF POWER **KWH**	0	0.0622	$ -	COST OF POWER **KWH**	0	0.0622	$ -		
	CURRENT 2001 BILL			$ 21.67	Adjusted 2002 BILL			$ 29.50	$ 7.83	36.1%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
100kW, 30,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	100	3.5500	$ 355.00	DISTRIBUTION KW	100	4.50872	$ 450.87		
	COST OF POWER KW	100	3.2000	$ 320.00	COST OF POWER KW	100	3.2000	$ 320.00		
	COST OF POWER **KWH**	30,000	0.0622	$ 1,866.00	COST OF POWER **KWH**	30,000	0.0622	$ 1,866.00		
	CURRENT 2001 BILL			$ 2,562.67	Adjusted 2002 BILL			$ 2,666.37	$ 103.70	4.0%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
100kW, 40,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	100	3.5500	$ 355.00	DISTRIBUTION KW	100	4.50872	$ 450.87		
	COST OF POWER KW	100	3.2000	$ 320.00	COST OF POWER KW	100	3.2000	$ 320.00		
	COST OF POWER **KWH**	40,000	0.0622	$ 2,488.00	COST OF POWER **KWH**	40,000	0.0622	$ 2,488.00		
	CURRENT 2001 BILL			$ 3,184.67	Adjusted 2002 BILL			$ 3,288.37	$ 103.70	3.3%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
500kW, 100,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	500	3.5500	$ 1,775.00	DISTRIBUTION KW	500	4.50872	$ 2,254.36		
	COST OF POWER KW	500	3.2000	$ 1,600.00	COST OF POWER KW	500	3.2000	$ 1,600.00		
	COST OF POWER **KWH**	100,000	0.0622	$ 6,220.00	COST OF POWER **KWH**	100,000	0.0622	$ 6,220.00		
	CURRENT 2001 BILL			$ 9,616.67	Adjusted 2002 BILL			$ 10,103.86	$ 487.19	5.1%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
500kW, 250,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	500	3.5500	$ 1,775.00	DISTRIBUTION KW	500	4.50872	$ 2,254.36		
	COST OF POWER KW	500	3.2000	$ 1,600.00	COST OF POWER KW	500	3.2000	$ 1,600.00		
	COST OF POWER **KWH**	250,000	0.0622	$ 15,550.00	COST OF POWER **KWH**	250,000	0.0622	$ 15,550.00		
	CURRENT 2001 BILL			$ 18,946.67	Adjusted 2002 BILL			$ 19,433.86	$ 487.19	2.6%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
1000kW, 400,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	1000	3.5500	$ 3,550.00	DISTRIBUTION KW	1000	4.50872	$ 4,508.72		
	COST OF POWER KW	1000	3.2000	$ 3,200.00	COST OF POWER KW	1000	3.2000	$ 3,200.00		
	COST OF POWER **KWH**	400,000	0.0622	$ 24,880.00	COST OF POWER **KWH**	400,000	0.0622	$ 24,880.00		
	CURRENT 2001 BILL			$ 31,651.67	Adjusted 2002 BILL			$ 32,618.22	$ 966.55	3.1%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
1000kW, 500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	1000	3.5500	$ 3,550.00	DISTRIBUTION KW	1000	4.50872	$ 4,508.72		
	COST OF POWER KW	1000	3.2000	$ 3,200.00	COST OF POWER KW	1000	3.2000	$ 3,200.00		
	COST OF POWER **KWH**	500,000	0.0622	$ 31,100.00	COST OF POWER **KWH**	500,000	0.0622	$ 31,100.00		
	CURRENT 2001 BILL			$ 37,871.67	Adjusted 2002 BILL			$ 38,838.22	$ 966.55	2.6%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,000,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	3000	3.5500	$ 10,650.00	DISTRIBUTION KW	3000	4.50872	$ 13,526.16		
	COST OF POWER KW	3000	3.2000	$ 9,600.00	COST OF POWER KW	3000	3.2000	$ 9,600.00		
	COST OF POWER **KWH**	1,000,000	0.0622	$ 62,200.00	COST OF POWER **KWH**	1,000,000	0.0622	$ 62,200.00		
	CURRENT 2001 BILL			$ 82,471.67	Adjusted 2002 BILL			$ 85,355.66	$ 2,883.99	3.5%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,500,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	3000	3.5500	$ 10,650.00	DISTRIBUTION KW	3000	4.50872	$ 13,526.16		
	COST OF POWER KW	3000	3.2000	$ 9,600.00	COST OF POWER KW	3000	3.2000	$ 9,600.00		
	COST OF POWER **KWH**	1,500,000	0.0622	$ 93,300.00	COST OF POWER **KWH**	1,500,000	0.0622	$ 93,300.00		
	CURRENT 2001 BILL			$ 113,571.67	Adjusted 2002 BILL			$ 116,455.66	$ 2,883.99	2.5%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,200,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	4000	3.5500	$ 14,200.00	DISTRIBUTION KW	4000	4.50872	$ 18,034.88		
	COST OF POWER KW	4000	3.2000	$ 12,800.00	COST OF POWER KW	4000	3.2000	$ 12,800.00		
	COST OF POWER **KWH**	1,200,000	0.0622	$ 74,640.00	COST OF POWER **KWH**	1,200,000	0.0622	$ 74,640.00		
	CURRENT 2001 BILL			$ 101,661.67	Adjusted 2002 BILL			$ 105,504.38	$ 3,842.71	3.8%

MONTHLY CONSUMPTION		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,800,000kWh		(enter)	$/KW	$			$/KW	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.67	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION KW	4000	3.5500	$ 14,200.00	DISTRIBUTION KW	4000	4.50872	$ 18,034.88		
	COST OF POWER KW	4000	3.2000	$ 12,800.00	COST OF POWER KW	4000	3.2000	$ 12,800.00		
	COST OF POWER **KWH**	1,800,000	0.0622	$ 111,960.00	COST OF POWER **KWH**	1,800,000	0.0622	$ 111,960.00		
	CURRENT 2001 BILL			$ 138,981.67	Adjusted 2002 BILL			$ 142,824.38	$ 3,842.71	2.8%

GENERAL SERVICE >50 KW TIME OF USE

	CURRENT 2001 BILL				**2002 BILL (IPI-PF, 1/3 MARR, 2001&2002 PILs, Z-Factor & Transition)**					
ENTER DESIRED CONSUMPTION LEVELS										
100kW, 40,000kWh	**WINTER**				**WINTER**					
		KW	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
			$/kW	**$**			**$/kW**	**$**	**DOLLARS**	**%**
	DISTRIBUTION kW	100	0.5900	$ 59.00	DISTRIBUTION kW	100	0.7086	$ 70.86		
	kW COST OF POWER Demand Charge	100	11.8200	$ 1,182.00	kW COST OF POWER Demand Charge	100	11.8200	$ 1,182.00		
			RATE				**RATE**			
	COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
	WINTER PEAK	20,000	0.0728	$ 1,456.00	WINTER PEAK	20,000	0.0728	$ 1,456.00		
	WINTER OFF PEAK	20,000	0.0434	$ 868.00	WINTER OFF PEAK	20,000	0.0434	$ 868.00		
	MONTHLY SERVICE CHARGE			$ 7.97	MONTHLY SERVICE CHARGE			$ 9.24		
	TOTAL			$ 3,572.97	**TOTAL**			$ 3,586.10	$ 13.13	0.4%
	SUMMER				**SUMMER**					
		KW	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
			$/kW	**$**			**$/kW**	**$**	**DOLLARS**	**%**
	DISTRIBUTION kW	100	0.5900	$ 59.00	DISTRIBUTION kW	100	0.7086	$ 70.86		
	kW COST OF POWER Demand Charge	100	8.9400	$ 894.00	kW COST OF POWER Demand Charge	100	8.9400	$ 894.00		
			RATE				**RATE**			
	COST OF POWER	**kWh**	**$/kWh**		COST OF POWER	**kWh**	**$/kWh**			
	SUMMER PEAK	20,000	0.0614	$ 1,228.00	SUMMER PEAK	20,000	0.0614	$ 1,228.00		
	SUMMER OFF PEAK	20,000	0.0321	$ 642.00	SUMMER OFF PEAK	20,000	0.0321	$ 642.00		
	MONTHLY SERVICE CHARGE			$ 7.97	MONTHLY SERVICE CHARGE			$ 9.24		
	TOTAL			$ 2,830.97	**TOTAL**			$ 2,844.10	$ 13.13	0.5%

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

NAME OF UTILITY	Haldimand County Hydro Inc.	**LICENCE NUMBER**	ED-1999-0096
NAME OF CONTACT	Michael Price	**PHONE NUMBER**	0
E- Mail Address	mprice@hchydro.ca		
VERSION NUMBER	002		
Date	37365		

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

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

SUBURBAN

RESIDENTIAL CLASS

NON-TIME OF USE

	CURRENT 2001 BILL				2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)					
		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
ENTER DESIRED CONSUMPTION LEVEL		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
100 kWh	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION KWH	100	0.0139	$ 1.39	DISTRIBUTION KWH	100	0.01889	$ 1.89		
	COST OF POWER KWH	100	0.0758	$ 7.58	COST OF POWER KWH	100	0.0758	$ 7.58		
	CURRENT 2001 BILL			$ 18.65	Adjusted 2002 BILL			$ 22.78	$ 4.13	22.1%
		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION OF		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
250 kWh	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION KWH	250	0.0139	$ 3.48	DISTRIBUTION KWH	250	0.01889	$ 4.72		
	COST OF POWER KWH	250	0.0758	$ 18.95	COST OF POWER KWH	250	0.0758	$ 18.95		
	CURRENT 2001 BILL			$ 32.11	Adjusted 2002 BILL			$ 36.98	$ 4.88	15.2%
		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION OF		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
500 kWh	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION KWH	500	0.0139	$ 6.95	DISTRIBUTION KWH	500	0.01889	$ 9.45		
	COST OF POWER KWH	500	0.0758	$ 37.90	COST OF POWER KWH	500	0.0758	$ 37.90		
	CURRENT 2001 BILL			$ 54.53	Adjusted 2002 BILL			$ 60.65	$ 6.12	11.2%
		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION OF		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
750 kWh	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION KWH	750	0.0139	$ 10.43	DISTRIBUTION KWH	750	0.01889	$ 14.17		
	COST OF POWER KWH	750	0.0758	$ 56.85	COST OF POWER KWH	750	0.0758	$ 56.85		
	CURRENT 2001 BILL			$ 76.96	Adjusted 2002 BILL			$ 84.33	$ 7.37	9.6%
		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION OF		(enter)	$/KWH	$			$/KWH	$	DOLLARS	%
1000 kWh	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION KWH	1000	0.0139	$ 13.90	DISTRIBUTION KWH	1000	0.01889	$ 18.89		
	COST OF POWER KWH	1000	0.0758	$ 75.80	COST OF POWER KWH	1000	0.0758	$ 75.80		
	CURRENT 2001 BILL			$ 99.38	Adjusted 2002 BILL			$ 108.00	$ 8.62	8.7%

		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION OF		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
1500 kWh	DISTRIBUTION KWH	1500	0.0139	$ 20.85	DISTRIBUTION KWH	1500	0.01889	$ 28.34		
	COST OF POWER KWH	1500	0.0758	$ 113.70	COST OF POWER KWH	1500	0.0758	$ 113.70		
	CURRENT 2001 BILL			$ 144.23	Adjusted 2002 BILL			$ 155.35	$ 11.12	7.7%

		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION OF		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.68	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
2000 kWh	DISTRIBUTION KWH	2000	0.0139	$ 27.80	DISTRIBUTION KWH	2000	0.01889	$ 37.78		
	COST OF POWER KWH	2000	0.0758	$ 151.60	COST OF POWER KWH	2000	0.0758	$ 151.60		
	CURRENT 2001 BILL			$ 189.08	Adjusted 2002 BILL			$ 202.69	$ 13.61	7.2%

GENERAL SERVICE < 50 KW

	CURRENT 2001 BILL				**2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)**					
ENTER DESIRED CONSUMPTION LEVEL		**KWH**	**RATE**	**CHARGE**		**KWH**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION KWH	1000	0.0109	$ 10.90	DISTRIBUTION KWH	1000	0.01460	$ 14.60		
	COST OF POWER KWH	1000	0.0747	$ 74.70	COST OF POWER KWH	1000	0.0747	$ 74.70		
	CURRENT 2001 BILL			$ 97.32	Adjusted 2002 BILL			$ 106.32	$ 9.00	9.2%

		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
2000 kWh	DISTRIBUTION KWH	2000	0.0109	$ 21.80	DISTRIBUTION KWH	2000	0.01460	$ 29.19		
	COST OF POWER KWH	2000	0.0747	$ 149.40	COST OF POWER KWH	2000	0.0747	$ 149.40		
	CURRENT 2001 BILL			$ 182.92	Adjusted 2002 BILL			$ 195.62	$ 12.70	6.9%

		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
5000 kWh	DISTRIBUTION KWH	5000	0.0109	$ 54.50	DISTRIBUTION KWH	5000	0.01460	$ 72.99		
	COST OF POWER KWH	5000	0.0747	$ 373.50	COST OF POWER KWH	5000	0.0747	$ 373.50		
	CURRENT 2001 BILL			$ 439.72	Adjusted 2002 BILL			$ 463.51	$ 23.79	5.4%

		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
10,000 kWh	DISTRIBUTION KWH	10000	0.0109	$ 109.00	DISTRIBUTION KWH	10000	0.01460	$ 145.97		
	COST OF POWER KWH	10000	0.0747	$ 747.00	COST OF POWER KWH	10000	0.0747	$ 747.00		
	CURRENT 2001 BILL			$ 867.72	Adjusted 2002 BILL			$ 909.99	$ 42.27	4.9%

		KWH	RATE	CHARGE		KWH	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KWH**	**$**			**$/KWH**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.72	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
20,000 KWh	DISTRIBUTION KWH	20000	0.0109	$ 218.00	DISTRIBUTION KWH	20000	0.01460	$ 291.94		
	COST OF POWER KWH	20000	0.0747	$ 1,494.00	COST OF POWER KWH	20000	0.0747	$ 1,494.00		
	CURRENT 2001 BILL			$ 1,723.72	Adjusted 2002 BILL			$ 1,802.96	$ 79.24	4.6%

GENERAL SERVICE > 50 KW NON TIME OF USE

	CURRENT 2001 BILL				**2002 BILL (IPI-PF, 1/3 Incremental MARR, 2001 & 2002 PILs)**					
ENTER DESIRED CONSUMPTION LEVEL		**KW**	**RATE**	**CHARGE**		**KW**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
		(enter)	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
	DISTRIBUTION KW	0	3.5400	$ -	DISTRIBUTION KW	0	4.91893	$ -		
	COST OF POWER KW	0	2.9400	$ -	COST OF POWER KW	0	2.9400	$ -		
	COST OF POWER **KWH**	0	0.0624	$ -	COST OF POWER **KWH**	0	0.0624	$ -		
	CURRENT 2001 BILL			$ 21.60	Adjusted 2002 BILL			$ 29.99	$ 8.39	38.9%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
100kW, 30,000kWh	DISTRIBUTION KW	100	3.5400	$ 354.00	DISTRIBUTION KW	100	4.91893	$ 491.89		
	COST OF POWER KW	100	2.9400	$ 294.00	COST OF POWER KW	100	2.9400	$ 294.00		
	COST OF POWER **KWH**	30,000	0.0624	$ 1,872.00	COST OF POWER **KWH**	30,000	0.0624	$ 1,872.00		
	CURRENT 2001 BILL			$ 2,541.60	Adjusted 2002 BILL			$ 2,687.89	$ 146.29	5.8%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
100kW, 40,000kWh	DISTRIBUTION KW	100	3.5400	$ 354.00	DISTRIBUTION KW	100	4.91893	$ 491.89		
	COST OF POWER KW	100	2.9400	$ 294.00	COST OF POWER KW	100	2.9400	$ 294.00		
	COST OF POWER **KWH**	40,000	0.0624	$ 2,496.00	COST OF POWER **KWH**	40,000	0.0624	$ 2,496.00		
	CURRENT 2001 BILL			$ 3,165.60	Adjusted 2002 BILL			$ 3,311.89	$ 146.29	4.6%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
500kW, 100,000kWh	DISTRIBUTION KW	500	3.5400	$ 1,770.00	DISTRIBUTION KW	500	4.91893	$ 2,459.47		
	COST OF POWER KW	500	2.9400	$ 1,470.00	COST OF POWER KW	500	2.9400	$ 1,470.00		
	COST OF POWER **KWH**	100,000	0.0624	$ 6,240.00	COST OF POWER **KWH**	100,000	0.0624	$ 6,240.00		
	CURRENT 2001 BILL			$ 9,501.60	Adjusted 2002 BILL			$ 10,199.46	$ 697.86	7.3%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
500kW, 250,000kWh	DISTRIBUTION KW	500	3.5400	$ 1,770.00	DISTRIBUTION KW	500	4.91893	$ 2,459.47		
	COST OF POWER KW	500	2.9400	$ 1,470.00	COST OF POWER KW	500	2.9400	$ 1,470.00		
	COST OF POWER **KWH**	250,000	0.0624	$ 15,600.00	COST OF POWER **KWH**	250,000	0.0624	$ 15,600.00		
	CURRENT 2001 BILL			$ 18,861.60	Adjusted 2002 BILL			$ 19,559.46	$ 697.86	3.7%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
1000kW, 400,000kWh	DISTRIBUTION KW	1000	3.5400	$ 3,540.00	DISTRIBUTION KW	1000	4.91893	$ 4,918.93		
	COST OF POWER KW	1000	2.9400	$ 2,940.00	COST OF POWER KW	1000	2.9400	$ 2,940.00		
	COST OF POWER **KWH**	400,000	0.0624	$ 24,960.00	COST OF POWER **KWH**	400,000	0.0624	$ 24,960.00		
	CURRENT 2001 BILL			$ 31,461.60	Adjusted 2002 BILL			$ 32,848.93	$ 1,387.33	4.4%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
1000kW, 500,000kWh	DISTRIBUTION KW	1000	3.5400	$ 3,540.00	DISTRIBUTION KW	1000	4.91893	$ 4,918.93		
	COST OF POWER KW	1000	2.9400	$ 2,940.00	COST OF POWER KW	1000	2.9400	$ 2,940.00		
	COST OF POWER **KWH**	500,000	0.0624	$ 31,200.00	COST OF POWER **KWH**	500,000	0.0624	$ 31,200.00		
	CURRENT 2001 BILL			$ 37,701.60	Adjusted 2002 BILL			$ 39,088.93	$ 1,387.33	3.7%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
3,000kW, 1,000,000kWh	DISTRIBUTION KW	3000	3.5400	$ 10,620.00	DISTRIBUTION KW	3000	4.91893	$ 14,756.80		
	COST OF POWER KW	3000	2.9400	$ 8,820.00	COST OF POWER KW	3000	2.9400	$ 8,820.00		
	COST OF POWER **KWH**	1,000,000	0.0624	$ 62,400.00	COST OF POWER **KWH**	1,000,000	0.0624	$ 62,400.00		
	CURRENT 2001 BILL			$ 81,861.60	Adjusted 2002 BILL			$ 86,006.79	$ 4,145.19	5.1%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
3,000kW, 1,500,000kWh	DISTRIBUTION KW	3000	3.5400	$ 10,620.00	DISTRIBUTION KW	3000	4.91893	$ 14,756.80		
	COST OF POWER KW	3000	2.9400	$ 8,820.00	COST OF POWER KW	3000	2.9400	$ 8,820.00		
	COST OF POWER **KWH**	1,500,000	0.0624	$ 93,600.00	COST OF POWER **KWH**	1,500,000	0.0624	$ 93,600.00		
	CURRENT 2001 BILL			$ 113,061.60	Adjusted 2002 BILL			$ 117,206.79	$ 4,145.19	3.7%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
4,000kW, 1,200,000kWh	DISTRIBUTION KW	4000	3.5400	$ 14,160.00	DISTRIBUTION KW	4000	4.91893	$ 19,675.73		
	COST OF POWER KW	4000	2.9400	$ 11,760.00	COST OF POWER KW	4000	2.9400	$ 11,760.00		
	COST OF POWER **KWH**	1,200,000	0.0624	$ 74,880.00	COST OF POWER **KWH**	1,200,000	0.0624	$ 74,880.00		
	CURRENT 2001 BILL			$ 100,821.60	Adjusted 2002 BILL			$ 106,345.72	$ 5,524.12	5.5%

		KW	RATE	CHARGE		KW	RATE	CHARGE	IMPACT	IMPACT	
MONTHLY CONSUMPTION		**(enter)**	**$/KW**	**$**			**$/KW**	**$**	**DOLLARS**	**%**	
4,000kW, 1,800,000kWh	MONTHLY SERVICE CHARGE	n/a	n/a	$ 21.60	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99			
	DISTRIBUTION KW	4000	3.5400	$ 14,160.00	DISTRIBUTION KW	4000	4.91893	$ 19,675.73			
	COST OF POWER KW	4000	2.9400	$ 11,760.00	COST OF POWER KW	4000	2.9400	$ 11,760.00			
	COST OF POWER **KWH**	1,800,000	0.0624	$ 112,320.00	COST OF POWER **KWH**	1,800,000	0.0624	$ 112,320.00			
	CURRENT 2001 BILL			$ 138,261.60	Adjusted 2002 BILL			$ 143,785.72	$ 5,524.12	4.0%	

		Haldimand County Hydro Inc.			
		Effective March 1, 2002			
					RP-2002-xxxx
					EB-2002-xxxx
Time Periods for Time of Use (Eastern Standard Time)					
Winter: All Hours, October 1 through March 31					
Summer: All Hours, April 1 through September 30					
Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays					
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)					
Labour Day, Thansgiving Day, Christmas Day and Boxing Day.					
Off Peak: All Other Hours.					
RESIDENTIAL					
		Monthly Service Charge		(per month)	$11.66
		Distribution Volumetric Rate		(per kWh)	$0.0178
		Cost of Power Rate		(per kWh)	$0.0751
RESIDENTIAL (Time of Use)					
		Monthly Service Charge		(per month)	$11.66
		Distribution Volumetric Rate		(per kWh)	$0.0178
		Cost of Power - Winter Peak		(per kWh)	$0.0000
		Cost of Power - Winter Off Peak		(per kWh)	$0.0000
		Cost of Power - Summer Peak		(per kWh)	$0.0000
		Cost of Power - Summer Off Peak		(per kWh)	$0.0000
GENERAL SERVICE < 50 KW					
		Monthly Service Charge		(per month)	$15.79
		Distribution Volumetric Rate		(per kWh)	$0.0162
		Cost of Power Rate		(per kWh)	$0.0741
GENERAL SERVICE < 50 KW (Time of Use)					
		Monthly Service Charge		(per month)	$15.79
		Distribution Volumetric Rate		(per kWh)	$0.0162
		Cost of Power - Winter Peak		(per kWh)	$0.0000
		Cost of Power - Winter Off Peak		(per kWh)	$0.0000
		Cost of Power - Summer Peak		(per kWh)	$0.0000
		Cost of Power - Summer Off Peak		(per kWh)	$0.0000
GENERAL SERVICE > 50 KW (Non Time of Use)					
		Monthly Service Charge		(per month)	$29.50
		Distribution Volumetric Rate		(per kW)	$4.5087
		Cost of Power Demand Rate		(per kW)	$3.2000
		Cost of Power Energy Rate		(per kWh)	$0.0622

GENERAL SERVICE > 50 KW (Time of Use)			
Monthly Service Charge	(per month)	$9.24
Distribution Volumetric Rate	(per kW)	$0.7086
Cost of Power - Winter Peak	(per kW)	$11.8200
Cost of Power - Summer Peak	(per kW)	$8.9400
Cost of Power - Winter Peak	(per kWh)	$0.0728
Cost of Power - Winter Off Peak	(per kWh)	$0.0434
Cost of Power - Summer Peak	(per kWh)	$0.0614
SENTINEL LIGHTS (Non Time of Use)		
Monthly Service Charge	(per month)	$1.64
Distribution Volumetric Rate	(per kW)	$2.0728
Cost of Power Demand Rate	(per kW)	$23.4800
STREET LIGHTING (Non Time of Use)		
Monthly Service Charge	(per month)	$1.18
Distribution Volumetric Rate	(per kW)	$1.8083
Cost of Power Demand Rate	(per kW)	$23.8400

MISCELLANEOUS CHARGES

Specific Service Charges		
Customer Administration		
Account set-up Charge	$ 8.80	
Arrears Certificate	$ 10.50	
Non-payment of account		
Late Payment	1.5%	
Returned Cheque Charge - includes Bank Charges	$ 13.00	
Collection of Account Charge	$ 9.00	
Reconnection - during regular working hours	$ 20.00	
Reconnection - after regular working hours	$ 50.00	
Credits		
Transformer ownership allowance (for connections prior to Jan 1, 2001)	$0.60 / kW	

	Haldimand County Hydro Inc.			
	Effective March 1, 2002			
				RP-2002-xxxx
				EB-2002-xxxx
Time Periods for Time of Use (Eastern Standard Time)				
Winter: All Hours, October 1 through March 31				
Summer: All Hours, April 1 through September 30				
Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays				
including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)				
Labour Day, Thansgiving Day, Christmas Day and Boxing Day.				
Off Peak: All Other Hours.				
SUBURBAN				
RESIDENTIAL				
	Monthly Service Charge		(per month)	$13.31
	Distribution Volumetric Rate		(per kWh)	$0.0189
	Cost of Power Rate		(per kWh)	$0.0758
RESIDENTIAL (Time of Use)				
	Monthly Service Charge		(per month)	$13.31
	Distribution Volumetric Rate		(per kWh)	$0.0189
	Cost of Power - Winter Peak		(per kWh)	$0.0000
	Cost of Power - Winter Off Peak		(per kWh)	$0.0000
	Cost of Power - Summer Peak		(per kWh)	$0.0000
	Cost of Power - Summer Off Peak		(per kWh)	$0.0000
GENERAL SERVICE < 50 KW				
	Monthly Service Charge		(per month)	$17.02
	Distribution Volumetric Rate		(per kWh)	$0.0146
	Cost of Power Rate		(per kWh)	$0.0747
GENERAL SERVICE < 50 KW (Time of Use)				
	Monthly Service Charge		(per month)	$17.02
	Distribution Volumetric Rate		(per kWh)	$0.0146
	Cost of Power - Winter Peak		(per kWh)	$0.0000
	Cost of Power - Winter Off Peak		(per kWh)	$0.0000
	Cost of Power - Summer Peak		(per kWh)	$0.0000
	Cost of Power - Summer Off Peak		(per kWh)	$0.0000
GENERAL SERVICE > 50 KW (Non Time of Use)				
	Monthly Service Charge		(per month)	$29.99
	Distribution Volumetric Rate		(per kW)	$4.9189
	Cost of Power Demand Rate		(per kW)	$2.9400
	Cost of Power Energy Rate		(per kWh)	$0.0624

	A	B	C	D
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**			
2	**REGULATORY INFORMATION (REGINFO)**			
3				
4	Utility Name: HALDIMAND COUNTY HYDRO INC.			**Amount**
5	**Reporting period - Q4 2001**			
6				
7	**BACKGROUND**			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	Y
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	N
14				
15	Accounting Year End		Date	31-Dec-01
16				
17	**MARR NO TAX CALCULATIONS**			
18	**SHEET #7 FINAL RUD MODEL DATA**			
19	**(FROM 1999 FINANCIAL STATEMENTS)**			
20	**USE BOARD-APPROVED AMOUNTS**			
21				
22	Rate base (wires-only)			33,509,753
23				
24	Common Equity Ratio (CER)			50.00%
25				
26	1-CER			50.00%
27				
28	Target Return On Equity			9.88%
29				
30	Debt rate			7.25%
31				
32	Market Adjusted Revenue Requirement			2,870,110
33				
34	1999 return from RUD Sheet #7			1,557,675
35				
36	Total Incremental revenue			1,312,435
37	Input Board-approved dollar amounts phased-in (generally prorated			
38	on the effective date of the inclusion of MARR in rates)			
39	Amount allowed in 2001, Year 1			437,478
40	Amount allowed in 2002, Year 2			437,478
41	Amount allowed in 2003, Year 3			437,478
42				
43	Equity			16,754,877
44				
45	Return at target ROE			1,655,382
46				
47	Debt			16,754,877
48				
49	Deemed interest amount in EBIT			1,214,729
50				
51	Phase-in of interest - Year 1			844,417
52	((D34+D39)/D32)*D49			
53	Phase-in of interest - Year 2			1,029,573
54	((D34+D39+D40)/D32)*D49			
55	Phase-in of interest - Year 3 (D49)			1,214,729
56				

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**LINE**	**Initial**	Source	Deferral	Deferral	**Deferral**	Source	M of F	M of F	**M of F**	Source
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**		Account	Account	**Account**		Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**			Foot-	Variance	Variance	**Allowance**	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5			$	#	$		$	#	$		$	#
6												
7	Utility Name: HALDIMAND COUNTY HYDRO INC.										Column	
8	**Reporting period - Q4 2001**										Brought	
9											Forward	
10											From	
11											TAXREC	
12	**I) CORPORATE INCOME TAXES**											
13												
14	ACCOUNTING INCOME											
15	Regulatory Net Income	1		1A	389,419		389,419	1B	532,928		922,347	1C
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	*Additions: To Accounting Income*											
20	Depreciation & Amortization	2		2A	469,788	revised Apr 19	469,788	2B	12,154		481,942	2C
21	Federal Large Corporation Tax	3		3A	0			3B	0		0	3C
22	Employee Benefit Plans - Accrued, Not Paid	4		4A	0			4B	0		0	4C
23	Change in Tax Reserves	5		5A	0			5B	0		0	5C
24	Regulatory Adjustments	6		6A	0			6B	0		0	6C
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Item #1	7		7A	0			7B	0		0	7C
27	"Material" Item #2	7		7A	0			7B	0		0	7C
28	Other Additions (not "Material")	7		7A	0			7B	2,426		2,426	7C
29	*Deductions: From Accounting Income*											
30	Capital Cost Allowance	8		8A	-248,175		-248,175	8B	-287,675		-535,850	8C
31	Employee Benefit Plans - Paid Amounts	9		9A	0			9B	0		0	9C
32	Items Capitalized for Regulatory Purposes	10		10A	0			10B	0		0	10C
33	Regulatory Adjustments	11		11A	0			11B	-79,396		-79,396	11C
34	Interest Expense Deemed/ Incurred	12		12A	-164,815		-164,815	12B	-88,276		-253,091	12C
35	Other Deductions (See Tab entitled "TAXREC")											
36	"Material" Item #1	13		13A	0			13B	-935,815		-935,815	13C
37	"Material" Item #2	13		13A	0			13B	-350,998		-350,998	13C
38	Other Deductions (not "Material")	13		13A	0			13B	-26,076		-26,076	13C
39												
40	REGULATORY TAXABLE INCOME		0		446,216		446,216		-1,220,727		-774,511	
41	(sum of above)											
42												
43	CORPORATE INCOME TAX RATE											
44	Deemed %	14	40.6200%	14A	0.0000%		40.6200%	14B	0.0000%		40.6200%	14C
45												
46	REGULATORY INCOME TAX											
47	Taxable Income x Rate		0		181,253		181,253		-495,859		-314,606	
48												
49	Miscellaneous Tax Credits	15		15A	0			15B	0			15C
50												
51	**Total Regulatory Income Tax**		0		181,253		181,253		-495,859		-314,606	
52												
53												
54												
55												
56	**II) CAPITAL TAXES**											
57												
58	*Ontario*											
59	Base	16		16A	33,509,753		33,509,753	16B	2,610,040		36,119,793	16C
60	Less: Exemption	17		17A	-5,000,000		-5,000,000	17B	56,124		-4,943,876	17C
61	Deemed Taxable Capital		0		28,509,753		28,509,753		2,666,164		31,175,917	
62												
63	Rate (.3%)	18	0.3000%	18A	0.0000%		0.3000%	18B	0.0000%		0.3000%	18C
64												
65	Net Amount (Taxable Capital x Rate)		0		21,558		21,558		71,970		93,528	
66												
67	*Federal (LCT)*											
68	Base	19		19A	33,509,753		33,509,753	19B	3,863,926		37,373,679	19C
69	Less: Exemption	20		20A	-10,000,000		-10,000,000	20B	0		-10,000,000	20C
70	Deemed Taxable Capital		0		23,509,753		23,509,753		3,863,926		27,373,679	
71												
72	Rate (.225%)	21	0.2250%	21A	0.0000%		0.2250%	21B	0.0000%		0.2250%	21C
73												
74	Gross Amount (Taxable Capital x Rate)		0		13,333		13,333		48,258		61,591	
75	Less: Federal Surtax	22	0	22A	-4,998		-4,998	22B	13,672		8,675	22C
76												
77	Net LCT		0		8,335		8,335		61,930		70,265	
78												
79												
80	**III) INCLUSION IN RATES MARCH 2002**											
81												
82	IncomeTax (grossed-up)	23	0	23A	299,592		299,592	23B	-299,592			n/a
83	LCT (grossed-up)	24	0	24A	13,777		13,777	24B	-13,777			n/a
84	Ontario Capital Tax	25	0	25A	21,558		21,558	25B	-21,558			n/a
85												
86												
87	***Total S. 93 PILs Rate Adjustment***		0		334,927		334,927		-334,927			
88												
89												

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**LINE**	**Initial**	Source	Deferral	Deferral	**Deferral**	Source	M of F	M of F	**M of F**	Source
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**		Account	Account	**Account**		Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**			Foot-	Variance	Variance	**Allowance**	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5			$	#	$		$	#	$		$	#
90												
91												
92	***IV) FUTURE TRUE-UPS (post June 2002)***								**DR / (CR)**			
93	Amount in M of F Filing Variance (Column I) that											
94	the Board orders added/subtracted from rates											
95	EBIT	1								No true-up		
96	Depreciation &Amortization	2								No true-up		
97	Federal Large Corporation Tax	3								No true-up		
98	Employee Benefit Plans - Accrued, Not Paid	4							0	True-up		
99	Change in Tax Reserves	5							0	True-up		
100	Regulatory Adjustments	6							0	True-up		
101	Other additions "Material" Item #1	7							0	True-up		
102	Other additions "Material" Item #2	7							0	True-up		
103	Other additions (not "Material")	7								No true-up		
104	Capital Cost Allowance	8								No true-up		
105	Employee Benefit Plans - Paid Amounts	9							0	True-up		
106	Items Capitalized for Regulatory Purposes	10							0	True-up		
107	Regulatory Adjustments	11							-79,396	True-up		
108	Interest Adjustment for Tax Purposes (Cell I135)	12							0	True-up-See Below		
109	Other deductions "Material" Item #1	13							-935,815	True-up		
110	Other deductions "Material" Item #2	13							-350,998	True-up		
111	Other deductions (not "Material")	13								No true-up		
112	Miscellaneous Tax Credits	15							0	True-up		
113												
114	**Deferral Account Entry (Positive Entry=Debit)**								-1,366,209	True-up		
115												
116												
117	**V) INTEREST PORTION OF TRUE-UP**											
118												
119	**Variance Caused By Phase-in of Deemed Debt**											
120												
121	Total deemed interest (REGINFO CELL D49)								-1,214,729			
122	Interest phased-in - (Deferral Account Cell G34)								164,815			
123												
124	Variance due to phase-in of debt stucture								-1,049,913			
125	according to Rate Handbook											
126												
127	**Other Interest Variances (ie Borrowing Levels**											
128	**Above Deemed Debt per Rate Handbook)**											
129												
130	Interest deducted on MoF filing (Cell K34)								-253,091			
131	Total deemed interest (REGINFO CELL D49)								1,214,729			
132												
133	Variance caused by excess debt								961,638			
134												
135	**Interest Adjustment for Tax Purposes Cell I108**								0	True-up Amount- Used above		
136												
137	**Total Interest Variance (Cell I34)**								-88,276			
138												

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
7	Utility Name: HALDIMAND COUNTY HYDRO INC.					
8	**Reporting period - Q4 2001**					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	**I) CORPORATE INCOME TAXES**					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1	7,665,105		7,665,105	
16	Other Income	2	551,600		551,600	
17	Expenses					
18	Administration	3	-494,896		-494,896	
19	Distribution	4	-5,920,095		-5,920,095	
20	Operations and Maintenance	5	-397,425		-397,425	
21	Depreciation and Amortization	6	-481,942		-481,942	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	**Net Income Before Interest & Income Taxes EBIT**	10	922,347	0	922,347	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		481,942	0	481,942	2C
30	Federal Large Corporation Tax		0	0	0	3C
31	Employee benefit plans-accrued, not paid				0	4C
32	Change in tax reserves				0	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			481,942	0	481,942	
37	*Other Additions:* **(From T2 S1)**					
38	Recapture of CCA				0	7C
39	Non-deductible expenses:				0	7C
40	Club dues and fees				0	7C
41	Meals and entertainment				0	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising				0	7C
46	Interest and penalties on taxes				0	7C
47	Legal and accounting fees				0	7C
48	Debt issue expenses		2,426		2,426	7C
49	Capital items expensed				0	7C
50	All crown charges, royalties, rentals				0	7C
51	Deemed dividend income				0	7C
52	Deemed interest on loans to non-residents				0	7C
53	Deemed interest received				0	7C
54	Development expenses claimed				0	7C
55	Dividend stop-loss adjustments				0	7C
56	Dividends credited to investment account				0	7C
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	7C
60	Foreign affiliate property income				0	7C
61						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	*Other Additions:*				0	7C
83					0	
84	*Total Other Additions*		2,426	0	2,426	7C

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
85						
86	Total Additions		484,368	0	484,368	

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance		-535,850	0	-535,850	8C
90	Employee benefit plans-paid amounts				0	9C
91	Items capitalized for regulatory purposes				0	10C
92	Regulatory adjustments		-79,396		-79,396	11C
93	Interest expense incurred		-253,091		-253,091	12C
94	Other deductions "Material" Item #1		-935,815		-935,815	13C
95	Other deductions "Material" Item #2		-350,998		-350,998	13C
96			-2,155,150	0	-2,155,150	
97	*Other deductions:* **(From T2 S1)**					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets		-11,000		-11,000	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction		-10,811		-10,811	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				0	13C
122	Charitable donations - tax basis				0	13C
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	13C
125	Ecological gifts				0	13C
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
127	Non-capital losses-preceding years				0	13C
128	Net-capital losses- preceding years				0	13C
129	Limited partnership losses- preceding years				0	13C
130	*Other deductions:*		-3,853		-3,853	13C
131			-412		-412	
132					0	
133	*Total Other Deductions*		-26,076	0	-26,076	13C
134						
135	Total Deductions		-2,181,226	0	-2,181,226	
136						
137						
138	TAXABLE INCOME		-774,511	0	-774,511	
139						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
140						
141	**ONTARIO CAPITAL TAX**					
142						
143	**PAID-UP CAPITAL**					
144						
145	Paid-up capital stock		18,739,941		18,739,941	
146	Retained earnings (if deficit, deduct)		1,153,738		1,153,738	
147	Capital and other surplus excluding				0	
148	appraisal surplus				0	
149	Loans and advances				0	
150	Bank loans				0	
151	Bankers acceptances				0	
152	Bonds and debentures payable		17,490,000		17,490,000	
153	Mortgages payeable				0	
154	Lien notes payable				0	
155	Deferred credits				0	
156	Contingent, investment, inventory and				0	
157	similar reserves				0	
158	Other reserves not allowed as deductions				0	
159	Share of partnership(s), joint venture(s)				0	
160	paid-up capital				0	
161	Sub-total		37,383,679	0	37,383,679	
162	Subtract:					
163	Amounts deducted for income tax		-1,255,078		-1,255,078	
164	purposes in excess of amounts booked				0	
165	Deductible R&D expenditures and ONTTI				0	
166	costs deferred for income tax				0	
167					0	
168	**Total (Net) Paid-up Capital**		36,128,601	0	36,128,601	
169						
170	**ELIGIBLE INVESTMENTS**					
171						
172	Bonds, lien notes, interest coupons				0	
173	Mortgages due from other corporations				0	
174	Shares in other corporations				0	
175	Loans and advances to unrelated corporations				0	
176	Eligible loans and advances to related		10,000		10,000	
177	corporations				0	
178	Share of partnership(s) or joint venture(s)				0	
179	eligible investments				0	
180						
181	**Total Eligible Investments**		10,000	0	10,000	
182						
183						
184	**TOTAL ASSETS**					
185						
186	Total assets per balance sheet		42,271,764		42,271,764	
187	Mortgages or other liabilities deducted from				0	
188	assets				0	
189	Share of partnership(s)/ joint venture(s) total				0	
190	assets				0	
191	Subtract: Investment in partnership(s)/joint				0	
192	venture(s)				0	
193						
194	**Total assets as adjusted**		42,271,764	0	42,271,764	
195						
196	Add: (if deducted from assets)					
197	Contingent, investment, inventory and				0	
198	similar reserves				0	
199	Other reserves not allowed as deductions				0	
200	Subtract:				0	
201	Amounts deducted for income tax		-1,255,078		-1,255,078	
202	purposes in excess of amounts booked				0	
203	Deductible R&D expenditures and ONTTI				0	
204	costs deferred for income tax				0	
205	Subtract: Appraisal surplus if booked				0	
206	Add or subtract: Other adjustments				0	
207						
208	**Total Assets**		41,016,686	0	41,016,686	
209						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
210	**Investment Allowance**					
211						
212	(Total Eligible Investments / Total Assets) x					
213	Net paid-up capital		8,808	0	8,808	
214						
215	**Taxable Capital**					
216						
217	Net paid-up capital		36,128,601	0	36,128,601	
218	Subtract: Investment Allowance		-8,808	0	-8,808	
219					0	
220	Taxable Capital		36,119,793	0	36,119,793	
221						
222	**Capital Tax Calculation**					
223						
224	Taxable capital		36,119,793	0	36,119,793	16C
225						
226	Deduction from taxable capital up to $5,000,000		-4,943,876		-4,943,876	17C
227						
228	Net Taxable Capital		31,175,917	0	31,175,917	
229						
230	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
231						
232	Days in taxation year		92	92	92	
233	Divide days by 365		0.2521	0.2521	0.2521	
234						
235	**Ontario Capital Tax**		23,574	0	23,574	
236						
237	**LARGE CORPORATION TAX**					
238						
239	**CAPITAL**					
240						
241	ADD:					
242	Reserves that have not been deducted in				0	
243	computing income for the year under Part I				0	
244	Capital stock		18,739,941		18,739,941	
245	Retained earnings		1,153,738		1,153,738	
246	Contributed surplus				0	
247	Any other surpluses				0	
248	Deferred unrealized foreign exchange gains				0	
249	All loans and advances to the corporation				0	
250	All indebtedness- bonds, debentures, notes,		17,490,000		17,490,000	
251	mortgages, bankers acceptances, or similar				0	
252	obligations				0	
253	Any dividends declared but not paid				0	
254	All other indebtedness outstanding for more				0	
255	than 365 days				0	
256						
257	Subtotal		37,383,679	0	37,383,679	
258						
259	DEDUCT:					
260	Deferred tax debit balance				0	
261	Any deficit deducted in computing				0	
262	shareholders' equity				0	
263	Any patronage dividends 135(1) deducted in				0	
264	computing income under Part I included in				0	
265	amounts above				0	
266	Deferred unrealized foreign exchange losses				0	
267						
268	Subtotal		0	0	0	
269						
270	**Capital for the year**		37,383,679	0	37,383,679	
271						
272	**INVESTMENT ALLOWANCE**					
273						
274	Shares in another corporation				0	
275	Loan or advance to another corporation		10,000		10,000	
276	Bond, debenture, note, mortgage, or				0	
277	similar obligation of another corporation				0	
278	Long term debt of financial institution				0	
279	Dividend receivable from another corporation				0	
280	Debts of corporate partnerships that were not				0	
281	exempt from tax under Part I.3				0	
282	Interest in a partnership				0	
283						
284	**Investment Allowance**		10,000	0	10,000	
285						
286						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
287	**TAXABLE CAPITAL**					
288						
289	Capital for the year		37,383,679	0	37,383,679	
290						
291	Deduct: Investment allowance		-10,000	0	-10,000	
292						
293	Taxable Capital for taxation year		37,373,679	0	37,373,679	19C
294						
295	Deduct: Capital Deduction $10,000,000		-10,000,000		-10,000,000	20C
296						
297	**Taxable Capital**		27,373,679	0	27,373,679	
298						
299	Rate .225%		0.22500%	0.22500%	0.22500%	21C
300						
301	Days in year		92	92	92	
302	Divide days by 365		0.2521	0.2521	0.2521	
303						
304	**Gross Part I.3 Tax LCT**		15,524	0	15,524	
305						
306	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
307						
308	Federal Surtax = Taxable Income x Surtax Rate		-8,675	0	-8,675	
309						
310	**Net Part I.3 Tax LCT Payable**		15,524	0	15,524	
311	(If surtax is greater than Gross LCT, then zero)					
312						
313						
314						

	A	B	C	D
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**			
2	**REGULATORY INFORMATION (REGINFO)**			
3				
4	Utility Name HALDIMAND COUNTY HYDRO INC.			**Amount**
5	Reporting period - Year 2002			
6				
7	**BACKGROUND**			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	Y
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	N
14				
15	Accounting Year End		Date	31-Dec-02
16				
17	**MARR NO TAX CALCULATIONS**			
18	**SHEET #7 FINAL RUD MODEL DATA**			
19	**(FROM 1999 FINANCIAL STATEMENTS)**			
20	**USE BOARD-APPROVED AMOUNTS**			
21				
22	Rate base (wires-only)			33,509,753
23				
24	Common Equity Ratio (CER)			50.00%
25				
26	1-CER			50.00%
27				
28	Target Return On Equity			9.88%
29				
30	Debt rate			7.25%
31				
32	Market Adjusted Revenue Requirement			2,870,110
33				
34	1999 return from RUD Sheet #7			1,557,675
35				
36	Total Incremental revenue			1,312,435
37	Input Board-approved dollar amounts phased-in (generally prorated			
38	on the effective date of the inclusion of MARR in rates)			
39	Amount allowed in 2001, Year 1			437,478
40	Amount allowed in 2002, Year 2			437,478
41	Amount allowed in 2003, Year 3			437,478
42				
43	Equity			16,754,877
44				
45	Return at target ROE			1,655,382
46				
47	Debt			16,754,877
48				
49	Deemed interest amount in EBIT			1,214,729
50				
51	Phase-in of interest - Year 1			844,417
52	((D34+D39)/D32)*D49			
53	Phase-in of interest - Year 2			1,029,573
54	((D34+D39+D40)/D32)*D49			
55	Phase-in of interest - Year 3 (D49)			1,214,729
56				

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**LINE**	**Initial**	Source	Deferral	Deferral	**Deferral**	Source	M of F	M of F	**M of F**	Source
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**		Account	Account	**Account**		Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**			Foot-	Variance	Variance	**Allowance**	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5			$	#	$		$	#	$		$	#
6												
7	Utility Name HALDIMAND COUNTY HYDRO INC.										Column	
8	Reporting period - Year 2002										Brought	
9											Forward	
10											From	
11											TAXREC	
12	**I) CORPORATE INCOME TAXES**											
13												
14	ACCOUNTING INCOME											
15	Regulatory Net Income	1	2,432,632	1A	-2,432,632			1B	0		0	1C
16												
17	BOOK TO TAX ADJUSTMENTS											
18												
19	*Additions: To Accounting Income*											
20	Depreciation & Amortization	2	1,863,832	2A	-1,863,832	revised Apr 19		2B	0		0	2C
21	Federal Large Corporation Tax	3		3A	0			3B	0		0	3C
22	Employee Benefit Plans - Accrued, Not Paid	4		4A	0			4B	0		0	4C
23	Change in Tax Reserves	5		5A	0			5B	0		0	5C
24	Regulatory Adjustments	6	214,577	6A	-214,577	trans costs		6B	0		0	6C
25	Other Additions (See Tab entitled "TAXREC")											
26	"Material" Item #1	7		7A	0			7B	0		0	7C
27	"Material" Item #2	7		7A	0			7B	0		0	7C
28	Other Additions (not "Material")	7		7A	0			7B	0		0	7C
29	*Deductions: From Accounting Income*											
30	Capital Cost Allowance	8	-1,903,327	8A	1,903,327	revised CCA		8B	0		0	8C
31	Employee Benefit Plans - Paid Amounts	9		9A	0			9B	0		0	9C
32	Items Capitalized for Regulatory Purposes	10		10A	0			10B	0		0	10C
33	Regulatory Adjustments	11	-34,503	11A	34,503			11B	0		0	11C
34	Interest Expense Deemed/ Incurred	12	-1,029,573	12A	1,029,573			12B	0		0	12C
35	Other Deductions (See Tab entitled "TAXREC")											
36	"Material" Item #1	13		13A	0			13B	0		0	13C
37	"Material" Item #2	13		13A	0			13B	0		0	13C
38	Other Deductions (not "Material")	13		13A	0			13B	0		0	13C
39												
40	REGULATORY TAXABLE INCOME		1,543,638		-1,543,638		0		0		0	
41	(sum of above)											
42												
43	CORPORATE INCOME TAX RATE											
44	Deemed %	14	38.6200%	14A	0.0000%		38.6200%	14B	0.0000%		38.6200%	14C
45												
46	REGULATORY INCOME TAX											
47	Taxable Income x Rate		596,153		-596,153		0		0		0	
48												
49	Miscellaneous Tax Credits	15		15A	0			15B	0			15C
50												
51	**Total Regulatory Income Tax**		596,153		-596,153		0		0		0	
52												
53												
54												
55												
56	**II) CAPITAL TAXES**											
57												
58	*Ontario*											
59	Base	16	33,509,753	16A	-33,509,753			16B	0		0	16C
60	Less: Exemption	17	-5,000,000	17A	5,000,000			17B	0		0	17C
61	Deemed Taxable Capital		28,509,753		-28,509,753		0		0		0	
62												
63	Rate (.3%)	18	0.3000%	18A	0.0000%		0.3000%	18B	0.0000%		0.3000%	18C
64												
65	Net Amount (Taxable Capital x Rate)		85,529		-85,529		0		0		0	
66												
67	*Federal (LCT)*											
68	Base	19	33,509,753	19A	-33,509,753			19B	0		0	19C
69	Less: Exemption	20	-10,000,000	20A	10,000,000			20B	0		0	20C
70	Deemed Taxable Capital		23,509,753		-23,509,753		0		0		0	
71												
72	Rate (.225%)	21	0.2250%	21A	0.0000%		0.2250%	21B	0.0000%		0.2250%	21C
73												
74	Gross Amount (Taxable Capital x Rate)		52,897		-52,897		0		0		0	
75	Less: Federal Surtax	22	-17,289	22A	17,289		0	22B	0		0	22C
76												
77	Net LCT		35,608		-35,608		0		0		0	
78												
79												
80	**III) INCLUSION IN RATES MARCH 2002**											
81												
82	IncomeTax (grossed-up)	23	953,845	23A	-953,845		0	23B	0			n/a
83	LCT (grossed-up)	24	56,973	24A	-56,973		0	24B	0			n/a
84	Ontario Capital Tax	25	85,529	25A	-85,529		0	25B	0			n/a
85												
86												
87	***Total S. 93 PILs Rate Adjustment***		1,096,347		-1,096,347		0		0			
88												
89												
90												
91												
92	***IV) FUTURE TRUE-UPS (post June 2002)***								**DR / (CR)**			
93	Amount in M of F Filing Variance (Column I) that											
94	the Board orders added/subtracted from rates											
95	EBIT	1								No true-up		
96	Depreciation &Amortization	2								No true-up		
97	Federal Large Corporation Tax	3								No true-up		
98	Employee Benefit Plans - Accrued, Not Paid	4							0	True-up		
99	Change in Tax Reserves	5							0	True-up		
100	Regulatory Adjustments	6							0	True-up		
101	Other additions "Material" Item #1	7							0	True-up		
102	Other additions "Material" Item #2	7							0	True-up		
103	Other additions (not "Material")	7								No true-up		
104	Capital Cost Allowance	8								No true-up		
105	Employee Benefit Plans - Paid Amounts	9							0	True-up		
106	Items Capitalized for Regulatory Purposes	10							0	True-up		
107	Regulatory Adjustments	11							0	True-up		
108	Interest Adjustment for Tax Purposes (Cell I135)	12							0	True-up-See Below		
109	Other deductions "Material" Item #1	13							0	True-up		
110	Other deductions "Material" Item #2	13							0	True-up		
111	Other deductions (not "Material")	13								No true-up		
112	Miscellaneous Tax Credits	15							0	True-up		
113												
114	**Deferral Account Entry (Positive Entry=Debit)**								0	True-up		
115												

	A	B	C	D	E	F	G	H	I	J	K	L
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	**LINE**	**Initial**	Source	Deferral	Deferral	**Deferral**	Source	M of F	M of F	**M of F**	Source
2	**DEFERRAL/VARIANCE ACCOUNTS**		**Estimate**		Account	Account	**Account**		Filing	Filing	**Filing**	
3	**TAX CALCULATIONS (TAXCALC)**			Foot-	Variance	Variance	**Allowance**	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	G-C	Explanation		note	K-G	Explanation	(June)	note
5			$	#	$		$	#	$		$	#
116												
117	**V) INTEREST PORTION OF TRUE-UP**											
118												
119	**Variance Caused By Phase-in of Deemed Debt**											
120												
121	Total deemed interest (REGINFO CELL D49)								-1,214,729			
122	Interest phased-in - (Deferral Account Cell G34)								0			
123												
124	Variance due to phase-in of debt stucture								-1,214,729			
125	according to Rate Handbook											
126												
127	**Other Interest Variances (ie Borrowing Levels**											
128	**Above Deemed Debt per Rate Handbook)**											
129												
130	Interest deducted on MoF filing (Cell K34)								0			
131	Total deemed interest (REGINFO CELL D49)								1,214,729			
132												
133	Variance caused by excess debt								1,214,729			
134												
135	**Interest Adjustment for Tax Purposes Cell I108**								0	True-up Amount- Used above		
136												
137	**Total Interest Variance (Cell I34)**								0			
138												

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
7	Utility Name HALDIMAND COUNTY HYDRO INC.					
8	Reporting period - Year 2002					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
12	**I) CORPORATE INCOME TAXES**					
13	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15	Revenue	1			0	
16	Other Income	2			0	
17	Expenses					
18	Administration	3			0	
19	Distribution	4			0	
20	Operations and Maintenance	5			0	
21	Depreciation and Amortization	6			0	
22	Municipal Property Taxes	7			0	
23	Ontario Capital Tax	8			0	
24	Federal LCT	9			0	
25						
26	**Net Income Before Interest & Income Taxes EBIT**	10	0	0	0	1C
27						
28	BOOK TO TAX ADDITIONS:					
29	Depreciation & Amortization		0	0	0	2C
30	Federal Large Corporation Tax		0	0	0	3C
31	Employee benefit plans-accrued, not paid				0	4C
32	Change in tax reserves				0	5C
33	Regulatory adjustments				0	6C
34	Other additions "Material" Item #1				0	7C
35	Other additions "Material" Item #2				0	7C
36			0	0	0	
37	*Other Additions:* **(From T2 S1)**					
38	Recapture of CCA				0	7C
39	Non-deductible expenses:				0	7C
40	Club dues and fees				0	7C
41	Meals and entertainment				0	7C
42	Automobile				0	7C
43	Life insurance premiums				0	7C
44	Company pension plans				0	7C
45	Advertising				0	7C
46	Interest and penalties on taxes				0	7C
47	Legal and accounting fees				0	7C
48	Debt issue expenses				0	7C
49	Capital items expensed				0	7C
50	All crown charges, royalties, rentals				0	7C
51	Deemed dividend income				0	7C
52	Deemed interest on loans to non-residents				0	7C
53	Deemed interest received				0	7C
54	Development expenses claimed				0	7C
55	Dividend stop-loss adjustments				0	7C
56	Dividends credited to investment account				0	7C
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	7C
60	Foreign affiliate property income				0	7C

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
61						
62	Federal reassessment amounts				0	7C
63	Gain on settlement of debt				0	7C
64	Interest paid on income debentures				0	7C
65	Gain on sale of eligible capital property				0	7C
66	Loss on disposal of assets				0	7C
67	Reserves from financial statements- end of year				0	7C
68	Holdbacks				0	7C
69	Taxable capital gains				0	7C
70	Political donations- book				0	7C
71	Charitable donations- book				0	7C
72	Capitalized interest				0	7C
73	Deferred and prepaid- beginning of year				0	7C
74	Tax reserves deducted in prior year				0	7C
75	Loss from joint ventures				0	7C
76	Loss from subsidiaries				0	7C
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	7C
80	Write-down of capital property				0	7C
81					0	
82	*Other Additions:*				0	7C
83					0	
84	*Total Other Additions*		0	0	0	7C
85						
86	Total Additions		0	0	0	
87						
88	BOOK TO TAX DEDUCTIONS:					
89	Capital cost allowance				0	8C
90	Employee benefit plans-paid amounts				0	9C
91	Items capitalized for regulatory purposes				0	10C
92	Regulatory adjustments				0	11C
93	Interest expense incurred				0	12C
94	Other deductions "Material" Item #1				0	13C
95	Other deductions "Material" Item #2				0	13C
96			0	0	0	
97	*Other deductions:* **(From T2 S1)**					
98	Grossed up Part VI.1 tax (preferred shares)				0	13C
99	Amortization of eligible capital expenditures				0	13C
100	Amortization of debt and equity issue cost				0	13C
101	Loss carryback to prior period				0	13C
102	Contributions to deferred income plans				0	13C
103	Contributions to pension plans				0	13C
104	Income from subsidiaries				0	13C
105	Income from joint ventures				0	13C
106	Gain on disposal of assets				0	13C
107	Terminal loss				0	13C
108	Cumulative eligible capital deduction				0	13C
109	Allowable business investment loss				0	13C
110	Holdbacks				0	13C
111	Deferred and prepaids- end of year				0	13C
112	Tax reserves claimed in current year				0	13C
113	Reserves from F/S- beginning of year				0	13C
114	Patronage dividends				0	13C
115	Accrued dividends- current year				0	13C
116	Bad debts				0	13C
117						
118	Exempt income under section 81				0	13C
119	Contributions to environmental trust				0	13C
120	Other income from financial statements				0	13C
121	Charitable donations - tax basis				0	13C
122	Gifts to Canada or a province				0	13C
123	Cultural gifts				0	13C
124	Ecological gifts				0	13C
125	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
126	Non-capital losses-preceding years				0	13C
127	Net-capital losses- preceding years				0	13C
128	Limited partnership losses- preceding years				0	13C
129	*Other deductions:*				0	13C
130					0	
131					0	
132	*Total Other Deductions*		0	0	0	13C
133						
134	Total Deductions		0	0	0	
135						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
136						
137	TAXABLE INCOME		0	0	0	
138						
139						
140	**ONTARIO CAPITAL TAX**					
141						
142	**PAID-UP CAPITAL**					
143						
144	Paid-up capital stock				0	
145	Retained earnings (if deficit, deduct)				0	
146	Capital and other surplus excluding				0	
147	appraisal surplus				0	
148	Loans and advances				0	
149	Bank loans				0	
150	Bankers acceptances				0	
151	Bonds and debentures payable				0	
152	Mortgages payeable				0	
153	Lien notes payable				0	
154	Deferred credits				0	
155	Contingent, investment, inventory and				0	
156	similar reserves				0	
157	Other reserves not allowed as deductions				0	
158	Share of partnership(s), joint venture(s)				0	
159	paid-up capital				0	
160	Sub-total		0	0	0	
161	Subtract:					
162	Amounts deducted for income tax				0	
163	purposes in excess of amounts booked				0	
164	Deductible R&D expenditures and ONTTI				0	
165	costs deferred for income tax				0	
166					0	
167	**Total (Net) Paid-up Capital**		0	0	0	
168						
169	**ELIGIBLE INVESTMENTS**					
170						
171	Bonds, lien notes, interest coupons				0	
172	Mortgages due from other corporations				0	
173	Shares in other corporations				0	
174	Loans and advances to unrelated corporations				0	
175	Eligible loans and advances to related				0	
176	corporations				0	
177	Share of partnership(s) or joint venture(s)				0	
178	eligible investments				0	
179						
180	**Total Eligible Investments**		0	0	0	
181						
182						
183						
184	**TOTAL ASSETS**					
185						
186	Total assets per balance sheet				0	
187	Mortgages or other liabilities deducted from				0	
188	assets				0	
189	Share of partnership(s)/ joint venture(s) total				0	
190	assets				0	
191	Subtract: Investment in partnership(s)/joint				0	
192	venture(s)				0	
193						
194	**Total assets as adjusted**		0	0	0	
195						
196	Add: (if deducted from assets)					
197	Contingent, investment, inventory and				0	
198	similar reserves				0	
199	Other reserves not allowed as deductions				0	
200	Subtract:				0	
201	Amounts deducted for income tax				0	
202	purposes in excess of amounts booked				0	
203	Deductible R&D expenditures and ONTTI				0	
204	costs deferred for income tax				0	
205	Subtract: Appraisal surplus if booked				0	
206	Add or subtract: Other adjustments		1	1	2	
207						
208	**Total Assets**		1	1	2	
209						

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
210	**Investment Allowance**					
211						
212	(Total Eligible Investments / Total Assets) x					
213	Net paid-up capital		0	0	0	
214						
215	**Taxable Capital**					
216						
217	Net paid-up capital		0	0	0	
218	Subtract: Investment Allowance		0	0	0	
219					0	
220	Taxable Capital		0	0	0	
221						
222	**Capital Tax Calculation**					
223						
224	Taxable capital		0	0	0	16C
225						
226	Deduction from taxable capital up to $5,000,000				0	17C
227						
228	Net Taxable Capital		0	0	0	
229						
230	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
231						
232	Days in taxation year		365	365	365	
233	Divide days by 365		1.0000	1.0000	1.0000	
234						
235	**Ontario Capital Tax**		0	0	0	
236						
237						
238						
239	**LARGE CORPORATION TAX**					
240						
241	**CAPITAL**					
242						
243	ADD:					
244	Reserves that have not been deducted in				0	
245	computing income for the year under Part I				0	
246	Capital stock				0	
247	Retained earnings				0	
248	Contributed surplus				0	
249	Any other surpluses				0	
250	Deferred unrealized foreign exchange gains				0	
251	All loans and advances to the corporation				0	
252	All indebtedness- bonds, debentures, notes,				0	
253	mortgages, bankers acceptances, or similar				0	
254	obligations				0	
255	Any dividends declared but not paid				0	
256	All other indebtedness outstanding for more				0	
257	than 365 days				0	
258						
259	Subtotal		0	0	0	
260						
261	DEDUCT:					
262	Deferred tax debit balance				0	
263	Any deficit deducted in computing				0	
264	shareholders' equity				0	
265	Any patronage dividends 135(1) deducted in				0	
266	computing income under Part I included in				0	
267	amounts above				0	
268	Deferred unrealized foreign exchange losses				0	
269						
270	Subtotal		0	0	0	
271						
272	**Capital for the year**		0	0	0	
273						
274	**INVESTMENT ALLOWANCE**					
275						
276	Shares in another corporation				0	
277	Loan or advance to another corporation				0	
278	Bond, debenture, note, mortgage, or				0	
279	similar obligation of another corporation				0	
280	Long term debt of financial institution				0	
281	Dividend receivable from another corporation				0	
282	Debts of corporate partnerships that were not				0	
283	exempt from tax under Part I.3				0	
284	Interest in a partnership				0	

	A	B	C	D	E	F
1	**SECTION 93 PILs TAX GROSS-UP "SIMPIL"**	LINE	M of F	Non-wires	**Wires-only**	Source
2	**TAX RETURN RECONCILIATION (TAXREC)**		Corporate	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	Foot-
4			Return			note
5						#
6						
285						
286	**Investment Allowance**		0	0	0	
287						
288						
289	**TAXABLE CAPITAL**					
290						
291	Capital for the year		0	0	0	
292						
293	Deduct: Investment allowance		0	0	0	
294						
295	Taxable Capital for taxation year		0	0	0	19C
296						
297	Deduct: Capital Deduction $10,000,000				0	20C
298						
299	**Taxable Capital**		0	0	0	
300						
301	Rate .225%		0.22500%	0.22500%	0.22500%	21C
302						
303	Days in year		365	365	365	
304	Divide days by 365		1.0000	1.0000	1.0000	
305						
306	**Gross Part I.3 Tax LCT**		0	0	0	
307						
308	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
309						
310	Federal Surtax = Taxable Income x Surtax Rate		0	0	0	
311						
312	**Net Part I.3 Tax LCT Payable**		0	0	0	
313	(If surtax is greater than Gross LCT, then zero)					
314						
315						
316						

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Ontario

BY PRIORITY POST

June 12, 2002

March 2002
Rate Adjustments

Michael Price
General Manager and Secretary
Haldimand Hydro-Electric Commission
1 Greendale Drive
Caledonia, ON
N3W 2J3

Dear Mr. Price:

Re: Haldimand Hydro-Electric Commission
March 2002 LDC Rate Adjustments
Board File No. RP-2002-0082/EB-2002-0091

The Board has today issued its Interim Decision and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,

P. O'Dell

Peter H. O'Dell
Assistant Board Secretary

Encl.

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2002-0082
EB-2002-0091

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

AND IN THE MATTER OF an Application by Haldimand County Hydro Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George Dominy
Vice Chair and Member

INTERIM DECISION AND ORDER

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

Haldimand County Hydro Inc. ("the Applicant") filed an Application ("the Application"), dated February 21, 2002, for an order or orders under section 78 of the *Ontario Energy Board Act, 1998* approving or fixing just and reasonable rates for the distribution of electricity, effective March 1, 2002.

The Applicant filed a revised application ("the Revised Application") dated May 16, 2002.

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

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

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

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

- 18 made substantive submissions.

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

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

The Applicant applied to adjust its distribution rates for the following:

- Input Price Inflation (IPI) and Productivity Factor as provided for in the Performance Based Regulation (PBR) Plan.

- the second of three installments of the utility's incremental Market Adjusted Revenue Requirement (MARR), $437,478.

- the 2001 deferred Payments in Lieu of Taxes (PILs), $334,927.

- the 2002 Payments in Lieu of Taxes (PILs), $1,161,969.

- a Z-Factor recovery of $109,370, representing a portion of the revenue loss due to the delay in the implementation of the first year unbundled rates.

- an interim transition cost recovery of $214,577.

- a change in the Applicant's late payment penalty and a provision for the revenue losses incurred by this change, $184,653.

Haldimand County Hydro Inc. filed a letter, dated March 14, 2002, asking the Board for a contingency rate arrangement with respect to its rates as a result of not being capable of billing fully unbundled rates by the market opening, May 1, 2002. On April 30, 2002, the Board issued Decision and Order RP-2002-0082 / EB-2002-0301 and authorized the Applicant to continue to charge the rates which were in effect on an interim basis (per Interim Decision with Reasons and Order RP-2001-0012 / EB-2001-0070) as of April 30, 2002, until the date established by notification to the Board that the utility is capable of generating the fully unbundled rates or August 1, 2002, whichever is earlier.

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

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

Board Findings

As noted above, a number of persons have written to the Board requesting that the Board hold an oral hearing in the matter of the applications by electricity distributors.

Under subsection 5.1(2) of the *Statutory Powers Procedure Act*, the Board shall not hold a written hearing where a party satisfies it that there is good reason not to hold a written hearing, in which case the Board will proceed by way of an oral or electronic hearing. Good reasons for proceeding by way of an oral hearing may include the existence of questions of credibility in which the Board will be assisted by the ability to observe the demeanor of witnesses or the complexity of evidence which parties should have the ability to test through cross-examination. Another good reason may be where an oral hearing would allow the Board to more expeditiously deal with an application.

The persons who have requested an oral hearing have not cited any such reasons but have in most cases merely stated that "the rates are not just and reasonable" and that they "would like the opportunity to present to the Board on this matter".

The current proceeding is an extension of the process undertaken by the Board to restructure Ontario's electricity distribution industry. To facilitate this work, the Board developed a regulatory framework that was the result of extensive consultation and public hearings. The current applications are the result of this framework, which is largely formulaic and includes for the first time the provision for the legislative requirement of PILs.

Persons have received an opportunity to make their concerns known to the Board through the published Notice which invited written submissions on the

applications. The Board notes that a written hearing is a public process in which all documents received by the Board are available to the public. The Board further notes that most of the issues raised by the submissions of the persons requesting an oral hearing are outside of the scope of the Board's jurisdiction in this proceeding. For example, some persons raised issues of privatization of electricity services and limitations in international trade agreements on the ability of the government to make changes to Ontario's electricity system in the future. These are not relevant to the Board's duty in this proceeding to approve just and reasonable rates for an individual distributor regulated by the Board.

Therefore, the Board has decided not to hold an oral hearing in this matter.

The Board does not approve the claimed Z factor amount of $109,370 related to the period April 1, 2001 to December 31, 2001. In the Board's view, the requested amount is not a Z factor; rather it is a request for the Board to vary its previous decision and approve a retroactive rate adjustment. The Board will address this issue in this light.

The Board notes that the Applicant had not requested a retroactive bill adjustment in its initial filing for unbundled rates, which became effective January 1, 2002. The Board relies on the applicants to bring their best case forward for prospective rate adjustments, not on a piecemeal and selective basis. The Board cannot be expected to vary its previous decisions because an applicant might have thought that, after the fact, it could have included in its application certain other matters. Fairness and regulatory efficiency require that there be finality to the rate setting process. The Board therefore denies the Applicant's request for a Z factor treatment of the $109,370 amount as out of period. The Board has adjusted the PILs calculation and RA model to reflect this decision.

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

The Applicant requested that its new rates be effective March 1, 2002, with retroactive bill adjustments for the period March 1, 2002 to the date of first billings on June 1, 2002 or thereafter. The Board notes that it received Haldimand County Hydro Inc.'s Application (dated February 21, 2002) on February 26, 2002, one month later than the deadline set out in the Board's December 21, 2001 filing guidelines to all electricity distribution utilities for the March 1, 2002 distribution rate adjustments. The Board also notes that the rate increases that result from the Applicant's proposals are substantial and that such lengthy period of retroactivity would aggravate customer impacts. Because of these reasons, the Board denies the Applicant's proposal. The Board determines that April 1, 2002 is a reasonable effective date for the new rates.

THE BOARD ORDERS THAT:

1) The rates set out in Appendix "A" of this Order are approved on an interim basis effective April 1, 2002.

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

DATED at Toronto, June 12, 2002.

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0082
EB-2002-0091

June 12, 2002

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Haldimand County Hydro Inc.
Interim Schedule of Rates and Charges
Effective April 1, 2002

RP-2002-0082
EB-2002-0091

* Effective June 1, 2002
(no pro-rating)
(Intervals - effective date of May 1/02)

Time Periods for Time of Use (Eastern Standard Time)

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

RESIDENTIAL URBAN SERVICE

Monthly Service Charge	(per month)	$11.66
Distribution Volumetric Rate	(per kWh)	$0.0178
Cost of Power Rate	(per kWh)	$0.0751

RESIDENTIAL SUBURBAN SERVICE

Monthly Service Charge	(per month)	$13.31
Distribution Volumetric Rate	(per kWh)	$0.0189
Cost of Power Rate	(per kWh)	$0.0758

GENERAL SERVICE < 50 KW URBAN SERVICE

Monthly Service Charge	(per month)	$15.79
Distribution Volumetric Rate	(per kWh)	$0.0162
Cost of Power Rate	(per kWh)	$0.0741

GENERAL SERVICE < 50 KW SUBURBAN SERVICE

Monthly Service Charge	(per month)	$17.02
Distribution Volumetric Rate	(per kWh)	$0.0146
Cost of Power Rate	(per kWh)	$0.0747

GENERAL SERVICE > 50 KW URBAN SERVICE (Non Time of Use)

Monthly Service Charge	(per month)	$29.50
Distribution Volumetric Rate	(per kW)	$4.5087
Cost of Power Demand Rate	(per kW)	$3.2000
Cost of Power Energy Rate	(per kWh)	$0.0622

GENERAL SERVICE > 50 KW SUBURBAN SERVICE (Non Time of Use)

Monthly Service Charge	(per month)	$29.99
Distribution Volumetric Rate	(per kW)	$4.9189
Cost of Power Demand Rate	(per kW)	$2.9400
Cost of Power Energy Rate	(per kWh)	$0.0624

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$9.24
Distribution Volumetric Rate	(per kW)	$0.7086
Cost of Power - Winter Peak	(per kW)	$11.8200
Cost of Power - Summer Peak	(per kW)	$8.9400
Cost of Power - Winter Peak	(per kWh)	$0.0728
Cost of Power - Winter Off Peak	(per kWh)	$0.0434
Cost of Power - Summer Peak	(per kWh)	$0.0614
Cost of Power - Summer Off Peak	(per kWh)	$0.0321

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.64
Distribution Volumetric Rate	(per kW)	$2.0728
Cost of Power Demand Rate	(per kW)	$23.4800

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$1.18
Distribution Volumetric Rate	(per kW)	$1.8083
Cost of Power Demand Rate	(per kW)	$23.8400

UN-METERED SCATTERED LOADS (EXCLUDING STREET LIGHTS)

All non-metered loads including billboards, traffic signals, bus kiosks, cable power supplies, and pay telephone booths are to be billed on an individual location basis under General Service less than 50 kilowatt rates.
Usage to be measured using kilowatts as estimated or determined by portable meters and kilowatt hours as determined by the number of hours per day of operation.

TRANSFORMER OWNERSHIP ALLOWANCE

60 cents per kW per month credit for customer owned transformers.

SPECIFIC SERVICE CHARGES

Customer Administration:			
Account Set-Up Charge		$	8.80
Arrear's Certificate		$	10.50
Non-Payment of Account:			
Late Penalty (Overdue Account	(per month)		1.50%
Account Interest Charge) on unpaid balance	(per annum)		19.56%
Returned Cheque - Actual Bank Charges plus	*	$	13.00
Collection of Account Charge		$	9.00
Disconnect/Reconnect Charges (non payment of account)			
During Regular Hours			$20.00
During After Hours			$50.00

* RAM application requested Bank charges "included" in $13.00 rate ?!

Ontario Energy Board
P.O. Box 2319
26th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie de l'Ontario
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Ontario

BY PRIORITY POST

April 30, 2002

Inability to "unbundle" rates/bills @ May 1/02

Approval to continue with April, 2002 Rate Order

Michael Price
General Manager and Secretary
Haldimand Hydro-Electric Commission
1 Greendale Drive
Caledonia ON
N3W-2J3

Dear Mr. Price:

Re: Haldimand Hydro-Electric Commission
Contingency Rate Arrangements
Board File No. EB-2002-0301/RP-2002-0082

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,

Peter H. O'Dell
Assistant Board Secretary

Encl.

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2002-0082
EB-2002-0301

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

AND IN THE MATTER OF an Application by Haldimand County Hydro Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

Bob Betts
Member

DECISION AND ORDER

On March 18, 2002 the Ontario Energy Board ("the Board") issued a letter to all licensed electricity distributors that set out the retail contingency rates framework for those distributors that anticipated not being capable of billing fully unbundled rates by the date of market opening, May 1, 2002.

Haldimand County Hydro Inc. ("the Applicant") filed a letter ("the letter" or "the Application"), dated March 14, 2002, asking the Board for the contingency rate arrangement with respect to its rates for the distribution of electricity, effective May 1, 2002.

A copy of the letter is available for review at the Board's offices.

On April 23, 2002, the Board issued a letter to all licensed electricity distributors regarding its understanding concerning the inability of distributors to pro-rate their bills in transitioning from the bundled to the unbundled cost of power. The Board indicated that it has commenced a proceeding upon its own motion to amend the rate orders of all distributors (EB-2002-0244).

Board Findings

The Board is satisfied that the Applicant is unlikely to be able to bill its customers using fully unbundled rates as of May 1, 2002. Therefore the Board accepts that the Applicant should be allowed to continue to charge its existing rates.

The Board notes that it is important that the fully unbundled rates be implemented as soon as possible after May 1, 2002, and that a deadline be set.

The Board also notes from the Board letter of April 23, 2002 that most distributors are unable to charge for two different sets of rates within a single billing cycle. The Board is prepared to allow the implementation of the unbundled bills in the same manner as was outlined in its letter of April 23, 2002 adjusted to the post May 1, 2002 implementation date.

The Board cautions that this Order does not relieve the Applicant of its obligation to comply with any legislative requirements or its licence, the Retail Settlement Code and the Standard Supply Service Code. The Applicant may still be subject to administrative penalties as determined by the Director of Licensing, or other compliance action by the Board itself.

THE BOARD ORDERS THAT:

1. The Applicant's Rates and Charges approved by the Board in effect as of April 30, 2002 shall remain in effect until the date established by notification to the Board that the Applicant is capable of generating the fully unbundled rates or August 1, 2002 whichever is earlier ("the Expiry Date").

2. The Applicant shall notify the Board, in advance, of the date when it will introduce fully unbundled billings.

3. Despite paragraph 1, the Applicant may, up to the first day of a customer's first billing cycle commencing after the Expiry Date, continue to charge customers the rates in effect on April 30, 2002.

4. Paragraph 3 does not apply with respect to customers who have a MIST meter as defined in the Retail Settlement Code.

5. The Applicant shall notify its customers of the application of the contingency rate arrangement coincident with the issuance of the first bill following May 1, 2002.

6. The Applicant shall notify its customers of the discontinuance of the application of the contingency rate arrangement coincident with the issuance of the first bill following the date the Applicant is market ready.

7. The Applicant shall follow the accounting procedures, as set out in Appendix "A" of this Order during the period from May 1, 2002 until such time as the Applicant is no longer charging the rates in effect on April 30, 2002. The accounting procedures established in Article 490 of the Accounting Procedures Handbook will apply thereafter.

DATED at Toronto, April 30, 2002.

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0082
EB-2002-0301

April 30, 2002

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

ACCOUNTING PROCEDURES AND GUIDELINES ON CALCULATING THE RETAIL SETTLEMENT VARIANCE ACCOUNT - CONTINGENCY BILLING ARRANGEMENTS FOR NOT MARKET READY DISTRIBUTORS

PURPOSE

This information sheet is for an electric distributor that is not bill ready upon market opening, May 1, 2002. Because this distributor will be continuing to charge its customers using a bundled cost of power but will be charged by the Independent Electricity Market Operator ("IMO") based on unbundled costs, it will have to calculate the variances between its bundled commodity sales and the unbundled IMO costs, using the same accounting guidelines and procedures found in Article 490.

CONTENT OF GUIDELINES

These guidelines contain the procedures and an example.

PART 1 - PROCEDURES

Step 1 will be to calculate the individual IMO costs (e.g. wholesale market service charges, wholesale market one-time charge, retail transmission network charges, retail transmission connection charges and energy/commodity costs - Weighted Average Hourly Spot Price ("WAHSP")).

Step 2 will be to "unbundle" the total bundled cost of power revenues into the total of each appropriate IMO cost components using the approved Other Regulated Rates with the residual amount allocated to the energy/commodity component.

Step 3 will match each of the unbundled revenue components with the unbundled IMO cost to calculate the individual retail settlement variances.

Details of these 3 steps are provided in this package.

To **unbundle** their **bundled** revenues, **not market ready** participants have to prepare some preliminary calculations in a supplementary spreadsheet. This calculation starts with the total **unbundled** energy billing for **not market ready** participants. From the total unbundled energy billing, each known component (wholesale market service revenue including Rural Rate Assistance ("RRA"), wholesale market one time revenue, retail transmission network revenue, retail transmission connection revenue, etc.) will be deducted to obtain the **residual** relating to the **commodity** revenue.

PART 1 - PROCEDURES

LEGEND:
C = Calculate
K = Known
U = Unknown

Using the spreadsheet in the Part 2 - Example, calculate the following to compute the variance for each revenue and expense items:

STEP	SUB-STEP	PROCEDURE	RATE	UNIT	TOTAL $	CHECK
1		**UNBUNDLE THE TOTAL (BUNDLED) REVENUE BILL**				
	1.1	Take the total bundled revenue for the billing cycle.	U	U	K	
	1.2	Calculate the sum of the wholesale market service revenue (i.e. kWh usage x Board approved rate) and also the Rural Rate Assistance ((i.e. kWh usage x Board approved rate). This is the total wholesale market service revenue. Note: RRA is a passthrough.	K	K	C	
	1.3	Calculate the total wholesale market one time revenue (refer to IMO bill)	K	K	C	
	1.4	Calculate the total retail transmission network revenue (i.e. kWh usage x Board approved rate)	K	K	C	
	1.5	Calculate the total retail transmission connection revenue (i.e. kWh usage x Board approved rate)	K	K	C	
	1.6	Calculate the total distribution volumetric revenue (i.e. kWh usage x Board approved rate)	K	K	C	
	1.7	Calculate the total distribution monthly service revenue (i.e. customers x Board approved rate)	K	K	C	
	1.8	Calculate the total distribution SSS administrative revenue (i.e. customers x Board approved rate)	K	K	C	
	1.9	Calculate the total DRC due (i.e. kWh usage x Board determined rate)	K	K	C	
	1.10	Add the total of steps 1.2 to 1.9 to get all the components of bundled revenue except the energy costs.	K	K	C	
	1.11	Calculate the difference between Step 1.1 and 1.10 to obtain the total energy sales. **THIS IS THE RESIDUAL.**	K	K	C	
	1.12	As an independent check, add the totals of steps 1.10 and 1.11 to get the total of Step 1.1.	K	K	C	

STEP	SUB-STEP	PROCEDURE	RATE	UNIT	TOTAL $	CHECK
2		**CALCULATE THE COMPONENTS OF THE UNBUNDLED IMO COSTS**				
	2.1	Compute the total IMO wholesale service charges which includes the RRA charges [Wholesale service charges (kWh x IMO wholesale service charge/kwh) plus RRA charges (i.e. kWh usage x Board approved rate)]	K	K	C	
	2.2	Obtain the total IMO wholesale one-time charge. (Application fee)			K	
	2.3	Compute the total IMO retail transmission network charges. (kWh x IMO retail transmission network charge/kWh)	K	K	C	
	2.4	Compute the total IMO retail transmission connection charges. (kWh x IMO retail transmission connection charge/kWh)	K	K	C	
	2.5	Compute the total energy cost (kWh x WAHSP).	K	K	C	
	2.6	**As an independent check, add totals of steps 2.1 through 2.5 and compare to IMO charge.**			K	
3		**CALCULATE THE RETAIL SETTLEMENT VARIANCES**				
	3.1	Using the spreadsheet format, calculate the RSVA-WMS by subtracting the wholesale market services revenue from the IMO wholesale market service charges.	K	K	C	
	3.2	Calculate the RSVA- One Time by subtracting the wholesale market one time revenue if any, from the IMO wholesale market one time charge.	K	K	C	
	3.3	Calculate the RSVA- NW by subtracting the retail transmission network revenue from the IMO retail transmission network charge.	K	K	C	
	3.4	Calculate the RSVA- CN by subtracting the retail transmission connection revenue from the IMO retail transmission connection charge.	K	K	C	
	3.5	Calculate the RSVA- Power by subtracting the total energy sales from the IMO energy costs.	K	K	C	
	3.6	As an independent check, compare the total of the totals in steps 3.1 through 3.5 to the difference between the total revenue bill for the period and the total IMO charge for the period.			C	

PART 2 - ILLUSTRATIVE EXAMPLE

The example uses the given data in Article 490, pages 20 and 21. The Debt Retirement Charge ("DRC"), as well as the Rural Rate Assistance ("RRA") which is incorporated in the Wholesale Market Service, have been added as the bundled bill is deemed to include these two upon market opening. The Power Purchase Variance account ("PPVA") was excluded as it would not be applicable to a utility that did not have an unbundled bill (i.e. no distinction between default and retail customers, only one category of customers).

ASSUMPTIONS (Refer to Article 490 detailed accounting example):

1. All distributors have energy only meters. Line losses are nil.
2. There are 20,000 customers in the distributor's franchise area. One half of these customers are on default supply and consume one half of the total energy usage
3. The period covered by the billing period coincides with that of the settlement invoice and IMO charged usage is equal to the customer metered usage.

GIVEN:

TYPE OF ITEM	UNIT OF MEASURE	UNIT COST	BOARD APPROVED RATES	TOTAL UNITS	TOTAL
IMO UNBUNDLED BILL/INVOICE:					
Wholesale market service charges	Per kWh	$.0096**		13,500,000**	$129,600**
Wholesale market one-time charge	Application fee				$ 50,000**
Retail transmission network charges	Per kWh	$.012**		13,500,000**	$162,000**
Retail transmission connection charges	Per kWh	$.0095**		13,500,000**	$128,250**
Energy costs - WAHSP	Per kWh	$.024**		13,500,000**	$324,000**
TOTAL					**$793,850**
BUNDLED ENERGY BILLING					$1,138,050[A]
Energy consumption(kWh) for the month				13,500,000**	
Approved Board Rates:	Per kWh		$.0090***	13,500,000**	*Unknown**
Wholesale market service charges	Per kWh		N/A		*Unknown**
Wholesale market one-time charge	Per kWh		$.0098***	13,500,000**	*Unknown**
Retail transmission network charges	Per kWh		$.0105***	13,500,000**	*Unknown**
Retail transmission connection charges	Per kWh		$.0100***	13,500,000**	*Unknown**
Distribution volumetric charge	Per month		$10.00***	20,000**	*Unknown**
Distribution monthly service charge	Per customer per month		$.2500***	10,000**	*Unknown**
SSS Administration Charge	kWh				***UNKNOWN*- RESIDUAL***
Energy Revenues	Per kWh		$.0070***	13,500,000**	*Unknown**
Debt Retirement Charge per kWh	Per kWh		$.0010***	13,500,000**	*Unknown**
Rural Assistance Rate per kWh					

* Unknown but can be calculated
** Given
*** Known

A- Total Unbundled Revenue	$1,138,050
Less: DRC	(94,500)
RRA	(13,500)
Net	$1,030,050
Add: PPVA-not applicable here	24,975
Total revenue- agrees to Art. 490, p.21	$1,055,025

CALCULATION OF THE VARIANCE BETWEEN THE BUNDLED ENERGY REVENUES AND UNBUNDLED IMO COSTS FOR NOT-MARKET READY PARTICIPANTS

	TYPE OF ITEM	ACCOUNT	ACCOUNT NAME	RATE- $ (1)	UNITS (2)		SUB -TOTAL (3=1x2)		TOTAL BUNDLED REVENUE (4)
1	TOTAL BUNDLED REVENUE BILLING								1,138,050
2	UNBUNDLING THE BUNDLED REVENUE BILL:								
3	Wholesale market services revenue	4062	Billed-WMS	0.0090	13,500,000	121,500			
4	RRA	4062	Billed-WMS	0.0010	13,500,000	13,500	135,000	A	
5	Wholesale market one-time revenue - N/A	4064	Billed-One Time					B	
6	Retail transmission network revenue	4066	Billed-NW	0.0098	13,500,000		132,300	C	
7	Retail transmission connection revenue	4068	Billed-CN	0.0105	13,500,000		141,750	D	
8	Distribution volumetric revenue	4080	Distribution Service Revenue-subaccount Volumetric charge	0.0100	13,500,000		135,000		
9	Distribution monthly service revenue	4080	Distribution Service Revenue-subaccount Monthly service charge	10.0000	20,000		200,000		
10	Distribution SS Administrative revenue	4080	Distribution Service Revenue-subaccount SSS Administrative charge	0.2500	10,000		2,500		
11	Debt retirement charge (DRC)	2250	DRC Payable	0.0070	13,500,000		94,500		
12	Total excluding energy sales								841,050
13	BALANCE - ENERGY SALES (RESIDUAL FIGURE)								297,000 E

* Assumed that the IMO bill to the utility includes the RRA in the wholesale market service charge

	TYPE OF ITEM	ACCOUNT	ACCOUNT NAME	RATE- $ (5)	UNITS (6)		TOTAL UNBUNDLED IMO COSTS (7=5x6))		ACCOUNT	ACCOUNT NAME	RETAIL SETTLEMENT VARIANCES (8=3+4-7)	
14	TOTALUNBUNDLED IMO CHARGES/COSTS											
15	Wholesale market service charges*	4708	Charges, WMS	0.0096	13500000	129,600						
16	RRA *	4708	Charges, WMS	0.0010	13500000	13,500	143,100	F	1580	RSVA -WMS	(8,100)	A-F
17	Wholesale market one-time charges	4712	Charges, One-time				50,000	G	1582	RSVA-One Time	(50,000)	F
18	Retail transmission network charges	4714	Charges, NW	0.012	13500000		162,000	H	1584	RSVA-NW	(29,700)	
19	Retail transmission connection charges	4716	Charges, CN	0.0095	13500000		128,250	I	1586	RSVA-CN	13,500	D-I
20	Energy Costs - WAHSP	4705		0.024	13500000		324,000	J	1588	RSVA-Power	(27,000)	E-J
21	TOTAL UNBUNDLED IMO COSTS						807,350					

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 3

2004 RAM Application
Signed Decision & Rate Order (April 14, 2004)

SHEET 1 - December 31, 2002 Regulatory Assets			V3		
NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.			**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager			**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca				
VERSION NUMBER	003a				
Date	01-Apr-04				
Enter the total applied-for regulatory asset amounts for each account in the appropriate cells below:					
(These amounts should correspond to your December 31, 2002 regulatory filings with the OEB.)					
			Applied-for		
Description	**Account**		**Amount**		
	Number		**Balance as at Dec. 31, 2002**		
RSVA - Wholesale Market Service Charge	1580		$663,633		
RSVA - Retail Transmission Network Charge	1584		$112,702		
RSVA - Retail Transmission Connection Charge	1586		$42,136		
RSVA - Power	1588		-$3,577		
Sub-Total			$814,894		
RSVA - One-time Wholesale Market Service	1582		$0		
Other Regulatory Assets	1508		$0		
Retail Cost Variance Account - Retail	1518		$26,023		
Retail Cost Variance Account - STR	1548		$5,856		
Misc. Deferred Debits - incl. Rebate Cheques	1525		$53,255		
Deferred Payments in Lieu of Taxes	1562		$763,240		
PILs Contra Account	1563		$0		
Qualifing Transition Costs	1570		$1,015,960		
Pre-Market Opening Energy Variances Total	1571		$597,652		
Pre-Market Opening Energy Variances - 2001		$180,967			
Pre-Market Opening Energy Variances - 2002		$416,684			
Extra-Ordinary Event Losses	1572		$0		
Deferred Rate Impact Amounts	1574		$0		
Other Deferred Credits	2425		$0		
Total Applied-for Regulatory Assets		**(a)**	$3,276,878		
(1) Total of 4 RSVA Accounts		**(b)**	$814,894	Approved for 2004 Final Recovery	
4 RSVA accounts as a percent of total: (b) / (a)			24.9%		
(2) 25 % of (a)		**(c)**	$819,220		
If (b) is greater than (c) go to Section 1					
If (b) is less than (c) go to Section 2					
Section 1: For LDCs with 4 RSVA accounts greater than 25 % of Total:					
25% of total applied-for Regulatory Asset Accounts: Amount (c)			$819,220	Approved for Final 2004 Rate Recovery	
Gross Up for Recovery over 11 months: Amount (c) x 12/11			$893,694	Enter this amount on Sheet 3	
				(Therefore, entry on Sheet 5 is zero.)	
Remaining Final Amount to be recovered in future periods (b) - (c)			-$4,326	Ignore minus sign	
Section 2: For LDCs with 4 RSVA accounts less than 25 % of Total:					
25% of total applied-for Regulatory Asset Accounts: Amount (c)			$819,220	Approved for 2004 Rate Recovery	
Final 4 RSVA Amount as shown at (b)			$814,894		
Gross Up for Recovery over 11 months: Amount (b) x 12/11			$888,975	Enter this amount on Sheet 3	
Interim Amount to be recovered (c) - (b)		**(d)**	$4,326		
Gross Up for Recovery over 11 months: Amount (d) x 12/11			$4,719	Enter this amount on Sheet 5	
Total Final + Interim Amount for Recovery (b) + (d) (no gross up)			$819,220		

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

SHEET 2 - 2002 Base Rate Schedule			V3		
NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.			**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager			**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca				
VERSION NUMBER	003a				
Date	01-Apr-04				
Enter the values for your 2002 Base Rates as shown in your 2002 RA Model at Sheet 4.					
This is the version of the model that was used to determine your current OEB approved rate schedule.					
(This removes the impact of the recovery of Q4 2001 PILs, 2002 PILs, and any Z-factors or Interim Transition Cost approvals from Existing Rates)					
You may adjust the rate classes if your LDC has non-standard classes.					
RESIDENTIAL					
DISTRIBUTION KWH RATE	$0.0141				
MONTHLY SERVICE CHARGE (Per Customer)	$9.24				
RESIDENTIAL (TIME OF USE)					
DISTRIBUTION KWH RATE	$0.0000				
MONTHLY SERVICE CHARGE (Per Customer)	$0.00				
GENERAL SERVICE < 50 KW					
DISTRIBUTION KWH RATE	$0.0128				
MONTHLY SERVICE CHARGE (Per Customer)	$12.50				
GENERAL SERVICE > 50 KW (NON TIME OF USE)					
DISTRIBUTION KW RATE	$3.8901				
MONTHLY SERVICE CHARGE (Per Customer)	$23.76				
GENERAL SERVICE > 50 KW (TIME OF USE)					
DISTRIBUTION KW RATE	$0.6465				
MONTHLY SERVICE CHARGE (Per Customer)	$8.73				
SENTINEL LIGHTS (NON TIME OF USE)					
DISTRIBUTION KW RATE	$1.5949				
MONTHLY SERVICE CHARGE (Per Connection)	$1.19				
STREET LIGHTING (NON TIME OF USE)					
DISTRIBUTION KW RATE	$1.5966				
MONTHLY SERVICE CHARGE (Per Connection)	$1.04				
Un-metered Scattered Loads					
DISTRIBUTION KWH RATE	$0.0128				
MONTHLY SERVICE CHARGE (Per Customer)	$12.50				
RESIDENTIAL - Suburban					
DISTRIBUTION KWH RATE	$0.0152				
MONTHLY SERVICE CHARGE (Per Customer)	$10.61				
GENERAL SERVICE < 50 KW - Suburban					
DISTRIBUTION KWH RATE	$0.0119				
MONTHLY SERVICE CHARGE (Per Customer)	$12.84				
GENERAL SERVICE > 50 KW (NON TIME OF USE) - Suburban					
DISTRIBUTION KW RATE	$3.8789				
MONTHLY SERVICE CHARGE (Per Customer)	$23.67				

SPECIFIC SERVICE CHARGES					
ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES BELOW.					
Please enter these charges exactly as they are entered on your current approved rate schedule.					
Please add your own specific charges as necessary.					
Customer Administration					
Account set-up Charge		$ 8.80			
Arrears Certificate		$ 10.50			
Non-payment of account					
Late Penalty (Overdue Account Interest	(per month)	1.5%			
Charge) on unpaid balance	(per annum)	19.56%			
Returned Cheque - Actual Bank Charges plus		$ 13.00			
Collection of Account Charge		$ 9.00			
Disconnect/Reconnect Charges (non pyment of account)					
During Regular Hours		$ 20.00			
During After Hours		$ 50.00			
Credits					
Transformer ownership allowance	per kW	$ 0.60			
(for connections prior to Jan 1, 2001)					

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

NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.	**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager	**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca		
VERSION NUMBER	003a		
Date	01-Apr-04		

This schedule requires LDCs to input the 2002 statistics which will be used to allocate Regulatory Assets related to the 4 major RSVA accounts.
The 4 RSVA related accounts will be allocated to the customer classes on the basis of kWh sales.

Enter the Approved Regulatory Asset recovery from Sheet 1 at either cell D57 or D72. $ 888,975.07
If the total of the 4 major RSVA related Regulatory Assets is less than 25% of the total Regualtory Assets applied for,
enter the additional interim approved amount on Sheet 5.

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

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 kWh Shares	2002 Reg. Asset RSVA Allocations
RESIDENTIAL CLASS		95,868,195	11,814	$3,191,917.22	27.2%	242048.1939
GENERAL SERVICE <50 KW CLASS		24,950,945	956	$587,330.61	7.1%	62996.19151
GENERAL SERVICE >50 KW NON TIME OF USE	115,484	41,169,373	91	$565,641.80	11.7%	103944.5082
GENERAL SERVICE >50 KW TIME OF USE	48,391	16,755,349	4	$49,415.28	4.8%	42303.93576
Interval Metered	0	0	0	$0.00	0.0%	0
INTERMEDIATE USE	0	0	0	$0.00	0.0%	0
LARGE USER CLASS	0	0	0	$0.00	0.0%	0
SENTINEL LIGHTS	1,343	483,480	859	$29,128.95	0.1%	1220.691187
STREET LIGHTING CLASS	5,838	2,101,680	2,666	$44,681.65	0.6%	5306.325503
Un-metered Scattered Loads	-	0	0	$0.00	0.0%	0
RESIDENTIAL CLASS - Suburban		81,549,095	5,593	$2,423,193.24	23.2%	205895.304
GENERAL SERVICE <50 KW CLASS - Suburban		21,405,058	1,392	$674,915.07	6.1%	54043.52954
GENERAL SERVICE >50 KW NON TIME OF USE-Suburban	190,676	67,813,792	90	$1,202,642.48	19.3%	171216.3859
RESIDENTIAL CLASS - Suburban Seasonal	-	0	0	$0.00	0.0%	0
TOTALS	361,732	352,096,967	23,465	$ 8,768,866.30	1.00	$ 888,975.07
		Allocated Total for 4 major RSVA accounts ==>				$ 888,975.07

Residential Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G22 above)	$ 242,048.19	$ -	$ 242,048.19
(B) RETAIL kWh in 2002	95,868,195		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.002525		

General Service <50kW Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G23 above)	$ 62,996.19	$ -	$ 62,996.19
(B) RETAIL kWh in 2002	24,950,945		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.002525		

General Service >50kW Class Non TOU

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G24 above)	$ 103,944.51	$ -	$ 103,944.51
(B) RETAIL KW in 2002	115,484		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.900077		

General Service >50kW ClassTOU

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G25 above)	$ 42,303.94	$ -	$ 42,303.94
(B) RETAIL KW in 2002	48,391		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.874211		

Sentinel Lighting Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G28 above)	$ 1,220.69	$ -	$ 1,220.69
(B) RETAIL KW in 2002	1,343		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.908929		

Streetlighting Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G29 above)	$ 5,306.33	$ -	$ 5,306.33
(B) RETAIL KW in 2002	5,838		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.908929		

Un-metered Scattered Loads

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G22 above)	$ -	$ -	$ -
(B) RETAIL kWh in 2002	0		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	#DIV/0!		

Residential Class - Suburban

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G22 above)	$ 205,895.30	$ -	$ 205,895.30
(B) RETAIL kWh in 2002	81,549,095		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.002525		

General Service <50kW Class - Suburban

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G23 above)	$ 54,043.53	$ -	$ 54,043.53
(B) RETAIL kWh in 2002	21,405,058		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.002525		

General Service >50kW Class Non TOU - Suburban

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED 4 RSVA Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 4 Major RSVA Account Recovery (Total in Cell G24 above)	$ 171,216.39	$ -	$ 171,216.39
(B) RETAIL KW in 2002	190,676		
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.897944		

SHEET 4 - 2004 Rates including 2004 Recovery of the 4 Major RSVA Accounts					
NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.			**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager			**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca				
VERSION NUMBER	003a				
Date	01-Apr-04				
This schedule includes the 2004 distribution rates which have been adjusted for the recovery of the 4 major RSVA accounts.					
RESIDENTIAL					
DISTRIBUTION KWH RATE	$0.0167				
MONTHLY SERVICE CHARGE (Per Customer)	$9.24				
RESIDENTIAL (TIME OF USE)					
DISTRIBUTION KWH RATE	$0.0025				
MONTHLY SERVICE CHARGE (Per Customer)	$0.00				
GENERAL SERVICE < 50 KW					
DISTRIBUTION KWH RATE	$0.0153				
MONTHLY SERVICE CHARGE (Per Customer)	$12.50				
GENERAL SERVICE > 50 KW (NON TIME OF USE)					
DISTRIBUTION KW RATE	$4.7902				
MONTHLY SERVICE CHARGE (Per Customer)	$23.76				
GENERAL SERVICE > 50 KW (TIME OF USE)					
DISTRIBUTION KW RATE	$1.5207				
MONTHLY SERVICE CHARGE (Per Customer)	$8.73				
SENTINEL LIGHTS (NON TIME OF USE)					
DISTRIBUTION KW RATE	$2.5038				
MONTHLY SERVICE CHARGE (Per Connection)	$1.19				
STREET LIGHTING (NON TIME OF USE)					
DISTRIBUTION KW RATE	$2.5056				
MONTHLY SERVICE CHARGE (Per Connection)	$1.04				
Un-metered Scattered Loads					
DISTRIBUTION KWH RATE	#DIV/0!				
MONTHLY SERVICE CHARGE (Per Customer)	$12.50				
RESIDENTIAL - Suburban					
DISTRIBUTION KWH RATE	$0.0178				
MONTHLY SERVICE CHARGE (Per Customer)	$10.61				
GENERAL SERVICE < 50 KW - Suburban					
DISTRIBUTION KWH RATE	$0.0145				
MONTHLY SERVICE CHARGE (Per Customer)	$12.84				
GENERAL SERVICE > 50 KW (NON TIME OF USE) - Suburban					
DISTRIBUTION KW RATE	$4.7769				
MONTHLY SERVICE CHARGE (Per Customer)	$23.67				

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

NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.	**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager	**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca		
VERSION NUMBER	003a		
Date	01-Apr-04		

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

The interim Regulatory Assets will be allocated to the customer classes on the basis of distribution revenue.

Enter the Interim Regulatory Asset recovery from Sheet 1 at cell D76. $ 4,718.99

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2002 Interim Reg. Asset Allocations
RESIDENTIAL CLASS	-	95,868,195	11,814	$3,191,917.22	36.4%	1717.739869
GENERAL SERVICE <50 KW CLASS	-	24,950,945	956	$587,330.61	6.7%	316.0737373
GENERAL SERVICE >50 KW NON TIME OF USE	115,484	41,169,373	91	$565,641.80	6.5%	304.4018388
GENERAL SERVICE >50 KW TIME OF USE	48,391	16,755,349	4	$49,415.28	0.6%	26.59298181
Interval Metered	0	0	0	$0.00	0.0%	0
INTERMEDIATE USE	0	0	0	$0.00	0.0%	0
LARGE USER CLASS	0	0	0	$0.00	0.0%	0
SENTINEL LIGHTS	1,343	483,480	859	$29,128.95	0.3%	15.6758322
STREET LIGHTING CLASS	5,838	2,101,680	2,666	$44,681.65	0.5%	24.04556456
Un-metered Scattered Loads	-	0	0	$0.00	0.0%	0
RESIDENTIAL CLASS - Suburban	-	81,549,095	5,593	$2,423,193.24	27.6%	1304.048743
GENERAL SERVICE <50 KW CLASS - Suburban	-	21,405,058	1,392	$674,915.07	7.7%	363.2075783
GENERAL SERVICE >50 KW NON TIME OF USE-Suburban	190,676	67,813,792	90	$1,202,642.48	13.7%	647.2056739
RESIDENTIAL CLASS - Suburban Seasonal	-	0	0	$0.00	0.0%	0
TOTALS	361,732	352,096,967	23,465	$8,768,866.30	1.00	$ 4,718.99
		Allocated Total for additional interim amounts ==>				$ 4,718.99

Residential Class

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

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G22 above)	$ 1,717.74	$ -	$ 1,717.74
(B) RETAIL kWh in 2002	95,868,195		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000018		

General Service <50kW Class						
Regulatory Assets will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G23 above)	$ 316.07	$ -	$ 316.07			
(B) RETAIL kWh in 2002	24,950,945					
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000013					
General Service >50kW Class Non TOU						
Regulatory Assets will be recovered only in the distribution kW charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G24 above)	$ 304.40	$ -	$ 304.40			
(B) RETAIL KW in 2002	115,484					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.002636					
General Service >50kW ClassTOU						
Regulatory Assets will be recovered only in the distribution kW charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery (Total in Cell G25 above)	$ 26.59	$ -	$ 26.59			
(B) RETAIL KW in 2002	48,391					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B) (this amount is added to the kW rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.000550					

Sentinel Lighting Class						
Regulatory Assets will be recovered only in the distribution kW charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ 15.68	$ -	$ 15.68			
(Total in Cell G28 above)						
(B) RETAIL KW in 2002	1,343					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.011672					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
Streetlighting Class						
Regulatory Assets will be recovered only in the distribution kW charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ 24.05	$ -	$ 24.05			
(Total in Cell G29 above)						
(B) RETAIL KW in 2002	5,838					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.004119					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
Un-metered Scattered Loads						
Regulatory Assets will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ -	$ -	$ -			
(Total in Cell G22 above)						
(B) RETAIL kWh in 2002	0					
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)	#DIV/0!					
(this amount is added to the kWh rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						

Residential Class - Suburban						
Regulatory Assets will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ 1,304.05	$ -	$ 1,304.05			
(Total in Cell G22 above)						
(B) RETAIL kWh in 2002	81,549,095					
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)	$0.000016					
(this amount is added to the kWh rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
General Service <50kW Class - Suburban						
Regulatory Assets will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ 363.21	$ -	$ 363.21			
(Total in Cell G23 above)						
(B) RETAIL kWh in 2002	21,405,058					
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)	$0.000017					
(this amount is added to the kWh rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
General Service >50kW Class Non TOU - Suburban						
Regulatory Assets will be recovered only in the distribution kW charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2002 ALLOCATED Interim Regulatory Asset Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ 647.21	$ -	$ 647.21			
(Total in Cell G24 above)						
(B) RETAIL KW in 2002	190,676					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.003394					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						

SHEET 6 - 2004 Rates including 2004 Recovery of Interim Regulatory Asset Amounts

NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.	**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager	**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca		
VERSION NUMBER	003a		
Date	01-Apr-04		

This schedule includes the 2004 distribution rates which have been adjusted for the recovery of interim Regulatory Asset Amounts if required to achieve the 25% Regulatory Asset threshold.

RESIDENTIAL	
DISTRIBUTION KWH RATE	$0.0167
MONTHLY SERVICE CHARGE (Per Customer)	$9.24
RESIDENTIAL (TIME OF USE)	
DISTRIBUTION KWH RATE	$0.0025
MONTHLY SERVICE CHARGE (Per Customer)	$0.00
GENERAL SERVICE < 50 KW	
DISTRIBUTION KWH RATE	$0.0154
MONTHLY SERVICE CHARGE (Per Customer)	$12.50
GENERAL SERVICE > 50 KW (NON TIME OF USE)	
DISTRIBUTION KW RATE	$4.7928
MONTHLY SERVICE CHARGE (Per Customer)	$23.76
GENERAL SERVICE > 50 KW (TIME OF USE)	
DISTRIBUTION KW RATE	$1.5212
MONTHLY SERVICE CHARGE (Per Customer)	$8.73
SENTINEL LIGHTS (NON TIME OF USE)	
DISTRIBUTION KW RATE	$2.5155
MONTHLY SERVICE CHARGE (Per Connection)	$1.19
STREET LIGHTING (NON TIME OF USE)	
DISTRIBUTION KW RATE	$2.5097
MONTHLY SERVICE CHARGE (Per Connection)	$1.04
Un-metered Scattered Loads	
DISTRIBUTION KWH RATE	#DIV/0!
MONTHLY SERVICE CHARGE (Per Customer)	$12.50
RESIDENTIAL - Suburban	
DISTRIBUTION KWH RATE	$0.0178
MONTHLY SERVICE CHARGE (Per Customer)	$10.61
GENERAL SERVICE < 50 KW - Suburban	
DISTRIBUTION KWH RATE	$0.0145
MONTHLY SERVICE CHARGE (Per Customer)	$12.84
GENERAL SERVICE > 50 KW (NON TIME OF USE) - Suburban	
DISTRIBUTION KW RATE	$4.7803
MONTHLY SERVICE CHARGE (Per Customer)	$23.67

SHEET 7 - Calculating Rate Increases using 2002 LDC Data and the 2004 PILs Proxy

NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.	**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager	**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca		
VERSION NUMBER	003a		
Date	01-Apr-04		

This schedule replicates the 2002 statistics from Sheet 3 which will be used to allocate the 2004 PILs proxy amount.
The PILS proxy amount is the same amount used for the PILs proxy in 2002.

The 2004 PILs Proxy will be allocated to the customer classes on the basis of distribution revenue.

Enter the 2002 PILs proxy amount as approved by the OEB in 2002 and shown on your 2002 RAM model at Sheet 8. $ 1,096,347.38

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2002 Dist. Rev. Shares	2004 PILs Proxy Allocations
RESIDENTIAL CLASS	-	95,868,195	11,814	$3,191,917.22	36.4%	399076.6819
GENERAL SERVICE <50 KW CLASS	-	24,950,945	956	$587,330.61	6.7%	73432.34014
GENERAL SERVICE >50 KW NON TIME OF USE	115,484	41,169,373	91	$565,641.80	6.5%	70720.64753
GENERAL SERVICE >50 KW TIME OF USE	48,391	16,755,349	4	$49,415.28	0.6%	6178.257334
Interval Metered	0	0	0	$0.00	0.0%	0
INTERMEDIATE USE	0	0	0	$0.00	0.0%	0
LARGE USER CLASS	0	0	0	$0.00	0.0%	0
SENTINEL LIGHTS	1,343	483,480	859	$29,128.95	0.3%	3641.912967
STREET LIGHTING CLASS	5,838	2,101,680	2,666	$44,681.65	0.5%	5586.424519
Un-metered Scattered Loads	-	0	0	$0.00	0.0%	0
RESIDENTIAL CLASS - Suburban	-	81,549,095	5,593	$2,423,193.24	27.6%	302965.2247
GENERAL SERVICE <50 KW CLASS - Suburban	-	21,405,058	1,392	$674,915.07	7.7%	84382.78568
GENERAL SERVICE >50 KW NON TIME OF USE-Suburban	190,676	67,813,792	90	$1,202,642.48	13.7%	150363.1007
RESIDENTIAL CLASS - Suburban Seasonal	-	0	0	$0.00	0.0%	0
TOTALS		352,096,967	23,465	$8,768,866.30	1.00	$ 1,096,347.38
		Allocated Total for additional interim amounts ==>				$ 1,096,347.38

Residential Class

The 2004 PILs proxy will be recovered only in the distribution kWh charge.

	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery
	Percentage	Percentage	
	1.000	0.000	100%
(A) ALLOCATED 2004 PILs Proxy Recovery (Total in Cell G22 above)	$ 399,076.68	$ -	$ 399,076.68
(B) RETAIL kWh in 2002	95,868,195		
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B) (this amount is added to the kWh rate shown on Sheet 2 and the total new rate appears on the Rate Schedule on Sheet 4)	$0.004163		

General Service <50kW Class						
The 2004 PILs proxy will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED 2004 PILs Proxy Recovery	$ 73,432.34	$ -	$ 73,432.34			
(Total in Cell G23 above)						
(B) RETAIL kWh in 2002	24,950,945					
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)	$0.002943					
(this amount is added to the kWh rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
General Service >50kW Class Non TOU						
The 2004 PILs proxy will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED 2004 PILs Proxy Recovery	$ 70,720.65	$ -	$ 70,720.65			
(Total in Cell G24 above)						
(B) RETAIL KW in 2002	115,484					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.612385					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
General Service >50kW ClassTOU						
The 2004 PILs proxy will be recovered only in the distribution kW charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED 2004 PILs Proxy Recovery	$ 6,178.26	$ -	$ 6,178.26			
(Total in Cell G25 above)						
(B) RETAIL KW in 2002	48,391					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.127674					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						

Sentinel Lighting Class						
The 2004 PILs proxy will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED 2004 PILs Proxy Recovery	$ 3,641.91	$ -	$ 3,641.91			
(Total in Cell G28 above)						
(B) RETAIL KW in 2002	1,343					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$2.711774					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
Streetlighting Class						
The 2004 PILs proxy will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED 2004 PILs Proxy Recovery	$ 5,586.42	$ -	$ 5,586.42			
(Total in Cell G29 above)						
(B) RETAIL KW in 2002	5,838					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.956907					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
Un-metered Scattered Loads						
Regulatory Assets will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ -	$ -	$ -			
(Total in Cell G22 above)						
(B) RETAIL kWh in 2002	0					
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)	#DIV/0!					
(this amount is added to the kWh rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						

Residential Class - Suburban						
Regulatory Assets will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ 302,965.22	$ -	$ 302,965.22			
(Total in Cell G22 above)						
(B) RETAIL kWh in 2002	81,549,095					
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)	$0.003715					
(this amount is added to the kWh rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
General Service <50kW Class - Suburban						
Regulatory Assets will be recovered only in the distribution kWh charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ 84,382.79	$ -	$ 84,382.79			
(Total in Cell G23 above)						
(B) RETAIL kWh in 2002	21,405,058					
(D) ADDITIONAL DISTRIBUTION KWH RATE ($/KWH) (A)/(B)	$0.003942					
(this amount is added to the kWh rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						
General Service >50kW Class Non TOU - Suburban						
Regulatory Assets will be recovered only in the distribution kW charge.						
	VARIABLE CHARGE RECOVERY	SERVICE CHARGE RECOVERY	TOTAL 2004 ALLOCATED PILs Proxy Recovery			
	Percentage	Percentage				
	1.000	0.000	100%			
(A) ALLOCATED Interim Regulatory Asset Recovery	$ 150,363.10	$ -	$ 150,363.10			
(Total in Cell G24 above)						
(B) RETAIL KW in 2002	190,676					
(D) ADDITIONAL DISTRIBUTION KW RATE ($/KW) (A)/(B)	$0.788579					
(this amount is added to the kW rate shown on Sheet 2 and						
the total new rate appears on the Rate Schedule on Sheet 4)						

SHEET 8 - 2004 Rates including Recovery of 2004 PILs					
NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.			**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager			**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca				
VERSION NUMBER	003a				
Date	01-Apr-04				
This schedule includes the 2004 distribution rates which have been adjusted for the recovery of 2004 PILs.					
RESIDENTIAL					
DISTRIBUTION KWH RATE	$0.0208				
MONTHLY SERVICE CHARGE (Per Customer)	$9.24				
RESIDENTIAL (TIME OF USE)					
DISTRIBUTION KWH RATE	$0.0067				
MONTHLY SERVICE CHARGE (Per Customer)	$0.00				
GENERAL SERVICE < 50 KW					
DISTRIBUTION KWH RATE	$0.0183				
MONTHLY SERVICE CHARGE (Per Customer)	$12.50				
GENERAL SERVICE > 50 KW (NON TIME OF USE)					
DISTRIBUTION KW RATE	$5.4052				
MONTHLY SERVICE CHARGE (Per Customer)	$23.76				
GENERAL SERVICE > 50 KW (TIME OF USE)					
DISTRIBUTION KW RATE	$1.6489				
MONTHLY SERVICE CHARGE (Per Customer)	$8.73				
SENTINEL LIGHTS (NON TIME OF USE)					
DISTRIBUTION KW RATE	$5.2273				
MONTHLY SERVICE CHARGE (Per Connection)	$1.19				
STREET LIGHTING (NON TIME OF USE)					
DISTRIBUTION KW RATE	$3.4666				
MONTHLY SERVICE CHARGE (Per Connection)	$1.04				
Un-metered Scattered Loads					
DISTRIBUTION KWH RATE	#DIV/0!				
MONTHLY SERVICE CHARGE (Per Customer)	$12.50				
RESIDENTIAL - Suburban					
DISTRIBUTION KWH RATE	$0.0215				
MONTHLY SERVICE CHARGE (Per Customer)	$10.61				
GENERAL SERVICE < 50 KW - Suburban					
DISTRIBUTION KWH RATE	$0.0184				
MONTHLY SERVICE CHARGE (Per Customer)	$12.84				
GENERAL SERVICE > 50 KW (NON TIME OF USE) - Suburban					
DISTRIBUTION KW RATE	$5.5689				
MONTHLY SERVICE CHARGE (Per Customer)	$23.67				

SHEET 9 - Adjustment to Maintain the Current Service Charge Level

NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.	**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager	**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca		
VERSION NUMBER	003a		
Date	01-Apr-04		

This sheet adjusts the resulting fixed Monthly Service Charge to maintain the charge at current levels.
The kWh distribution rate is then adjusted to maintain revenue neutrality in the class.

Input the current approved Monthly Service Charge in the following table at Column E.

2002 Statistics by Class	kW	kWh	Number of Customers (Connections)	Current Approved Fixed Charge
RESIDENTIAL CLASS	-	95,868,195	11,814	$11.66
GENERAL SERVICE <50 KW CLASS	-	24,950,945	956	$15.79
GENERAL SERVICE >50 KW NON TIME OF USE	115,484	41,169,373	91	$29.50
GENERAL SERVICE >50 KW TIME OF USE	48,391	16,755,349	4	$9.24
Interval Metered	0	0	0	$0.00
INTERMEDIATE USE	0	0	0	$0.00
LARGE USER CLASS	0	0	0	$0.00
SENTINEL LIGHTS	1,343	483,480	859	$1.64
STREET LIGHTING CLASS	5,838	2,101,680	2,666	$1.18
Un-metered Scattered Loads	-	0	0	$15.79
RESIDENTIAL CLASS - Suburban	-	81,549,095	5,593	$13.31
GENERAL SERVICE <50 KW CLASS - Suburban	-	21,405,058	1,392	$17.02
GENERAL SERVICE >50 KW NON TIME OF USE-Suburban	190,676	67,813,792	90	$29.99
RESIDENTIAL CLASS - Suburban Seasonal	-	0	0	$0.00
TOTALS		352,096,967	23,465	

Residential Class

Revenue from Current Monthly Service Charge		$1,653,015	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$1,309,588	
Difference		$343,427	
Variable Rate Adjustment	$/kWh	$ 0.0036	
Adjusted Variable Rate	$/kWh		$ 0.0173

Residential Class (Time of Use)

Revenue from Current Monthly Service Charge		$1,653,015	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$1,309,588	
Difference		$343,427	
Variable Rate Adjustment	$/kWh	$ 0.0036	
Adjusted Variable Rate	$/kWh		$ 0.0031

General Service <50 kW Class

Revenue from Current Monthly Service Charge		$181,143	
Revenue from Calculated Monthly Service Charge (Sheet 8)		$143,432	
Difference		$37,711	
Variable Rate Adjustment	$/kWh	$ 0.0015	

Adjusted Variable Rate	$/kWh		$ 0.0168			
General Service >50 kW Class (Non Time of Use)						
Revenue from Current Monthly Service Charge		$32,214				
Revenue from Calculated Monthly Service Charge (Sheet 8)		$25,945				
Difference		$6,269				
Variable Rate Adjustment	$/kW	$ 0.0543				
Adjusted Variable Rate	$/kW		$ 5.3509			
General Service >50 kW Class (Time of Use)						
Revenue from Current Monthly Service Charge		$444				
Revenue from Calculated Monthly Service Charge (Sheet 8)		$419				
Difference		$25				
Variable Rate Adjustment	$/kW	$ 0.0005				
Adjusted Variable Rate	$/kW		$ 1.6484			
SENTINEL LIGHTS (NON TIME OF USE)						
Revenue from Current Monthly Service Charge		$16,905				
Revenue from Calculated Monthly Service Charge (Sheet 8)		$12,312				
Difference		$4,593				
Variable Rate Adjustment	$/kW	3.420126533				
Adjusted Variable Rate	$/kW		$ 1.8072			
Streetlighting (Non Time of Use)						
Revenue from Current Monthly Service Charge		$37,751				
Revenue from Calculated Monthly Service Charge (Sheet 8)		$33,307				
Difference		$4,443				
Variable Rate Adjustment	$/kW	0.7611				
Adjusted Variable Rate	$/kW		$ 2.7055			
Un-metered Scattered Loads						
Revenue from Current Monthly Service Charge		$0				
Revenue from Calculated Monthly Service Charge (Sheet 8)		$0				
Difference		$0				
Variable Rate Adjustment	$/kWh	#DIV/0!				
Adjusted Variable Rate	$/kWh		#DIV/0!			

RESIDENTIAL - Suburban						
Revenue from Current Monthly Service Charge		$893,314				
Revenue from Calculated Monthly Service Charge (Sheet 8)		$711,952				
Difference		$181,362				
Variable Rate Adjustment	$/kWh	0.0022240				
Adjusted Variable Rate	$/kWh		0.019266057			
GENERAL SERVICE < 50 KW - Suburban						
Revenue from Current Monthly Service Charge		$284,302				
Revenue from Calculated Monthly Service Charge (Sheet 8)		$214,510				
Difference		$69,792				
Variable Rate Adjustment	$/kWh	0.003260534				
Adjusted Variable Rate	$/kWh		0.015169383			
GENERAL SERVICE > 50 KW (NON TIME OF USE) - Suburban						
Revenue from Current Monthly Service Charge		$32,389				
Revenue from Calculated Monthly Service Charge (Sheet 8)		$25,562				
Difference		$6,827				
Variable Rate Adjustment	$/kW	0.035803963				
Adjusted Variable Rate	$/kW		5.533049579			

		HALDIMAND COUNTY HYDRO INC.			RP-2004-0052
		Schedule of Distribution Rates and Charges			EB-2004-0038
		Effective April 1, 2004 until February 28, 2005			
LDCs may amend this schedule to reflect the rate classes that apply in their specific					
service territory.					
RESIDENTIAL					
		Monthly Service Charge		(per month)	$11.66
		Distribution Volumetric Rate		(per kWh)	$0.0173
RESIDENTIAL (Time of Use)					
		Monthly Service Charge		(per month)	$11.66
		Distribution Volumetric Rate		(per kWh)	$0.0031
GENERAL SERVICE < 50 KW					
		Monthly Service Charge		(per month)	$15.79
		Distribution Volumetric Rate		(per kWh)	$0.0168
GENERAL SERVICE > 50 KW (Non Time of Use)					
		Monthly Service Charge		(per month)	$29.50
		Distribution Volumetric Rate		(per kW)	$5.3509
GENERAL SERVICE > 50 KW (Time of Use)					
		Monthly Service Charge		(per month)	$9.24
		Distribution Volumetric Rate		(per kW)	$1.6484
SENTINEL LIGHTS (Non Time of Use)					
		Monthly Service Charge		(per month)	$1.64
		Distribution Volumetric Rate		(per kW)	$1.8072
STREET LIGHTING (Non Time of Use)					
		Monthly Service Charge		(per month)	$1.18
		Distribution Volumetric Rate		(per kW)	$2.7055
Un-metered Scattered Loads					
Billed at General Service <50 kW rates					
		Monthly Service Charge		(per month)	$15.79
		Distribution Volumetric Rate		(per kWh)	$0.0168

HALDIMAND COUNTY HYDRO INC.

Schedule of Distribution Rates and Charges

Effective April 1, 2004 until February 28, 2005

(continued)

RESIDENTIAL - Suburban			
Monthly Service Charge	(per month)		$13.31
Distribution Volumetric Rate	(per kWh)		$0.0193
GENERAL SERVICE < 50 KW - Suburban			
Monthly Service Charge	(per month)		$17.02
Distribution Volumetric Rate	(per kWh)		$0.0152
GENERAL SERVICE > 50 KW (NON TIME OF USE) - Suburban			
Monthly Service Charge	(per month)		$29.99
Distribution Volumetric Rate	(per kW)		$5.5330
SPECIFIC SERVICE CHARGES			
ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES HERE (as on Sheet 2)			
Customer Administration			
Account set-up Charge		$	8.80
Arrears Certificate		$	10.50
Non-payment of account			
Late Penalty (Overdue Account Interest Charge) on unpaid balance	(per month)		1.5%
	(per annum)		19.56%
Returned Cheque - Actual Bank Charges plus		$	13.00
Collection of Account Charge		$	9.00
Disconnect/Reconnect Charges (non payment of account)			
During Regular Hours		$	20.00
During After Hours		$	50.00
Credits			
Transformer ownership allowance(for connections prior	per kW	$	0.60

Bill Impact Analysis for 2004 Rate Schedule after Regulatory Asset and 2004 PILs Adjustments

(commodity price constant)

NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.	**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager	**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca		
VERSION NUMBER	003a		
Date	01-Apr-04		

This schedule provides an estimate of bill impacts using the 2004 Rate Schedule which includes the Regulatory Asset Recovery and the 2004 PILs amount.
The 2004 bill does not include the new tiered commodity rate that will come into effect on April 1, 2004.

Note: Enter your current kWh rates, not the rates on Sheet 2.

Enter your Current Distribution kWh Charge.

Monthly Service Charge is Transferred from Sheet 9

RESIDENTIAL CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)					
ENTER DESIRED CONSUMPTION LEVEL		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	100	0.0178	$ 1.78	DISTRIBUTION kWh	100	0.0173	$ 1.73		
	OTHER CHARGES kWh	100	0.0239	$ 2.39	OTHER CHARGES kWh	100	0.0239	$ 2.39		
	COST OF POWER kWh	100	0.0430	$ 4.30	COST OF POWER kWh	100	0.0430	$ 4.30		
	CURRENT 2003 BILL			$ 20.13	Adjusted 2004 BILL			$ 20.08	$ (0.05)	-0.3%
MONTHLY CONSUMPTION OF		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	250	0.0178	$ 4.45	DISTRIBUTION kWh	250	0.0173	$ 4.32		
	OTHER CHARGES kWh	250	0.0239	$ 5.98	OTHER CHARGES kWh	250	0.0239	$ 5.98		
	COST OF POWER kWh	250	0.0430	$ 10.75	COST OF POWER kWh	250	0.0430	$ 10.75		
	CURRENT 2003 BILL			$ 32.84	Adjusted 2004 BILL			$ 32.70	$ (0.13)	-0.4%
MONTHLY CONSUMPTION OF		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	500	0.0178	$ 8.90	DISTRIBUTION kWh	500	0.0173	$ 8.63		
	OTHER CHARGES kWh	500	0.0239	$ 11.95	OTHER CHARGES kWh	500	0.0239	$ 11.95		
	COST OF POWER kWh	500	0.0430	$ 21.50	COST OF POWER kWh	500	0.0430	$ 21.50		
	CURRENT 2003 BILL			$ 54.01	Adjusted 2004 BILL			$ 53.74	$ (0.27)	-0.5%
MONTHLY CONSUMPTION OF		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	750	0.0178	$ 13.35	DISTRIBUTION kWh	750	0.0173	$ 12.95		
	OTHER CHARGES kWh	750	0.0239	$ 17.93	OTHER CHARGES kWh	750	0.0239	$ 17.93		
	COST OF POWER kWh	750	0.0430	$ 32.25	COST OF POWER kWh	750	0.0430	$ 32.25		
	CURRENT 2003 BILL			$ 75.19	Adjusted 2004 BILL			$ 74.78	$ (0.40)	-0.5%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
1000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	1000	0.0178	$ 17.80	DISTRIBUTION kWh	1000	0.0173	$ 17.26		
	OTHER CHARGES kWh	1000	0.0239	$ 23.90	OTHER CHARGES kWh	1000	0.02390	$ 23.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	1000	0.0430	$ 43.00		
	CURRENT 2003 BILL			$ 96.36	Adjusted 2004 BILL			$ 95.82	$ (0.54)	-0.6%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
1500 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	1500	0.0178	$ 26.70	DISTRIBUTION kWh	1500	0.0173	$ 25.89		
	OTHER CHARGES kWh	1500	0.0239	$ 35.85	OTHER CHARGES kWh	1500	0.0239	$ 35.85		
	COST OF POWER kWh	1500	0.0430	$ 64.50	COST OF POWER kWh	1500	0.0430	$ 64.50		
	CURRENT 2003 BILL			$ 138.71	Adjusted 2004 BILL			$ 137.90	$ (0.81)	-0.6%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	2000	0.0178	$ 35.60	DISTRIBUTION kWh	2000	0.0173	$ 34.53		
	OTHER CHARGES kWh	2000	0.0239	$ 47.80	OTHER CHARGES kWh	2000	0.0239	$ 47.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	2000	0.0430	$ 86.00		
	CURRENT 2003 BILL			$ 181.06	Adjusted 2004 BILL			$ 179.99	$ (1.07)	-0.6%

GENERAL SERVICE < 50 KW

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

CURRENT 2003 BILL — **2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)**

ENTER DESIRED CONSUMPTION LEVEL

1000 kWh		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	1000	0.0162	$ 16.20	DISTRIBUTION kWh	1000	0.0168	$ 16.79		
	OTHER CHARGES kWh	1000	0.0229	$ 22.90	OTHER CHARGES kWh	1000	0.0229	$ 22.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	1000	0.0430	$ 43.00		
	CURRENT 2003 BILL			$ 97.89	Adjusted 2004 BILL			$ 98.48	$ 0.59	0.6%

MONTHLY CONSUMPTION		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	2000	0.0162	$ 32.40	DISTRIBUTION kWh	2000	0.0168	$ 33.57		
	OTHER CHARGES kWh	2000	0.0229	$ 45.80	OTHER CHARGES kWh	2000	0.0229	$ 45.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	2000	0.0430	$ 86.00		
	CURRENT 2003 BILL			$ 179.99	Adjusted 2004 BILL			$ 181.16	$ 1.17	0.7%

MONTHLY CONSUMPTION		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
5000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	5000	0.0162	$ 81.00	DISTRIBUTION kWh	5000	0.0168	$ 83.94		
	OTHER CHARGES kWh	5000	0.0229	$ 114.50	OTHER CHARGES kWh	5000	0.0229	$ 114.50		
	COST OF POWER kWh	5000	0.0430	$ 215.00	COST OF POWER kWh	5000	0.0430	$ 215.00		
	CURRENT 2003 BILL			$ 426.29	Adjusted 2004 BILL			$ 429.23	$ 2.94	0.7%

MONTHLY CONSUMPTION		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
10,000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	10000	0.0162	$ 162.00	DISTRIBUTION kWh	10000	0.0168	$ 167.87		
	OTHER CHARGES kWh	10000	0.0229	$ 229.00	OTHER CHARGES kWh	10000	0.0229	$ 229.00		
	COST OF POWER kWh	10000	0.0430	$ 430.00	COST OF POWER kWh	10000	0.0430	$ 430.00		
	CURRENT 2003 BILL			$ 836.79	Adjusted 2004 BILL			$ 842.66	$ 5.87	0.7%

MONTHLY CONSUMPTION		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
15,000 KWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	15000	0.0162	$ 243.00	DISTRIBUTION kWh	15000	0.0168	$ 251.81		
	OTHER CHARGES kWh	15000	0.0229	$ 343.50	OTHER CHARGES kWh	15000	0.0229	$ 343.50		
	COST OF POWER kWh	15000	0.0430	$ 645.00	COST OF POWER kWh	15000	0.0430	$ 645.00		
	CURRENT 2003 BILL			$ 1,247.29	Adjusted 2004 BILL			$ 1,256.10	$ 8.81	0.7%

GENERAL SERVICE > 50 KW NON TIME OF USE

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $3.91/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.

Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility Consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)					
ENTER DESIRED CONSUMPTION LEVEL										
		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$29.50	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION kW	60	4.5087	$ 270.52	DISTRIBUTION kW	60	5.3509	$ 321.06		
	OTHER CHARGES kW	60	3.9100	$ 234.60	OTHER CHARGES kW	60	3.9100	$ 234.60		
	OTHER CHARGES kWh	15,000	0.0132	$ 198.00	OTHER CHARGES kWh	15,000	0.0132	$ 198.00		
	COST OF POWER kWh	15,000	0.0550	$ 825.00	COST OF POWER kWh	15,000	0.0550	$ 825.00		
	CURRENT 2003 BILL			$ 1,557.62	Adjusted 2004 BILL			$ 1,608.16	$ 50.53	3.2%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
100kW, 40,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION kW	100	4.5087	$ 450.87	DISTRIBUTION kW	100	5.3509	$ 535.09		
	OTHER CHARGES kW	100	3.9100	$ 391.00	OTHER CHARGES kW	100	3.9100	$ 391.00		
	OTHER CHARGES kWh	40,000	0.0132	$ 528.00	OTHER CHARGES kWh	40,000	0.0132	$ 528.00		
	COST OF POWER kWh	40,000	0.0550	$ 2,200.00	COST OF POWER kWh	40,000	0.0550	$ 2,200.00		
	CURRENT 2003 BILL			$ 3,599.37	Adjusted 2004 BILL			$ 3,683.59	$ 84.22	2.3%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
500kW, 100,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION kW	500	4.5087	$ 2,254.35	DISTRIBUTION kW	500	5.3509	$ 2,675.47		
	OTHER CHARGES kW	500	3.9100	$ 1,955.00	OTHER CHARGES kW	500	3.9100	$ 1,955.00		
	OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00	OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00		
	COST OF POWER kWh	100,000	0.0550	$ 5,500.00	COST OF POWER kWh	100,000	0.0550	$ 5,500.00		
	CURRENT 2003 BILL			$ 11,058.85	Adjusted 2004 BILL			$ 11,479.97	$ 421.12	3.8%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
1000kW, 400,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION kW	1000	4.5087	$ 4,508.70	DISTRIBUTION kW	1000	5.3509	$ 5,350.93		
	OTHER CHARGES kW	1000	3.9100	$ 3,910.00	OTHER CHARGES kW	1000	3.9100	$ 3,910.00		
	OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00	OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00		
	COST OF POWER kWh	400,000	0.0550	$ 22,000.00	COST OF POWER kWh	400,000	0.0550	$ 22,000.00		
	CURRENT 2003 BILL			$ 35,728.20	Adjusted 2004 BILL			$ 36,570.43	$ 842.23	2.4%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,000,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION kW	3000	4.5087	$ 13,526.10	DISTRIBUTION kW	3000	5.3509	$ 16,052.80		
	OTHER CHARGES kW	3000	3.9100	$ 11,730.00	OTHER CHARGES kW	3000	3.9100	$ 11,730.00		
	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00		
	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00		
	CURRENT 2003 BILL			$ 93,485.60	Adjusted 2004 BILL			$ 96,012.30	$ 2,526.70	2.7%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,800,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.50		
	DISTRIBUTION kW	4000	4.5087	$ 18,034.80	DISTRIBUTION kW	4000	5.35093	$ 21,403.73		
	OTHER CHARGES kW	4000	3.9100	$ 15,640.00	OTHER CHARGES kW	4000	3.9100	$ 15,640.00		
	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00		
	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00		
	CURRENT 2003 BILL			$ 156,464.30	Adjusted 2004 BILL			$ 159,833.23	$ 3,368.93	2.2%

GENERAL SERVICE >50 KW TIME OF USE

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $4.2138/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.

Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility Consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)					
ENTER DESIRED CONSUMPTION LEVEL										
		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$9.24	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24		
	DISTRIBUTION kW	60	0.7086	$ 42.52	DISTRIBUTION kW	60	1.6484	$ 98.90		
	OTHER CHARGES kW	60	4.2138	$ 252.83	OTHER CHARGES kW	60	4.2138	$ 252.83		
	OTHER CHARGES kWh	15,000	0.0132	$ 198.00	OTHER CHARGES kWh	15,000	0.0132	$ 198.00		
	COST OF POWER kWh	15,000	0.0550	$ 825.00	COST OF POWER kWh	15,000	0.0550	$ 825.00		
	CURRENT 2003 BILL			$ 1,327.58	Adjusted 2004 BILL			$ 1,383.97	$ 56.39	4.2%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
100kW, 40,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%

	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24				
	DISTRIBUTION kW	100	0.7086	$ 70.86	DISTRIBUTION kW	100	1.6484	$ 164.84				
	OTHER CHARGES kW	100	4.2138	$ 421.38	OTHER CHARGES kW	100	4.2138	$ 421.38				
	OTHER CHARGES kWh	40,000	0.0132	$ 528.00	OTHER CHARGES kWh	40,000	0.0132	$ 528.00				
	COST OF POWER kWh	40,000	0.0550	$ 2,200.00	COST OF POWER kWh	40,000	0.0550	$ 2,200.00				
	CURRENT 2003 BILL			$ 3,229.48	Adjusted 2004 BILL			$ 3,323.46	$ 93.98	2.9%		
MONTHLY CONSUMPTION		**kW/kWh**	**RATE**	**CHARGE**		**kW/kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**		
500kW, 100,000kWh		**(enter)**	**$kW/kWh**	**$**			**$kW/kWh**	**$**	**DOLLARS**	**%**		
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24				
	DISTRIBUTION kW	500	0.7086	$ 354.30	DISTRIBUTION kW	500	1.6484	$ 824.19				
	OTHER CHARGES kW	500	4.2138	$ 2,106.90	OTHER CHARGES kW	500	4.2138	$ 2,106.90				
	OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00	OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00				
	COST OF POWER kWh	100,000	0.0550	$ 5,500.00	COST OF POWER kWh	100,000	0.0550	$ 5,500.00				
	CURRENT 2003 BILL			$ 9,290.44	Adjusted 2004 BILL			$ 9,760.33	$ 469.89	5.1%		
MONTHLY CONSUMPTION		**kW/kWh**	**RATE**	**CHARGE**		**kW/kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**		
1000kW, 400,000kWh		**(enter)**	**$kW/kWh**	**$**			**$kW/kWh**	**$**	**DOLLARS**	**%**		
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24				
	DISTRIBUTION kW	1000	0.7086	$ 708.60	DISTRIBUTION kW	1000	1.6484	$ 1,648.39				
	OTHER CHARGES kW	1000	4.2138	$ 4,213.80	OTHER CHARGES kW	1000	4.2138	$ 4,213.80				
	OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00	OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00				
	COST OF POWER kWh	400,000	0.0550	$ 22,000.00	COST OF POWER kWh	400,000	0.0550	$ 22,000.00				
	CURRENT 2003 BILL			$ 32,211.64	Adjusted 2004 BILL			$ 33,151.43	$ 939.79	2.9%		
MONTHLY CONSUMPTION		**kW/kWh**	**RATE**	**CHARGE**		**kW/kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**		
3,000kW, 1,000,000kWh		**(enter)**	**$kW/kWh**	**$**			**$kW/kWh**	**$**	**DOLLARS**	**%**		
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24				
	DISTRIBUTION kW	3000	0.7086	$ 2,125.80	DISTRIBUTION kW	3000	1.6484	$ 4,945.16				
	OTHER CHARGES kW	3000	4.2138	$ 12,641.40	OTHER CHARGES kW	3000	4.2138	$ 12,641.40				
	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00				
	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00				
	CURRENT 2003 BILL			$ 82,976.44	Adjusted 2004 BILL			$ 85,795.80	$ 2,819.36	3.4%		
MONTHLY CONSUMPTION		**kW/kWh**	**RATE**	**CHARGE**		**kW/kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**		
4,000kW, 1,800,000kWh		**(enter)**	**$kW/kWh**	**$**			**$kW/kWh**	**$**	**DOLLARS**	**%**		
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24	MONTHLY SERVICE CHARGE	n/a	n/a	$ 9.24				
	DISTRIBUTION kW	4000	0.7086	$ 2,834.40	DISTRIBUTION kW	4000	1.64839	$ 6,593.54				
	OTHER CHARGES kW	4000	4.2138	$ 16,855.20	OTHER CHARGES kW	4000	4.2138	$ 16,855.20				
	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00				
	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00				
	CURRENT 2003 BILL			$ 142,458.84	Adjusted 2004 BILL			$ 146,217.98	$ 3,759.14	2.6%		

Un-metered Scattered Loads

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)					
ENTER DESIRED CONSUMPTION LEVEL	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
DISTRIBUTION kWh	100	0.0162	$ 1.62		DISTRIBUTION kWh	100	0.0168	$ 1.68		
OTHER CHARGES kWh	100	0.0239	$ 2.39		OTHER CHARGES kWh	100	0.0239	$ 2.39		
COST OF POWER kWh	100	0.0430	$ 4.30		COST OF POWER kWh	100	0.0430	$ 4.30		
CURRENT 2003 BILL			$ 24.10		Adjusted 2004 BILL			$ 24.16	$ 0.06	0.2%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
DISTRIBUTION kWh	250	0.0162	$ 4.05		DISTRIBUTION kWh	250	0.0168	$ 4.20		
OTHER CHARGES kWh	250	0.0239	$ 5.98		OTHER CHARGES kWh	250	0.0239	$ 5.98		
COST OF POWER kWh	250	0.0430	$ 10.75		COST OF POWER kWh	250	0.0430	$ 10.75		
CURRENT 2003 BILL			$ 36.57		Adjusted 2004 BILL			$ 36.71	$ 0.15	0.4%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
DISTRIBUTION kWh	500	0.0162	$ 8.10		DISTRIBUTION kWh	500	0.0168	$ 8.39		
OTHER CHARGES kWh	500	0.0239	$ 11.95		OTHER CHARGES kWh	500	0.0239	$ 11.95		
COST OF POWER kWh	500	0.0430	$ 21.50		COST OF POWER kWh	500	0.0430	$ 21.50		
CURRENT 2003 BILL			$ 57.34		Adjusted 2004 BILL			$ 57.63	$ 0.29	0.5%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
DISTRIBUTION kWh	750	0.0162	$ 12.15		DISTRIBUTION kWh	750	0.0168	$ 12.59		
OTHER CHARGES kWh	750	0.0239	$ 17.93		OTHER CHARGES kWh	750	0.0239	$ 17.93		
COST OF POWER kWh	750	0.0430	$ 32.25		COST OF POWER kWh	750	0.0430	$ 32.25		
CURRENT 2003 BILL			$ 78.12		Adjusted 2004 BILL			$ 78.56	$ 0.44	0.6%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
DISTRIBUTION kWh	1000	0.0162	$ 16.20		DISTRIBUTION kWh	1000	0.0168	$ 16.79		
OTHER CHARGES kWh	1000	0.0239	$ 23.90		OTHER CHARGES kWh	1000	0.02390	$ 23.90		
COST OF POWER kWh	1000	0.0430	$ 43.00		COST OF POWER kWh	1000	0.0430	$ 43.00		
CURRENT 2003 BILL			$ 98.89		Adjusted 2004 BILL			$ 99.48	$ 0.59	0.6%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1500 kWh	**(enter)**	**$/kWh**	**$**				**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
DISTRIBUTION kWh	1500	0.0162	$ 24.30		DISTRIBUTION kWh	1500	0.0168	$ 25.18		
OTHER CHARGES kWh	1500	0.0239	$ 35.85		OTHER CHARGES kWh	1500	0.0239	$ 35.85		
COST OF POWER kWh	1500	0.0430	$ 64.50		COST OF POWER kWh	1500	0.0430	$ 64.50		
CURRENT 2003 BILL			$ 140.44		Adjusted 2004 BILL			$ 141.32	$ 0.88	0.6%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**			**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**

2000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	2000	0.0162	$ 32.40	DISTRIBUTION kWh	2000	0.0168	$ 33.57		
	OTHER CHARGES kWh	2000	0.0239	$ 47.80	OTHER CHARGES kWh	2000	0.0239	$ 47.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	2000	0.0430	$ 86.00		
	CURRENT 2003 BILL			$ 181.99	Adjusted 2004 BILL			$ 183.16	$ 1.17	0.6%

RESIDENTIAL - Suburban

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)					
ENTER DESIRED CONSUMPTION LEVEL		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
100 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	100	0.0189	$ 1.89	DISTRIBUTION kWh	100	0.0193	$ 1.93		
	OTHER CHARGES kWh	100	0.0239	$ 2.39	OTHER CHARGES kWh	100	0.0239	$ 2.39		
	COST OF POWER kWh	100	0.0430	$ 4.30	COST OF POWER kWh	100	0.0430	$ 4.30		
	CURRENT 2003 BILL			$ 21.89	Adjusted 2004 BILL			$ 21.93	$ 0.04	0.2%
MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
250 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	250	0.0189	$ 4.73	DISTRIBUTION kWh	250	0.0193	$ 4.82		
	OTHER CHARGES kWh	250	0.0239	$ 5.98	OTHER CHARGES kWh	250	0.0239	$ 5.98		
	COST OF POWER kWh	250	0.0430	$ 10.75	COST OF POWER kWh	250	0.0430	$ 10.75		
	CURRENT 2003 BILL			$ 34.76	Adjusted 2004 BILL			$ 34.85	$ 0.09	0.3%
MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
500 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	500	0.0189	$ 9.45	DISTRIBUTION kWh	500	0.0193	$ 9.63		
	OTHER CHARGES kWh	500	0.0239	$ 11.95	OTHER CHARGES kWh	500	0.0239	$ 11.95		
	COST OF POWER kWh	500	0.0430	$ 21.50	COST OF POWER kWh	500	0.0430	$ 21.50		
	CURRENT 2003 BILL			$ 56.21	Adjusted 2004 BILL			$ 56.39	$ 0.18	0.3%
MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
750 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	750	0.0189	$ 14.18	DISTRIBUTION kWh	750	0.0193	$ 14.45		
	OTHER CHARGES kWh	750	0.0239	$ 17.93	OTHER CHARGES kWh	750	0.0239	$ 17.93		
	COST OF POWER kWh	750	0.0430	$ 32.25	COST OF POWER kWh	750	0.0430	$ 32.25		
	CURRENT 2003 BILL			$ 77.66	Adjusted 2004 BILL			$ 77.93	$ 0.27	0.4%

MONTHLY CONSUMPTION OF 1000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	1000	0.0189	$ 18.90	DISTRIBUTION kWh	1000	0.0193	$ 19.27		
	OTHER CHARGES kWh	1000	0.0239	$ 23.90	OTHER CHARGES kWh	1000	0.02390	$ 23.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	1000	0.0430	$ 43.00		
	CURRENT 2003 BILL			$ 99.11	Adjusted 2004 BILL			$ 99.48	$ 0.37	0.4%

MONTHLY CONSUMPTION OF 1500 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	1500	0.0189	$ 28.35	DISTRIBUTION kWh	1500	0.0193	$ 28.90		
	OTHER CHARGES kWh	1500	0.0239	$ 35.85	OTHER CHARGES kWh	1500	0.0239	$ 35.85		
	COST OF POWER kWh	1500	0.0430	$ 64.50	COST OF POWER kWh	1500	0.0430	$ 64.50		
	CURRENT 2003 BILL			$ 142.01	Adjusted 2004 BILL			$ 142.56	$ 0.55	0.4%

MONTHLY CONSUMPTION OF 2000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	2000	0.0189	$ 37.80	DISTRIBUTION kWh	2000	0.0193	$ 38.53		
	OTHER CHARGES kWh	2000	0.0239	$ 47.80	OTHER CHARGES kWh	2000	0.0239	$ 47.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	2000	0.0430	$ 86.00		
	CURRENT 2003 BILL			$ 184.91	Adjusted 2004 BILL			$ 185.64	$ 0.73	0.4%

GENERAL SERVICE < 50 KW - Suburban

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

CURRENT 2003 BILL — **2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)**

ENTER DESIRED CONSUMPTION LEVEL

1000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION kWh	1000	0.0146	$ 14.60	DISTRIBUTION kWh	1000	0.0152	$ 15.17		
	OTHER CHARGES kWh	1000	0.0229	$ 22.90	OTHER CHARGES kWh	1000	0.0229	$ 22.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	1000	0.0430	$ 43.00		
	CURRENT 2003 BILL			$ 97.52	Adjusted 2004 BILL			$ 98.09	$ 0.57	0.6%

MONTHLY CONSUMPTION 2000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION kWh	2000	0.0146	$ 29.20	DISTRIBUTION kWh	2000	0.0152	$ 30.34		
	OTHER CHARGES kWh	2000	0.0229	$ 45.80	OTHER CHARGES kWh	2000	0.0229	$ 45.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	2000	0.0430	$ 86.00		
	CURRENT 2003 BILL			$ 178.02	Adjusted 2004 BILL			$ 179.16	$ 1.14	0.6%

MONTHLY CONSUMPTION 5000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION kWh	5000	0.0146	$ 73.00	DISTRIBUTION kWh	5000	0.0152	$ 75.85		
	OTHER CHARGES kWh	5000	0.0229	$ 114.50	OTHER CHARGES kWh	5000	0.0229	$ 114.50		
	COST OF POWER kWh	5000	0.0430	$ 215.00	COST OF POWER kWh	5000	0.0430	$ 215.00		
	CURRENT 2003 BILL			$ 419.52	Adjusted 2004 BILL			$ 422.37	$ 2.85	0.7%

MONTHLY CONSUMPTION 10,000 kWh		kWh (enter)	RATE $/kWh	CHARGE $		kWh	RATE $/kWh	CHARGE $	IMPACT DOLLARS	IMPACT %

	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02			
	DISTRIBUTION kWh	10000	0.0146	$ 146.00	DISTRIBUTION kWh	10000	0.0152	$ 151.69			
	OTHER CHARGES kWh	10000	0.0229	$ 229.00	OTHER CHARGES kWh	10000	0.0229	$ 229.00			
	COST OF POWER kWh	10000	0.0430	$ 430.00	COST OF POWER kWh	10000	0.0430	$ 430.00			
	CURRENT 2003 BILL			$ 822.02	Adjusted 2004 BILL			$ 827.71	$ 5.69	0.7%	
MONTHLY CONSUMPTION		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**	
15,000 KWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**	
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02			
	DISTRIBUTION kWh	15000	0.0146	$ 219.00	DISTRIBUTION kWh	15000	0.0152	$ 227.54			
	OTHER CHARGES kWh	15000	0.0229	$ 343.50	OTHER CHARGES kWh	15000	0.0229	$ 343.50			
	COST OF POWER kWh	15000	0.0430	$ 645.00	COST OF POWER kWh	15000	0.0430	$ 645.00			
	CURRENT 2003 BILL			$ 1,224.52	Adjusted 2004 BILL			$ 1,233.06	$ 8.54	0.7%	

GENERAL SERVICE > 50 KW (NON TIME OF USE) - Suburban

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $3.91/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003. You may have more accurate estimates for your utility Consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				**2004 BILL (25% of Regulatory Assets, 2004 PILs & Constant Commodity Price)**					
ENTER DESIRED CONSUMPTION LEVEL										
		kW/kWh	**RATE**	**CHARGE**		**kW/kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
		(enter)	**$kW/kWh**	**$**			**$kW/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$29.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
	DISTRIBUTION kW	60	4.9189	$ 295.13	DISTRIBUTION kW	60	5.5330	$ 331.98		
	OTHER CHARGES kW	60	3.9100	$ 234.60	OTHER CHARGES kW	60	3.9100	$ 234.60		
	OTHER CHARGES kWh	15,000	0.0132	$ 198.00	OTHER CHARGES kWh	15,000	0.0132	$ 198.00		
	COST OF POWER kWh	15,000	0.0550	$ 825.00	COST OF POWER kWh	15,000	0.0550	$ 825.00		
	CURRENT 2003 BILL			$ 1,582.72	Adjusted 2004 BILL			$ 1,619.57	$ 36.85	2.3%
MONTHLY CONSUMPTION		**kW/kWh**	**RATE**	**CHARGE**		**kW/kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100kW, 40,000kWh		**(enter)**	**$kW/kWh**	**$**			**$kW/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
	DISTRIBUTION kW	100	4.9189	$ 491.89	DISTRIBUTION kW	100	5.5330	$ 553.30		
	OTHER CHARGES kW	100	3.9100	$ 391.00	OTHER CHARGES kW	100	3.9100	$ 391.00		
	OTHER CHARGES kWh	40,000	0.0132	$ 528.00	OTHER CHARGES kWh	40,000	0.0132	$ 528.00		
	COST OF POWER kWh	40,000	0.0550	$ 2,200.00	COST OF POWER kWh	40,000	0.0550	$ 2,200.00		
	CURRENT 2003 BILL			$ 3,640.88	Adjusted 2004 BILL			$ 3,702.29	$ 61.41	1.7%
MONTHLY CONSUMPTION		**kW/kWh**	**RATE**	**CHARGE**		**kW/kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500kW, 100,000kWh		**(enter)**	**$kW/kWh**	**$**			**$kW/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
	DISTRIBUTION kW	500	4.9189	$ 2,459.45	DISTRIBUTION kW	500	5.5330	$ 2,766.52		
	OTHER CHARGES kW	500	3.9100	$ 1,955.00	OTHER CHARGES kW	500	3.9100	$ 1,955.00		
	OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00	OTHER CHARGES kWh	100,000	0.0132	$ 1,320.00		
	COST OF POWER kWh	100,000	0.0550	$ 5,500.00	COST OF POWER kWh	100,000	0.0550	$ 5,500.00		
	CURRENT 2003 BILL			$ 11,264.44	Adjusted 2004 BILL			$ 11,571.51	$ 307.07	2.7%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
1000kW, 400,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
	DISTRIBUTION kW	1000	4.9189	$ 4,918.90	DISTRIBUTION kW	1000	5.5330	$ 5,533.05		
	OTHER CHARGES kW	1000	3.9100	$ 3,910.00	OTHER CHARGES kW	1000	3.9100	$ 3,910.00		
	OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00	OTHER CHARGES kWh	400,000	0.0132	$ 5,280.00		
	COST OF POWER kWh	400,000	0.0550	$ 22,000.00	COST OF POWER kWh	400,000	0.0550	$ 22,000.00		
	CURRENT 2003 BILL			$ 36,138.89	Adjusted 2004 BILL			$ 36,753.04	$ 614.15	1.7%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
3,000kW, 1,000,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
	DISTRIBUTION kW	3000	4.9189	$ 14,756.70	DISTRIBUTION kW	3000	5.5330	$ 16,599.15		
	OTHER CHARGES kW	3000	3.9100	$ 11,730.00	OTHER CHARGES kW	3000	3.9100	$ 11,730.00		
	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00	OTHER CHARGES kWh	1,000,000	0.0132	$ 13,200.00		
	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00	COST OF POWER kWh	1,000,000	0.0550	$ 55,000.00		
	CURRENT 2003 BILL			$ 94,716.69	Adjusted 2004 BILL			$ 96,559.14	$ 1,842.45	1.9%

MONTHLY CONSUMPTION		kW/kWh	RATE	CHARGE		kW/kWh	RATE	CHARGE	IMPACT	IMPACT
4,000kW, 1,800,000kWh		(enter)	$kW/kWh	$			$kW/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99	MONTHLY SERVICE CHARGE	n/a	n/a	$ 29.99		
	DISTRIBUTION kW	4000	4.9189	$ 19,675.60	DISTRIBUTION kW	4000	5.53305	$ 22,132.20		
	OTHER CHARGES kW	4000	3.9100	$ 15,640.00	OTHER CHARGES kW	4000	3.9100	$ 15,640.00		
	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00	OTHER CHARGES kWh	1,800,000	0.0132	$ 23,760.00		
	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00	COST OF POWER kWh	1,800,000	0.0550	$ 99,000.00		
	CURRENT 2003 BILL			$ 158,105.59	Adjusted 2004 BILL			$ 160,562.19	$ 2,456.60	1.6%

Bill Impact Analysis for 2004 Rate Schedule after Regulatory Asset and 2004 PILs Adjustments

(commodity price increase on April 1, 2004)

NAME OF UTILITY	HALDIMAND COUNTY HYDRO INC.	**LICENCE NUMBER**	ED-2002-0539
NAME OF CONTACT	JACQUELINE SCOTT, Finance Manager	**PHONE NUMBER**	905-765-5344
E- Mail Address	jscott@hchydro.ca		
VERSION NUMBER	003a		
Date	01-Apr-04		

This schedule provides an estimate of bill impacts using the 2004 Rate Schedule which includes the Regulatory Asset Recovery and the 2004 PILs amount.
The 2004 bill also includes the new tiered commodity rate that will come into effect on April 1, 2004.

Note: All Rates are transferred from Sheets 10 and 11.

RESIDENTIAL CLASS

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and
Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

NON-TIME OF USE

CURRENT 2003 BILL				**2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)**					
ENTER DESIRED CONSUMPTION LEVEL	**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
100 kWh	**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
DISTRIBUTION kWh	100	0.0178	$ 1.78	DISTRIBUTION kWh	100	0.0173	$ 1.73		
OTHER CHARGES kWh	100	0.0239	$ 2.39	OTHER CHARGES kWh	100	0.0239	$ 2.39		
COST OF POWER kWh	100	0.0430	$ 4.30	COST OF POWER kWh	100	0.0470	$ 4.70		
CURRENT 2003 BILL			$ 20.13	Adjusted 2004 BILL			$ 20.48	$ 0.35	1.7%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
250 kWh	**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
DISTRIBUTION kWh	250	0.0178	$ 4.45	DISTRIBUTION kWh	250	0.0173	$ 4.32		
OTHER CHARGES kWh	250	0.0239	$ 5.98	OTHER CHARGES kWh	250	0.0239	$ 5.98		
COST OF POWER kWh	250	0.0430	$ 10.75	COST OF POWER kWh	250	0.0470	$ 11.75		
CURRENT 2003 BILL			$ 32.84	Adjusted 2004 BILL			$ 33.70	$ 0.87	2.6%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
500 kWh	**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
DISTRIBUTION kWh	500	0.0178	$ 8.90	DISTRIBUTION kWh	500	0.0173	$ 8.63		
OTHER CHARGES kWh	500	0.0239	$ 11.95	OTHER CHARGES kWh	500	0.0239	$ 11.95		
COST OF POWER kWh	500	0.0430	$ 21.50	COST OF POWER kWh	500	0.0470	$ 23.50		
CURRENT 2003 BILL			$ 54.01	Adjusted 2004 BILL			$ 55.74	$ 1.73	3.2%
MONTHLY CONSUMPTION OF	**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
750 kWh	**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
DISTRIBUTION kWh	750	0.0178	$ 13.35	DISTRIBUTION kWh	750	0.0173	$ 12.95		
OTHER CHARGES kWh	750	0.0239	$ 17.93	OTHER CHARGES kWh	750	0.0239	$ 17.93		
COST OF POWER kWh	750	0.0430	$ 32.25	COST OF POWER kWh	750	0.0470	$ 35.25		
CURRENT 2003 BILL			$ 75.19	Adjusted 2004 BILL			$ 77.78	$ 2.60	3.5%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
1000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	1000	0.0178	$ 17.80	DISTRIBUTION kWh	1000	0.0173	$ 17.26		
	OTHER CHARGES kWh	1000	0.0239	$ 23.90	OTHER CHARGES kWh	1000	0.02390	$ 23.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	250	0.0550	$ 13.75		
	CURRENT 2003 BILL			$ 96.36	Adjusted 2004 BILL			$ 101.82	$ 5.46	5.7%
MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
1500 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	1500	0.0178	$ 26.70	DISTRIBUTION kWh	1500	0.0173	$ 25.89		
	OTHER CHARGES kWh	1500	0.0239	$ 35.85	OTHER CHARGES kWh	1500	0.0239	$ 35.85		
	COST OF POWER kWh	1500	0.0430	$ 64.50	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	750	0.0550	$ 41.25		
	CURRENT 2003 BILL			$ 138.71	Adjusted 2004 BILL			$ 149.90	$ 11.19	8.1%
MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66	MONTHLY SERVICE CHARGE	n/a	n/a	$ 11.66		
	DISTRIBUTION kWh	2000	0.0178	$ 35.60	DISTRIBUTION kWh	2000	0.0173	$ 34.53		
	OTHER CHARGES kWh	2000	0.0239	$ 47.80	OTHER CHARGES kWh	2000	0.0239	$ 47.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	1250	0.0550	$ 68.75		
	CURRENT 2003 BILL			$ 181.06	Adjusted 2004 BILL			$ 197.99	$ 16.93	9.3%

GENERAL SERVICE < 50 KW

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)					
MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
1000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	1000	0.0162	$ 16.20	DISTRIBUTION kWh	1000	0.01679	$ 16.79		
	OTHER CHARGES kWh	1000	0.0229	$ 22.90	OTHER CHARGES kWh	1000	0.0229	$ 22.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	250	0.0550	$ 13.75		
	CURRENT 2003 BILL			$ 97.89	Adjusted 2004 BILL			$ 104.48	$ 6.59	6.7%
MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	2000	0.0162	$ 32.40	DISTRIBUTION kWh	2000	0.0168	$ 33.57		
	OTHER CHARGES kWh	2000	0.0229	$ 45.80	OTHER CHARGES kWh	2000	0.0229	$ 45.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	1250	0.0550	$ 68.75		
	CURRENT 2003 BILL			$ 179.99	Adjusted 2004 BILL			$ 199.16	$ 19.17	10.7%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
5000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	5000	0.0162	$ 81.00	DISTRIBUTION kWh	5000	0.0168	$ 83.94		
	OTHER CHARGES kWh	5000	0.0229	$ 114.50	OTHER CHARGES kWh	5000	0.0229	$ 114.50		
	COST OF POWER kWh	5000	0.0430	$ 215.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	4250	0.0550	$ 233.75		
	CURRENT 2003 BILL			$ 426.29	Adjusted 2004 BILL			$ 483.23	$ 56.94	13.4%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
10000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	10000	0.0162	$ 162.00	DISTRIBUTION kWh	10000	0.0168	$ 167.87		
	OTHER CHARGES kWh	10000	0.0229	$ 229.00	OTHER CHARGES kWh	10000	0.0229	$ 229.00		
	COST OF POWER kWh	10000	0.0430	$ 430.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	9250	0.0550	$ 508.75		
	CURRENT 2003 BILL			$ 836.79	Adjusted 2004 BILL			$ 956.66	$ 119.87	14.3%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
15000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	15000	0.0162	$ 243.00	DISTRIBUTION kWh	15000	0.0168	$ 251.81		
	OTHER CHARGES kWh	15000	0.0229	$ 343.50	OTHER CHARGES kWh	15000	0.0229	$ 343.50		
	COST OF POWER kWh	15000	0.0430	$ 645.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	14250	0.0550	$ 783.75		
	CURRENT 2003 BILL			$ 1,247.29	Adjusted 2004 BILL			$ 1,430.10	$ 182.81	14.7%

Un-metered Scattered Loads

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)					
MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
1000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	1000	0.0162	$ 16.20	DISTRIBUTION kWh	1000	0.01679	$ 16.79		
	OTHER CHARGES kWh	1000	0.0229	$ 22.90	OTHER CHARGES kWh	1000	0.0229	$ 22.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	250	0.0550	$ 13.75		
	CURRENT 2003 BILL			$ 97.89	Adjusted 2004 BILL			$ 104.48	$ 6.59	6.7%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	2000	0.0162	$ 32.40	DISTRIBUTION kWh	2000	0.0168	$ 33.57		
	OTHER CHARGES kWh	2000	0.0229	$ 45.80	OTHER CHARGES kWh	2000	0.0229	$ 45.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	1250	0.0550	$ 68.75		
	CURRENT 2003 BILL			$ 179.99	Adjusted 2004 BILL			$ 199.16	$ 19.17	10.7%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
5000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	5000	0.0162	$ 81.00	DISTRIBUTION kWh	5000	0.0168	$ 83.94		
	OTHER CHARGES kWh	5000	0.0229	$ 114.50	OTHER CHARGES kWh	5000	0.0229	$ 114.50		
	COST OF POWER kWh	5000	0.0430	$ 215.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	4250	0.0550	$ 233.75		
	CURRENT 2003 BILL			$ 426.29	Adjusted 2004 BILL			$ 483.23	$ 56.94	13.4%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
10000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	10000	0.0162	$ 162.00	DISTRIBUTION kWh	10000	0.0168	$ 167.87		
	OTHER CHARGES kWh	10000	0.0229	$ 229.00	OTHER CHARGES kWh	10000	0.0229	$ 229.00		
	COST OF POWER kWh	10000	0.0430	$ 430.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	9250	0.0550	$ 508.75		
	CURRENT 2003 BILL			$ 836.79	Adjusted 2004 BILL			$ 956.66	$ 119.87	14.3%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
15000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79	MONTHLY SERVICE CHARGE	n/a	n/a	$ 15.79		
	DISTRIBUTION kWh	15000	0.0162	$ 243.00	DISTRIBUTION kWh	15000	0.0168	$ 251.81		
	OTHER CHARGES kWh	15000	0.0229	$ 343.50	OTHER CHARGES kWh	15000	0.0229	$ 343.50		
	COST OF POWER kWh	15000	0.0430	$ 645.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	14250	0.0550	$ 783.75		
	CURRENT 2003 BILL			$ 1,247.29	Adjusted 2004 BILL			$ 1,430.10	$ 182.81	14.7%

RESIDENTIAL CLASS - Suburban

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

NON-TIME OF USE — **CURRENT 2003 BILL** — **2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)**

ENTER DESIRED CONSUMPTION LEVEL		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
100 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	100	0.0189	$ 1.89	DISTRIBUTION kWh	100	0.0193	$ 1.93		
	OTHER CHARGES kWh	100	0.0239	$ 2.39	OTHER CHARGES kWh	100	0.0239	$ 2.39		
	COST OF POWER kWh	100	0.0430	$ 4.30	COST OF POWER kWh	100	0.0470	$ 4.70		
	CURRENT 2003 BILL			$ 21.89	Adjusted 2004 BILL			$ 22.33	$ 0.44	2.0%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
250 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	250	0.0189	$ 4.73	DISTRIBUTION kWh	250	0.0193	$ 4.82		
	OTHER CHARGES kWh	250	0.0239	$ 5.98	OTHER CHARGES kWh	250	0.0239	$ 5.98		
	COST OF POWER kWh	250	0.0430	$ 10.75	COST OF POWER kWh	250	0.0470	$ 11.75		
	CURRENT 2003 BILL			$ 34.76	Adjusted 2004 BILL			$ 35.85	$ 1.09	3.1%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
500 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	500	0.0189	$ 9.45	DISTRIBUTION kWh	500	0.0193	$ 9.63		
	OTHER CHARGES kWh	500	0.0239	$ 11.95	OTHER CHARGES kWh	500	0.0239	$ 11.95		
	COST OF POWER kWh	500	0.0430	$ 21.50	COST OF POWER kWh	500	0.0470	$ 23.50		
	CURRENT 2003 BILL			$ 56.21	Adjusted 2004 BILL			$ 58.39	$ 2.18	3.9%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
750 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	750	0.0189	$ 14.18	DISTRIBUTION kWh	750	0.0193	$ 14.45		
	OTHER CHARGES kWh	750	0.0239	$ 17.93	OTHER CHARGES kWh	750	0.0239	$ 17.93		
	COST OF POWER kWh	750	0.0430	$ 32.25	COST OF POWER kWh	750	0.0470	$ 35.25		
	CURRENT 2003 BILL			$ 77.66	Adjusted 2004 BILL			$ 80.93	$ 3.27	4.2%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
1000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	1000	0.0189	$ 18.90	DISTRIBUTION kWh	1000	0.0193	$ 19.27		
	OTHER CHARGES kWh	1000	0.0239	$ 23.90	OTHER CHARGES kWh	1000	0.02390	$ 23.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	250	0.0550	$ 13.75		
	CURRENT 2003 BILL			$ 99.11	Adjusted 2004 BILL			$ 105.48	$ 6.37	6.4%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
1500 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	1500	0.0189	$ 28.35	DISTRIBUTION kWh	1500	0.0193	$ 28.90		
	OTHER CHARGES kWh	1500	0.0239	$ 35.85	OTHER CHARGES kWh	1500	0.0239	$ 35.85		
	COST OF POWER kWh	1500	0.0430	$ 64.50	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	750	0.0550	$ 41.25		
	CURRENT 2003 BILL			$ 142.01	Adjusted 2004 BILL			$ 154.56	$ 12.55	8.8%

MONTHLY CONSUMPTION OF		kWh	RATE	CHARGE		kWh	RATE	CHARGE	IMPACT	IMPACT
2000 kWh		(enter)	$/kWh	$			$/kWh	$	DOLLARS	%
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31	MONTHLY SERVICE CHARGE	n/a	n/a	$ 13.31		
	DISTRIBUTION kWh	2000	0.0189	$ 37.80	DISTRIBUTION kWh	2000	0.0193	$ 38.53		
	OTHER CHARGES kWh	2000	0.0239	$ 47.80	OTHER CHARGES kWh	2000	0.0239	$ 47.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	1250	0.0550	$ 68.75		
	CURRENT 2003 BILL			$ 184.91	Adjusted 2004 BILL			$ 203.64	$ 18.73	10.1%

GENERAL SERVICE < 50 KW - Suburban

For the purpose of this estimate, **Other Charges** include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.
In addition, consumption has not been adjusted for line losses.

	CURRENT 2003 BILL				2004 BILL (25% of Regulatory Assets, 2004 PILs & Tiered Commodity Price)					
MONTHLY CONSUMPTION OF		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
1000 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION kWh	1000	0.0146	$ 14.60	DISTRIBUTION kWh	1000	0.01517	$ 15.17		
	OTHER CHARGES kWh	1000	0.0229	$ 22.90	OTHER CHARGES kWh	1000	0.0229	$ 22.90		
	COST OF POWER kWh	1000	0.0430	$ 43.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	250	0.0550	$ 13.75		
	CURRENT 2003 BILL			$ 97.52	Adjusted 2004 BILL			$ 104.09	$ 6.57	6.7%
MONTHLY CONSUMPTION OF		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
2000 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION kWh	2000	0.0146	$ 29.20	DISTRIBUTION kWh	2000	0.0152	$ 30.34		
	OTHER CHARGES kWh	2000	0.0229	$ 45.80	OTHER CHARGES kWh	2000	0.0229	$ 45.80		
	COST OF POWER kWh	2000	0.0430	$ 86.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	1250	0.0550	$ 68.75		
	CURRENT 2003 BILL			$ 178.02	Adjusted 2004 BILL			$ 197.16	$ 19.14	10.8%
MONTHLY CONSUMPTION OF		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
5000 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION kWh	5000	0.0146	$ 73.00	DISTRIBUTION kWh	5000	0.0152	$ 75.85		
	OTHER CHARGES kWh	5000	0.0229	$ 114.50	OTHER CHARGES kWh	5000	0.0229	$ 114.50		
	COST OF POWER kWh	5000	0.0430	$ 215.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	4250	0.0550	$ 233.75		
	CURRENT 2003 BILL			$ 419.52	Adjusted 2004 BILL			$ 476.37	$ 56.85	13.6%
MONTHLY CONSUMPTION OF		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
10000 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION kWh	10000	0.0146	$ 146.00	DISTRIBUTION kWh	10000	0.0152	$ 151.69		
	OTHER CHARGES kWh	10000	0.0229	$ 229.00	OTHER CHARGES kWh	10000	0.0229	$ 229.00		
	COST OF POWER kWh	10000	0.0430	$ 430.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	9250	0.0550	$ 508.75		
	CURRENT 2003 BILL			$ 822.02	Adjusted 2004 BILL			$ 941.71	$ 119.69	14.6%
MONTHLY CONSUMPTION OF		**kWh**	**RATE**	**CHARGE**		**kWh**	**RATE**	**CHARGE**	**IMPACT**	**IMPACT**
15000 kWh		**(enter)**	**$/kWh**	**$**			**$/kWh**	**$**	**DOLLARS**	**%**
	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02	MONTHLY SERVICE CHARGE	n/a	n/a	$ 17.02		
	DISTRIBUTION kWh	15000	0.0146	$ 219.00	DISTRIBUTION kWh	15000	0.0152	$ 227.54		
	OTHER CHARGES kWh	15000	0.0229	$ 343.50	OTHER CHARGES kWh	15000	0.0229	$ 343.50		
	COST OF POWER kWh	15000	0.0430	$ 645.00	COST OF POWER kWh	750	0.0470	$ 35.25		
					COST OF POWER kWh	14250	0.0550	$ 783.75		
	CURRENT 2003 BILL			$ 1,224.52	Adjusted 2004 BILL			$ 1,407.06	$ 182.54	14.9%

		HALDIMAND COUNTY HYDRO INC.			RP-2004-0052
		Schedule of Distribution Rates and Charges			EB-2004-0038
		Effective April 1, 2004 until February 28, 2005			
LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.					
RESIDENTIAL					
		Monthly Service Charge		(per month)	$11.66
		Distribution Volumetric Rate		(per kWh)	$0.0173
GENERAL SERVICE < 50 KW					
		Monthly Service Charge		(per month)	$15.79
		Distribution Volumetric Rate		(per kWh)	$0.0168
GENERAL SERVICE > 50 KW (Non Time of Use)					
		Monthly Service Charge		(per month)	$29.50
		Distribution Volumetric Rate		(per kW)	$5.3509
GENERAL SERVICE > 50 KW (Time of Use)					
		Monthly Service Charge		(per month)	$9.24
		Distribution Volumetric Rate		(per kW)	$1.6484
SENTINEL LIGHTS (Non Time of Use)					
		Monthly Service Charge		(per month)	$1.64
		Distribution Volumetric Rate		(per kW)	$1.8072
STREET LIGHTING (Non Time of Use)					
		Monthly Service Charge		(per month)	$1.18
		Distribution Volumetric Rate		(per kW)	$2.7055
Un-metered Scattered Loads					
Billed at General Service <50 kW rates					
		Monthly Service Charge		(per month)	$15.79
		Distribution Volumetric Rate		(per kWh)	$0.0168

		HALDIMAND COUNTY HYDRO INC.			RP-2004-0052
		Schedule of Distribution Rates and Charges			EB-2004-0038
		Effective April 1, 2004 until February 28, 2005			
RESIDENTIAL - Suburban					
		Monthly Service Charge		(per month)	$13.31
		Distribution Volumetric Rate		(per kWh)	$0.0193
GENERAL SERVICE < 50 KW - Suburban					
		Monthly Service Charge		(per month)	$17.02
		Distribution Volumetric Rate		(per kWh)	$0.0152
GENERAL SERVICE > 50 KW (NON TIME OF USE) - Suburban					
		Monthly Service Charge		(per month)	$29.99
		Distribution Volumetric Rate		(per kW)	$5.5330
SPECIFIC SERVICE CHARGES					
ADD 2002 OEB APPROVED SPECIFIC SERVICE CHARGES HERE (as on Sheet 2)					
Customer Administration					
Account set-up Charge				$	8.80
Arrears Certificate				$	10.50
Non-payment of account					
Late Penalty (Overdue Account Interest Charge) on unpaid balance			(per month)		1.5%
			(per annum)		19.56%
Returned Cheque - Actual Bank Charges plus				$	13.00
Collection of Account Charge				$	9.00
Disconnect/Reconnect Charges (non payment of account)					
During Regular Hours				$	20.00
During After Hours				$	50.00
Credits					
Transformer ownership allowance(for connections prior to Jan 1, 2001)			per kW	$	0.60

1 Copy for JA, 2nd EG, DA
2 ori's to JS for fb

Ontario Energy Board
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Ontario

April 14, 2004

Lloyd Payne
President & CEO
Haldimand County Hydro Inc.
1 Greendale Drive
Caledonia ON
N3W 2J3

Dear Mr. Payne:

Re: Distribution Rate Application - RP-2004-0052/EB-2004-0242
Board Decision and Order on Motion to Vary and Interim Rate Schedule

Attached is the Board's Decision and Order on Motion to Vary and Interim Rate Schedule with respect to the above application and an executed copy is enclosed herewith.

Yours truly,

P. O'Dell

Peter H. O'Dell
Assistant Secretary

4.16.04
cc: Sherry
Sabrina
Desiree
Rob

cc. Intervenors of record

RECEIVED APR 15 2004

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2004-0052
EB-2004-0242

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

AND IN THE MATTER OF an application by Haldimand County Hydro Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On March 12, 2004 the Ontario Energy Board ("the Board") issued a Decision and Order regarding the distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

On April 8, 2004 Haldimand County Hydro Inc. filed a Motion to Vary the Board's Decision, citing errors in the 2002 statistical data used as the basis for the application. Specifically, the Applicant had made errors in reporting the demand amounts included in the General Service >50 kW - Urban, the General Service >50 kW - Suburban and the General Service >50 kW Time of Use classes. In addition, the Applicant had made errors in reporting the energy amounts included in the Sentinel Lights, the Street Lighting and the General Service >50 kW Time of Use classes.

The Applicant has further indicated that no customers have been billed at the rates approved by the Board on March 12, 2004.

In light of the above, the Board finds that there was an error of fact in its original order and that it is in the public interest to approve or fix rates that reflect correct statistical data. The Board also notes that the proposed new rates are consistent with the Board's guidelines for recovery of Regulatory Assets.

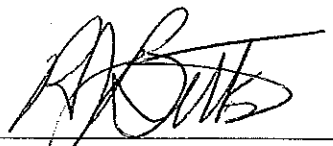
THE BOARD ORDERS THAT:

1) The rate schedule attached to the March 12, 2004 Decision and Order is replaced by the attached rate schedule, approved on an interim basis, effective March 1, 2004, to be implemented on April 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2004 implementation date, the new rates shall be implemented with the first billing cycle for electricity taken or considered to have been taken from April 1, 2004.

2) The Applicant shall notify its customers of the rate changes by including the brochure provided by the Board through a different process, no later than with the first customer bill reflecting the new rates, and provide to the Board samples of any other notices sent by the Applicant to its customers with respect to the rate changes. The Board expects the Applicant to provide notice to all customers about the rate changes, no later than with the first bill reflecting the new rates.

DATED at Toronto, April 14, 2004

ONTARIO ENERGY BOARD
Signed on behalf of the panel



Bob Betts
Presiding Member

INTERIM RATES

Haldimand County Hydro Inc. RP-2004-0052

Schedule of Changed Distribution Rates and Charges EB-2004-0242

Effective Date: March 1, 2004

Implementation Date: April 1, 2004

RESIDENTIAL - URBAN

Monthly Service Charge	(per month)	$11.66
Distribution Volumetric Rate	(per kWh)	$0.0173

RESIDENTIAL - SUBURBAN

Monthly Service Charge	(per month)	$13.31
Distribution Volumetric Rate	(per kWh)	$0.0193

GENERAL SERVICE < 50 KW - URBAN

Monthly Service Charge	(per month)	$15.79
Distribution Volumetric Rate	(per kWh)	$0.0168

GENERAL SERVICE < 50 KW - SUBURBAN

Monthly Service Charge	(per month)	$17.02
Distribution Volumetric Rate	(per kWh)	$0.0152

GENERAL SERVICE > 50 KW - URBAN

Monthly Service Charge	(per month)	$29.50
Distribution Volumetric Rate	(per kW)	$5.3509

GENERAL SERVICE > 50 KW - SUBURBAN

Monthly Service Charge	(per month)	$29.99
Distribution Volumetric Rate	(per kW)	$5.5330

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$9.24
Distribution Volumetric Rate	(per kW)	$1.6484

INTERIM RATES
Haldimand County Hydro Inc. RP-2004-0052
Schedule of Changed Distribution Rates and Charges EB-2004-0242
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

SENTINEL LIGHTS

Monthly Service Charge	(per month)	$1.64
Distribution Volumetric Rate	(per kW)	$1.8072

STREET LIGHTING

Monthly Service Charge	(per connection)	$1.18
Distribution Volumetric Rate	(per kW)	$2.7055

UN-METERED SCATTERED LOADS

All non-metered loads including billboards, traffic signals, bus kiosks, cable power supplies and pay telephone booths are to be billed on an individual location basis under General Service less than 50 kilowatt rates. Usage to be measured using kilowatts as estimated or determined by portable meters and kilowatthours as determined by the number of hours per day of operation.

Ontario Energy Board
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Ontario

"Original" Decision + Order

March 12, 2004

Lloyd Payne
President & CEO
Haldimand County Hydro Inc.
1 Greendale Drive
Caledonia ON
N3W 2J3

Dear Mr. Payne:

Re: Distribution Rate Application
Board Decision and Order and Interim Rate Schedule

Attached is the Board's Decision and Order and Interim Rate Schedule with respect to your company's distribution rate application regarding the partial recovery of Regulatory Assets.

Yours truly,

P. O'Dell

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record

Copy for JS, JA, EG, DA, NM
orig to LD.

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Ontario

FACSIMILE/TÉLÉCOPIE

DATE: April 1, 2004

NAME: Lloyd Payne

COMPANY: Haldimand County Hydro Inc.

Rate Adjustments

FAX NO. & CITY: 1-905-765-5316

FROM: Peter O'Dell

FILE NO. _____

FAX NO. (416) 440-7656

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Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2004-0052
EB-2004-0038

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

AND IN THE MATTER OF an Application by Haldimand County Hydro Inc. for an order or orders approving or fixing just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On January 15, 2004 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

The Applicant filed an application for such adjustment. Notice of the proceeding was published on February 5, 2004 in major newspapers in the province.

While the Board had originally intended to approve the disposal of RSVA amounts on a final basis, on analysis of the applications by distributors and the reporting of RSVA amounts in these applications, the Board has now determined that all rate changes should be interim. In the Board's view, it would be premature to set these rates final based on the quality of the data contained in many of the applications and the fact that the audit sampling process by the Board has not been completed.

The Board received some interventions in these proceedings, mainly concerned with Phase Two of the process. The only intervenor to make specific submissions on Phase One of the proceeding was the School Energy Coalition, ("SEC") who objected to any interim increase in rates over and above the RSVA amounts on the basis that appropriate

evidence had not been filed on these amounts. The Board is not convinced by SEC's arguments and sees no reason that Phase One cannot proceed. Phase One only contemplates partial recovery on an interim basis at this time. In Phase Two, the Board will review all applications to ensure that only prudent and reasonably incurred costs are recovered over the four year period mandated by the Minister.

In light of the above, the Board finds that it is in the public interest to order as follows.

THE BOARD ORDERS THAT:

1) The rate schedule attached is approved on an interim basis, effective March 1, 2004, to be implemented on April 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2004 implementation date, the new rates shall be implemented with the first billing cycle for electricity taken or considered to have been taken from April 1, 2004.

2) The Applicant shall notify its customers of the rate changes by including the brochure provided by the Board through a different process, no later than with the first customer bill reflecting the new rates, and provide to the Board samples of any other notices sent by the Applicant to its customers with respect to the rate changes. The Board expects the Applicant to provide notice to all customers about the rate changes, no later than with the first bill reflecting the new rates.

DATED at Toronto, March 12, 2004

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Secretary

Interim Rates
Haldimand County Hydro Inc.
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0052
EB-2004-0038

RESIDENTIAL - URBAN		
Monthly Service Charge	(per month)	$11.66
Distribution Volumetric Rate	(per kWh)	$0.0170
RESIDENTIAL - SUBURBAN		
Monthly Service Charge	(per month)	$13.31
Distribution Volumetric Rate	(per kWh)	$0.0190
GENERAL SERVICE < 50 KW - URBAN		
Monthly Service Charge	(per month)	$15.79
Distribution Volumetric Rate	(per kWh)	$0.0166
GENERAL SERVICE < 50 KW - SUBURBAN		
Monthly Service Charge	(per month)	$17.02
Distribution Volumetric Rate	(per kWh)	$0.0149
GENERAL SERVICE > 50 KW - URBAN		
Monthly Service Charge	(per month)	$29.50
Distribution Volumetric Rate	(per kW)	$5.0994
GENERAL SERVICE > 50 KW - SUBURBAN		
Monthly Service Charge	(per month)	$29.99
Distribution Volumetric Rate	(per kW)	$4.8060
GENERAL SERVICE > 50 KW (Time of Use)		
Monthly Service Charge	(per month)	$9.24
Distribution Volumetric Rate	(per kW)	$1.3490
SENTINEL LIGHTS		
Monthly Service Charge	(per month)	$1.64
Distribution Volumetric Rate	(per kW)	$1.5026
STREET LIGHTING		
Monthly Service Charge	(per connection)	$1.18
Distribution Volumetric Rate	(per kW)	$2.2094

UNMETERED SCATTERED LOADS

All non-metered loads including billboards, traffic signals, bus kiosks, cable power supplies and pay telephone booths are to be billed on an individual location basis under General Service less than 50 kilowatt rates. Usage to be measured using kilowatts as estimated or determined by portable meters and kilowatthours as determined by the number of hours per day of operation.

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 4

2005 RAM Application
2005 PILs Proxy Model
Signed Decision & Rate Order (March 23, 2005)

2005 Rate Adjustment Model

Name of Utility:	**Haldimand County Hydro Inc.**
License Number:	**ED-2002-0539**
File Number:	**RP-2005-0013**
	EB-2005-0034
Name of Contact:	**Jacqueline Scott - Finance Manager**
E- Mail Address:	**jscott@hchydro.ca**
Phone Number:	**905-765-5211 Extension: 237**
Date:	**January 14, 2005**

Version Number: **2005.V1.0**

SHEET 1 - 2002 Base Rate Schedule

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Manager**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211 Extension: 237**	
Date:	**January 14, 2005**	

Enter the values for your 2002 Base Rates as shown on sheet 4 of the 2002 RAM or sheet 2 of the 2004 RAM.
Using the 2002 base rates removes the impact of 2004 interim Regulatory Assets and the 2004 PILs Proxy, added in the approved rates on April 1, 2004.

Adjustments to rate classes may be made if your LDC has non-standard classes.

RESIDENTIAL URBAN

Distribution kWh Rate	$0.0141
Monthly Service Charge (Per Customer)	$9.24

GENERAL SERVICE URBAN < 50 KW

Distribution kWh Rate	$0.0128
Monthly Service Charge (Per Customer)	$12.50

GENERAL SERVICE URBAN > 50 KW (NON TIME OF USE)

Distribution KW Rate	$3.8901
Monthly Service Charge (Per Customer)	$23.76

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	$0.6465
Monthly Service Charge (Per Customer)	$8.73

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	$1.5949
Monthly Service Charge (Per Connection)	$1.19

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	$1.5966
Monthly Service Charge (Per Connection)	$1.04

SHEET 1 - 2002 Base Rate Schedule

RESIDENTIAL SUBURBAN

Distribution kWh Rate	$0.0152
Monthly Service Charge (Per Customer)	$10.61

GENERAL SERVICE SUBURBAN < 50 KW

Distribution kWh Rate	$0.0119
Monthly Service Charge (Per Customer)	$12.84

GENERAL SERVICE SUBURBAN > 50 KW (NON TIME OF USE)

Distribution KW Rate	$3.8789
Monthly Service Charge (Per Customer)	$23.67

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Mar**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211** **Extension: 237**	
Date:	**January 14, 2005**	

Enter the final MARR installment calculated in the 2001 RUD Model	**$ 437,478.22**
Have you applied for approval of your C&DM plan?	**yes**
Enter the amount applied for your C&DM plan	**$ 437,478.22**
Has the C&DM application been approved?	**no**
Enter the final MARR installment *(based on Board-Approved C&DM plan or applied-for amount)*	**$ 437,478.22**

Grossed-up MARR based on 14 months recovery over 13 months. **$ 471,130.39**

Use the Table below to enter the 1999 data for your LDC from your approved 2001 RUD Model.
1999 Distribution Revenue Shares will be used to allocate the Board-Approved MARR Value to rate classes.
You may adjust the rate classes if your LDC has non-standard classes.

1999 Data by Class		kW		kWh	Number of Customers (Connections)	Distribution Revenues	1999 Distribution Shares	Allocation of Board-Approved MARR Value
Residential Class URBAN	-			84,316,557	11,499	$2,085,513	38.70%	$182,316
General Service URBAN < 50 KW Class	-			38,348,956	1,611	$618,261	11.47%	$54,048
General Service URBAN > 50 KW Non-Time of Use		110,793	-		108	$390,041	7.24%	$34,097
General Service > 50 KW Time of Use		28,601	-		4	$15,948	0.30%	$1,394
Intermediate Use		0	-		0	$0	0.00%	$0
Large Class User		-			0	$0	0.00%	$0
Sentinel Lights		1,758	-		834	$12,458	0.23%	$1,089
Street Lighting		5,721	-		1,276	$21,182	0.39%	$1,852
Residential Class SUBURBAN	-			71,168,780	5,204	$1,476,239	27.39%	$129,053
General Service SUBURBAN < 50 KW Class	-			27,142,799	895	$390,491	7.25%	$34,137
General Service SUBURBAN > 50 KW Non-Time of Use		110,843	-		68	$379,135	7.03%	$33,144
Residential Class SUBURBAN SEASONAL							0.00%	$0
TOTALS		**257,716**		**220,977,092**	**21,499**	**$5,389,265**	**100.00%**	**$471,130**
						Grossed-up MARR Value ==========>		**$471,130**

Note: LDCs must enter the fixed-variable split used on Sheet 13 (Sensitivity Analysis 2) of their 2001 Approved RUD Model.

Residential URBAN Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$182,316
(B) Fixed-Variable Split (%)	48.4%	51.6%	100%
(C) Re-Allocated MARR ($)	$88,241	$94,075	$182,316
(D) Number of kWh	84,316,557		
(E) Number of Customers		11,499	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0010		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.6818	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service URBAN < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$54,048
(B) Fixed-Variable Split (%)	67.0%	33.0%	100%
(C) Re-Allocated MARR ($)	$36,212	$17,836	$54,048
(D) Number of kWh	38,348,956		
(E) Number of Customers		1,611	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0009		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.9226	

General Service URBAN > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$34,097
(B) Fixed-Variable Split (%)	93.3%	6.7%	100%
(C) Re-Allocated MARR ($)	$31,813	$2,285	$34,097
(D) Number of kW	110,793		
(E) Number of Customers		108	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.2871		
(G) Incremental Monthly Service Charge (C)/(E)/12		$1.7628	

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$1,394
(B) Fixed-Variable Split (%)	97.8%	2.2%	100%
(C) Re-Allocated MARR ($)	$1,363	$31	$1,394
(D) Number of kW	28,601		
(E) Number of Customers		4	
(F) Incremental Distribution kW Rate ($/kW)	$0.0477		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.6390	

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$1,089
(B) Fixed-Variable Split (%)	19.0%	81.0%	100%
(C) Re-Allocated MARR ($)	$207	$882	$1,089
(D) Number of kW	1,758		
(E) Number of Customers		834	
(F) Incremental Distribution kW Rate ($/kW)	$0.1177		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.0881	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$1,852
(B) Fixed-Variable Split (%)	36.4%	63.6%	100%
(C) Re-Allocated MARR ($)	$674	$1,178	$1,852
(D) Number of kW	5,721		
(E) Number of Customers		1,276	
(F) Incremental Distribution kW Rate ($/kW)	$0.1178		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.0769	

Residential SUBURBAN Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$129,053
(B) Fixed-Variable Split (%)	62.1%	37.9%	100%
(C) Re-Allocated MARR ($)	$80,142	$48,911	$129,053
(D) Number of kWh	71,168,780		
(E) Number of Customers		5,204	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0011		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.7832	

General Service SUBURBAN < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$34,137
(B) Fixed-Variable Split (%)	70.2%	29.8%	100%
(C) Re-Allocated MARR ($)	$23,964	$10,173	$34,137
(D) Number of kWh	**27,142,799**		
(E) Number of Customers		895	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.0009		
(G) Incremental Monthly Service Charge (C)/(E)/12		$0.9472	

SHEET 2 - Calculating The Rate Increase Due To The Addition of 1/3 MARR

General Service SUBURBAN > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	Total Board-Approved MARR Recovery
(A) Allocated MARR			$33,144
(B) Fixed-Variable Split (%)	95.7%	4.3%	100%
(C) Re-Allocated MARR ($)	$31,719	$1,425	$33,144
(D) Number of kW	110,843		
(E) Number of Customers		68	
(F) Incremental Distribution kWh Rate ($/kWh)	$0.2862		
(G) Incremental Monthly Service Charge (C)/(E)/12		$1.7466	

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott -**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211 Extension: 237**	
Date:	**January 14, 2005**	

Residential URBAN Class

DISTRIBUTION KWH RATE	$0.0152
MONTHLY SERVICE CHARGE (Per Customer)	$9.92

General Service URBAN < 50 KW

DISTRIBUTION KWH RATE	$0.0138
MONTHLY SERVICE CHARGE (Per Customer)	$13.43

General Service URBAN > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE	$4.1773
MONTHLY SERVICE CHARGE (Per Customer)	$25.52

General Service > 50 KW (Time of Use)

DISTRIBUTION KW RATE	$0.6941
MONTHLY SERVICE CHARGE (Per Customer)	$9.37

Sentinel Lights (Non-Time of Use)

DISTRIBUTION KW RATE	$1.7126
MONTHLY SERVICE CHARGE (Per Connection)	$1.28

Street Lighting (Non-Time of Use)

DISTRIBUTION KW RATE	$1.7145
MONTHLY SERVICE CHARGE (Per Connection)	$1.12

SHEET 3 - 2005 Base Rates (2002 Base Rates + Final MARR)

Residential Class SUBURBAN

DISTRIBUTION KWH RATE	$0.0164
MONTHLY SERVICE CHARGE (Per Customer)	$11.39

General Service SUBURBAN < 50 KW

DISTRIBUTION KWH RATE	$0.0128
MONTHLY SERVICE CHARGE (Per Customer)	$13.79

General Service SUBURBAN > 50 KW (Non-Time of Use)

DISTRIBUTION KW RATE	$4.1651
MONTHLY SERVICE CHARGE (Per Customer)	$25.42

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Mar**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211** **Extension: 237**	
Date:	**January 14, 2005**	

This schedule requires LDCs to input the 2003 data which will be used to allocate 2005 PILs to the rate classes.
The 2005 PILs Proxy is calculated in the 2005 PILs model, TAXCALC Worksheet, Cell C95

Enter the 2005 PILs Proxy Amount $ 1,179,314.40

Distribution Revenue is used to allocate the 2005 PILs Proxy Amount to the rate classes.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2005 PILs Proxy Allocation
Residential Class URBAN	-	94,477,503	11,954	$3,311,086	38.3%	$452,145
General Service URBAN < 50 KW Class	-	24,094,558	937	$567,922	6.6%	$77,552
General Service URBAN > 50 KW Non-Time of Use	114,904	40,990,753	95	$550,841	6.4%	$75,220
General Service > 50 KW Time of Use	62,138	16,605,131	4	$44,474	0.5%	$6,073
Intermediate Use	0	0	0		0.0%	$0
Large Class User	0	0	0		0.0%	$0
Sentinel Lights	1,766	531,087	867	$20,565	0.2%	$2,808
Street Lighting	5,770	2,082,646	2,705	$48,184	0.6%	$6,580
Residential Class SUBURBAN	-	80,613,349	5,631	$2,415,251	28.0%	$329,814
General Service SUBURBAN < 50 KW Class	-	27,504,693	1,391	$685,054	7.9%	$93,547
General Service SUBURBAN > 50 KW Non-Time of Use	194,766	65,519,516	102	$992,822	11.5%	$135,575
Residential Class SUBURBAN SEASONAL					0.0%	$0
TOTALS		**352,419,236**	**23,686**	**$8,636,198**	**1.00**	**$1,179,314**
			2005 PILs Proxy Amount ==========>			$1,179,314

2005 PILs Proxy amount will be recovered only in the distribution kWh charge (Variable Charge).

Residential URBAN Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$452,145
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$452,145	$0	$452,145
(D) Number of kWh	**94,477,503**		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0048		

General Service URBAN < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$77,552
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$77,552	$0	$77,552
(D) Number of kWh	24,094,558		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0032		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

General Service URBAN > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$75,220
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$75,220	$0	$75,220
(D) Number of kW	114,904		
(E) Incremental Distribution kW Rate ($/kW)	$0.6546		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$6,073
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$6,073	$0	$6,073
(D) Number of kW	62,138		
(E) Incremental Distribution kW Rate ($/kW)	$0.0977		

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$2,808
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$2,808	$0	$2,808
(D) Number of kW	1,766		
(E) Incremental Distribution kW Rate ($/kW)	$1.5905		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$6,580
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$6,580	$0	$6,580
(D) Number of kW	5,770		
(E) Incremental Distribution kW Rate ($/kW)	$1.1404		

SHEET 4 - Calculating Incremental Rate Increase Due To 2005 PILs

Residential SUBURBAN Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$329,814
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$329,814	$0	$329,814
(D) Number of kWh	80,613,349		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0041		

General Service SUBURBAN < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$93,547
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$93,547	$0	$93,547
(D) Number of kWh	27,504,693		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0034		

General Service SUBURBAN > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2005 PILs Proxy Allocation
(A) Allocated PILs			$135,575
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated PILs ($)	$135,575	$0	$135,575
(D) Number of kW	194,766		
(E) Incremental Distribution kW Rate ($/kW)	$0.6961		

SHEET 5 - Rate Schedule including 2005 PILs

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Manager**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211 Extension: 237**	
Date:	**January 14, 2005**	

RESIDENTIAL URBAN

DISTRIBUTION KWH RATE	$0.0200
MONTHLY SERVICE CHARGE (Per Customer)	$9.92

GENERAL SERVICE URBAN < 50 KW

DISTRIBUTION KWH RATE	$0.0170
MONTHLY SERVICE CHARGE (Per Customer)	$13.43

GENERAL SERVICE URBAN > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.8319
MONTHLY SERVICE CHARGE (Per Customer)	$25.52

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.7919
MONTHLY SERVICE CHARGE (Per Customer)	$9.37

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.3031
MONTHLY SERVICE CHARGE (Per Connection)	$1.28

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$2.8549
MONTHLY SERVICE CHARGE (Per Connection)	$1.12

SHEET 5 - Rate Schedule including 2005 PILs

RESIDENTIAL SUBURBAN

DISTRIBUTION KWH RATE	$0.0205
MONTHLY SERVICE CHARGE (Per Customer)	$11.39

GENERAL SERVICE SUBURBAN < 50 KW

DISTRIBUTION KWH RATE	$0.0162
MONTHLY SERVICE CHARGE (Per Customer)	$13.79

GENERAL SERVICE SUBURBAN > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$4.8612
MONTHLY SERVICE CHARGE (Per Customer)	$25.42

SHEET 6 - December 31, 2003 Regulatory Assets

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Manager**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211**	**Extension: 237**
Date:	**January 14, 2005**	

LDCs should enter their December 3, 2003 balances for each regulatory asset account.
In the case of distributors that have approved Regulatory Asset recovery rate riders, the distributor should not enter any balances on Sheet 6 and should go directly to Sheet 10.
In this instance, the rate schedule on Sheet 5 is identical to Sheet 9.

Description	Account Number	Amount Applied-for Balance as at Dec. 31, 2003
RSVA - Wholesale Market Service Charge	**1580**	$715,048
RSVA - One-time Wholesale Market Service	**1582**	$0
RSVA - Retail Transmission Network Charge	**1584**	-$154,856
RSVA - Retail Transmission Connection Charge	**1586**	-$251,665
RSVA - Power	**1588**	$697,395
Sub-Total for RSVA Accounts		$1,005,922
Current Recovery: Amount Entered on Sheet 3, cell G13, of 2004 RAM		$888,975
Adjusted 2005 Recovery Amount (RSVA Accounts)		**$116,946**

Other Regulatory Assets	**1508**	$0.00
Retail Cost Variance Account - Retail	**1518**	$110,983.81
Retail Cost Variance Account - STR	**1548**	$10,366.82
Misc. Deferred Debits - incl. Rebate Cheques	**1525**	$57,115.82
Deferred Payments in Lieu of Taxes	**1562**	($360,322.89)
PILs Contra Account	**1563**	
Qualifing Transition Costs	**1570**	$861,477.14
Pre-Market Opening Energy Variances Total	**1571**	$640,629.35
Extra-Ordinary Event Losses	**1572**	$0.00
Deferred Rate Impact Amounts	**1574**	$0.00
Other Deferred Credits	**2425**	0
Sub-Total for Non-RSVA Regulatory Asset Accounts		$1,320,250
Current Recovery: Amount Entered on Sheet 5, cell G14, of 2004 RAM		$4,719
Adjusted 2005 Recovery Amount (Non-RSVA Accounts)		**$1,315,531**

Total Adjusted Regulatory Assets	$1,432,478
33% of Total Adjusted Regulatory Assets	**$477,492.51**

---------- Please go to Section 2 ----------

SHEET 6 - December 31, 2003 Regulatory Assets

Section 1: For LDCs with Total RSVA adjusted balances greater than 33 % of Total:		
Total Adjusted Balance for RSVA Accounts	**(a)**	N/A
33% of Total Adjusted Regulatory Assets	**(b)**	N/A
Remaining Final Amount to be recovered in future periods (a) - (b)		**N/A**

Section 2: For LDCs with Total RSVA adjusted balances less than 33 % of Total:	
33% OF Total Adjusted Regulatory Assets	$477,493
Total Adjusted Balance for RSVA Accounts	$116,946
Amount to be colleced from RSVA Accounts	$116,946
Amount to be collected from Non-RSVA accounts	$360,546

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

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Manager**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211** **Extension: 237**	
Date:	**January 14, 2005**	

Approved Regulatory Asset Recovery from Sheet 4 *(either from Section 1 or Section 2)* **$ 116,946.48**

The share of class kWh sold in 2003 is used to allocate the approved interim RSVA Regulatory Asset amounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 kWh Shares	2003 RSVA Allocations
Residential Class URBAN	-	94,477,503	11,954	$3,311,086	26.8%	$31,351
General Service URBAN < 50 KW Class	-	24,094,558	937	$567,922	6.8%	$7,996
General Service URBAN > 50 KW Non-Time of Use	114,904	40,990,753	95	$550,841	11.6%	$13,602
General Service > 50 KW Time of Use	62,138	16,605,131	4	$44,474	4.7%	$5,510
Intermediate Use	0	0	0	$0	0.0%	$0
Large Class User	0	0	0	$0	0.0%	$0
Sentinel Lights	1,766	531,087	867	$20,565	0.2%	$176
Street Lighting	5,770	2,082,646	2,705	$48,184	0.6%	$691
Residential Class SUBURBAN	-	80,613,349	5,631	$2,415,251	22.9%	$26,751
General Service SUBURBAN < 50 KW Class	-	27,504,693	1,391	$685,054	7.8%	$9,127
General Service SUBURBAN > 50 KW Non-Time of Use	194,766	65,519,516	102	$992,822	18.6%	$21,742
Residential Class SUBURBAN SEASONAL	0	0	0	$0	0.0%	$0
TOTALS		**352,419,236**	**23,686**	**$8,636,197.50**	**1.00**	**$116,946**
				Allocated Total for RSVA accounts ==========>		$116,946

Regulatory Assets will be recovered only in the distribution variable charge ($/kWh or $/kW).

Residential URBAN Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$31,351
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$31,351	$0	$31,351
(D) Number of kWh	94,477,503		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0003		

General Service URBAN < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$7,996
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$7,996	$0	$7,996
(D) Number of kWh	24,094,558		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0003		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

General Service URBAN > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$13,602
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$13,602	$0	$13,602
(D) Number of kW	114,904		
(E) Incremental Distribution kW Rate ($/kW)	$0.1184		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$5,510
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$5,510	$0	$5,510
(D) Number of kW	62,138		
(E) Incremental Distribution kW Rate ($/kW)	$0.0887		

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$176
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$176	$0	$176
(D) Number of kW	1,766		
(E) Incremental Distribution kW Rate ($/kW)	$0.0998		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$691
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$691	$0	$691
(D) Number of kW	5,770		
(E) Incremental Distribution kW Rate ($/kW)	$0.1198		

SHEET 7 - Calculating Rate Increases due to interim RSVA Regulatory Assets

Residential SUBURBAN Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$26,751
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$26,751	$0	$26,751
(D) Number of kWh	80,613,349		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0003		

General Service SUBURBAN < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$9,127
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$9,127	$0	$9,127
(D) Number of kWh	27,504,693		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0003		

General Service SUBURBAN > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$21,742
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$21,742	$0	$21,742
(D) Number of kW	194,766		
(E) Incremental Distribution kW Rate ($/kW)	$0.1116		

Residential SUBURBAN SEASONALClass

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$0
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$0	$0	$0
(D) Number of kWh	0		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0000		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Manager**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211** **Extension: 237**	
Date:	**January 14, 2005**	

Approved Regulatory Asset Recovery from Non-RSVA Accounts *(Sheet 4, Section 2)* **$ 360,546.03**

Distribution Revenue is used to allocate the approved final Regulatory Asset amounts related to the Non-RSVA accounts.

2003 Data by Class	kW	kWh	Number of Customers (Connections)	Distribution Revenues	2003 Distribution Shares	2002 Regulatory Asset RSVA Allocations
Residential Class URBAN	-	94,477,503	11,954	$3,311,086	38.3%	$138,232
General Service URBAN < 50 KW Class	-	24,094,558	937	$567,922	6.6%	$23,710
General Service URBAN > 50 KW Non-Time of Use	114,904	40,990,753	95	$550,841	6.4%	$22,997
General Service > 50 KW Time of Use	62,138	16,605,131	4	$44,474	0.5%	$1,857
Intermediate Use	0	0	0	$0	0.0%	$0
Large Class User	0	0	0	$0	0.0%	$0
Sentinel Lights	1,766	531,087	867	$20,565	0.2%	$859
Street Lighting	5,770	2,082,646	2,705	$48,184	0.6%	$2,012
Residential Class SUBURBAN	-	80,613,349	5,631	$2,415,251	28.0%	$100,832
General Service SUBURBAN < 50 KW Class	-	27,504,693	1,391	$685,054	7.9%	$28,600
General Service SUBURBAN > 50 KW Non-Time of Use	194,766	65,519,516	102	$992,822	11.5%	$41,449
Residential Class SUBURBAN SEASONAL	0	0	0	$0	0.0%	$0
TOTALS		**352,419,236**	**23,686**	**$8,636,198**	**1.00**	**$360,546**
			Allocated Total for Non-RSVA accounts ==========>			$360,546

Regulatory Assets will be recovered only in the distribution variable charge ($/kWh or $/kW).

Residential URBAN Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$138,232
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$138,232	$0	$138,232
(D) Number of kWh	94,477,503		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0015		

General Service URBAN < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$23,710
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$23,710	$0	$23,710
(D) Number of kWh	24,094,558		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0010		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

General Service URBAN > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$22,997
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$22,997	$0	$22,997
(D) Number of kW	114,904		
(E) Incremental Distribution kW Rate ($/kW)	$0.2001		

General Service > 50 kW Class (Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$1,857
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$1,857	$0	$1,857
(D) Number of kW	62,138		
(E) Incremental Distribution kW Rate ($/kW)	$0.0299		

Sentinel Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$859
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$859	$0	$859
(D) Number of kW	1,766		
(E) Incremental Distribution kW Rate ($/kW)	$0.4862		

Street Lighting Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$2,012
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$2,012	$0	$2,012
(D) Number of kW	5,770		
(E) Incremental Distribution kW Rate ($/kW)	$0.3486		

SHEET 8 - Calculating Rate Increases due to interim Non-RSVA Regulatory Assets

Residential SUBURBAN Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$100,832
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$100,832	$0	$100,832
(D) Number of kWh	80,613,349		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0013		

General Service SUBURBAN < 50 kW Class

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$28,600
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$28,600	$0	$28,600
(D) Number of kWh	27,504,693		
(E) Incremental Distribution kWh Rate ($/kWh)	$0.0010		

General Service SUBURBAN > 50 kW Class (Non-Time of Use)

	Variable Charge Recovery	Service Charge Recovery	2003 RSVA Allocation
(A) Allocated RSVA			$41,449
(B) Fixed-Variable Split (%)	100%	0%	100%
(C) Re-Allocated RSVA ($)	$41,449	$0	$41,449
(D) Number of kW	194,766		
(E) Incremental Distribution kW Rate ($/kW)	$0.2128		

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211 Extension: 237**	
Date:	**January 14, 2005**	

RESIDENTIAL URBAN

DISTRIBUTION KWH RATE	$0.0218
MONTHLY SERVICE CHARGE (Per Customer)	$9.92

GENERAL SERVICE URBAN < 50 KW

DISTRIBUTION KWH RATE	$0.0183
MONTHLY SERVICE CHARGE (Per Customer)	$13.43

GENERAL SERVICE URBAN > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$5.1504
MONTHLY SERVICE CHARGE (Per Customer)	$25.52

GENERAL SERVICE > 50 KW (TIME OF USE)

DISTRIBUTION KW RATE	$0.9104
MONTHLY SERVICE CHARGE (Per Customer)	$9.37

SENTINEL LIGHTS (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.8892
MONTHLY SERVICE CHARGE (Per Connection)	$1.28

STREET LIGHTING (NON TIME OF USE)

DISTRIBUTION KW RATE	$3.3233
MONTHLY SERVICE CHARGE (Per Connection)	$1.12

SHEET 9 - Rate Schedule for 2005 Base Rates + PILs + Interim 2005 Regulatory Assets

RESIDENTIAL SUBURBAN

DISTRIBUTION KWH RATE	$0.0220
MONTHLY SERVICE CHARGE (Per Customer)	$11.39

GENERAL SERVICE SUBURBAN < 50 KW

DISTRIBUTION KWH RATE	$0.0176
MONTHLY SERVICE CHARGE (Per Customer)	$13.79

GENERAL SERVICE SUBURBAN > 50 KW (NON TIME OF USE)

DISTRIBUTION KW RATE	$5.1856
MONTHLY SERVICE CHARGE (Per Customer)	$25.42

SHEET 10 - Phase 2 Final Rate Riders

Name of Utility:	Haldimand County Hydro Inc.	2005.V1.0
License Number:	ED-2002-0539	RP-2005-0013
Name of Contact:	Jacqueline Scott - Finance Manager	EB-2005-0034
E- Mail Address:	jscott@hchydro.ca	
Phone Number:	905-765-5211 Extension: 237	
Date:	January 14, 2005	

This sheet is to be used by those distributors that have final approval of their Regulatory Asset Recovery - Phase 2 rate riders.

Class	Rate Rider per kWh (or kW)
Residential Class URBAN	
General Service URBAN < 50 KW Class	
General Service URBAN > 50 KW Non-Time of Use	
General Service > 50 KW Time of Use	
Intermediate Use	
Large Class User	
Sentinel Lights	
Street Lighting	
Residential Class SUBURBAN	
General Service SUBURBAN < 50 KW Class	
General Service SUBURBAN > 50 KW Non-Time of Use	
Residential Class SUBURBAN SEASONAL	

Haldimand County Hydro Inc.
RP-2005-0013 EB-2005-0034
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

LDCs may amend this schedule to reflect the rate classes that apply in their specific service territory.

RESIDENTIAL URBAN

Monthly Service Charge	(per month)	$9.92
Distribution Volumetric Rate	(per kWh)	$0.0218

GENERAL SERVICE URBAN < 50 KW

Monthly Service Charge	(per month)	$13.43
Distribution Volumetric Rate	(per kWh)	$0.0183

GENERAL SERVICE URBAN > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$25.52
Distribution Volumetric Rate	(per kW)	$5.1504

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$9.37
Distribution Volumetric Rate	(per kW)	$0.9104

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.28
Distribution Volumetric Rate	(per kW)	$3.8892

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$1.12
Distribution Volumetric Rate	(per kW)	$3.3233

Haldimand County Hydro Inc.
RP-2005-0013 EB-2005-0034
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

RESIDENTIAL SUBURBAN

Monthly Service Charge	(per month)	$11.39
Distribution Volumetric Rate	(per kWh)	$0.0220

GENERAL SERVICE SUBURBAN < 50 KW

Monthly Service Charge	(per month)	$13.79
Distribution Volumetric Rate	(per kWh)	$0.0176

GENERAL SERVICE SUBURBAN > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$25.42
Distribution Volumetric Rate	(per kW)	$5.1856

Haldimand County Hydro Inc.
RP-2005-0013 EB-2005-0034
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

RESIDENTIAL URBAN

Monthly Service Charge	(per month)	$9.92
Distribution Volumetric R	(per kWh)	$0.0218

GENERAL SERVICE URBAN < 50 KW

Monthly Service Charge	(per month)	$13.43
Distribution Volumetric R	(per kWh)	$0.0183

GENERAL SERVICE URBAN > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$25.52
Distribution Volumetric R	(per kW)	$5.1504

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$9.37
Distribution Volumetric R	(per kW)	$0.9104

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per month)	$1.28
Distribution Volumetric R	(per kW)	$3.8892

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per month)	$1.12
Distribution Volumetric R	(per kW)	$3.3233

Haldimand County Hydro Inc.
RP-2005-0013 EB-2005-0034
Schedule of Changed Distribution Rates and Charges
Effective April 1, 2005 until April 30, 2006

RESIDENTIAL SUBURBAN

Monthly Service Charge	(per month)	$11.39
Distribution Volumetric R	(per kWh)	$0.0220

GENERAL SERVICE SUBURBAN < 50 KW

Monthly Service Charge	(per month)	$13.79
Distribution Volumetric R	(per kWh)	$0.0176

GENERAL SERVICE SUBURBAN > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	$25.42
Distribution Volumetric R	(per kW)	$5.1856

SPECIFIC SERVICE CHARGES

Customer Administration			
Account set-up Charge		$	8.80
Arrears Certificate		$	10.50
Non-payment of account			
Late Penalty (Overdue Account Interest Charge) on unpaid balance	(per month)		1.5%
	(per annum)		19.56%
Returned Cheque - Actual Bank Charges plus		$	13.00
Collection of Account Charge		$	9.00
Disconnect/Reconnect Charges (non payment of account)			
During Regular Hours		$	20.00
During After Hours		$	50.00
Credits			
Transformer ownership allowance(for connections prior to Jan 1,	per kW	$	0.60

SHEET 12 - Current Rates as of April 1, 2004

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Manager**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211 Extension: 237**	
Date:	**January 14, 2005**	

In order to calculate bill impacts on Sheet 13, enter your current rates as approved in your 2004 Rate Order.
You may adjust the rate classes if your LDC has non-standard classes.

RESIDENTIAL URBAN

Distribution kWh Rate	$0.0173
Monthly Service Charge (Per Customer)	$11.66

GENERAL SERVICE URBAN < 50 KW

Distribution kWh Rate	$0.0168
Monthly Service Charge (Per Customer)	$15.79

GENERAL SERVICE URBAN > 50 KW (NON TIME OF USE)

Distribution KW Rate	$5.3509
Monthly Service Charge (Per Customer)	$29.50

GENERAL SERVICE > 50 KW (TIME OF USE)

Distribution KW Rate	$1.6484
Monthly Service Charge (Per Customer)	$9.24

SENTINEL LIGHTS (NON TIME OF USE)

Distribution KW Rate	$1.8072
Monthly Service Charge (Per Customer)	$1.64

STREET LIGHTING (NON TIME OF USE)

Distribution KW Rate	$2.7055
Monthly Service Charge (Per Customer)	$1.18

SHEET 12 - Current Rates as of April 1, 2004

RESIDENTIAL SUBURBAN

Distribution kWh Rate	$0.0193
Monthly Service Charge (Per Customer)	$13.31

GENERAL SERVICE SUBURBAN < 50 KW

Distribution kWh Rate	$0.0152
Monthly Service Charge (Per Customer)	$17.02

GENERAL SERVICE SUBURBAN > 50 KW (NON TIME OF USE)

Distribution KW Rate	$5.5330
Monthly Service Charge (Per Customer)	$29.99

SPECIFIC SERVICE CHARGES

Customer Administration			
Account set-up Charge		$	8.80
Arrears Certificate		$	10.50
Non-payment of account			
Late Penalty (Overdue Account Interest Charge) on unpaid	(per month)		1.5%
balance	(per annum)		19.56%
Returned Cheque - Actual Bank Charges plus		$	13.00
Collection of Account Charge		$	9.00
Disconnect/Reconnect Charges (non payment of account)			
During Regular Hours		$	20.00
During After Hours		$	50.00
Credits			
Transformer ownership allowance(for connections prior to Jan	per kW	$	0.60

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

Name of Utility:	**Haldimand County Hydro Inc.**	**2005.V1.0**
License Number:	**ED-2002-0539**	**RP-2005-0013**
Name of Contact:	**Jacqueline Scott - Finance Manager**	**EB-2005-0034**
E- Mail Address:	**jscott@hchydro.ca**	
Phone Number:	**905-765-5211** **Extension: 237**	
Date:	**January 14, 2005**	

Monthly Consumption

RESIDENTIAL URBAN CLASS

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.*
In addition, consumption has not been adjusted for line losses.

		CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**IMPACT ($)**	**IMPACT (%)**
100	Monthly Service Charge	N/A	N/A	**$ 11.66**	Monthly Service Charge	N/A	N/A	**$ 9.92**			
	Distribution (kWh)	100	**$ 0.0173**	$ 1.73	Distribution (kWh)	100	**$ 0.0218**	$ 2.18			
			Sub-Total	**$ 13.39**			**Sub Total**	**$ 12.10**		**$ (1.29)**	**-9.64%**
	Other Charges (kWh)	100	$ 0.0239	$ 2.39	Other Charges (kWh)	100	$ 0.0239	$ 2.39			
	Cost of Power (kWh)	100	$ 0.0470	$ 4.70	Cost of Power (kWh)	100	$ 0.0470	$ 4.70			
	Current 2005 Bill			**$ 20.48**	**Adjusted 2006 BILL**			**$ 19.19**		**$ (1.29)**	**-6.30%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**IMPACT ($)**	**IMPACT (%)**
250	Monthly Service Charge	N/A	N/A	**$ 11.66**	Monthly Service Charge	N/A	N/A	**$ 9.92**			
	Distribution (kWh)	250	**$0.0173**	$ 4.32	Distribution (kWh)	250	**$ 0.0218**	$ 5.44			
			Sub-Total	**$ 15.98**			**Sub Total**	**$ 15.36**		**$ (0.61)**	**-3.85%**
	Other Charges (kWh)	250	$ 0.0239	$ 5.98	Other Charges (kWh)	250	$ 0.0239	$ 5.98			
	Cost of Power (kWh)	250	$ 0.0470	$ 11.75	Cost of Power (kWh)	250	$ 0.0470	$ 11.75			
	Current 2005 Bill			**$ 33.70**	**Adjusted 2006 BILL**			**$ 33.09**		**$ (0.61)**	**-1.82%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**IMPACT ($)**	**IMPACT (%)**
500	Monthly Service Charge	N/A	N/A	**$ 11.66**	Monthly Service Charge	N/A	N/A	**$ 9.92**			
	Distribution (kWh)	500	**$0.0173**	$ 8.63	Distribution (kWh)	500	**$ 0.0218**	$ 10.88			
			Sub-Total	**$ 20.29**			**Sub Total**	**$ 20.80**		**$ 0.51**	**2.52%**
	Other Charges (kWh)	500	$ 0.0239	$ 11.95	Other Charges (kWh)	500	$ 0.0239	$ 11.95			
	Cost of Power (kWh)	500	$ 0.0470	$ 23.50	Cost of Power (kWh)	500	$ 0.0470	$ 23.50			
	Current 2005 Bill			**$ 55.74**	**Adjusted 2006 BILL**			**$ 56.25**		**$ 0.51**	**0.92%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**IMPACT ($)**	**IMPACT (%)**
750	Monthly Service Charge	N/A	N/A	**$ 11.66**	Monthly Service Charge	N/A	N/A	**$ 9.92**			
	Distribution (kWh)	750	**$0.0173**	$ 12.95	Distribution (kWh)	750	**0.0218**	$ 16.33			
			Sub-Total	**$ 24.61**			**Sub Total**	**$ 26.24**		**$ 1.64**	**6.65%**
	Other Charges (kWh)	750	0.0239	$ 17.93	Other Charges (kWh)	750	0.0239	$ 17.93			
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25			
	Current 2005 Bill			**$ 77.78**	**Adjusted 2006 BILL**			**$ 79.42**		**$ 1.64**	**2.11%**

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 11.66	Monthly Service Charge	N/A	N/A	$ 9.92		
	Distribution (kWh)	1000	$0.0173	$ 17.26	Distribution (kWh)	1000	0.0218	$ 21.77		
			Sub-Total	$ 28.92			Sub Total	$ 31.69	$ 2.76	9.55%
	Other Charges (kWh)	1000	0.0239	$ 23.90	Other Charges (kWh)	1000	0.0239	$ 23.90		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	250	0.0550	$ 13.75	Cost of Power (kWh)	250	0.0550	$ 13.75		
	Current 2005 Bill			$ 101.82	Adjusted 2006 BILL			$ 104.59	$ 2.76	2.71%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,500	Monthly Service Charge	N/A	N/A	$ 11.66	Monthly Service Charge	N/A	N/A	$ 9.92		
	Distribution (kWh)	1500	$0.0173	$ 25.89	Distribution (kWh)	1500	0.0218	$ 32.65		
			Sub-Total	$ 37.55			Sub Total	$ 42.57	$ 5.02	13.35%
	Other Charges (kWh)	1500	0.0239	$ 35.85	Other Charges (kWh)	1500	0.0239	$ 35.85		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	750	0.0550	$ 41.25	Cost of Power (kWh)	750	0.0550	$ 41.25		
	Current 2005 Bill			$ 149.90	Adjusted 2006 BILL			$ 154.92	$ 5.02	3.35%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
2,000	Monthly Service Charge	N/A	N/A	$ 11.66	Monthly Service Charge	N/A	N/A	$ 9.92		
	Distribution (kWh)	2000	$0.0173	$ 34.53	Distribution (kWh)	2000	0.0218	$ 43.53		
			Sub-Total	$ 46.19			Sub Total	$ 53.45	$ 7.27	15.73%
	Other Charges (kWh)	2000	0.0239	$ 47.80	Other Charges (kWh)	2000	0.0239	$ 47.80		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	$ 68.75	Cost of Power (kWh)	1,250	0.0550	$ 68.75		
	Current 2005 Bill			$ 197.99	Adjusted 2006 BILL			$ 205.25	$ 7.27	3.67%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

GENERAL SERVICE URBAN < 50 KW

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.*
In addition, consumption has not been adjusted for line losses.

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
1,000	Monthly Service Charge	N/A	N/A	$ 15.79	Monthly Service Charge	N/A	N/A	$ 13.43		
	Distribution (kWh)	1000	$ 0.0168	$ 16.79	Distribution (kWh)	1000	$ 0.0183	$ 18.30		
			Sub-Total	**$ 32.58**			**Sub Total**	**$ 31.72**	**$ (0.85)**	**-2.62%**
	Other Charges (kWh)	1000	$ 0.0229	$ 22.90	Other Charges (kWh)	1000	$ 0.0229	$ 22.90		
	Cost of Power (kWh)	1000	$ 0.0470	$ 47.00	Cost of Power (kWh)	1000	$ 0.0470	$ 47.00		
	Current 2005 Bill			**$ 102.48**	**Adjusted 2006 BILL**			**$ 101.62**	**$ (0.85)**	**-0.83%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
2,000	Monthly Service Charge	N/A	N/A	$ 15.79	Monthly Service Charge	N/A	N/A	$ 13.43		
	Distribution (kWh)	2000	$0.0168	$ 33.57	Distribution (kWh)	2000	$0.0183	$ 36.59		
			Sub-Total	**$ 49.36**			**Sub Total**	**$ 50.02**	**$ 0.65**	**1.33%**
	Other Charges (kWh)	2000	$0.0229	$ 45.80	Other Charges (kWh)	2,000	$0.0229	$ 45.80		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	1,250	$0.0550	$ 68.75	Cost of Power (kWh)	1,250	$0.0550	$ 68.75		
	Current 2005 Bill			**$ 199.16**	**Adjusted 2006 BILL**			**$ 199.82**	**$ 0.65**	**0.33%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
5,000	Monthly Service Charge	N/A	N/A	$ 15.79	Monthly Service Charge	N/A	N/A	$ 13.43		
	Distribution (kWh)	5000	$0.0168	$ 83.94	Distribution (kWh)	5000	$0.0183	$ 91.49		
			Sub-Total	**$ 99.73**			**Sub Total**	**$ 104.91**	**$ 5.18**	**5.20%**
	Other Charges (kWh)	5000	$0.0229	$ 114.50	Other Charges (kWh)	5,000	$0.0229	$ 114.50		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	4,250	$0.0550	$ 233.75	Cost of Power (kWh)	4,250	$0.0550	$ 233.75		
	Current 2005 Bill			**$ 483.23**	**Adjusted 2006 BILL**			**$ 488.41**	**$ 5.18**	**1.07%**
ENTER DESIRED CONSUMPTION LEVEL (kWh)		**kWh**	**RATE $/kWh**	**CHARGE ($)**		**kWh**	**RATE $/kWh**	**CHARGE ($)**	**IMPACT ($)**	**IMPACT (%)**
10,000	Monthly Service Charge	N/A	N/A	$ 15.79	Monthly Service Charge	N/A	N/A	$ 13.43		
	Distribution (kWh)	10000	$0.0168	$ 167.87	Distribution (kWh)	10000	$0.0183	$ 182.97		
			Sub-Total	**$ 183.66**			**Sub Total**	**$ 196.40**	**$ 12.73**	**6.93%**
	Other Charges (kWh)	10000	$0.0229	$ 229.00	Other Charges (kWh)	10,000	$0.0229	$ 229.00		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	9,250	$0.0550	$ 508.75	Cost of Power (kWh)	9,250	$0.0550	$ 508.75		
	Current 2005 Bill			**$ 956.66**	**Adjusted 2006 BILL**			**$ 969.40**	**$ 12.73**	**1.33%**

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
15,000	Monthly Service Charge	N/A	N/A	$ 15.79	Monthly Service Charge	N/A	N/A	$ 13.43		
	Distribution (kWh)	15000	$0.0168	$ 251.81	Distribution (kWh)	15000	$0.0183	$ 274.46		
			Sub-Total	$ 267.60			Sub Total	$ 287.88	$ 20.28	7.58%
	Other Charges (kWh)	15000	$0.0229	$ 343.50	Other Charges (kWh)	15,000	$0.0229	$ 343.50		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	14,250	$0.0550	$ 783.75	Cost of Power (kWh)	14,250	$0.0550	$ 783.75		
	Current 2005 Bill			$ 1,430.10	Adjusted 2006 BILL			$ 1,450.38	$ 20.28	1.42%

GENERAL SERVICE URBAN > 50 KW to 3000 KW

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $3.91/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.*
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

		CURRENT 2004 BILL				FUTURE 2005 BILL				
ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
60	Monthly Service Charge	N/A	N/A	$ 29.50	Monthly Service Charge	N/A	N/A	$ 25.52		
kWh	Distribution (kW)	60	$5.3509	$ 321.06	Distribution (kW)	60	$5.1504	$ 309.02		
15,000			Sub-Total	$ 350.56			Sub Total	$ 334.55	$ (16.01)	-4.57%
	Other Charges (kW)	60	$3.9100	$ 234.60	Other Charges (kW)	60.00	$3.9100	$ 234.60		
	Other Charges (kWh)	15,000	$0.0132	$ 198.00	Other Charges (kWh)	15,000	$0.0132	$ 198.00		
	Cost of Power (kWh)	750	$0.0550	$ 41.25	Cost of Power (kWh)	750	$0.0550	$ 41.25		
	Current 2005 Bill			$ 824.41	Adjusted 2006 BILL			$ 808.40	$ (16.01)	-1.94%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
100	Monthly Service Charge	N/A	N/A	$ 29.50	Monthly Service Charge	N/A	N/A	$ 25.52		
kWh	Distribution (kW)	100	$5.3509	$ 535.09	Distribution (kW)	100	$5.1504	$ 515.04		
40,000			Sub-Total	$ 564.59			Sub Total	$ 540.56	$ (24.03)	-4.26%
	Other Charges (kW)	100	$3.9100	$ 391.00	Other Charges (kW)	100.00	$3.9100	$ 391.00		
	Other Charges (kWh)	40,000	$0.0132	$ 528.00	Other Charges (kWh)	40,000	$0.0132	$ 528.00		
	Cost of Power (kWh)	40,000	$0.0550	$ 2,200.00	Cost of Power (kWh)	40,000	$0.0550	$ 2,200.00		
	Current 2005 Bill			$ 3,683.59	Adjusted 2006 BILL			$ 3,659.56	$ (24.03)	-0.65%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
500	Monthly Service Charge	N/A	N/A	$ 29.50	Monthly Service Charge	N/A	N/A	$ 25.52		
kWh	Distribution (kW)	500	$5.3509	$ 2,675.47	Distribution (kW)	500	$5.1504	$ 2,575.20		
100,000			Sub-Total	$ 2,704.97			Sub Total	$ 2,600.73	$ (104.24)	-3.85%
	Other Charges (kW)	500	$3.9100	$ 1,955.00	Other Charges (kW)	500.00	$3.9100	$ 1,955.00		
	Other Charges (kWh)	100,000	$0.0132	$ 1,320.00	Other Charges (kWh)	100,000	$0.0132	$ 1,320.00		
	Cost of Power (kWh)	100,000	$0.0550	$ 5,500.00	Cost of Power (kWh)	100,000	$0.0550	$ 5,500.00		
	Current 2005 Bill			$ 11,479.97	Adjusted 2006 BILL			$ 11,375.73	$ (104.24)	-0.91%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
kW										
1,000	Monthly Service Charge	N/A	N/A	$ 29.50	Monthly Service Charge	N/A	N/A	$ 25.52		
kWh	Distribution (kW)	1,000	$5.3509	$ 5,350.93	Distribution (kW)	1000	5.1504	$ 5,150.41		
400,000			Sub-Total	$ 5,380.43			Sub Total	$ 5,175.93	$ (204.50)	-3.80%
	Other Charges (kW)	1,000	3.9100	$ 3,910.00	Other Charges (kW)	1,000.00	3.9100	$ 3,910.00		
	Other Charges (kWh)	400,000	0.0132	$ 5,280.00	Other Charges (kWh)	400,000	0.0132	$ 5,280.00		
	Cost of Power (kWh)	400,000	0.0550	$ 22,000.00	Cost of Power (kWh)	400,000	0.0550	$ 22,000.00		
	Current 2005 Bill			$ 36,570.43	Adjusted 2006 BILL			$ 36,365.93	$ (204.50)	-0.56%

ENTER DESIRED CONSUMPTION LEVEL		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
kW										
3,000	Monthly Service Charge	N/A	N/A	$ 29.50	Monthly Service Charge	N/A	N/A	$ 25.52		
kWh	Distribution (kW)	3,000	$5.3509	$ 16,052.80	Distribution (kW)	3000	5.1504	$ 15,451.23		
1,000,000			Sub-Total	$ 16,082.30			Sub Total	$ 15,476.75	$ (605.55)	-3.77%
	Other Charges (kW)	3,000	3.9100	$ 11,730.00	Other Charges (kW)	3,000.00	3.9100	$ 11,730.00		
	Other Charges (kWh)	1,000,000	0.0132	$ 13,200.00	Other Charges (kWh)	1,000,000	0.0132	$ 13,200.00		
	Cost of Power (kWh)	1,000,000	0.0550	$ 55,000.00	Cost of Power (kWh)	1,000,000	0.0550	$ 55,000.00		
	Current 2005 Bill			$ 96,012.30	Adjusted 2006 BILL			$ 95,406.75	$ (605.55)	-0.63%

RESIDENTIAL SUBURBAN CLASS

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $0.0107, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0239/kWh. These charges may differ slightly for your utility.*
In addition, consumption has not been adjusted for line losses.

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
100	Monthly Service Charge	N/A	N/A	$ 13.31	Monthly Service Charge	N/A	N/A	$ 11.39		
	Distribution (kWh)	100	$ 0.0193	$ 1.93	Distribution (kWh)	100	$ 0.0220	$ 2.20		
			Sub-Total	$ 15.24			Sub Total	$ 13.59	$ (1.64)	-10.78%
	Other Charges (kWh)	100	$ 0.0239	$ 2.39	Other Charges (kWh)	100	$ 0.0239	$ 2.39		
	Cost of Power (kWh)	100	$ 0.0470	$ 4.70	Cost of Power (kWh)	100	$ 0.0470	$ 4.70		
	Current 2005 Bill			$ 22.33	Adjusted 2006 BILL			$ 20.68	$ (1.64)	-7.36%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
250	Monthly Service Charge	N/A	N/A	$ 13.31	Monthly Service Charge	N/A	N/A	$ 11.39		
	Distribution (kWh)	250	$0.0193	$ 4.82	Distribution (kWh)	250	$ 0.0220	$ 5.51		
			Sub-Total	$ 18.13			Sub Total	$ 16.90	$ (1.23)	-6.77%
	Other Charges (kWh)	250	$ 0.0239	$ 5.98	Other Charges (kWh)	250	$ 0.0239	$ 5.98		
	Cost of Power (kWh)	250	$ 0.0470	$ 11.75	Cost of Power (kWh)	250	$ 0.0470	$ 11.75		
	Current 2005 Bill			$ 35.85	Adjusted 2006 BILL			$ 34.62	$ (1.23)	-3.42%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
500	Monthly Service Charge	N/A	N/A	$ 13.31	Monthly Service Charge	N/A	N/A	$ 11.39		
	Distribution (kWh)	500	$0.0193	$ 9.63	Distribution (kWh)	500	$ 0.0220	$ 11.02		
			Sub-Total	$ 22.94			Sub Total	$ 22.41	$ (0.53)	-2.33%
	Other Charges (kWh)	500	$ 0.0239	$ 11.95	Other Charges (kWh)	500	$ 0.0239	$ 11.95		
	Cost of Power (kWh)	500	$ 0.0470	$ 23.50	Cost of Power (kWh)	500	$ 0.0470	$ 23.50		
	Current 2005 Bill			$ 58.39	Adjusted 2006 BILL			$ 57.86	$ (0.53)	-0.92%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
750	Monthly Service Charge	N/A	N/A	$ 13.31	Monthly Service Charge	N/A	N/A	$ 11.39		
	Distribution (kWh)	750	$0.0193	$ 14.45	Distribution (kWh)	750	$ 0.0220	$ 16.53		
			Sub-Total	$ 27.76			Sub Total	$ 27.92	$ 0.16	0.57%
	Other Charges (kWh)	750	0.0239	$ 17.93	Other Charges (kWh)	750	0.0239	$ 17.93		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Current 2005 Bill			$ 80.93	Adjusted 2006 BILL			$ 81.09	$ 0.16	0.19%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 13.31	Monthly Service Charge	N/A	N/A	$ 11.39		
	Distribution (kWh)	1000	$0.0193	$ 19.27	Distribution (kWh)	1000	$ 0.0220	$ 22.03		
			Sub-Total	$ 32.58			Sub Total	$ 33.43	$ 0.85	2.61%
	Other Charges (kWh)	1000	0.0239	$ 23.90	Other Charges (kWh)	1000	0.0239	$ 23.90		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	250	0.0550	$ 13.75	Cost of Power (kWh)	250	0.0550	$ 13.75		
	Current 2005 Bill			$ 105.48	Adjusted 2006 BILL			$ 106.33	$ 0.85	0.81%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,500	Monthly Service Charge	N/A	N/A	$ 13.31	Monthly Service Charge	N/A	N/A	$ 11.39		
	Distribution (kWh)	1500	$0.0193	$ 28.90	Distribution (kWh)	1500	0.0220	$ 33.05		
			Sub-Total	$ 42.21			Sub Total	$ 44.44	$ 2.23	5.29%
	Other Charges (kWh)	1500	0.0239	$ 35.85	Other Charges (kWh)	1500	0.0239	$ 35.85		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	750	0.0550	$ 41.25	Cost of Power (kWh)	750	0.0550	$ 41.25		
	Current 2005 Bill			$ 154.56	Adjusted 2006 BILL			$ 156.79	$ 2.23	1.44%

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
2,000	Monthly Service Charge	N/A	N/A	$ 13.31	Monthly Service Charge	N/A	N/A	$ 11.39		
	Distribution (kWh)	2000	$0.0193	$ 38.53	Distribution (kWh)	2000	0.0220	$ 44.07		
			Sub-Total	$ 51.84			Sub Total	$ 55.46	$ 3.62	6.98%
	Other Charges (kWh)	2000	0.0239	$ 47.80	Other Charges (kWh)	2000	0.0239	$ 47.80		
	Cost of Power (kWh)	750	0.0470	$ 35.25	Cost of Power (kWh)	750	0.0470	$ 35.25		
	Cost of Power (kWh)	1,250	0.0550	$ 68.75	Cost of Power (kWh)	1,250	0.0550	$ 68.75		
	Current 2005 Bill			$ 203.64	Adjusted 2006 BILL			$ 207.26	$ 3.62	1.78%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

GENERAL SERVICE SUBURBAN < 50 KW

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $0.0097, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0229/kWh. These charges may differ slightly for your utility.*
In addition, consumption has not been adjusted for line losses.

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 17.02	Monthly Service Charge	N/A	N/A	$ 13.79		
	Distribution (kWh)	1000	$ 0.0152	$ 15.17	Distribution (kWh)	1000	$ 0.0176	$ 17.60		
			Sub-Total	$ 32.19			Sub Total	$ 31.39	$ (0.80)	-2.48%
	Other Charges (kWh)	1000	$ 0.0229	$ 22.90	Other Charges (kWh)	1000	$ 0.0229	$ 22.90		
	Cost of Power (kWh)	1000	$ 0.0470	$ 47.00	Cost of Power (kWh)	1000	$ 0.0470	$ 47.00		
	Current 2005 Bill			$ 102.09	Adjusted 2006 BILL			$ 101.29	$ (0.80)	-0.78%
2,000	Monthly Service Charge	N/A	N/A	$ 17.02	Monthly Service Charge	N/A	N/A	$ 13.79		
	Distribution (kWh)	2000	$0.0152	$ 30.34	Distribution (kWh)	2000	$0.0176	$ 35.20		
			Sub-Total	$ 47.36			Sub Total	$ 48.99	$ 1.63	3.45%
	Other Charges (kWh)	2000	$0.0229	$ 45.80	Other Charges (kWh)	2,000	$0.0229	$ 45.80		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	1,250	$0.0550	$ 68.75	Cost of Power (kWh)	1,250	$0.0550	$ 68.75		
	Current 2005 Bill			$ 197.16	Adjusted 2006 BILL			$ 198.79	$ 1.63	0.83%
5,000	Monthly Service Charge	N/A	N/A	$ 17.02	Monthly Service Charge	N/A	N/A	$ 13.79		
	Distribution (kWh)	5000	$0.0152	$ 75.85	Distribution (kWh)	5000	$0.0176	$ 88.01		
			Sub-Total	$ 92.87			Sub Total	$ 101.80	$ 8.93	9.62%
	Other Charges (kWh)	5000	$0.0229	$ 114.50	Other Charges (kWh)	5,000	$0.0229	$ 114.50		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	4,250	$0.0550	$ 233.75	Cost of Power (kWh)	4,250	$0.0550	$ 233.75		
	Current 2005 Bill			$ 476.37	Adjusted 2006 BILL			$ 485.30	$ 8.93	1.87%
10,000	Monthly Service Charge	N/A	N/A	$ 17.02	Monthly Service Charge	N/A	N/A	$ 13.79		
	Distribution (kWh)	10000	$0.0152	$ 151.69	Distribution (kWh)	10000	$0.0176	$ 176.02		
			Sub-Total	$ 168.71			Sub Total	$ 189.81	$ 21.09	12.50%
	Other Charges (kWh)	10000	$0.0229	$ 229.00	Other Charges (kWh)	10,000	$0.0229	$ 229.00		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	9,250	$0.0550	$ 508.75	Cost of Power (kWh)	9,250	$0.0550	$ 508.75		
	Current 2005 Bill			$ 941.71	Adjusted 2006 BILL			$ 962.81	$ 21.09	2.24%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL (kWh)		kWh	RATE $/kWh	CHARGE ($)		kWh	RATE $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
15,000	Monthly Service Charge	N/A	N/A	$ 17.02	Monthly Service Charge	N/A	N/A	$ 13.79		
	Distribution (kWh)	15000	$0.0152	$ 227.54	Distribution (kWh)	15000	$0.0176	$ 264.02		
			Sub-Total	$ 244.56			Sub Total	$ 277.81	$ 33.25	13.60%
	Other Charges (kWh)	15000	$0.0229	$ 343.50	Other Charges (kWh)	15,000	$0.0229	$ 343.50		
	Cost of Power (kWh)	750	$0.0470	$ 35.25	Cost of Power (kWh)	750	$0.0470	$ 35.25		
	Cost of Power (kWh)	14,250	$0.0550	$ 783.75	Cost of Power (kWh)	14,250	$0.0550	$ 783.75		
	Current 2005 Bill			$ 1,407.06	Adjusted 2006 BILL			$ 1,440.31	$ 33.25	2.36%

GENERAL SERVICE SUBURBAN > 50 KW to 3000 KW

For the purpose of this estimate, ***Other Charges*** *include Retail Transmission Rate of $3.91/kW, Wholesale Market Service Rate of $0.0062 and Debt Reduction Charge of $0.007 for a total of $0.0132/kWh. These charges may differ slightly for your utility.*
Cost of Power is estimated to be 5.5 cents/kWh based on the estimate included in the Market Surveillance Panel Market Report of December 17, 2003.
You may have more accurate estimates for your utility. Consumption has not been adjusted for line losses.

	CURRENT 2004 BILL				FUTURE 2005 BILL					
ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
60	Monthly Service Charge	N/A	N/A	$ 29.99	Monthly Service Charge	N/A	N/A	$ 25.42		
kWh	Distribution (kW)	60	$5.5330	$ 331.98	Distribution (kW)	60	$5.1856	$ 311.14		
15,000			Sub-Total	$ 361.97			Sub Total	$ 336.55	$ (25.42)	-7.02%
	Other Charges (kW)	60	$3.9100	$ 234.60	Other Charges (kW)	60.00	$3.9100	$ 234.60		
	Other Charges (kWh)	15,000	$0.0132	$ 198.00	Other Charges (kWh)	15,000	$0.0132	$ 198.00		
	Cost of Power (kWh)	750	$0.0550	$ 41.25	Cost of Power (kWh)	750	$0.0550	$ 41.25		
	Current 2005 Bill			$ 835.82	Adjusted 2006 BILL			$ 810.40	$ (25.42)	-3.04%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
100	Monthly Service Charge	N/A	N/A	$ 29.99	Monthly Service Charge	N/A	N/A	$ 25.42		
kWh	Distribution (kW)	100	$5.5330	$ 553.30	Distribution (kW)	100	$5.1856	$ 518.56		
40,000			Sub-Total	$ 583.29			Sub Total	$ 543.98	$ (39.32)	-6.74%
	Other Charges (kW)	100	$3.9100	$ 391.00	Other Charges (kW)	100.00	$3.9100	$ 391.00		
	Other Charges (kWh)	40,000	$0.0132	$ 528.00	Other Charges (kWh)	40,000	$0.0132	$ 528.00		
	Cost of Power (kWh)	40,000	$0.0550	$ 2,200.00	Cost of Power (kWh)	40,000	$0.0550	$ 2,200.00		
	Current 2005 Bill			$ 3,702.29	Adjusted 2006 BILL			$ 3,662.98	$ (39.32)	-1.06%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
500	Monthly Service Charge	N/A	N/A	$ 29.99	Monthly Service Charge	N/A	N/A	$ 25.42		
kWh	Distribution (kW)	500	$5.5330	$ 2,766.52	Distribution (kW)	500	$5.1856	$ 2,592.81		
100,000			Sub-Total	$ 2,796.51			Sub Total	$ 2,618.23	$ (178.28)	-6.38%
	Other Charges (kW)	500	$3.9100	$ 1,955.00	Other Charges (kW)	500.00	$3.9100	$ 1,955.00		
	Other Charges (kWh)	100,000	$0.0132	$ 1,320.00	Other Charges (kWh)	100,000	$0.0132	$ 1,320.00		
	Cost of Power (kWh)	100,000	$0.0550	$ 5,500.00	Cost of Power (kWh)	100,000	$0.0550	$ 5,500.00		
	Current 2005 Bill			$ 11,571.51	Adjusted 2006 BILL			$ 11,393.23	$ (178.28)	-1.54%

Sheet 13 - Estimated Bill Impact Analysis for 2005 Rate Schedule

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
1,000	Monthly Service Charge	N/A	N/A	$ 29.99	Monthly Service Charge	N/A	N/A	$ 25.42		
kWh	Distribution (kW)	1,000	$5.5330	$ 5,533.05	Distribution (kW)	1000	5.1856	$ 5,185.63		
400,000			Sub-Total	$ 5,563.04			Sub Total	$ 5,211.05	$ (351.99)	-6.33%
	Other Charges (kW)	1,000	3.9100	$ 3,910.00	Other Charges (kW)	1,000.00	3.9100	$ 3,910.00		
	Other Charges (kWh)	400,000	0.0132	$ 5,280.00	Other Charges (kWh)	400,000	0.0132	$ 5,280.00		
	Cost of Power (kWh)	400,000	0.0550	$ 22,000.00	Cost of Power (kWh)	400,000	0.0550	$ 22,000.00		
	Current 2005 Bill			$ 36,753.04	Adjusted 2006 BILL			$ 36,401.05	$ (351.99)	-0.96%

ENTER DESIRED CONSUMPTION LEVEL kW		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)		kW/ kWh	RATE $/kW or $/kWh	CHARGE ($)	IMPACT ($)	IMPACT (%)
3,000	Monthly Service Charge	N/A	N/A	$ 29.99	Monthly Service Charge	N/A	N/A	$ 25.42		
kWh	Distribution (kW)	3,000	$5.5330	$ 16,599.15	Distribution (kW)	3000	5.1856	$ 15,556.89		
1,000,000			Sub-Total	$ 16,629.14			Sub Total	$ 15,582.31	$ (1,046.83)	-6.30%
	Other Charges (kW)	3,000	3.9100	$ 11,730.00	Other Charges (kW)	3,000.00	3.9100	$ 11,730.00		
	Other Charges (kWh)	1,000,000	0.0132	$ 13,200.00	Other Charges (kWh)	1,000,000	0.0132	$ 13,200.00		
	Cost of Power (kWh)	1,000,000	0.0550	$ 55,000.00	Cost of Power (kWh)	1,000,000	0.0550	$ 55,000.00		
	Current 2005 Bill			$ 96,559.14	Adjusted 2006 BILL			$ 95,512.31	$ (1,046.83)	-1.08%

SECTION 93 PILs TAX GROSS-UP	PROXY CALCULATION FOR 2005	PILS2005.V1.1

REGULATORY INFORMATION (REGINFO)

Utility Name:	HALDIMAND COUNTY HYDRO INC.	
File Number:	RP-2005-0013	
	EB-2005-0035	
Reporting period:	January 1, 2005 - December 31, 2005	
Days in reporting period:	365	
Total days in the calendar year:	365	

BACKGROUND

1. Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group? (Yes or No)	No
2. Please identify the percentage used to allocate the exemption.	99.00%
3. Please explain the basis of the allocation if the percentage is other than 100%.	Exemption is prorated based on each respective associated Corporation's taxable capital (Ontario), and 99% was the calculated exemption that Haldimand County Hydro Inc. ("wires only company") received in 2003.
4. Accounting Year End	31-Dec

MARR NO TAX CALCULATIONS
FROM SHEET #7 FINAL 2001 RUD MODEL DATA
(FROM 1999 FINANCIAL STATEMENTS)

Rate base (wires-only)	$33,509,753.00		
Common Equity Ratio (CER)	50.00%		
1-CER	50.00%		
Target Return On Equity (%)	9.88%		
Debt rate	7.25%		
			Regulatory Income
Market Adjusted Revenue Requirement	$2,870,110		
1999 return from RUD Sheet #7	$1,557,675		$1,557,675
Total Incremental revenue	$1,312,435		
	Based on Board's Decision (RP-2000-0069)	*Board-Approved Amounts*	
Amount allowed in 2001, Year 1	$437,478	$437,478	$437,478
Amount allowed in 2002, Year 2	$437,478	$437,478	$437,478
Amount allowed in 2003, Year 3	$437,478	$437,478	$437,478
Permanent Changes to Base Rate *(e.g. LPP 5% to 1.5%)*	$184,653		$184,653
C&DM Capital Portion from "C&DM TAX FORECAST" worksheet	83%		
Total Regulatory Income			**$3,054,762**
Equity	$16,754,877		
Return at target ROE	$1,655,382		
Debt	$16,754,877		
Deemed interest amount in EBIT	$1,214,729		

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Utility Name: HALDIMAND COUNTY HYDRO INC. Reporting Period: January 1, 2005 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365	ITEM	Proxy Calculation $	Comments
I) CORPORATE INCOME TAXES			
Regulatory Net Income	1	**$3,054,762**	
BOOK TO TAX ADJUSTMENTS			
Additions:			
Depreciation & Amortization	2	**$1,863,832**	
Employee Benefit Plans - Accrued, Not Paid	3	$0	
Tax reserves deducted in prior year	4	$0	
Reserves from financial statements-end of year	4	$0	
Regulatory Adjustments	5	$214,577	Annual 1/3 Recovery of Transition Costs 12/31/01
Other Additions			
"Material" Items	6	$0	
Other Additions	6	$0	
"Material Items	6	$0	
Other Additions	6	$0	
Deductions:			
Capital Cost Allowance and CEC	7	**$1,903,327**	
Employee Benefit Plans - Paid Amounts	8	$0	
Items Capitalized for Regulatory Purposes	9	$0	
Regulatory Adjustments	10	$34,503	Trans. Costs recoverable - Oct to Dec/01
Interest Expense Deemed	11	**$1,214,729**	
Tax reserves claimed in current year	4	$0	
Reserves from F/S beginning of year	4	$0	
Contributions to deferred income plans	3	$0	
Contributions to pension plans	3	$0	
Interest capitalized for accounting but deducted for tax	11	$0	
Other Deductions			
"Material" Items	12	$0	
C&DM 2005 Incremental OM&A expenses per C&DM Plan	12	**$33,333**	
Material Items	12	$0	
Other Deductions	12	$0	
REGULATORY TAXABLE INCOME		**$1,947,279**	
CORPORATE INCOME TAX RATE			
Deemed %	13	36.12%	
REGULATORY INCOME TAX		$703,357	
Taxable Income x Rate			
Miscellaneous Tax Credits	14	$0	
Total Regulatory Income Tax		**$703,357**	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Utility Name: HALDIMAND COUNTY HYDRO INC. Reporting Period: January 1, 2005 - December 31, 2005 Days in Reporting Period: 365 Total days in the calendar year: 365	ITEM	Proxy Calculation $	Comments
Percentage used to determine the exemptions for capital tax and large corporations tax		99%	
II) CAPITAL TAXES			
Ontario			
Rate Base	15	$33,509,753	
Less: Exemption	16	$7,425,000	
Deemed Taxable Capital		$26,084,753	
Rate (.3%)	17	0.3000%	
Net Amount (Taxable Capital x Rate)		**$78,254**	
Federal (LCT)			
Base	18	$33,509,753	
Less: Exemption	19	$49,500,000	
Deemed Taxable Capital		$0	
Rate (.175%)	20	0.1750%	
Gross Amount (Taxable Capital x Rate)		$0	
Less: Federal Surtax	21	$0	
Net LCT		**$0**	
III) INCLUSION IN RATES			
Income Tax Rate used for gross- up		36.12%	
Income Tax (grossed-up)	22	$1,101,060	
LCT (grossed-up)	23	$0	
Ontario Capital Tax	24	$78,254	
Total S. 93 PILs Rate Adjustment ***(Enter this amount in the 2005 RAM, Sheet #4, cell G14)***	**25**	**$1,179,314**	

SECTION 93 PILs TAX GROSS-UP "SIMPIL"

Corporate Tax Rates for 2005

Income Range	$0 to $400,000	$400,001 to $1,128,000	> $1,128,000
Income Tax Rate	18.62%	27.50%	36.12%
Capital Tax Rate	0.300%		
LCT Rate	0.175%		
Surtax	1.12%		
Ontario Capital Tax Exemption	$7,500,000		
Federal Large Corporations Tax Exemption	$50,000,000		

Conservation and Demand Management Tax Forecast

Utility Name: HALDIMAND COUNTY HYDRO INC.
File Number: RP-2005-0013
EB-2005-0035

	Jan - Dec 2005		Jan - Dec 2006		Jan - Sept 30th 2007		Total	
	$	%	$	%	$	%	$	%
Capital	$159,989	83%	$167,489	80%	$5,000	14%	**$332,478**	76%
Tax Deductible Expense	$33,333	17%	$40,833	20%	$30,833	86%	**$105,000**	24%
Total	**$193,322**	**100%**	**$208,322**	**100%**	**$35,833**	**100%**	**$437,478**	**100%**

Notes:

1. Capital that will be recognized for tax purposes (i.e. UCC addition), not from a capital budget or commitment perspective.

2. Expenses to be recognized in the period shown that will be used as a tax deduction for the same period. The 2005 tax deductible expense amount will be entered automatically into the TAXCALC worksheet, cell C44.

3. The amounts shown in the "Total" column should agree with the C&DM plan filed with or approved by the Board. The amount of the third tranche of MARR is the maximum amount unless the utility has applied for a lower amount.

1. Copy for J.D., J.P., Mike & S.G.
2. Mike pls file this with your "originals"

RECEIVED MAR 24 2005

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Ontario

March 23, 2005

BY PRIORITY POST

Lloyd Payne
President & CEO
Haldimand County Hydro Inc.
1 Greendale Drive
Caledonia ON
N3W 2J3

Dear Mr. Payne:

Re: 2005 Electricity Distribution Rates
Board Decision and Order
Board File No. RP-2005-0013\EB-2005-0034

The Board has now issued its Decision and Order for the above referenced proceeding and a copy is enclosed

Yours truly,

P. O'Dell

Peter H. O'Dell
Assistant Board Secretary

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2005-0013
EB-2005-0034

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

AND IN THE MATTER OF an Application by **Haldimand County Hydro Inc.** for an order or orders approving or fixing just and reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

In November 2003 the Ontario government announced that it would permit local distribution companies to apply to the Board for the next installment of their allowable return on equity beginning March 1, 2005. The Government also indicated that the Board's approval would be conditional on a financial commitment to reinvest in conservation and demand management initiatives, an amount equal to one year's incremental returns.

Also in November 2003, the Government announced, in conjunction with the introduction of Bill 4, the *Ontario Energy Board Amendment Act, (Electricity Pricing), 2003*, that electricity distributors could start recovering Regulatory Assets in their rates, beginning March 1, 2004, over a four year period.

In February and March, 2004, the Board approved the applications of distributors to recover 25% of their December 31, 2002 Regulatory Asset balances (or additional amounts for rate stability) in their distribution rates on an interim basis effective March 1, 2004 and implemented on April 1, 2004.

On December 20, 2004 the Board issued filing guidelines to all electricity distribution utilities for the April 1, 2005 distribution rate adjustments. The guidelines allowed the applicants to recover three types of costs. These costs concern (i) the rate recovery of the third tranche of the allowable return on equity (Market Adjusted Revenue Requirement or "MARR"), (ii) the 2005 proxy allowance for payments in lieu of taxes ("PILs") and (iii) a second installment of the recovery of Regulatory Assets.

A generic Notice of the proceedings was published on January 25, 2005 in major newspapers in the province, which provided a 14 day period for submissions from interested parties. On February 4, 2005, the Board issued Procedural Order No. 1, providing for an extension for submissions until February 16, 2005 and also providing for reply submissions from applicants and other parties.

The Applicant filed an application for adjustments to their rates for the following amounts:

MARR: $ 437,478
2005 PILs Proxy: $ 1,179,314
Regulatory Assets Second Tranche: $ 477,493

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

The Applicant was not specifically named in any of these submissions.

The full record of the proceeding is available for review at the Board's offices.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place

a process which will address most of the issues raised by SEC on a comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

The Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

1) The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.

2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 23, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0034

March 23, 2005

ONTARIO ENERGY BOARD

Haldimand County Hydro
Schedule of Changed Distribution Rates and Charges
Effective Date: March 1, 2005
Implementation Date: April 1, 2005

RP-2005-0013
EB-2005-0034

RESIDENTIAL URBAN

Monthly Service Charge	(per month)	$9.92
Distribution Volumetric Rate	(per kWh)	$0.0218

GENERAL SERVICE < 50 KW - URBAN

Monthly Service Charge	(per month)	$13.43
Distribution Volumetric Rate	(per kWh)	$0.0183

GENERAL SERVICE > 50 KW - URBAN

Monthly Service Charge	(per month)	$25.52
Distribution Volumetric Rate	(per kW)	$5.1504

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	$9.3651
Distribution Volumetric Rate	(per kW)	$0.9104

SENTINEL LIGHTS

Monthly Service Charge	(per connection)	$1.28
Distribution Volumetric Rate	(per kW)	$3.8892

STREET LIGHTING

Monthly Service Charge	(per connection)	$1.12
Distribution Volumetric Rate	(per kW)	$3.3233

RESIDENTIAL SUBURBAN

Monthly Service Charge	(per month)	$11.39
Distribution Volumetric Rate	(per kWh)	$0.0220

GENERAL SERVICE < 50 KW SUBURBAN

Monthly Service Charge	(per month)	$13.79
Distribution Volumetric Rate	(per kWh)	$0.0176

GENERAL SERVICE > 50 KW SUBURBAN

Monthly Service Charge	(per month)	$25.42
Distribution Volumetric Rate	(per kW)	$5.1856

UNMETERED SCATTERED LOADS

All non-metered loads including billboards, traffic signals, bus kiosks, cable power supplies and pay telephone booths are to be billed on an individual location basis under General Service less than 50 kilowatt rates. Usage to be measured using kilowatts as estimated or determined by portable meters and kilowatthours as determined by the number of hours per day of operation.

The rates on this schedule include an interim recovery of Regulatory Assets.

JS, JA, EG, DA, KS.

RECEIVED FEB 2 1 2005

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Ontario

BY PRIORITY POST

February 18, 2005

cc: Desiree (2.22.05)
Salorina
Sherry

Lloyd Payne
President & CEO
Haldimand County Hydro Inc.
1 Greendale Drive
Caledonia ON
N3W 2J3

Dear Mr. Payne:

Re: Haldimand County Hydro Inc. -
The Niagara Erie Public Power Alliance (NEPPA)
Board file number RP-2004-0203/EB-2004-0523

The Board has now issued its Final Order in the above matter and a copy is enclosed.

(CDM Plan)

Yours truly,

P. O'Dell

Peter H. O'Dell
Assistant Secretary

Enc.

Ontario Energy Board

Commission de l'Énergie de l'Ontario

Ontario

RP-2004-0203
EB-2004-0523

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

AND IN THE MATTER OF an application by Haldimand County Hydro Inc. for a Final Order Pre-approving its individual Conservation and Demand Management Plan.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

George Dominy
Member

Cathy Spoel
Member

FINAL ORDER

Haldimand County Hydro Inc. (HCHI) has along with eight other electricity distribution companies as members of Niagara Erie Public Power Alliance (NEPPA), filed an application with the Ontario Energy Board (the Board) for a Final Order pre-approving its individual conservation and demand management (CDM) plan. The Board received the application on November 30, 2004 and assigned File No. RP-2004-0203 / EB-2004-0523 to this application.

A Notice of Application and Written Hearing was issued by the Board on December 9, 2004. HCHI served and published the Notice as directed by the Board. The intervention period expired on January 16, 2005. There were no intervenors.

On May 31, 2004, the Minister of Energy granted approval to all distributors in Ontario to apply to the Board for an increase in their 2005 rates by the third installment of their incremental market adjusted revenue requirement (MARR). This approval is conditional on a commitment to reinvest an equivalent amount in CDM initiatives.

On October 5, 2004, the Board issued a Procedural Order (the Procedural Order) which addressed the opening of deferral accounts; the recovery of development expenses; the process for applying for plan approval; and the filing requirements for plan approval. Pursuant to the Procedural Order all electricity distribution companies, including HCHI, received authorization to establish a deferral account.

The elements of HCHI's CDM Plan are; for residential and small commercial customers: a co-branded mass market program, a 'Smart' meters/pre-payment meters program, an energy audit program and a social housing program; for commercial, industrial and institutional customers: a 'Smart' meter/interval meter program and an energy audit and feasibility study program. The CDM Plan also includes a distribution loss reduction program.

The total budget for the CDM Plan is $437,478. This amount is consistent with the third installment of its incremental MARR.

The Board finds that the activities and programs proposed by HCHI qualify as conservation and demand management activities and that the planned investments are eligible for tracking in the deferral account.

The Board approves the expenditure of $437,478 for implementation of the CDM Plan, which is consistent with the amount of the third installment of HCHI's incremental MARR.

The Board requires that HCHI file with the Board quarterly and annual reports on the progress of the initiatives included in the approved CDM Plan. The annual reports will be subject to public review.

The Board understands that the approved CDM Plan and the associated budget allocation to the individual programs may be subject to modifications. The Board requires that all modifications be identified in the quarterly and annual reports. In addition, HCHI shall apply to the Board for approval for modifications of spending above 20% of the approved budget.

IT IS ORDERED THAT:

1. Haldimand County Hydro Inc. is granted a final approval of the conservation and demand management plan as submitted for the Board's review in the application received on November 19, 2004. This investment satisfies the Minister of Energy's condition of a financial commitment to reinvest the equivalent of one year of incremental market adjusted revenue requirement in conservation and demand management. The approved total budget is $437,478.

2. Haldimand County Hydro Inc. shall file with the Board quarterly and annual reports on the progress of the initiatives within its conservation and demand management plan.

3. The quarterly reports shall be filed no later than 30 days after the end of each calendar quarter.

4. The annual reports shall be filed no later than March 31 of the following year. The annual reports shall be subject to public review. The annual report shall include a cost benefit analysis on the program included in the conservation and demand management plan.

5. Haldimand County Hydro Inc. shall apply to the Board for approval if cumulative fund transfers among programs exceed 20% of the approved budget.

6. Haldimand County Hydro Inc. may credit the costs of preparing its conservation and demand management application and participation in the hearing including intervenor and Board costs against the amount required to be spent on its conservation and demand management plan budget.

DATED at Toronto, February 18, 2005.

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 5

PILs Amounts Billed to Customers 2002 to 2006

		Effective June 1, 2002	Effective June 1, 2002	Effective April 1, 2004	Effective April 1, 2005
		PILS 2001	PILS 2002	PILS 2004	PILS 2005
Residential Urban					
Monthly Service Charge	(per month)	$ 0.492400	$ 1.611900		
Distribution Volumetric Rate	(per kWh)	$ 0.000735	$ 0.002400	$ 0.004163	$ 0.004800
Residential Suburban					
Monthly Service Charge	(per month)	$ 0.549500	$ 1.798600		
Distribution Volumetric Rate	(per kWh)	$ 0.000744	$ 0.002400	$ 0.003715	$ 0.004100
General Service Urban Non-TOU (< 50 kW)					
Monthly Service Charge	(per month)	$ 0.668500	$ 2.188200		
Distribution Volumetric Rate	(per kWh)	$ 0.000687	$ 0.002200	$ 0.002943	$ 0.003200
General Service Suburban Non-TOU (< 50 kW)					
Monthly Service Charge	(per month)	$ 0.850600	$ 2.784400		
Distribution Volumetric Rate	(per kWh)	$ 0.000539	$ 0.001800	$ 0.003942	$ 0.003400
General Service Urban Non-TOU (> 50 kW)					
Monthly Service Charge	(per month)	$ 1.168400	$ 3.824800		
Distribution Volumetric Rate	(per kW)	$ 0.125884	$ 0.412100	$ 0.612385	$ 0.654600
General Service Suburban Non-TOU (> 50 kW)					
Monthly Service Charge	(per month)	$ 1.287300	$ 4.213800		
Distribution Volumetric Rate	(per kW)	$ 0.211637	$ 0.692800	$ 0.788579	$ 0.696100
General Service Urban Time of Use (> 50 kW)					
Monthly Service Charge	(per month)	$ 0.104900	$ 0.343300		
Distribution Volumetric Rate	(per kW)	$ 0.012643	$ 0.041400	$ 0.127674	$ 0.097700
Street Lighting Urban Non-TOU					
Monthly Service Charge	(per connection)	$ 0.027600	$ 0.090400		
Distribution Volumetric Rate	(per kW)	$ 0.043061	$ 0.141000	$ 0.956907	$ 1.140400
Sentinel Lights Urban Non-TOU					
Monthly Service Charge	(per connection)	$ 0.090600	$ 0.296600		
Distribution Volumetric Rate	(per kW)	$ 0.097259	$ 0.318400	$ 2.711774	$ 1.590500
Unmetered Scattered Loads (same as G/S < 50 kW)					
Monthly Service Charge				$ 0.002943	$ 0.003200
Distribution Volumetric Rate					

2002		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	TOTAL
JUNE 2002											
# BILLS Issued (I.e. fixed s/c's) / Connections		3,708	2,198	271	313	18	38	0	0	242	
"ACTUAL" kWh or kW Billed for month		4,657,493	4,399,762	1,078,520	1,452,596	2,324	5,867	59,038	0	76	
PILS - 2001 DEFERRED	Fixed	$ 1,825.82	$ 1,207.80	$ 181.16	$ 266.24	$ 21.03	$ 48.92	$ -	$ -	$ 21.93	**$ 3,572.90**
	Volumetric	$ 3,423.26	$ 3,273.42	$ 740.94	$ 782.95	$ 292.55	$ 1,241.67	$ 746.42	$ -	$ 7.39	**$ 10,508.61**
PILS - 2002 PROXY	Fixed	$ 5,976.93	$ 3,953.32	$ 593.00	$ 871.52	$ 68.85	$ 160.12	$ -	$ -	$ 71.78	**$ 11,695.52**
	Volumetric	$ 11,177.98	$ 10,559.43	$ 2,372.74	$ 2,614.67	$ 957.72	$ 4,064.66	$ 2,444.17	$ -	$ 24.20	**$ 34,215.58**
		$ 22,403.98	$ 18,993.98	$ 3,887.85	$ 4,535.38	$ 1,340.15	$ 5,515.37	$ 3,190.59	$ -	$ 125.29	**$ 59,992.43**
JULY 2002											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,750	4,105	1,042	1,189	86	64	19	0	714	
"ACTUAL" kWh or kW Billed for month		9,847,298	7,389,109	2,326,860	2,720,313	6,688	6,723	61,035	0	142	
PILS - 2001 DEFERRED	Fixed	$ 5,785.70	$ 2,255.70	$ 696.58	$ 1,011.36	$ 100.48	$ 82.39	$ 1.99	$ -	$ 64.69	**$ 9,998.89**
	Volumetric	$ 7,237.76	$ 5,497.50	$ 1,598.55	$ 1,466.25	$ 841.91	$ 1,422.84	$ 771.67	$ -	$ 13.81	**$ 18,850.29**
PILS - 2002 PROXY	Fixed	$ 18,939.83	$ 7,383.25	$ 2,280.10	$ 3,310.65	$ 328.93	$ 269.68	$ 6.52	$ -	$ 211.77	**$ 32,730.75**
	Volumetric	$ 23,633.52	$ 17,733.86	$ 5,119.09	$ 4,896.56	$ 2,756.12	$ 4,657.69	$ 2,526.85	$ -	$ 45.21	**$ 61,368.91**
		$ 55,596.80	$ 32,870.31	$ 9,694.33	$ 10,684.83	$ 4,027.45	$ 6,432.60	$ 3,307.03	$ -	$ 335.48	**$ 122,948.77**
AUGUST 2002											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,402	6,334	937	1,447	83	81	54	0	912	
"ACTUAL" kWh or kW Billed for month		9,129,769	7,078,491	2,141,288	2,619,174	7,077	6,333	46,187	0	134	
PILS - 2001 DEFERRED	Fixed	$ 5,614.34	$ 3,480.53	$ 626.38	$ 1,230.82	$ 96.98	$ 104.27	$ 5.66	$ -	$ 82.63	**$ 11,241.62**
	Volumetric	$ 6,710.38	$ 5,266.40	$ 1,471.06	$ 1,411.73	$ 890.88	$ 1,340.30	$ 583.94	$ -	$ 13.03	**$ 17,687.73**
PILS - 2002 PROXY	Fixed	$ 18,378.88	$ 11,392.33	$ 2,050.34	$ 4,029.03	$ 317.46	$ 341.32	$ 18.54	$ -	$ 270.50	**$ 36,798.40**
	Volumetric	$ 21,911.45	$ 16,988.38	$ 4,710.83	$ 4,714.51	$ 2,916.43	$ 4,387.50	$ 1,912.14	$ -	$ 42.67	**$ 57,583.91**
		$ 52,615.05	$ 37,127.64	$ 8,858.63	$ 11,386.09	$ 4,221.75	$ 6,173.39	$ 2,520.29	$ -	$ 408.82	**$ 123,311.75**
SEPTEMBER 2002											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,530	6,111	920	1,440	82	83	27	13,120	857	
"ACTUAL" kWh or kW Billed for month		8,342,592	6,039,451	2,145,117	2,298,139	7,277	6,365	41,635	2,422	133	
PILS - 2001 DEFERRED	Fixed	$ 5,677.37	$ 3,357.99	$ 615.02	$ 1,224.86	$ 95.81	$ 106.85	$ 2.83	$ 362.11	$ 77.64	**$ 11,520.49**
	Volumetric	$ 6,131.81	$ 4,493.35	$ 1,473.70	$ 1,238.70	$ 916.06	$ 1,347.07	$ 526.39	$ 104.29	$ 12.94	**$ 16,244.30**
PILS - 2002 PROXY	Fixed	$ 18,585.21	$ 10,991.24	$ 2,013.14	$ 4,009.54	$ 313.63	$ 349.75	$ 9.27	$ 1,186.05	$ 254.19	**$ 37,712.01**
	Volumetric	$ 20,022.22	$ 14,494.68	$ 4,719.26	$ 4,136.65	$ 2,998.85	$ 4,409.67	$ 1,723.69	$ 341.50	$ 42.35	**$ 52,888.87**
		$ 50,416.60	$ 33,337.27	$ 8,821.12	$ 10,609.75	$ 4,324.35	$ 6,213.33	$ 2,262.18	$ 1,993.96	$ 387.11	**$ 118,365.49**
OCTOBER 2002											
# BILLS Issued (I.e. fixed s/c's) / Connections		9,386	5,337	754	1,295	68	70	23	2,666	769	
"ACTUAL" kWh or kW Billed for month		6,872,953	5,757,133	1,780,733	2,073,788	7,308	8,360	16,780	480	143	
PILS - 2001 DEFERRED	Fixed	$ 4,621.67	$ 2,932.68	$ 504.05	$ 1,101.53	$ 79.45	$ 90.11	$ 2.41	$ 73.58	$ 69.67	**$ 9,475.15**
	Volumetric	$ 5,051.62	$ 4,283.31	$ 1,223.36	$ 1,117.77	$ 919.96	$ 1,769.29	$ 212.15	$ 20.67	$ 13.91	**$ 14,612.04**
PILS - 2002 PROXY	Fixed	$ 15,129.29	$ 9,599.13	$ 1,649.90	$ 3,605.80	$ 260.09	$ 294.97	$ 7.90	$ 241.01	$ 228.09	**$ 31,016.16**
	Volumetric	$ 16,495.09	$ 13,817.12	$ 3,917.61	$ 3,732.82	$ 3,011.63	$ 5,791.81	$ 694.69	$ 67.68	$ 45.53	**$ 47,573.98**
		$ 41,297.67	$ 30,632.24	$ 7,294.93	$ 9,557.92	$ 4,271.12	$ 7,946.17	$ 917.15	$ 402.94	$ 357.20	**$ 102,677.24**
NOVEMBER 2002											
# BILLS Issued (I.e. fixed s/c's) / Connections		10,627	5,380	964	1,308	83	78	19	2,666	787	
"ACTUAL" kWh or kW Billed for month		7,261,480	5,799,165	1,873,225	2,001,356	6,536	5,321	27,531	480	131	
PILS - 2001 DEFERRED	Fixed	$ 5,232.73	$ 2,956.31	$ 644.43	$ 1,112.58	$ 96.98	$ 100.41	$ 1.99	$ 73.58	$ 71.30	**$ 10,290.33**
	Volumetric	$ 5,337.19	$ 4,314.58	$ 1,286.91	$ 1,078.73	$ 822.78	$ 1,126.12	$ 348.07	$ 20.67	$ 12.74	**$ 14,347.79**
PILS - 2002 PROXY	Fixed	$ 17,129.66	$ 9,676.47	$ 2,109.42	$ 3,642.00	$ 317.46	$ 328.68	$ 6.52	$ 241.01	$ 233.42	**$ 33,684.64**
	Volumetric	$ 17,427.55	$ 13,918.00	$ 4,121.10	$ 3,602.44	$ 2,693.49	$ 3,686.39	$ 1,139.78	$ 67.68	$ 41.71	**$ 46,698.13**
		$ 45,127.14	$ 30,865.35	$ 8,161.86	$ 9,435.75	$ 3,930.70	$ 5,241.60	$ 1,496.37	$ 402.94	$ 359.18	**$ 105,020.80**
DECEMBER 2002											
# BILLS Issued (I.e. fixed s/c's) / Connections		9,699	3,333	653	1,093	61	45	32	2,666	560	
"ACTUAL" kWh or kW Billed for month		6,072,445	5,331,753	1,369,457	1,658,280	4,656	3,637	18,586	480	101	
PILS - 2001 DEFERRED	Fixed	$ 4,775.79	$ 1,831.48	$ 436.53	$ 929.71	$ 71.27	$ 57.93	$ 3.36	$ 73.58	$ 50.74	**$ 8,230.38**
	Volumetric	$ 4,463.25	$ 3,966.82	$ 940.82	$ 893.81	$ 586.12	$ 769.72	$ 234.98	$ 20.67	$ 9.82	**$ 11,886.02**
PILS - 2002 PROXY	Fixed	$ 15,633.82	$ 5,994.73	$ 1,428.89	$ 3,043.35	$ 233.31	$ 189.62	$ 10.99	$ 241.01	$ 166.10	**$ 26,941.82**
	Volumetric	$ 14,573.87	$ 12,796.21	$ 3,012.81	$ 2,984.90	$ 1,918.74	$ 2,519.71	$ 769.46	$ 67.68	$ 32.16	**$ 38,675.53**
		$ 39,446.72	$ 24,589.25	$ 5,819.05	$ 7,851.77	$ 2,809.44	$ 3,536.99	$ 1,018.79	$ 402.94	$ 258.81	**$ 85,733.65**
										TOTAL RECOVERIES	**$ 718,050.14**

2003		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	TOTAL
JANUARY 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		12,168	4,450	931	1,237	83	74	23	0	950	
"ACTUAL" kWh or kW Billed for month		10,214,852	9,105,095	2,458,953	2,587,245	7,586	6,380	43,705	0	169	
PILS - 2001 DEFERRED	Fixed	$ 5,991.52	$ 2,445.28	$ 622.37	$ 1,052.19	$ 96.98	$ 95.26	$ 2.41	$ -	$ 86.07	**$ 10,392.08**
	Volumetric	$ 7,507.92	$ 6,774.19	$ 1,689.30	$ 1,394.53	$ 954.96	$ 1,350.24	$ 552.56	$ -	$ 16.44	**$ 20,240.13**
PILS - 2002 PROXY	Fixed	$ 19,613.60	$ 8,003.77	$ 2,037.21	$ 3,444.30	$ 317.46	$ 311.82	$ 7.90	$ -	$ 281.77	**$ 34,017.83**
	Volumetric	$ 24,515.64	$ 21,852.23	$ 5,409.70	$ 4,657.04	$ 3,126.19	$ 4,420.06	$ 1,809.39	$ -	$ 53.81	**$ 65,844.06**
		$ 57,628.68	$ 39,075.46	$ 9,758.59	$ 10,548.06	$ 4,495.58	$ 6,177.39	$ 2,372.26	$ -	$ 438.09	**$ 130,493.96**
FEBRUARY 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		12,193	7,680	937	1,664	85	80	21	2,666	903	
"ACTUAL" kWh or kW Billed for month		9,430,341	9,742,905	2,366,636	2,876,721	7,712	6,724	15,277	480	156	
PILS - 2001 DEFERRED	Fixed	$ 6,003.83	$ 4,220.16	$ 626.38	$ 1,415.40	$ 99.31	$ 102.98	$ 2.20	$ 73.58	$ 81.81	**$ 12,625.67**
	Volumetric	$ 6,931.30	$ 7,248.72	$ 1,625.88	$ 1,550.55	$ 970.82	$ 1,423.05	$ 193.15	$ 20.67	$ 15.17	**$ 19,979.31**
PILS - 2002 PROXY	Fixed	$ 19,653.90	$ 13,813.25	$ 2,050.34	$ 4,633.24	$ 325.11	$ 337.10	$ 7.21	$ 241.01	$ 267.83	**$ 41,328.99**
	Volumetric	$ 22,632.82	$ 23,382.97	$ 5,206.60	$ 5,178.10	$ 3,178.12	$ 4,658.39	$ 632.47	$ 67.68	$ 49.67	**$ 64,986.81**
		$ 55,221.85	$ 48,665.10	$ 9,509.21	$ 12,777.29	$ 4,573.35	$ 6,521.52	$ 835.03	$ 402.94	$ 414.48	**$ 138,919.56**
MARCH 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		12,349	5,694	958	1,453	85	89	23	5,332	769	
"ACTUAL" kWh or kW Billed for month		8,471,520	8,364,799	2,212,286	2,620,089	7,776	6,527	14,945	961	134	
PILS - 2001 DEFERRED	Fixed	$ 6,080.65	$ 3,128.85	$ 640.42	$ 1,235.92	$ 99.31	$ 114.57	$ 2.41	$ 147.16	$ 69.67	**$ 11,518.98**
	Volumetric	$ 6,226.57	$ 6,223.41	$ 1,519.84	$ 1,412.23	$ 978.87	$ 1,381.35	$ 188.95	$ 41.38	$ 13.03	**$ 17,985.64**
PILS - 2002 PROXY	Fixed	$ 19,905.35	$ 10,241.23	$ 2,096.30	$ 4,045.73	$ 325.11	$ 375.03	$ 7.90	$ 482.01	$ 228.09	**$ 37,706.74**
	Volumetric	$ 20,331.65	$ 20,075.52	$ 4,867.03	$ 4,716.16	$ 3,204.49	$ 4,521.91	$ 618.72	$ 135.50	$ 42.67	**$ 58,513.64**
		$ 52,544.22	$ 39,669.01	$ 9,123.59	$ 11,410.04	$ 4,607.79	$ 6,392.86	$ 817.98	$ 806.06	$ 353.46	**$ 125,724.59**
APRIL 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		12,198	5,615	969	1,398	84	90	21	0	796	
"ACTUAL" kWh or kW Billed for month		8,179,883	7,450,290	2,263,956	2,535,683	6,754	8,633	12,026	0	137	
PILS - 2001 DEFERRED	Fixed	$ 6,006.30	$ 3,085.44	$ 647.78	$ 1,189.14	$ 98.15	$ 115.86	$ 2.20	$ -	$ 72.12	**$ 11,216.98**
	Volumetric	$ 6,012.21	$ 5,543.02	$ 1,555.34	$ 1,366.73	$ 850.22	$ 1,827.06	$ 152.04	$ -	$ 13.32	**$ 17,319.95**
PILS - 2002 PROXY	Fixed	$ 19,661.96	$ 10,099.14	$ 2,120.37	$ 3,892.59	$ 321.28	$ 379.24	$ 7.21	$ -	$ 236.09	**$ 36,717.88**
	Volumetric	$ 19,631.72	$ 17,880.70	$ 4,980.70	$ 4,564.23	$ 2,783.32	$ 5,980.94	$ 497.88	$ -	$ 43.62	**$ 56,363.11**
		$ 51,312.18	$ 36,608.29	$ 9,304.18	$ 11,012.69	$ 4,052.97	$ 8,303.10	$ 659.33	$ -	$ 365.16	**$ 121,618.08**
MAY 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		12,076	5,628	941	1,460	87	85	21	2,666	798	
"ACTUAL" kWh or kW Billed for month		7,437,215	6,605,285	1,971,173	2,422,469	7,468	6,646	12,748	480	138	
PILS - 2001 DEFERRED	Fixed	$ 5,946.22	$ 3,092.59	$ 629.06	$ 1,241.88	$ 101.65	$ 109.42	$ 2.20	$ 73.58	$ 72.30	**$ 11,268.90**
	Volumetric	$ 5,466.35	$ 4,914.33	$ 1,354.20	$ 1,305.71	$ 940.10	$ 1,406.54	$ 161.17	$ 20.67	$ 13.42	**$ 15,582.50**
PILS - 2002 PROXY	Fixed	$ 19,465.30	$ 10,122.52	$ 2,059.10	$ 4,065.22	$ 332.76	$ 358.17	$ 7.21	$ 241.01	$ 236.69	**$ 36,887.98**
	Volumetric	$ 17,849.32	$ 15,852.68	$ 4,336.58	$ 4,360.44	$ 3,077.56	$ 4,604.35	$ 527.77	$ 67.68	$ 43.94	**$ 50,720.32**
		$ 48,727.20	$ 33,982.12	$ 8,378.93	$ 10,973.25	$ 4,452.07	$ 6,478.48	$ 698.35	$ 402.94	$ 366.35	**$ 114,459.49**
JUNE 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		12,003	5,604	981	901	57	54	34	5,332	772	
"ACTUAL" kWh or kW Billed for month		6,492,637	5,564,946	1,972,136	2,206,716	3,484	3,766	75,657	961	137	
PILS - 2001 DEFERRED	Fixed	$ 5,910.28	$ 3,079.40	$ 655.80	$ 766.39	$ 66.60	$ 69.51	$ 3.57	$ 147.16	$ 69.94	**$ 10,768.65**
	Volumetric	$ 4,772.09	$ 4,140.32	$ 1,354.86	$ 1,189.42	$ 438.58	$ 797.02	$ 956.53	$ 41.38	$ 13.32	**$ 13,703.53**
PILS - 2002 PROXY	Fixed	$ 19,347.64	$ 10,079.35	$ 2,146.62	$ 2,508.74	$ 218.01	$ 227.55	$ 11.67	$ 482.01	$ 228.98	**$ 35,250.58**
	Volumetric	$ 15,582.33	$ 13,355.87	$ 4,338.70	$ 3,972.09	$ 1,435.76	$ 2,609.08	$ 3,132.20	$ 135.50	$ 43.62	**$ 44,605.15**
		$ 45,612.33	$ 30,654.94	$ 8,495.98	$ 8,436.64	$ 2,158.95	$ 3,703.17	$ 4,103.97	$ 806.06	$ 355.86	**$ 104,327.91**

2003		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	TOTAL
JULY 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,957	5,663	950	881	99	94	23	0	892	
"ACTUAL" kWh or kW Billed for month		7,108,486	5,811,878	1,974,476	2,446,881	7,625	7,382	22,700	0	152	
PILS - 2001 DEFERRED	Fixed	$ 5,887.63	$ 3,111.82	$ 635.08	$ 749.38	$ 115.67	$ 121.01	$ 2.41	$ -	$ 80.82	**$ 10,703.80**
	Volumetric	$ 5,224.74	$ 4,324.04	$ 1,356.47	$ 1,318.87	$ 959.87	$ 1,562.30	$ 287.00	$ -	$ 14.78	**$ 15,048.06**
PILS - 2002 PROXY	Fixed	$ 19,273.49	$ 10,185.47	$ 2,078.79	$ 2,453.06	$ 378.66	$ 396.10	$ 7.90	$ -	$ 264.57	**$ 35,038.02**
	Volumetric	$ 17,060.37	$ 13,948.51	$ 4,343.85	$ 4,404.39	$ 3,142.26	$ 5,114.25	$ 939.78	$ -	$ 48.40	**$ 49,001.80**
		$ 47,446.22	$ 31,569.83	$ 8,414.18	$ 8,925.69	$ 4,596.45	$ 7,193.66	$ 1,237.08	$ -	$ 408.56	**$ 109,791.48**
AUGUST 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,852	5,708	928	1,441	95	72	27	5,332	973	
"ACTUAL" kWh or kW Billed for month		8,901,828	6,728,230	2,298,770	2,797,945	6,278	6,298	26,612	961	165	
PILS - 2001 DEFERRED	Fixed	$ 5,835.92	$ 3,136.55	$ 620.37	$ 1,225.71	$ 111.00	$ 92.69	$ 2.83	$ 147.16	$ 88.15	**$ 11,260.39**
	Volumetric	$ 6,542.84	$ 5,005.80	$ 1,579.25	$ 1,508.09	$ 790.30	$ 1,332.89	$ 336.46	$ 41.38	$ 16.05	**$ 17,153.07**
PILS - 2002 PROXY	Fixed	$ 19,104.24	$ 10,266.41	$ 2,030.65	$ 4,012.32	$ 363.36	$ 303.39	$ 9.27	$ 482.01	$ 288.59	**$ 36,860.24**
	Volumetric	$ 21,364.39	$ 16,147.75	$ 5,057.29	$ 5,036.30	$ 2,587.16	$ 4,363.25	$ 1,101.74	$ 135.50	$ 52.54	**$ 55,845.93**
		$ 52,847.39	$ 34,556.51	$ 9,287.57	$ 11,782.43	$ 3,851.82	$ 6,092.22	$ 1,450.29	$ 806.06	$ 445.33	**$ 121,121.74**
SEPTEMBER 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		12,206	5,663	932	1,423	89	73	23	2,666	860	
"ACTUAL" kWh or kW Billed for month		9,268,266	6,655,060	2,142,395	2,590,487	7,800	5,971	26,323	480	143	
PILS - 2001 DEFERRED	Fixed	$ 6,010.23	$ 3,111.82	$ 623.04	$ 1,210.40	$ 103.99	$ 93.97	$ 2.41	$ 73.58	$ 77.92	**$ 11,307.37**
	Volumetric	$ 6,812.18	$ 4,951.36	$ 1,471.83	$ 1,396.27	$ 981.90	$ 1,263.68	$ 332.80	$ 20.67	$ 13.91	**$ 17,244.60**
PILS - 2002 PROXY	Fixed	$ 19,674.85	$ 10,185.47	$ 2,039.40	$ 3,962.20	$ 340.41	$ 307.61	$ 7.90	$ 241.01	$ 255.08	**$ 37,013.92**
	Volumetric	$ 22,243.84	$ 15,972.14	$ 4,713.27	$ 4,662.88	$ 3,214.38	$ 4,136.71	$ 1,089.77	$ 67.68	$ 45.53	**$ 56,146.20**
		$ 54,741.10	$ 34,220.80	$ 8,847.54	$ 11,231.75	$ 4,640.67	$ 5,801.97	$ 1,432.88	$ 402.94	$ 392.43	**$ 121,709.72**
OCTOBER 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		12,002	5,661	922	1,428	86	89	23	2,666	893	
"ACTUAL" kWh or kW Billed for month		7,444,688	5,907,393	1,970,453	2,595,311	7,820	7,433	27,394	480	157	
PILS - 2001 DEFERRED	Fixed	$ 5,909.78	$ 3,110.72	$ 616.36	$ 1,214.66	$ 100.48	$ 114.57	$ 2.41	$ 73.58	$ 80.91	**$ 11,223.47**
	Volumetric	$ 5,471.85	$ 4,395.10	$ 1,353.70	$ 1,398.87	$ 984.41	$ 1,573.10	$ 346.34	$ 20.67	$ 15.27	**$ 15,559.31**
PILS - 2002 PROXY	Fixed	$ 19,346.02	$ 10,181.87	$ 2,017.52	$ 3,976.12	$ 328.93	$ 375.03	$ 7.90	$ 241.01	$ 264.86	**$ 36,739.27**
	Volumetric	$ 17,867.25	$ 14,177.74	$ 4,335.00	$ 4,671.56	$ 3,222.62	$ 5,149.58	$ 1,134.11	$ 67.68	$ 49.99	**$ 50,675.54**
		$ 48,594.91	$ 31,865.44	$ 8,322.58	$ 11,261.21	$ 4,636.45	$ 7,212.28	$ 1,490.76	$ 402.94	$ 411.03	**$ 114,197.28**
NOVEMBER 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,998	5,634	930	1,398	91	117	19	2,666	815	
"ACTUAL" kWh or kW Billed for month		6,741,582	5,910,110	1,865,419	2,216,413	8,817	12,644	25,725	491	139	
PILS - 2001 DEFERRED	Fixed	$ 5,907.82	$ 3,095.88	$ 621.71	$ 1,189.14	$ 106.32	$ 150.61	$ 1.99	$ 73.58	$ 73.84	**$ 11,220.89**
	Volumetric	$ 4,955.06	$ 4,397.12	$ 1,281.54	$ 1,194.65	$ 1,109.92	$ 2,675.94	$ 325.24	$ 21.14	$ 13.52	**$ 15,974.13**
PILS - 2002 PROXY	Fixed	$ 19,339.58	$ 10,133.31	$ 2,035.03	$ 3,892.59	$ 348.06	$ 493.01	$ 6.52	$ 241.01	$ 241.73	**$ 36,730.84**
	Volumetric	$ 16,179.80	$ 14,184.26	$ 4,103.92	$ 3,989.54	$ 3,633.49	$ 8,759.76	$ 1,065.02	$ 69.23	$ 44.26	**$ 52,029.28**
		$ 46,382.25	$ 31,810.58	$ 8,042.20	$ 10,265.92	$ 5,197.79	$ 12,079.33	$ 1,398.77	$ 404.96	$ 373.34	**$ 115,955.33**
DECEMBER 2003											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,911	5,601	949	1,384	95	98	26	2,666	762	
"ACTUAL" kWh or kW Billed for month		6,997,733	6,162,827	1,857,153	2,238,335	8,202	8,928	30,979	495	131	
PILS - 2001 DEFERRED	Fixed	$ 5,864.98	$ 3,077.75	$ 634.41	$ 1,177.23	$ 111.00	$ 126.16	$ 2.73	$ 73.58	$ 69.04	**$ 11,136.86**
	Volumetric	$ 5,143.33	$ 4,585.14	$ 1,275.86	$ 1,206.46	$ 1,032.50	$ 1,889.50	$ 391.67	$ 21.32	$ 12.74	**$ 15,558.52**
PILS - 2002 PROXY	Fixed	$ 19,199.34	$ 10,073.96	$ 2,076.60	$ 3,853.61	$ 363.36	$ 412.95	$ 8.93	$ 241.01	$ 226.01	**$ 36,455.76**
	Volumetric	$ 16,794.56	$ 14,790.78	$ 4,085.74	$ 4,029.00	$ 3,380.04	$ 6,185.32	$ 1,282.53	$ 69.80	$ 41.71	**$ 50,659.48**
		$ 47,002.21	$ 32,527.64	$ 8,072.61	$ 10,266.31	$ 4,886.90	$ 8,613.92	$ 1,685.85	$ 405.70	$ 349.50	**$ 113,810.74**
									TOTAL RECOVERIES		**$ 1,432,129.86**

2004		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	TOTAL
JANUARY 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,997	5,655	952	1,405	92	96	4	2,751	845	
"ACTUAL" kWh or kW Billed for month		8,286,479	7,205,115	1,951,135	2,390,843	10,091	16,188	6,927	495	148	
PILS - 2001 DEFERRED	Fixed	$ 5,907.32	$ 3,107.42	$ 636.41	$ 1,195.09	$ 107.49	$ 123.58	$ 0.42	$ 75.93	$ 76.56	**$ 11,230.23**
	Volumetric	$ 6,090.56	$ 5,360.61	$ 1,340.43	$ 1,288.66	$ 1,270.30	$ 3,425.98	$ 87.58	$ 21.32	$ 14.39	**$ 18,899.82**
PILS - 2002 PROXY	Fixed	$ 19,337.96	$ 10,171.08	$ 2,083.17	$ 3,912.08	$ 351.88	$ 404.52	$ 1.37	$ 248.69	$ 250.63	**$ 36,761.39**
	Volumetric	$ 19,887.55	$ 17,292.28	$ 4,292.50	$ 4,303.52	$ 4,158.50	$ 11,215.05	$ 286.78	$ 69.80	$ 47.12	**$ 61,553.08**
		$ 51,223.40	$ 35,931.39	$ 8,352.51	$ 10,699.36	$ 5,888.17	$ 15,169.13	$ 376.15	$ 415.73	$ 388.70	**$ 128,444.51**
FEBRUARY 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,956	5,616	941	1,508	101	107	4	3,840	719	
"ACTUAL" kWh or kW Billed for month		9,266,254	8,473,145	2,205,036	2,705,277	10,862	17,188	7,019	796	122	
PILS - 2001 DEFERRED	Fixed	$ 5,887.13	$ 3,085.99	$ 629.06	$ 1,282.70	$ 118.01	$ 137.74	$ 0.42	$ 105.98	$ 65.14	**$ 11,312.18**
	Volumetric	$ 6,810.70	$ 6,304.02	$ 1,514.86	$ 1,458.14	$ 1,367.35	$ 3,637.62	$ 88.74	$ 34.28	$ 11.87	**$ 21,227.57**
PILS - 2002 PROXY	Fixed	$ 19,271.88	$ 10,100.94	$ 2,059.10	$ 4,198.88	$ 386.30	$ 450.88	$ 1.37	$ 347.14	$ 213.26	**$ 37,029.73**
	Volumetric	$ 22,239.01	$ 20,335.55	$ 4,851.08	$ 4,869.50	$ 4,476.23	$ 11,907.85	$ 290.59	$ 112.24	$ 38.84	**$ 69,120.88**
		$ 54,208.72	$ 39,826.50	$ 9,054.09	$ 11,809.22	$ 6,347.90	$ 16,134.08	$ 381.12	$ 599.63	$ 329.11	**$ 138,689.45**
MARCH 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,973	5,639	931	1,435	96	103	4	2,472	814	
"ACTUAL" kWh or kW Billed for month		8,533,446	8,106,410	2,155,070	2,677,506	10,292	14,472	6,685	436	141	
PILS - 2001 DEFERRED	Fixed	$ 5,895.51	$ 3,098.63	$ 622.37	$ 1,220.61	$ 112.17	$ 132.59	$ 0.42	$ 68.23	$ 73.75	**$ 11,224.27**
	Volumetric	$ 6,272.08	$ 6,031.17	$ 1,480.53	$ 1,443.18	$ 1,295.60	$ 3,062.81	$ 84.52	$ 18.77	$ 13.71	**$ 19,702.38**
PILS - 2002 PROXY	Fixed	$ 19,299.28	$ 10,142.31	$ 2,037.21	$ 3,995.61	$ 367.18	$ 434.02	$ 1.37	$ 223.47	$ 241.43	**$ 36,741.89**
	Volumetric	$ 20,480.27	$ 19,455.38	$ 4,741.15	$ 4,819.51	$ 4,241.33	$ 10,026.20	$ 276.76	$ 61.48	$ 44.89	**$ 64,146.98**
		$ 51,947.14	$ 38,727.49	$ 8,881.27	$ 11,478.91	$ 6,016.28	$ 13,655.63	$ 363.07	$ 371.95	$ 373.79	**$ 131,815.81**
APRIL 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		11,812	5,520	947	1,409	94	99	4	2,841	788	
"ACTUAL" kWh or kW Billed for month		7,558,850	6,856,058	2,010,106	2,408,693	10,339	15,322	4,384	531	133	
PILS - 2001 DEFERRED	Fixed	$ 5,816.23	$ 3,033.24	$ 633.07	$ 1,198.50	$ 109.83	$ 127.44	$ 0.42	$ 78.41	$ 71.39	**$ 11,068.53**
	Volumetric	$ 5,555.75	$ 5,100.91	$ 1,380.94	$ 1,298.29	$ 1,301.51	$ 3,242.70	$ 55.43	$ 22.87	$ 12.94	**$ 17,971.33**
PILS - 2002 PROXY	Fixed	$ 19,039.76	$ 9,928.27	$ 2,072.23	$ 3,923.22	$ 359.53	$ 417.17	$ 1.37	$ 256.83	$ 233.72	**$ 36,232.10**
	Volumetric	$ 18,141.24	$ 16,454.54	$ 4,422.23	$ 4,335.65	$ 4,260.70	$ 10,615.08	$ 181.50	$ 74.87	$ 42.35	**$ 58,528.16**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		75,251	116,463	2,810	23,391	3	43			2	
PILS - 2004 PROXY	Volumetric	$ 313.27	$ 432.66	$ 8.27	$ 92.21	$ 1.84	$ 33.91	$ -	$ -	$ 5.42	**$ 887.58**
		$ 48,866.26	$ 34,949.62	$ 8,516.74	$ 10,847.86	$ 6,033.41	$ 14,436.30	$ 238.72	$ 432.97	$ 365.82	**$ 124,687.46**
MAY 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		3,568	1,778	324	521	29	27		2	319	
"ACTUAL" kWh or kW Billed for month		2,241,411	2,011,873	662,435	853,814	2,448	3,628		0	46	
PILS - 2001 DEFERRED	Fixed	$ 1,756.88	$ 977.01	$ 216.59	$ 443.16	$ 33.88	$ 34.76	$ -	$ 0.06	$ 28.90	**$ 3,491.25**
	Volumetric	$ 1,647.44	$ 1,496.83	$ 455.09	$ 460.21	$ 308.16	$ 767.82	$ -	$ -	$ 4.47	**$ 5,140.03**
PILS - 2002 PROXY	Fixed	$ 5,751.26	$ 3,197.91	$ 708.98	$ 1,450.67	$ 110.92	$ 113.77	$ -	$ 0.18	$ 94.62	**$ 11,428.31**
	Volumetric	$ 5,379.39	$ 4,828.50	$ 1,457.36	$ 1,536.87	$ 1,008.82	$ 2,513.48	$ -	$ -	$ 14.65	**$ 16,739.05**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		4,884,097	4,279,100	1,208,479	1,414,270	7,399	14,212	2,392	508	84	
PILS - 2004 PROXY	Volumetric	$ 20,332.50	$ 15,896.86	$ 3,556.55	$ 5,575.05	$ 4,531.04	$ 11,207.28	$ 305.40	$ 486.11	$ 227.79	**$ 62,118.57**
		$ 34,867.46	$ 26,397.11	$ 6,394.57	$ 9,465.96	$ 5,992.82	$ 14,637.11	$ 305.40	$ 486.34	$ 370.43	**$ 98,916.65**
JUNE 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		-1		-4		4	1			2	
"ACTUAL" kWh or kW Billed for month		1,309	221	-60		411	127				
PILS - 2001 DEFERRED	Fixed	$ (0.49)	$ -	$ (2.67)	$ -	$ 4.67	$ 1.29	$ -	$ -	$ 0.18	**$ 2.98**
	Volumetric	$ 0.96	$ 0.16	$ (0.04)	$ -	$ 51.74	$ 26.88	$ -	$ -	$ -	**$ 79.70**
PILS - 2002 PROXY	Fixed	$ (1.61)	$ -	$ (8.75)	$ -	$ 15.30	$ 4.21	$ -	$ -	$ 0.59	**$ 9.74**
	Volumetric	$ 3.14	$ 0.53	$ (0.13)	$ -	$ 169.37	$ 87.99	$ -	$ -	$ -	**$ 260.90**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		7,545,554	6,702,672	2,063,886	2,772,573	11,189	19,344	2,266	508	164	
PILS - 2004 PROXY	Volumetric	$ 31,412.14	$ 24,900.43	$ 6,074.02	$ 10,929.48	$ 6,851.98	$ 15,254.27	$ 289.31	$ 486.11	$ 444.73	**$ 96,642.46**
		$ 31,414.14	$ 24,901.12	$ 6,062.42	$ 10,929.48	$ 7,093.06	$ 15,374.64	$ 289.31	$ 486.11	$ 445.51	**$ 96,997.99**

2004		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	TOTAL
JULY 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		7		7							
"ACTUAL" kWh or kW Billed for month		-963		-29							
PILS - 2001 DEFERRED	Fixed	$ 3.45	$ -	$ 4.68	$ -	$ -	$ -	$ -	$ -	$ -	**$ 8.13**
	Volumetric	$ (0.71)	$ -	$ (0.02)	$ -	$ -	$ -	$ -	$ -	$ -	**$ (0.73)**
PILS - 2002 PROXY	Fixed	$ 11.28	$ -	$ 15.32	$ -	$ -	$ -	$ -	$ -	$ -	**$ 26.60**
	Volumetric	$ (2.31)	$ -	$ (0.06)	$ -	$ -	$ -	$ -	$ -	$ -	**$ (2.38)**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		7,068,464	5,633,423	2,167,146	2,324,203	10,690	16,063	3,579	508	131	
PILS - 2004 PROXY	Volumetric	$ 29,426.02	$ 20,928.17	$ 6,377.91	$ 9,162.01	$ 6,546.40	$ 12,666.94	$ 456.95	$ 486.11	$ 355.24	**$ 86,405.74**
		$ 29,437.73	$ 20,928.17	$ 6,397.82	$ 9,162.01	$ 6,546.40	$ 12,666.94	$ 456.95	$ 486.11	$ 355.24	**$ 86,437.93**
AUGUST 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		-10		-5							
"ACTUAL" kWh or kW Billed for month		-1,788		-2,021							
PILS - 2001 DEFERRED	Fixed	$ (4.92)	$ -	$ (3.34)	$ -	$ -	$ -	$ -	$ -	$ -	**$ (8.27)**
	Volumetric	$ (1.31)	$ -	$ (1.39)	$ -	$ -	$ -	$ -	$ -	$ -	**$ (2.70)**
PILS - 2002 PROXY	Fixed	$ (16.12)	$ -	$ (10.94)	$ -	$ -	$ -	$ -	$ -	$ -	**$ (27.06)**
	Volumetric	$ (4.29)	$ -	$ (4.45)	$ -	$ -	$ -	$ -	$ -	$ -	**$ (8.74)**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		8,513,432	6,263,599	1,811,492	2,659,055	9,663	16,710	2,249	508	132	
PILS - 2004 PROXY	Volumetric	$ 35,441.42	$ 23,269.27	$ 5,331.22	$ 10,481.99	$ 5,917.48	$ 13,177.16	$ 287.14	$ 486.11	$ 357.95	**$ 94,749.74**
		$ 35,414.77	$ 23,269.27	$ 5,311.10	$ 10,481.99	$ 5,917.48	$ 13,177.16	$ 287.14	$ 486.11	$ 357.95	**$ 94,703.36**
SEPTEMBER 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections											
"ACTUAL" kWh or kW Billed for month					-4,033						
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
	Volumetric	$ -	$ -	$ -	$ (2.17)	$ -	$ -	$ -	$ -	$ -	**$ (2.17)**
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
	Volumetric	$ -	$ -	$ -	$ (7.26)	$ -	$ -	$ -	$ -	$ -	**$ (7.26)**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		7,736,873	6,097,773	2,107,384	2,359,824	10,008	15,123	2,645	508	126	
PILS - 2004 PROXY	Volumetric	$ 32,208.60	$ 22,653.23	$ 6,202.03	$ 9,302.43	$ 6,128.75	$ 11,925.68	$ 337.70	$ 486.11	$ 341.68	**$ 89,586.21**
		$ 32,208.60	$ 22,653.23	$ 6,202.03	$ 9,292.99	$ 6,128.75	$ 11,925.68	$ 337.70	$ 486.11	$ 341.68	**$ 89,575.54**
OCTOBER 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections											
"ACTUAL" kWh or kW Billed for month											
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		7,485,924	5,809,185	2,069,835	2,185,237	10,827	16,020	5,773	506	120	
PILS - 2004 PROXY	Volumetric	$ 31,163.90	$ 21,581.12	$ 6,091.52	$ 8,614.20	$ 6,630.29	$ 12,633.04	$ 737.06	$ 484.19	$ 325.41	**$ 88,260.75**
		$ 31,163.90	$ 21,581.12	$ 6,091.52	$ 8,614.20	$ 6,630.29	$ 12,633.04	$ 737.06	$ 484.19	$ 325.41	**$ 88,262.07**
NOVEMBER 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections		-9									
"ACTUAL" kWh or kW Billed for month		-400			-948		-49				
PILS - 2001 DEFERRED	Fixed	$ (4.43)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ (4.43)**
	Volumetric	$ (0.29)	$ -	$ -	$ (0.51)	$ -	$ (10.37)	$ -	$ -	$ -	**$ (11.18)**
PILS - 2002 PROXY	Fixed	$ (14.51)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ (14.51)**
	Volumetric	$ (0.96)	$ -	$ -	$ (1.71)	$ -	$ (33.95)	$ -	$ -	$ -	**$ (36.61)**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		7,462,158	5,706,388	2,097,141	2,473,584	11,287	17,124	7,521	506	143	
PILS - 2004 PROXY	Volumetric	$ 31,064.96	$ 21,199.23	$ 6,171.89	$ 9,750.87	$ 6,911.99	$ 13,503.63	$ 960.24	$ 484.19	$ 387.78	**$ 90,434.78**
		$ 31,044.77	$ 21,199.23	$ 6,171.89	$ 9,748.65	$ 6,911.99	$ 13,459.31	$ 960.24	$ 484.19	$ 387.78	**$ 90,368.03**
DECEMBER 2004											
PRE APRIL 1, 2004											
# BILLS Issued (I.e. fixed s/c's) / Connections											
"ACTUAL" kWh or kW Billed for month		-1				-939					
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
	Volumetric	$ (0.00)	$ -	$ -	$ -	$ (118.21)	$ -	$ -	$ -	$ -	**$ (118.21)**
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
	Volumetric	$ (0.00)	$ -	$ -	$ -	$ (386.96)	$ -	$ -	$ -	$ -	**$ (386.96)**
POST APRIL 1, 2004											
"ACTUAL" kWh or kW Billed for month		7,039,042	6,022,089	1,797,913	2,126,721	10,364	17,089	7,665	508	127	
PILS - 2004 PROXY	Volumetric	$ 29,303.53	$ 22,372.06	$ 5,291.26	$ 8,383.53	$ 6,346.76	$ 13,476.03	$ 978.62	$ 486.11	$ 344.40	**$ 86,982.29**
		$ 29,303.53	$ 22,372.06	$ 5,291.26	$ 8,383.53	$ 5,841.59	$ 13,476.03	$ 978.62	$ 486.11	$ 344.40	**$ 86,476.75**
									TOTAL RECOVERIES		**$ 1,255,375.56**

2005		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	Unmetered Scattered Load	TOTAL
JANUARY 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month		8,234,979	7,823,669	1,813,891	2,180,989	9,807	16,817	7,596	508	114	4,535	
PILS - 2004 PROXY	Volumetric	$ 34,282.22	$ 29,064.93	$ 5,338.28	$ 8,597.46	$ 6,005.66	$ 13,261.53	$ 969.81	$ 486.11	$ 309.14	$ 13.35	$ 98,328.49
		$ 34,282.22	$ 29,064.93	$ 5,338.28	$ 8,597.46	$ 6,005.66	$ 13,261.53	$ 969.81	$ 486.11	$ 309.14	$ 13.35	$ 98,328.34
FEBRUARY 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month					5,544							
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ 2.99	$ -	$ -	$ -	$ -	$ -		$ 2.99
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ 9.98	$ -	$ -	$ -	$ -	$ -		$ 9.98
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month		9,430,048	8,285,097	2,266,635	2,776,824	10,882	16,607	7,670	508	126	4,535	
PILS - 2004 PROXY	Volumetric	$ 39,257.29	$ 30,779.14	$ 6,670.71	$ 10,946.24	$ 6,663.97	$ 13,095.93	$ 979.26	$ 486.11	$ 341.68	$ 13.35	$ 109,233.68
		$ 39,257.29	$ 30,779.14	$ 6,670.71	$ 10,959.21	$ 6,663.97	$ 13,095.93	$ 979.26	$ 486.11	$ 341.68	$ 13.35	$ 109,247.86
MARCH 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month					-1,000							
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ (0.54)	$ -	$ -	$ -	$ -	$ -		$ (0.54)
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ (1.80)	$ -	$ -	$ -	$ -	$ -		$ (1.80)
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month		8,679,358	7,700,615	2,093,685	2,844,745	9,824	16,443	7,708	508	133	4,535	
PILS - 2004 PROXY	Volumetric	$ 36,132.17	$ 28,607.78	$ 6,161.71	$ 11,213.98	$ 6,016.07	$ 12,966.60	$ 984.11	$ 486.11	$ 360.67	$ 13.35	$ 102,942.56
		$ 36,132.17	$ 28,607.78	$ 6,161.71	$ 11,211.65	$ 6,016.07	$ 12,966.60	$ 984.11	$ 486.11	$ 360.67	$ 13.35	$ 102,941.27
APRIL 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month							-46					
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ (9.74)	$ -	$ -	$ -		$ (9.74)
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ (31.87)	$ -	$ -	$ -		$ (31.87)
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month		7,319,045	6,484,872	1,992,407	2,165,172	8,828	13,491	4,606	504	114	4,535	
PILS - 2004 PROXY	Volumetric	$ 30,469.18	$ 24,091.30	$ 5,863.65	$ 8,535.11	$ 5,406.13	$ 10,638.72	$ 588.07	$ 482.28	$ 309.14	$ 13.35	$ 86,396.94
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		475,026	531,875	79,585	229,783	296	671			12		
PILS - 2005 PROXY	Volumetric	$ 2,280.12	$ 2,180.69	$ 254.67	$ 781.26	$ 193.76	$ 467.08	$ -	$ -	$ 19.09	$ -	$ 6,176.68
		$ 32,749.31	$ 26,271.99	$ 6,118.33	$ 9,316.37	$ 5,599.90	$ 11,064.20	$ 588.07	$ 482.28	$ 328.23	$ 13.35	$ 92,530.52

2005		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	Unmetered Scattered Load	TOTAL
MAY 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month		1,639,066	988,454	536,265	731,957	3,017	1,980			26	151	
PILS - 2004 PROXY	Volumetric	$ 6,823.43	$ 3,672.11	$ 1,578.23	$ 2,885.37	$ 1,847.57	$ 1,561.39	$ -	$ -	$ 70.51		**$ 18,438.60**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		5,323,172	4,905,197	1,334,605	1,734,281	7,699	15,776	3,772	100	101	4,384	
PILS - 2005 PROXY	Volumetric	$ 25,551.23	$ 20,111.31	$ 4,270.74	$ 5,896.56	$ 5,039.77	$ 10,981.67	$ 368.52	$ 114.04	$ 160.64	$ 14.03	**$ 72,508.50**
		$ 32,374.66	$ 23,783.41	$ 5,848.96	$ 8,781.93	$ 6,887.33	$ 12,543.06	$ 368.52	$ 114.04	$ 231.15	$ 14.03	**$ 90,946.40**
JUNE 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month		-572	1		-383	-11	-34					
PILS - 2004 PROXY	Volumetric	$ (2.38)	$ 0.00	$ -	$ (1.51)	$ (6.74)	$ (26.81)	$ -	$ -	$ -		**$ (37.44)**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		7,067,460	5,446,101	2,143,153	2,435,678	10,519	15,455	2,308	503	133	4,535	
PILS - 2005 PROXY	Volumetric	$ 33,923.81	$ 22,329.01	$ 6,858.09	$ 8,281.31	$ 6,885.74	$ 10,758.23	$ 225.49	$ 573.62	$ 211.54	$ 14.51	**$ 90,061.34**
		$ 33,921.43	$ 22,329.02	$ 6,858.09	$ 8,279.80	$ 6,879.00	$ 10,731.41	$ 225.49	$ 573.62	$ 211.54	$ 14.51	**$ 90,023.09**
JULY 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month		-773			-32,417							
PILS - 2004 PROXY	Volumetric	$ (3.22)	$ -	$ -	$ (127.79)	$ -	$ -	$ -	$ -	$ -		**$ (131.01)**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		7,884,814	6,448,262	1,748,802	2,420,972	9,963	18,164	3,952	503	118	4,535	
PILS - 2005 PROXY	Volumetric	$ 37,847.11	$ 26,437.87	$ 5,596.17	$ 8,231.30	$ 6,521.78	$ 12,643.96	$ 386.11	$ 573.62	$ 187.68	$ 14.51	**$ 98,440.12**
		$ 37,843.89	$ 26,437.87	$ 5,596.17	$ 8,103.52	$ 6,521.78	$ 12,643.96	$ 386.11	$ 573.62	$ 187.68	$ 14.51	**$ 98,308.42**
AUGUST 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month					33,370							
PILS - 2004 PROXY	Volumetric	$ -	$ -	$ -	$ 131.54	$ -	$ -	$ -	$ -	$ -		**$ 131.54**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		12,939,042	7,785,526	3,185,448	3,062,252	12,134	16,434	2,866	507	133	4,535	
PILS - 2005 PROXY	Volumetric	$ 62,107.40	$ 31,920.66	$ 10,193.43	$ 10,411.66	$ 7,942.92	$ 11,439.71	$ 280.01	$ 578.18	$ 211.54	$ 14.51	**$ 135,100.01**
		$ 62,107.40	$ 31,920.66	$ 10,193.43	$ 10,543.20	$ 7,942.92	$ 11,439.71	$ 280.01	$ 578.18	$ 211.54	$ 14.51	**$ 135,232.82**

2005		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	Unmetered Scattered Load	TOTAL
SEPTEMBER 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month				1	-248							
PILS - 2004 PROXY	Volumetric	$ -	$ -	$ 0.00	$ (0.98)	$ -	$ -	$ -	$ -	$ -		$ (0.97)
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		8,944,701	7,022,670	1,848,663	2,671,992	9,260	16,166	2,542	507	114	4,535	
PILS - 2005 PROXY	Volumetric	$ 42,934.56	$ 28,792.95	$ 5,915.72	$ 9,084.77	$ 6,061.60	$ 11,253.15	$ 248.35	$ 578.18	$ 181.32	$ 14.51	$ 105,065.12
		$ 42,934.56	$ 28,792.95	$ 5,915.72	$ 9,083.80	$ 6,061.60	$ 11,253.15	$ 248.35	$ 578.18	$ 181.32	$ 14.51	$ 105,064.10
OCTOBER 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month												
PILS - 2004 PROXY	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		7,451,450	5,825,757	1,866,327	2,373,143	9,616	15,820	3,791	507	117	4,535	
PILS - 2005 PROXY	Volumetric	$ 35,766.96	$ 23,885.60	$ 5,972.25	$ 8,068.69	$ 6,294.63	$ 11,012.30	$ 370.38	$ 578.18	$ 186.09	$ 14.51	$ 92,149.60
		$ 35,766.96	$ 23,885.60	$ 5,972.25	$ 8,068.69	$ 6,294.63	$ 11,012.30	$ 370.38	$ 578.18	$ 186.09	$ 14.51	$ 92,150.24
NOVEMBER 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month				-1,057	-1,750							
PILS - 2004 PROXY	Volumetric	$ -	$ -	$ (3.11)	$ (6.90)	$ -	$ -	$ -	$ -	$ -		$ (10.01)
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		7,345,963	5,637,730	2,126,158	2,262,102	11,364	15,940	7,149	507	126	4,535	
PILS - 2005 PROXY	Volumetric	$ 35,260.62	$ 23,114.69	$ 6,803.71	$ 7,691.15	$ 7,438.87	$ 11,095.83	$ 698.46	$ 578.18	$ 200.40	$ 14.51	$ 92,896.43
		$ 35,260.62	$ 23,114.69	$ 6,800.59	$ 7,684.25	$ 7,438.87	$ 11,095.83	$ 698.46	$ 578.18	$ 200.40	$ 14.51	$ 92,886.95
DECEMBER 2005												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month		8,873										
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ 6.52	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 6.52
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ -
	Volumetric	$ 21.30	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 21.30
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month		692										
PILS - 2004 PROXY	Volumetric	$ 2.88	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		$ 2.88
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		7,188,794	6,139,088	1,828,333	2,167,420	10,193	17,649	7,733	507	120	4,535	
PILS - 2005 PROXY	Volumetric	$ 34,506.21	$ 25,170.26	$ 5,850.67	$ 7,369.23	$ 6,672.34	$ 12,285.47	$ 755.51	$ 578.18	$ 190.86	$ 14.51	$ 93,393.24
		$ 34,536.91	$ 25,170.26	$ 5,850.67	$ 7,369.23	$ 6,672.34	$ 12,285.47	$ 755.51	$ 578.18	$ 190.86	$ 14.51	$ 93,425.01
											TOTAL RECOVERIES	$ 1,201,057.00

2006		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	Unmetered Scattered Load	TOTAL
JANUARY 2006												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections			-4		-11							
"ACTUAL" kWh or kW Billed for month			-7,578		-12,046							
PILS - 2001 DEFERRED	Fixed	$ -	$ (2.20)	$ -	$ (9.36)	$ -	$ -	$ -	$ -	$ -		**$ (11.55)**
	Volumetric	$ -	$ (5.64)	$ -	$ (6.49)	$ -	$ -	$ -	$ -	$ -		**$ (12.13)**
PILS - 2002 PROXY	Fixed	$ -	$ (7.19)	$ -	$ (30.63)	$ -	$ -	$ -	$ -	$ -		**$ (37.82)**
	Volumetric	$ -	$ (18.19)	$ -	$ (21.68)	$ -	$ -	$ -	$ -	$ -		**$ (39.87)**
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month			-13,446		-16,627	-1						
PILS - 2004 PROXY	Volumetric	$ -	$ (49.95)	$ -	$ (65.54)	$ (0.61)	$ -	$ -	$ -	$ -	$ -	**$ (116.11)**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		9,030,158	8,009,878	2,192,826	2,568,259	10,302	17,471	7,612	507	120	4,535	
PILS - 2005 PROXY	Volumetric	$ 43,344.76	$ 32,840.50	$ 7,017.04	$ 8,732.08	$ 6,743.69	$ 12,161.56	$ 743.69	$ 578.18	$ 190.86	$ 14.51	**$ 112,366.88**
		$ 43,344.76	$ 32,757.33	$ 7,017.04	$ 8,598.38	$ 6,743.08	$ 12,161.56	$ 743.69	$ 578.18	$ 190.86	$ 14.51	**$ 112,150.02**
FEBRUARY 2006												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections			15									
"ACTUAL" kWh or kW Billed for month			19,624									
PILS - 2001 DEFERRED	Fixed	$ -	$ 8.24	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ 8.24**
	Volumetric	$ -	$ 14.60	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ 14.60**
PILS - 2002 PROXY	Fixed	$ -	$ 26.98	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ 26.98**
	Volumetric	$ -	$ 47.10	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ 47.10**
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month			30,073									
PILS - 2004 PROXY	Volumetric	$ -	$ 111.72	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ 111.72**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		8,368,057	7,474,968	1,913,664	2,444,796	9,026	16,662	7,894	507	116	4,535	
PILS - 2005 PROXY	Volumetric	$ 40,166.67	$ 30,647.37	$ 6,123.72	$ 8,312.31	$ 5,908.42	$ 11,598.42	$ 771.24	$ 578.18	$ 184.50	$ 14.51	**$ 104,305.35**
		$ 40,166.67	$ 30,856.01	$ 6,123.72	$ 8,312.31	$ 5,908.42	$ 11,598.42	$ 771.24	$ 578.18	$ 184.50	$ 14.51	**$ 104,513.65**
MARCH 2006												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections				44						-2		
"ACTUAL" kWh or kW Billed for month				19,228								
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ 29.41	$ -	$ -	$ -	$ -	$ -	$ (0.18)		**$ 29.23**
	Volumetric	$ -	$ -	$ 13.21	$ -	$ -	$ -	$ -	$ -	$ -		**$ 13.21**
PILS - 2002 PROXY	Fixed	$ -	$ -	$ 96.28	$ -	$ -	$ -	$ -	$ -	$ (0.59)		**$ 95.69**
	Volumetric	$ -	$ -	$ 42.30	$ -	$ -	$ -	$ -	$ -	$ -		**$ 42.30**
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month				10,488						-3		
PILS - 2004 PROXY	Volumetric	$ -	$ -	$ 30.87	$ -	$ -	$ -	$ -	$ -	$ (8.14)		**$ 22.73**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		9,176,963	7,266,368	2,658,511	2,644,217	12,025	16,140	7,857	509	132	4,535	
PILS - 2005 PROXY	Volumetric	$ 44,049.42	$ 29,792.11	$ 8,507.24	$ 8,990.34	$ 7,871.57	$ 11,235.05	$ 767.63	$ 580.46	$ 209.95	$ 14.51	**$ 112,018.27**
		$ 44,049.42	$ 29,792.11	$ 8,719.31	$ 8,990.34	$ 7,871.57	$ 11,235.05	$ 767.63	$ 580.46	$ 201.04	$ 14.51	**$ 112,221.91**
APRIL 2006												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month												
PILS - 2004 PROXY	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		6,201,382	6,550,541	1,388,378	2,033,928	7,995	15,819	4,638	511	99	4,535	
PILS - 2005 PROXY	Volumetric	$ 29,766.63	$ 26,857.22	$ 4,442.81	$ 6,915.36	$ 5,233.53	$ 11,011.61	$ 453.13	$ 582.74	$ 157.46	$ 14.51	**$ 85,435.00**
		$ 29,766.63	$ 26,857.22	$ 4,442.81	$ 6,915.36	$ 5,233.53	$ 11,011.61	$ 453.13	$ 582.74	$ 157.46	$ 14.51	**$ 85,434.18**

2006		Residential Urban	Residential SubUrban	General Service < 50 kW Urban	General Service < 50 kW Suburban	General Service >50 kW Urban	General Service >50 kW SubUrban	Interval plus TOU	Street Lights	Sentinel Lights	Unmetered Scattered Load	TOTAL
MAY 2006												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections												
"ACTUAL" kWh or kW Billed for month												
PILS - 2001 DEFERRED	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
PILS - 2002 PROXY	Fixed	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month												
PILS - 2004 PROXY	Volumetric	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		**$ -**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		6,955,802	5,466,423	1,981,909	2,384,188	10,035	15,573	2,340	511	123	4,535	
PILS - 2005 PROXY	Volumetric	$ 33,387.85	$ 22,412.33	$ 6,342.11	$ 8,106.24	$ 6,568.91	$ 10,840.37	$ 228.62	$ 582.74	$ 195.63	$ 14.51	**$ 88,679.31**
		$ 33,387.85	$ 22,412.33	$ 6,342.11	$ 8,106.24	$ 6,568.91	$ 10,840.37	$ 228.62	$ 582.74	$ 195.63	$ 14.51	**$ 88,678.22**
JUNE 2006												
PRE APRIL 1, 2004												
# BILLS Issued (I.e. fixed s/c's) / Connections		-1		-10	-46							
"ACTUAL" kWh or kW Billed for month		-60	-11,435	-3,804	-23,419							
PILS - 2001 DEFERRED	Fixed	$ (0.49)	$ -	$ (6.69)	$ (39.13)	$ -	$ -	$ -	$ -	$ -		**$ (46.31)**
	Volumetric	$ (0.04)	$ (8.51)	$ (2.61)	$ (12.62)	$ -	$ -	$ -	$ -	$ -		**$ (23.79)**
PILS - 2002 PROXY	Fixed	$ (1.61)	$ -	$ (21.88)	$ (128.08)	$ -	$ -	$ -	$ -	$ -		**$ (151.58)**
	Volumetric	$ (0.14)	$ (27.44)	$ (8.37)	$ (42.15)	$ -	$ -	$ -	$ -	$ -		**$ (78.11)**
POST APRIL 1, 2004												
"ACTUAL" kWh or kW Billed for month			138,506	-1,992	-4,672					1		
PILS - 2004 PROXY	Volumetric	$ -	$ 514.55	$ (5.86)	$ (18.42)	$ -	$ -	$ -	$ -	$ 2.71		**$ 492.98**
POST APRIL 1, 2005.												
"ACTUAL" kWh or kW Billed for month		1,251,063	985,659	458,065	418,614	1,673	849			23	1,314	
PILS - 2005 PROXY	Volumetric	$ 6,005.10	$ 4,041.20	$ 1,465.81	$ 1,423.29	$ 1,095.15	$ 590.99	$ -	$ -	$ 36.58	$ 4.20	**$ 14,662.32**
		$ 6,002.81	$ 4,519.80	$ 1,420.40	$ 1,182.88	$ 1,095.15	$ 590.99	$ -	$ -	$ 39.29	$ 4.20	**$ 14,856.58**
											TOTAL RECOVERIES	**$ 517,854.55**

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 6

2002 SIMPIL True Up Model

	A	B	C	D	E
1	**SIMPIL MODEL** ***(Halton Hills Version per Board Decision in EB-2008-0381)***				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: HALDIMAND COUNTY HYDRO INC.**			Colour Code	
4	**Reporting period: January 2, 2002 to December 31, 2002**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2002	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			33,509,753	
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			2,870,110	
42					
43	1999 return from RUD Sheet #7			1,557,675	1,557,675
44					
45	Total Incremental revenue			1,312,435	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			437,478	437,478
48	Amount allowed in 2002			437,478	437,478
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					0
52	**Total Regulatory Income**				2,432,631
53					
54	Equity			16,754,877	
55					
56	Return at target ROE			1,655,382	
57					
58	Debt			16,754,877	
59					
60	Deemed interest amount in 100% of MARR			1,214,729	
61					
62	Phase-in of interest - Year 1 (2001)			844,417	
63	((D43+D47)/D41)*D61				
64	Phase-in of interest - Year 2 (2002)			1,029,572	
65	((D43+D47+D48)/D41)*D61				
66	Phase-in of interest - Year 3 (2003) and forward			1,029,572	
67	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
68					
69					

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 2, 2002 to December 31, 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	2,432,631		720,053		3,152,684	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	1,863,832		195,707		2,059,539	
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	214,577		983,002		1,197,579	
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			270,585		270,585	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	**Items on which true-up does not apply "TAXREC 3"**				0		0	
31								
32	***Deductions: Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,903,327		-64,153		1,839,174	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	34,503		3,092,998		3,127,501	
37	Interest Expense Deemed/ Incurred	11	1,029,572		50,872		1,080,444	
38	Tax reserves - end of year	4			0		0	
39	Reserves from financial statements - beginning of year	4			0		0	
40	Contributions to deferred income plans	3			0		0	
41	Contributions to pension plans	3			0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43	Other Deductions (See Tab entitled "TAXREC")							
44	"Material" Items from "TAXREC" worksheet	12			0		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			0		0	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		1,543,638		(910,370)	Before loss C/F	633,268	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		0.0000%		38.62%	
54								
55	REGULATORY INCOME TAX		596,153		-596,153	Actual	0	
56								
57								
58	Miscellaneous Tax Credits	14			0	Actual	0	
59								
60	**Total Regulatory Income Tax**		596,153		-596,153	Actual	0	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	33,509,753		4,328,260		37,838,013	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-50,939		4,949,061	
68	Taxable Capital		28,509,753		4,277,321		32,888,952	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		85,529		13,138	**Overpaid**	98,667	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	33,509,753		6,478,541		39,988,294	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		23,509,753		6,478,541		29,988,294	
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)		52,897		14,577		67,474	
82	Less: Federal Surtax 1.12% x Taxable Income	21	17,289		-17,289		0	
83								
84	Net LCT		35,608		31,865		67,474	
85								

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 2, 2002 to December 31, 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	953,845			**Actual 2002**	0	
91	LCT (proxy tax is grossed-up)	23	56,973			**Actual 2002**	67,474	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	85,529			**Actual 2002**	98,667	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	1,096,347			**Actual 2002**	166,141	
96	**RAM DECISION**							
97								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			983,002			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			270,585			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			3,092,998			
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		=	-1,839,411			
121								
122	Income Tax Rate (excluding surtax) from **2002** Utility's tax return			x	37.50%			
123								
124	Income Tax Effect on True-up adjustments			=	-689,779			
125								
126	Less: Miscellaneous Tax Credits	14			0			
127								
128	Total Income Tax on True-ups				-689,779			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				37.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				(1,103,647)			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,543,638			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	38.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	596,153			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143								
144	Total Revised Regulatory Income Tax			=	596,153			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	596,153			
147								
148	Regulatory Income Tax Variance			=	0			
149								

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 2, 2002 to December 31, 2002**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	33,509,753			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	28,509,753			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	85,529			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	85,529			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				33,509,753			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	23,509,753			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				52,897			
169	Less: Federal surtax			-	17,289			
170	Revised Net LCT			=	35,608			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	35,608			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				37.50%			
176								
177	**Income Tax (grossed-up)**			+	0			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	0			
182								
183	**TRUE-UP VARIANCE (from cell I130)**			+	(1,103,647)			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	(1,103,647)			
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)				1,214,729			
194	Interest phased-in (Cell C36)				1,029,572			
195								
196	Variance due to phase-in of debt component of MARR in rates				185,156			
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)				1,080,444			
202	Total deemed interest (REGINFO CELL D60]				1,214,729			
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**				185,156			
209								
210								
211								

	A	B	C	D	E	F
1	**SIMPIL MODEL**	**LINE**	**M of F**	Non-wires	**Wires-only**	
	(Halton Hills Version per Board Decision in EB-2008-0381)					
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
8	**Reporting period: January 2, 2002 to December 31, 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 :**		0	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	28,696,538		28,696,538	
32	Distribution Revenue	+	8,769,204		8,769,204	
33	Other Income	+	1,556,342		1,556,342	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	28,696,538		28,696,538	
40	Administration	-	1,371,699		1,371,699	
41	Customer billing and collecting	-	1,162,754		1,162,754	
42	Operations and maintenance	-	2,578,870		2,578,870	
43	Amortization	-	2,059,539		2,059,539	
44	Ontario Capital Tax	-	0		0	
45	Reg Assets	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	3,152,684	0	3,152,684	
51	Less: Interest expense for accounting purposes	-	1,080,444		1,080,444	
52	Provision for payments in lieu of income taxes	-	110,403		110,403	
53	**Net Income (loss)**	=	1,961,837	0	1,961,837	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	110,403	0	110,403	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	2,059,539	0	2,059,539	
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)	+	1,197,579		1,197,579	
66	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
67	Material addition items from TAXREC 2	+	270,585	0	270,585	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	*Subtotal*		3,638,106	0	3,638,106	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76	DEPRECIATION DIFFERENCE	+			0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	3,638,106	0	3,638,106	
83						
84	Recap Material Additions:					
85			0	0	0	
86			0	0	0	
87			0	0	0	

	A	B	C	D	E	F
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
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	-	1,804,659		1,804,659	
98	Cumulative eligible capital deduction	-	34,515		34,515	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-	3,127,501		3,127,501	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	0	0	0	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	0	0	0	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	4,966,675	0	4,966,675	
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	=	4,966,675	0	4,966,675	
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	=	633,268	0	633,268	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	633,268		633,268	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	0	0	0	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	0		0	
143	Net Ontario Income Tax (Must agree with tax return)	+	0		0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
146	**Total Income Tax**	=	0	0	0	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		26.12%		26.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		38.62%	**********	38.62%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	0	0	0	
157	Ontario Capital Tax	+	98,667		98,667	
158	Federal Large Corporations Tax	+	67,474		67,474	
159						
160	**Total income and capital taxes**	=	166,141	0	166,141	
161						

	A	B	C	D	E	F
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	For MoF Column of TAXCALC		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
8	**Reporting period: January 2, 2002 to December 31, 2002**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
9	**Reporting period: January 2, 2002 to December 31, 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		0			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+	209,767		209,767	
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	+	60,818		60,818	
28	Debt issue expense	+			0	
29	Financing fees deducted in books	+			0	
30	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
32	Recapture of SR&ED expenditures	+			0	
33	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	*Other Additions: (please explain in detail the nature of the item)*	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	270,585	0	270,585	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51	Loss on disposal of assets		209,767	0	209,767	
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	Capital items expensed		60,818	0	60,818	
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	
68			0	0	0	
69			0	0	0	
70			0	0	0	
71			0	0	0	
72			0	0	0	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		270,585	0	270,585	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		270,585	0	270,585	

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
9	**Reporting period: January 2, 2002 to December 31, 2002**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-			0	
97		-			0	
98		-			0	
99	Total Deductions	=	0	0	0	
100						
101	Recap of Material Deductions:					
102			0	0	0	
103			0	0	0	
104			0	0	0	
105			0	0	0	
106			0	0	0	
107			0	0	0	
108			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
114			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119	Total Deductions exceed materiality level		0	0	0	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		0	0	0	
122						

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL**					
	(Halton Hills Version per Board Decision in EB-2008-0381)					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**				**Version 2009.1**	
9						
10						
11	**Reporting period: January 2, 2002 to December 31, 2002**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	0	0	0	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	**Ontario capital tax adjustments to current or prior year**	-			0	
65		-			0	
66	**Changes in Regulatory Asset balances**	-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

SIMPIL MODEL
(Halton Hills Version per Board Decision in EB-2008-0381)

Corporate Tax Rates **Version 2009.1**
Exemptions, Deductions, or Thresholds
Utility Name: HALDIMAND COUNTY HYDRO INC.
Reporting period: January 2, 2002 to December 31, 2002

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

Income Range / RAM 2002	Year	0 to 200,000		200,001 to 700,000	>700,000
Income Tax Rate					
Proxy Tax Year	***2002***				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	**MAX $5MM**	5,000,000			
Federal Large Corporations Tax Exemption **	**MAX $10MM**	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2002 and Capital Tax Exemptions for 2002

Income Range / Expected Rates	Year	0 to 200,000		200,001 to 700,000	>700,000
Income Tax Rate					
Current year	***2002***				
Federal (Includes surtax)	***2002***	13.12%		26.12%	26.12%
Ontario	***2002***	6.00%		6.00%	12.50%
Blended rate	***2002***	19.12%		32.12%	38.62%
Capital Tax Rate	***2002***	0.300%			
LCT rate	***2002***	0.225%			
Surtax	***2002***	1.12%			
Ontario Capital Tax Exemption * 2002**	**MAX $5MM**	5,000,000			
Federal Large Corporations Tax Exemption * 2002**	**MAX $10MM**	10,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

Table 3

Input Information from Utility's Actual 2002 Tax Returns

Income Range	Year	0 to 200,000		200,001 to 700,000	>700,000		
Income Tax Rate							
Current year	***2002***						
Federal (Includes surtax)		13.12%		22.12%	26.12%	26.12%	0.00%
Ontario		6.00%		9.75%	12.50%	12.50%	0.00%
Blended rate		19.12%		31.87%	38.62%	38.62%	0.00%
Capital Tax Rate		0.300%					
LCT rate		0.225%					
Surtax		1.12%					
Ontario Capital Tax Exemption *	**MAX $5MM**	4,949,061					
Federal Large Corporations Tax Exemption *	**MAX $10MM**	10,000,000					

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

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**SIMPIL MODEL**														
	(Halton Hills Version per Board Decision in EB-2008-0381)														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: HALDIMAND COUNTY HYDRO INC.**														**Version 2009.1**
4	**Reporting period: January 2, 2002 to December 31, 2002**						**Sign Convention: + for increase; - for decrease**								**0**
5															
6															
7															
8	**Year start:**		10/01/01		1/01/02		1/01/03		1/01/04		1/01/05		1/01/06		
9	**Year end:**		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		4/30/06		Total
10															
11	**Opening balance:**	=	0		336,951		763,072		763,072		763,072		763,072		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-	334,927		1,096,347										1,431,274
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-													0
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-													0
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-	2,024		47,824										49,848
20	**PILs billed to (collected from) customers (8)**	-	0		-718,050										-718,050
21															
22	**Ending balance: # 1562**		336,951		763,072		763,072		763,072		763,072		763,072		763,072

Uncollected PILs

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

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

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

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

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 7

2003 SIMPIL True Up Model

	A	B	C	D	E
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: HALDIMAND COUNTY HYDRO INC.**			Colour Code	
4	**Reporting period: January 1, 2003 to December 31, 2003**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	365	days		
7	**Total days in the calendar year:**	365	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
24	Accounting Year End		Date	12-31-2003	
26	**MARR NO TAX CALCULATIONS**				**Regulatory Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			33,509,753	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			2,870,110	
43	1999 return from RUD Sheet #7			1,557,675	1,557,675
45	Total Incremental revenue			1,312,435	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			437,478	437,478
48	Amount allowed in 2002			437,478	437,478
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			0	0
50	unless authorized by the Minister and the Board)				0
51					0
52	**Total Regulatory Income**				2,432,631
53					
54	Equity			16,754,877	
56	Return at target ROE			1,655,382	
58	Debt			16,754,877	
60	Deemed interest amount in 100% of MARR			1,214,729	
62	Phase-in of interest - Year 1 (2001)			844,417	
63	((D43+D47)/D41)*D61				
64	Phase-in of interest - Year 2 (2002)			1,029,572	
65	((D43+D47+D48)/D41)*D61				
66	Phase-in of interest - Year 3 (2003) and forward			1,029,572	
67	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
68					
69					

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
	(Halton Hills Version per Board Decision in EB-2008-0381)							
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: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 1, 2003 to December 31, 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	2,432,631		-536,240		1,896,391	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	1,863,832		290,276		2,154,108	
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	214,577		3,019,891		3,234,468	
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			36,327		36,327	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	**Items on which true-up does not apply "TAXREC 3"**				0		0	
31								
32	***Deductions: Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,903,327		-319,819		1,583,508	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	34,503		2,310,075		2,344,578	
37	Interest Expense Deemed/ Incurred	11	1,029,572		40,670		1,070,242	
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			58,400		58,400	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		1,543,638		720,928	Before loss C/F	2,264,566	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.0000%		36.62%	
54								
55	REGULATORY INCOME TAX		596,153		70,066	Actual	666,219	
56								
57								
58	Miscellaneous Tax Credits	14			5,361	Actual	5,361	
59								
60	**Total Regulatory Income Tax**		596,153		64,705	Actual	660,858	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	33,509,753		4,006,160		37,515,913	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-51,035		4,948,965	
68	Taxable Capital		28,509,753		3,955,125		32,566,948	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		85,529		12,172		97,701	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	33,509,753		5,458,103		38,967,856	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		0		10,000,000	
77	Taxable Capital		23,509,753		5,458,103		28,967,856	
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)		52,897		12,281		65,178	
82	Less: Federal Surtax 1.12% x Taxable Income	21	17,289		-17,289		0	
83								
84	Net LCT		35,608		29,569		65,178	
85								

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 1, 2003 to December 31, 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	953,845			**Actual 2003**	660,858	
91	LCT (proxy tax is grossed-up)	23	56,973			**Actual 2003**	41,396	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	85,529			**Actual 2003**	97,701	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	1,096,347			**Actual 2003**	799,955	
96	**RAM DECISION**							
97								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			3,019,891			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			36,327			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			2,310,075			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			58,400			
119								
120	Total TRUE-UPS before tax effect	26		=	687,743			
121								
122	Income Tax Rate (excluding surtax) from **2003** Utility's tax return			x	35.50%			
123								
124	Income Tax Effect on True-up adjustments			=	244,149			
125								
126	Less: Miscellaneous Tax Credits	14			5,361			
127								
128	Total Income Tax on True-ups				238,788			
129								
130	Income Tax Rate used for gross-up (exclude surtax)				35.50%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**370,214**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,543,638			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.62%			
139								
140	REVISED REGULATORY INCOME TAX			=	565,280			
141								
142	Less: Revised Miscellaneous Tax Credits			-	5,361			
143								
144	Total Revised Regulatory Income Tax			=	559,919			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	596,153			
147								
148	Regulatory Income Tax Variance			=	(36,234)			
149								

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 1, 2003 to December 31, 2003**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	33,509,753			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	28,509,753			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	85,529			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	85,529			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				33,509,753			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164	Revised Federal LCT			=	23,509,753			
165								
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167								
168	Gross Amount				52,897			
169	Less: Federal surtax			-	17,289			
170	Revised Net LCT			=	35,608			
171								
172	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	35,608			
173	Regulatory Federal LCT Variance			=	0			
174								
175	Actual Income Tax Rate used for gross-up (exclude surtax)				35.50%			
176								
177	**Income Tax (grossed-up)**			+	(56,176)			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**(56,176)**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**370,214**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**314,037**			
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)				1,214,729			
194	Interest phased-in (Cell C36)				1,029,572			
195								
196	Variance due to phase-in of debt component of MARR in rates				185,156			
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)				1,070,242			
202	Total deemed interest (REGINFO CELL D60)				1,214,729			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				185,156			
209								
210								
211								

	A	B	C	D	E	F
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
8	**Reporting period: January 1, 2003 to December 31, 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 :**		0	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	17,056,486		17,056,486	
32	Distribution Revenue	+	7,226,884		7,226,884	
33	Other Income	+	1,463,463		1,463,463	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	17,056,486		17,056,486	
40	Administration	-	1,314,005		1,314,005	
41	Customer billing and collecting	-	1,008,436		1,008,436	
42	Operations and maintenance	-	2,317,407		2,317,407	
43	Amortization	-	2,154,108		2,154,108	
44	Ontario Capital Tax	-			0	
45	**Reg Asset movement**	-	0		0	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	1,896,391	0	1,896,391	
51	Less: Interest expense for accounting purposes	-	1,070,242		1,070,242	
52	Provision for payments in lieu of income taxes	-	735,000		735,000	
53	**Net Income (loss)**	=	91,149	0	91,149	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	735,000	0	735,000	
60	Federal large corporation tax	+			0	
61	Depreciation & Amortization	+	2,154,108	0	2,154,108	
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)	+	3,234,468		3,234,468	
66	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
67	Material addition items from TAXREC 2	+	36,327	0	36,327	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	*Subtotal*		6,159,903	0	6,159,903	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	6,159,903	0	6,159,903	
83						

	A	B	C	D	E	F
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
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	-	1,551,409		1,551,409	
98	Cumulative eligible capital deduction	-	32,099		32,099	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-	2,344,578		2,344,578	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	0	0	0	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	58,400	0	58,400	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	3,986,486	0	3,986,486	
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	=	3,986,486	0	3,986,486	
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	=	2,264,566	0	2,264,566	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	141,243		141,243	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	2,123,323	0	2,123,323	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	512,497		512,497	
143	Net Ontario Income Tax (Must agree with tax return)	+	153,722		153,722	
144	Subtotal	=	666,219	0	666,219	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	5,361		5,361	
146	**Total Income Tax**	=	660,858	0	660,858	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		24.12%		24.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		12.50%		12.50%	
151	Blended Income Tax Rate		36.62%		36.62%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	660,858	0	660,858	
157	Ontario Capital Tax	+	97,701		97,701	
158	Federal Large Corporations Tax	+	41,396		41,396	
159						
160	**Total income and capital taxes**	=	799,955	0	799,955	
161						

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

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
9	**Reporting period: January 1, 2003 to December 31, 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		0			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+	28,367		28,367	
22	Loss for tax purposes - joint ventures or partnerships	+	6,960		6,960	
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	Ontario Specified Tax Credits	+	1,000		1,000	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	36,327	0	36,327	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53	Taxable capital gains		28,367	0	28,367	
54	Loss for tax purposes - joint ventures or partnerships		6,960	0	6,960	
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	Ontario Specified Tax Credits		1,000	0	1,000	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		36,327	0	36,327	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		36,327	0	36,327	

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
9	**Reporting period: January 1, 2003 to December 31, 2003**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-	58,400		58,400	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	58,400	0	58,400	
100						
101	Recap of Material Deductions:					
102	Gain on disposal of assets per f/s		58,400	0	58,400	
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		58,400	0	58,400	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		58,400	0	58,400	
122						

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**				**Version 2009.1**	
9						
10						
11	**Reporting period: January 1, 2003 to December 31, 2003**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	Imputed interest expense on Regulatory Assets				0	
39		+			0	
40	**Ontario capital tax adjustments**	+			0	
41	**Changes in Regulatory Asset balances**	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44	Bad debts - pre-October 1, 2001 Denied	+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	0	0	0	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60		-			0	
61		-			0	
62		-			0	
63		-			0	
64	**Ontario capital tax adjustments to current or prior year**	-			0	
65		-			0	
66	**Changes in Regulatory Asset balances**	-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**									
2	**Corporate Tax Rates**					**Version 2009.1**				
3	**Exemptions, Deductions, or Thresholds**									
4	**Utility Name: HALDIMAND COUNTY HYDRO INC.**									
5	**Reporting period: January 1, 2003 to December 31, 2003**									
6										
7						**Table 1**				
8	**Rates Used in 2002 RAM PILs Applications for 2002**									
9	**Income Range**		**0**		**200,001**					
10	**RAM 2002**		**to**		**to**	**>700000**				
11		**Year**	**200,000**		**700,000**					
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	****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**									
24										
25						**Table 2**				
26	**Expected Income Tax Rates for 2003 and Capital Tax Exemptions for 2003**									
27	**Income Range**		**0**		**200,001**					
28	**Expected Rates**		**to**		**to**	**>700000**				
29		**Year**	**200,000**		**700,000**					
30	**Income Tax Rate**									
31	***Current year***	***2003***								
32	***Federal (Includes surtax)***	***2003***	13.12%			24.12%				
33	***Ontario***	***2003***	6.00%			12.50%				
34	***Blended rate***	***2003***	19.12%		34.12%	36.62%				
35										
36	**Capital Tax Rate**	***2003***	0.300%							
37	**LCT rate**	***2003***	0.225%							
38	**Surtax**	***2003***	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	*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**									
42										
43						**Table 3**				
44	**Input Information from Utility's Actual 2003 Tax Returns**									
45	**Income Range**		**0**		**200,001**					
46			**to**		**to**	**>700,000**				
47		**Year**	**200,000**		**700,000**					
48	**Income Tax Rate**									
49	***Current year***	***2003***								
50	***Federal (Includes surtax)***		13.12%		0.00%	24.12%		24.12%	0.00%	
51	***Ontario***		6.00%		0.00%	12.50%		12.50%	0.00%	
52	***Blended rate***		19.12%		0.00%	36.62%		36.62%	0.00%	
53										
54	**Capital Tax Rate**		0.300%							
55	**LCT rate**		0.225%							
56	**Surtax**		1.12%							
57	**Ontario Capital Tax Exemption ***	**MAX $5MM**	4,948,965							
58	**Federal Large Corporations Tax Exemption ***	**MAX $10MM**	10,000,000							
59	*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**SIMPIL MODEL**														
	(Halton Hills Version per Board Decision in EB-2008-0381)														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: HALDIMAND COUNTY HYDRO INC.**														**Version 2009.1**
4	**Reporting period: January 1, 2003 to December 31, 2003**						**Sign Convention: + for increase; - for decrease**								**0**
5															
6															
7															
8	**Year start:**		10/01/01		1/01/02		1/01/03		1/01/04		1/01/05		1/01/06		
9	**Year end:**		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		4/30/06		Total
10															
11	**Opening balance:**	=	0		336,951		763,072		-331,102		-331,102		-331,102		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-	334,927		1,096,347		1,431,274								2,862,548
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-					-1,103,647								-1,103,647
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-					0								0
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-	2,024		47,824		10,329								60,177
20	**PILs billed to (collected from) customers (8)**	-	0		-718,050		-1,432,130								-2,150,180
21															
22	**Ending balance: # 1562**		336,951		763,072		-331,102		-331,102		-331,102		-331,102		-331,102

Uncollected PILs

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

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.
The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

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

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

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 8

2004 SIMPIL True Up Model

	A	B	C	D	E
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: HALDIMAND COUNTY HYDRO INC.**			Colour Code	
4	**Reporting period: January 1, 2004 to December 31, 2004**			**Input Cell**	
5				**Formula in Cell**	
6	**Days in reporting period:**	366	days		
7	**Total days in the calendar year:**	366	days		
8					
9	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	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	OCT	Y/N	N	
20	among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2004	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			33,509,753	
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			2,870,110	
42					
43	1999 return from RUD Sheet #7			1,557,675	1,557,675
44					
45	Total Incremental revenue			1,312,435	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			437,478	437,478
48	Amount allowed in 2002			437,478	437,478
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					0
52	**Total Regulatory Income**				2,432,631
53					
54	Equity			16,754,877	
55					
56	Return at target ROE			1,655,382	
57					
58	Debt			16,754,877	
59					
60	Deemed interest amount in 100% of MARR			1,214,729	
61					
62	Phase-in of interest - Year 1 (2001)			844,417	
63	((D43+D47)/D41)*D61				
64	Phase-in of interest - Year 2 (2002)			1,029,572	
65	((D43+D47+D48)/D41)*D61				
66	Phase-in of interest - Year 3 (2003) and forward			1,029,572	
67	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
68					
69					

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 1, 2004 to December 31, 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	2,432,631		173,927		2,606,558	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	1,863,832		375,538		2,239,370	
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	214,577		3,740,090		3,954,667	
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			14,795		14,795	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	**Items on which true-up does not apply "TAXREC 3"**				0		0	
31								
32	***Deductions: Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,903,327		-239,130		1,664,197	
34	Employee Benefit Plans - Paid Amounts	8			0		0	
35	Items Capitalized for Regulatory Purposes	9	0		0		0	
36	Regulatory Adjustments - deduction for tax purposes in Item 5	10	34,503		1,889,573		1,924,076	
37	Interest Expense Deemed/ Incurred	11	1,029,572		-10,495		1,019,077	
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			23,474		23,474	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		1,543,638		2,640,928	Before loss C/F	4,184,566	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%		-2.5000%		36.12%	
54								
55	REGULATORY INCOME TAX		596,153		916,539	Actual	1,512,692	
56								
57								
58	Miscellaneous Tax Credits	14			2,659	Actual	2,659	
59								
60	**Total Regulatory Income Tax**		596,153		913,880	Actual	1,510,033	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	33,509,753		6,144,208		39,653,961	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		-8,742		4,991,258	
68	Taxable Capital		28,509,753		6,135,466		34,662,703	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		85,529		18,459		103,988	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	33,509,753		-16,364,957		17,144,796	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000		40,000,000		50,000,000	
77	Taxable Capital		23,509,753		23,635,043		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)		52,897		-52,897		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	17,289		-17,289		0	
83								
84	Net LCT		35,608		-35,608		0	
85								

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 1, 2004 to December 31, 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		37.50%					
89								
90	Income Tax (proxy tax is grossed-up)	22	953,845			**Actual 2004**	1,510,033	
91	LCT (proxy tax is grossed-up)	23	56,973			**Actual 2004**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	85,529			**Actual 2004**	103,988	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2002***	25	1,096,347			**Actual 2004**	1,614,021	
96	**RAM DECISION**							
97								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			3,740,090			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			14,795			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			1,889,573			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			0			
118	Other deductions "Material" Item TAXREC 2	12			23,474			
119								
120	Total TRUE-UPS before tax effect	26		=	1,841,838			
121								
122	Income Tax Rate (includes surtax - no LCT) from **2004** Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	665,272			
125								
126	Less: Miscellaneous Tax Credits	14			2,659			
127								
128	Total Income Tax on True-ups				662,613			
129								
130	Income Tax Rate used for gross-up (includes surtax)				36.12%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**1,037,278**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,543,638			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	557,562			
141								
142	Less: Revised Miscellaneous Tax Credits			-	2,659			
143								
144	Total Revised Regulatory Income Tax			=	554,903			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	596,153			
147								
148	Regulatory Income Tax Variance			=	(41,250)			
149								

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: January 1, 2004 to December 31, 2004**							
8							**Column**	
9	**Days in reporting period:**	366	days				**Brought**	
10	**Total days in the calendar year:**	366	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	33,509,753			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	28,509,753			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	85,529			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	85,529			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
161	**Federal LCT**							
162	Base				33,509,753			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	(16,490,247)			
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)			-	35,608			
173	Regulatory Federal LCT Variance			=	(35,608)			
174								
175	Actual Income Tax Rate used for gross-up (includes surtax)				36.12%			
176								
177	**Income Tax (grossed-up)**			+	(64,574)			
178	**LCT (grossed-up)**			+	(56,973)			
179	**Ontario Capital Tax**			+	0			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**(121,547)**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**1,037,278**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**915,730**			
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)				1,214,729			
194	Interest phased-in (Cell C36)				1,029,572			
195								
196	Variance due to phase-in of debt component of MARR in rates				185,156			
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)				1,019,077			
202	Total deemed interest (REGINFO CELL D60)				1,214,729			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				185,156			
209								
210								
211								

	A	B	C	D	E	F
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
6	**Section A: Identification:**					
7	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
8	**Reporting period: January 1, 2004 to December 31, 2004**					
9	**Taxation Year's start date:**					
10	**Taxation Year's end date:**					
11	**Number of days in taxation year:**		366	days		
12						
13	**Please enter the Materiality Level :**		0	< - enter materiality level		
14	**(0.25% x Rate Base x CER)**	Y/N				
15	**(0.25% x Net Assets)**	Y/N				
16	**Or other measure (please provide the basis of the amount)**	Y/N				
17	**Does the utility carry on non-wires related operation?**	Y/N				
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**					
19						
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
22	**Section B: Financial statements data:**					
23	*Input unconsolidated financial statement data submitted with Tax returns.*					
24	*The actual categories of the income statements should be used.*					
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*					
26						
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*					
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*					
29						
30	**Income:**					
31	Energy Sales	+	19,447,557		19,447,557	
32	Distribution Revenue	+	9,260,239		9,260,239	
33	Other Income	+	729,482		729,482	
34	Miscellaneous income	+			0	
35		+			0	
36	Revenue should be entered above this line					
37						
38	**Costs and Expenses:**					
39	Cost of energy purchased	-	19,447,557		19,447,557	
40	Administration	-	1,531,811		1,531,811	
41	Customer billing and collecting	-	1,096,343		1,096,343	
42	Operations and maintenance	-	2,515,639		2,515,639	
43	Amortization	-	2,239,370		2,239,370	
44	Ontario Capital Tax	-			0	
45	Recovery of regulatory assets - expense	-			0	
46		-			0	
47		-			0	
48		-			0	
49						
50	**Net Income Before Interest & Income Taxes EBIT**	=	2,606,558	0	2,606,558	
51	Less: Interest expense for accounting purposes	-	1,019,077		1,019,077	
52	Provision for payments in lieu of income taxes	-	1,433,350		1,433,350	
53	**Net Income (loss)**	=	154,131	0	154,131	
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)					
55						
56	**Section C: Reconciliation of accounting income to taxable income**					
57	***From T2 Schedule 1***					
58	**BOOK TO TAX ADDITIONS:**					
59	Provision for income tax	+	1,433,350	0	1,433,350	
60	Federal large corporation tax	+	0		0	
61	Depreciation & Amortization	+	2,239,370	0	2,239,370	
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)	+	3,954,667		3,954,667	
66	***Items on which true-up does not apply "TAXREC 3"***		0		0	
67	Material addition items from TAXREC 2	+	14,795	0	14,795	
68	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69						
70	*Subtotal*		7,642,182	0	7,642,182	
71						
72	*Other Additions: (Please explain the nature of the additions)*					
73	Recapture of CCA	+			0	
74	Non-deductible meals and entertainment expense	+			0	
75	Capital items expensed	+			0	
76		+	0		0	
77		+			0	
78		+			0	
79		+			0	
80	*Total Other Additions*	=	0	0	0	
81						
82	Total Additions	=	7,642,182	0	7,642,182	
83						

	A	B	C	D	E	F
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**LINE**	**M of F**	Non-wires	**Wires-only**	
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**	
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**	
4	**0**		**Return**			
5					**Version 2009.1**	
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	-	1,634,345		1,634,345	
98	Cumulative eligible capital deduction	-	29,852		29,852	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	-			0	
101	*Regulatory adjustments :*	-			0	
102	*CCA*	-			0	
103	*other deductions*	-	1,924,076		1,924,076	
104	*Tax reserves - end of year*	-	0	0	0	
105	*Reserves from financial statements- beginning of year*	-	0	0	0	
106	*Contributions to deferred income plans*	-			0	
107	*Contributions to pension plans*	-			0	
108	***Items on which true-up does not apply "TAXREC 3"***		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
110	Material deduction items from TAXREC 2	-	23,474	0	23,474	
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112						
113	Subtotal	=	3,611,747	0	3,611,747	
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	=	3,611,747	0	3,611,747	
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	=	4,184,566	0	4,184,566	
135	DEDUCT:					
136	Non-capital loss applied positive number	-	0		0	
137	Net capital loss applied positive number	-			0	
138					0	
139	NET TAXABLE INCOME	=	4,184,566	0	4,184,566	
140						
141	**FROM ACTUAL TAX RETURNS**					
142	Net Federal Income Tax (Must agree with tax return)	+	926,853	0	926,853	
143	Net Ontario Income Tax (Must agree with tax return)	+	585,839	0	585,839	
144	Subtotal	=	1,512,692	0	1,512,692	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	2,659		2,659	
146	**Total Income Tax**	=	1,510,033	0	1,510,033	
147						
148	**FROM ACTUAL TAX RETURNS**					
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%	
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%	
151	Blended Income Tax Rate		36.12%		36.12%	
152						
153	**Section F: Income and Capital Taxes**					
154						
155	**RECAP**					
156	Total Income Taxes	+	1,510,033	0	1,510,033	
157	Ontario Capital Tax	+	103,988		103,988	
158	Federal Large Corporations Tax	+	0		0	
159						
160	**Total income and capital taxes**	=	1,614,021	0	1,614,021	
161						

	A	B	C	D	E	F
1	**SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
2	**Tax and Accounting Reserves**		Corporate	Eliminations	**Tax**	
3	For MoF Column of TAXCALC		Tax		**Return**	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	**0**				**Version 2009.1**	
6						
7	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
8	**Reporting period: January 1, 2004 to December 31, 2004**					
9						
10	**TAX RESERVES**					
11						
12	**Beginning of Year:**					
13					0	
14	Reserve for doubtful accounts ss. 20(1)(l)				0	
15	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
17	Debt and share issue expenses ss.20(1)(e)				0	
18	Other - Please describe				0	
19	Other - Please describe				0	
20					0	
21					0	
22	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
23						
24	**End of Year:**					
25					0	
26	Reserve for doubtful accounts ss. 20(1)(l)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
28	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
30	Other - Please describe				0	
31	Other - Please describe				0	
32					0	
33					0	
34	Insert line above this line					
35	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
38	**FINANCIAL STATEMENT RESERVES**					
39						
40	**Beginning of Year:**					
41					0	
42					0	
43	Environmental				0	
44	Allowance for doubtful accounts				0	
45	Inventory obsolescence				0	
46	Property taxes				0	
47	Other - Please describe				0	
48	Other - Please describe				0	
49					0	
50	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
51						
52	**End of Year:**					
53					0	
54					0	
55	Environmental				0	
56	Allowance for doubtful accounts				0	
57	Inventory obsolescence				0	
58	Property taxes				0	
59	Other - Please describe				0	
60	Other - Please describe				0	
61					0	
62	Insert line above this line					
63	**Total (**carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
9	**Reporting period: January 1, 2004 to December 31, 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		0			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+	8,980		8,980	
22	Loss for tax purposes - joint ventures or partnerships	+	3,156		3,156	
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	Ontario Specified Tax Credits	+	2,659		2,659	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	14,795	0	14,795	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51			0	0	0	
52			0	0	0	
53	Taxable capital gains		8,980	0	8,980	
54	Loss for tax purposes - joint ventures or partnerships		3,156	0	3,156	
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	Ontario Specified Tax Credits		2,659	0	2,659	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		14,795	0	14,795	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		14,795	0	14,795	

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
9	**Reporting period: January 1, 2004 to December 31, 2004**					
10	**Number of days in taxation year:**		366			
11	**Materiality Level:**		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-	23,474		23,474	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92		-				
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	23,474	0	23,474	
100						
101	Recap of Material Deductions:					
102	Gain on disposal of assets per f/s		23,474	0	23,474	
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		23,474	0	23,474	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		23,474	0	23,474	
122						

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**				**Version 2009.1**	
9						
10						
11	**Reporting period: January 1, 2004 to December 31, 2004**					
12	**Number of days in taxation year:**		366			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	**Ontario capital tax adjustments**				0	
39		+			0	
40	**Changes in Regulatory Asset balances**	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	0	0	0	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	**Ontario capital tax adjustments to current or prior year**	-			0	
61		-			0	
62	**Changes in Regulatory Asset balances**	-			0	
63		-			0	
64	Assessment Notice	-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

SIMPIL MODEL
(Halton Hills Version per Board Decision in EB-2008-0381)
Corporate Tax Rates **Version 2009.1**
Exemptions, Deductions, or Thresholds
Utility Name: HALDIMAND COUNTY HYDRO INC.
Reporting period: January 1, 2004 to December 31, 2004

Table 1

Rates Used in 2002 RAM PILs Applications for 2002

Income Range		0 to 200,000		200,001 to 700,000	>700000
RAM 2002					
	Year				
Income Tax Rate					
Proxy Tax Year	*2002*				
Federal (Includes surtax)		13.12%		26.12%	26.12%
and Ontario blended		6.00%		6.00%	12.50%
Blended rate		19.12%		34.12%	38.62%
Capital Tax Rate		0.300%			
LCT rate		0.225%			
Surtax		1.12%			
Ontario Capital Tax Exemption **	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption **	MAX $10MM	10,000,000			

****Exemption amounts must agree with the Board-approved 2002 RAM PILs filing**

Table 2

Expected Income Tax Rates for 2004 and Capital Tax Exemptions for 2004

Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000
Expected Rates					
	Year				
Income Tax Rate					
Current year	*2004*				
Federal (Includes surtax)	*2004*	13.12%	22.12%	22.12%	22.12%
Ontario	*2004*	5.50%	5.50%	9.75%	14.00%
Blended rate	*2004*	18.62%	27.62%	31.87%	36.12%
Capital Tax Rate	*2004*	0.300%			
LCT rate	*2004*	0.200%			
Surtax	*2004*	1.12%			
Ontario Capital Tax Exemption *** 2004	MAX $5MM	5,000,000			
Federal Large Corporations Tax Exemption *** 2004	MAX $50MM	50,000,000			

*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**

Table 3

Input Information from Utility's Actual 2004 Tax Returns

Income Range		0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	>1,128,000		
	Year						
Income Tax Rate							
Current year	*2004*						
Federal (Includes surtax)		13.12%	22.12%	22.29%	22.12%	22.12%	0.00%
Ontario		5.50%	5.50%	13.77%	14.00%	14.00%	0.00%
Blended rate		18.62%	27.62%	36.06%	36.12%	36.12%	0.00%
Capital Tax Rate		0.300%					
LCT rate		0.200%					
Surtax		1.12%					
Ontario Capital Tax Exemption *	MAX $5MM	4,991,258					
Federal Large Corporations Tax Exemption *	MAX $50MM	50,000,000					

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

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**SIMPIL MODEL (Halton Hills Version per Board Decision in EB-**														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: HALDIMAND COUNTY HYDRO INC.**														**Version 2009.1**
4	**Reporting period: January 1, 2004 to December 31, 2004**						**Sign Convention: + for increase; - for decrease**								**0**
5															
6															
7															
8	**Year start:**		10/01/01		1/01/02		1/01/03		1/01/04		1/01/05		1/01/06		
9	**Year end:**		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		4/30/06		Total
10															
11	**Opening balance:**	=	0		336,951		763,072		-331,102		-113,800		-113,800		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-	334,927		1,096,347		1,431,274		1,180,079						4,042,627
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-					-1,103,647		370,214						-733,433
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-					0		-56,176						-56,176
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-	2,024		47,824		10,329		-21,439						38,738
20	**PILs billed to (collected from) customers (8)**	-	0		-718,050		-1,432,130		-1,255,376						-3,405,556
21															
22	**Ending balance: # 1562**		336,951		763,072		-331,102		-113,800		-113,800		-113,800		-113,800

Uncollected PILs

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

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

(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.
If the Board gave more than one decision in the year, calculate a weighted average proxy.
(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.

(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.

(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.

(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.

(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.

(7) Carrying charges are calculated on a simple interest basis.

(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.
The 2005 PILs tax proxy is being recovered on a volumetric basis by class.

(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.

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

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

(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 9

2005 SIMPIL True Up Model

	A	B	C	D	E
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**				**Version 2009.1**
2	**REGULATORY INFORMATION (REGINFO)**				
3	**Utility Name: HALDIMAND COUNTY 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	**BACKGROUND**				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
13					
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
16					
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	N	
20	shared among the corporate group?	LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
23					
24	Accounting Year End		Date	12-31-2005	
25					
26	**MARR NO TAX CALCULATIONS**				**Regulatory Income**
27	**SHEET #7 FINAL RUD MODEL DATA**				
28	**(FROM 1999 FINANCIAL STATEMENTS)**				
29	**USE BOARD-APPROVED AMOUNTS**				
30					
31	Rate Base (wires-only)			33,509,753	
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			2,870,110	
42					
43	1999 return from RUD Sheet #7			1,557,675	1,557,675
44					
45	Total Incremental revenue			1,312,435	
46	**Input: Board-approved dollar amounts phased-in**				
47	Amount allowed in 2001			437,478	437,478
48	Amount allowed in 2002			437,478	437,478
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			437,478	437,478
52	Other Board-approved changes to MARR or incremental revenue			184,653	184,653
53					0
54	**Total Regulatory Income**				3,054,762
55					
56	Equity			16,754,877	
57					
58	Return at target ROE			1,655,382	
59					
60	Debt			16,754,877	
61					
62	Deemed interest amount in 100% of MARR			1,214,729	
63					
64	Phase-in of interest - Year 1 (2001)			844,417	
65	((D43+D47)/D41)*D61				
66	Phase-in of interest - Year 2 (2002)			1,029,572	
67	((D43+D47+D48)/D41)*D61				
68	Phase-in of interest - Year 3 (2003) and forward			1,029,572	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
70	Phase-in of interest - 2005			1,214,729	
71					
72					

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
14	**I) CORPORATE INCOME TAXES**							
15								
16	Regulatory Net Income REGINFO E53	1	3,054,762		-1,182,564		1,872,198	
17								
18	BOOK TO TAX ADJUSTMENTS							
19	***Additions:***							
20	Depreciation & Amortization	2	1,863,832		491,191		2,355,023	
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	214,577		3,261,131		3,475,708	
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			52,302		52,302	
29	Other Additions (not "Material") "TAXREC 2"	6			0		0	
30	**Items on which true-up does not apply "TAXREC 3"**				0		0	
31								
32	***Deductions:*** ***Input positive numbers***							
33	Capital Cost Allowance and CEC	7	1,903,327		-154,311		1,749,016	
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	34,503		2,937,561		2,972,064	
37	Interest Expense Deemed/ Incurred	11	1,214,729		-246,503		968,226	
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	CDM 2005 incremental OM&A expenses per 2005 PILs model	12	33,333		-33,333		0	
45	Other Deductions (not "Material") "TAXREC"	12			0		0	
46	Material Items from "TAXREC 2" worksheet	12			869		869	
47	Other Deductions (not "Material") "TAXREC 2"	12			0		0	
48	**Items on which true-up does not apply "TAXREC 3"**				0		0	
49								
50	TAXABLE INCOME/ (LOSS)		1,947,279		117,777	Before loss C/F	2,065,056	
51								
52	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%		0.0000%		36.12%	
54								
55	REGULATORY INCOME TAX		703,357		42,541	Actual	745,898	
56								
57								
58	Miscellaneous Tax Credits	14			5,870	Actual	5,870	
59								
60	**Total Regulatory Income Tax**		703,357		36,671	Actual	740,028	
61								
62								
63	**II) CAPITAL TAXES**							
64								
65	***Ontario***							
66	Base	15	33,509,753		6,660,616		40,170,369	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,425,000		62,139		7,487,139	
68	Taxable Capital		26,084,753		6,722,755		32,683,230	
69								
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
71								
72	Ontario Capital Tax		78,254		19,795		98,050	
73								
74	***Federal Large Corporations Tax***							
75	Base	18	33,509,753		6,660,616		40,170,369	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	49,500,000		500,000		50,000,000	
77	Taxable Capital		0		7,160,616		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	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
86	**III) INCLUSION IN RATES**							
87								
88	Income Tax Rate used for gross- up (exclude surtax)		36.12%					
89								
90	Income Tax (proxy tax is grossed-up)	22	1,101,060			**Actual 2005**	740,028	
91	LCT (proxy tax is grossed-up)	23	0			**Actual 2005**	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	78,254			**Actual 2005**	98,050	
93								
94								
95	***Total PILs for Rate Adjustment -- MUST AGREE WITH 2005***	25	1,179,315			**Actual 2005**	838,078	
96	**RAM DECISION**							
97								
98								
99	***IV) FUTURE TRUE-UPS***							
100	**IV a) Calculation of the True-up Variance**				**DR/(CR)**			
101	***In Additions:***							
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
104	Reserves from financial statements-end of year	4			0			
105	Regulatory Adjustments	5			3,261,131			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			52,302			
108	***In Deductions - positive numbers***							
109	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
111	Regulatory Adjustments	10			2,937,561			
112	Interest Adjustment for tax purposes **(See Below - cell I206)**	11			0			
113	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year	4			0			
115	Contributions to deferred income plans	3			0			
116	Contributions to pension plans	3			0			
117	Other deductions "Material" Items TAXREC	12			-33,333			
118	Other deductions "Material" Item TAXREC 2	12			869			
119								
120	Total TRUE-UPS before tax effect	26		=	408,336			
121								
122	Income Tax Rate () from **2005** Utility's tax return			x	36.12%			
123								
124	Income Tax Effect on True-up adjustments			=	147,491			
125								
126	Less: Miscellaneous Tax Credits	14			5,870			
127								
128	Total Income Tax on True-ups				141,621			
129								
130	Income Tax Rate used for gross-up ()				36.12%			
131								
132	**TRUE-UP VARIANCE ADJUSTMENT**				**221,698**			
133								
134	**IV b) Calculation of the Deferral Account Variance caused by changes in legislation**							
135								
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)			=	1,947,279			
137								
138	REVISED CORPORATE INCOME TAX RATE			x	36.12%			
139								
140	REVISED REGULATORY INCOME TAX			=	703,357			
141								
142	Less: Revised Miscellaneous Tax Credits			-	5,870			
143								
144	Total Revised Regulatory Income Tax			=	697,487			
145								
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	703,357			
147								
148	Regulatory Income Tax Variance			=	(5,870)			
149								

	A	B	C	D	E	F	G	H
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**ITEM**	**Initial**		M of F	M of F	**Tax**	
2	**PILs DEFERRAL AND VARIANCE ACCOUNTS**		**Estimate**		Filing	Filing	**Returns**	
3	**TAX CALCULATIONS (TAXCALC)**				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	**0**						**Version 2009.1**	
6	**Utility Name: HALDIMAND COUNTY HYDRO INC.**							
7	**Reporting period: 2005**							
8							**Column**	
9	**Days in reporting period:**	365	days				**Brought**	
10	**Total days in the calendar year:**	365	days				**From**	
11							**TAXREC**	
12			$		$		$	
13								
150	**Ontario Capital Tax**							
151	Base			=	33,509,753			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	7,500,000			
153	Revised deemed taxable capital			=	26,009,753			
154								
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157	Revised Ontario Capital Tax			=	78,029			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	78,254			
159	Regulatory Ontario Capital Tax Variance			=	(225)			
160								
161	**Federal LCT**							
162	Base				33,509,753			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	50,000,000			
164	Revised Federal LCT			=	(16,490,247)			
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 ()				36.12%			
176								
177	**Income Tax (grossed-up)**			+	(9,189)			
178	**LCT (grossed-up)**			+	0			
179	**Ontario Capital Tax**			+	(225)			
180								
181	**DEFERRAL ACCOUNT VARIANCE ADJUSTMENT**			=	**(9,414)**			
182								
183	**TRUE-UP VARIANCE (from cell I132)**			+	**221,698**			
184								
185	**Total Deferral Account Entry (Positive Entry = Debit)**			=	**212,284**			
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)				1,214,729			
194	Interest phased-in (Cell C36)				1,029,572			
195								
196	Variance due to phase-in of debt component of MARR in rates				185,156			
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)				968,226			
202	Total deemed interest (REGINFO CELL D62)				1,214,729			
203								
204	Variance caused by excess debt				0			
205								
206	**Interest Adjustment for Tax Purposes (carry forward to Cell I112)**				0			
207								
208	**Total Interest Variance**				185,156			
209								
210								
211								

	A	B	C	D	E	F	G
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**		
4	**0**		**Return**				
5					**Version 2009.1**		
6	**Section A: Identification:**						
7	**Utility Name: HALDIMAND COUNTY 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 :**		**0**	< - enter materiality level			
14	**(0.25% x Rate Base x CER)**	Y/N					
15	**(0.25% x Net Assets)**	Y/N					
16	**Or other measure (please provide the basis of the amount)**	Y/N					
17	**Does the utility carry on non-wires related operation?**	Y/N					
18	**(Please complete the questionnaire in the Background questionnaire worksheet.)**						
19							
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K						
21							
22	**Section B: Financial statements data:**						
23	*Input unconsolidated financial statement data submitted with Tax returns.*						
24	*The actual categories of the income statements should be used.*						
25	*If required please change the descriptions except for amortization, interest expense and provision for income tax*						
26							
27	*Please enter the non-wire operation's amount as a positive number, the program automatically treats all amounts*						
28	*in the "non-wires elimination column" as negative values in TAXREC and TAXREC2.*						
29							
30	**Income:**						
31	Energy Sales	+	22,495,462		22,495,462		
32	Distribution Revenue	+	8,939,611		8,939,611		
33	Other Income	+	646,545		646,545		
34	Miscellaneous income	+			0		
35		+			0		
36	Revenue should be entered above this line						
37							
38	**Costs and Expenses:**						
39	Cost of energy purchased	-	22,495,462		22,495,462		
40	Administration	-	1,568,731		1,568,731		
41	Customer billing and collecting	-	1,144,673		1,144,673		
42	Operations and maintenance	-	2,645,531		2,645,531		
43	Amortization	-	2,355,023		2,355,023		
44	Ontario Capital Tax	-			0		
45	Capitalized	-			0		
46	Recovery of Regulatory Assets	-			0		
47		-			0		
48		-			0		
49							
50	**Net Income Before Interest & Income Taxes EBIT**	=	1,872,198	0	1,872,198		
51	Less: Interest expense for accounting purposes	-	968,226		968,226		
52	Provision for payments in lieu of income taxes	-	747,049		747,049		**Does this include LCT? N**
53	**Net Income (loss)**	=	156,923	0	156,923		
54	(The Net Income (loss) on the MoF column should equal to the net income (loss) per financial statements on Schedule 1 of the tax return.)						
55							
56	**Section C: Reconciliation of accounting income to taxable income**						
57	***From T2 Schedule 1***						
58	**BOOK TO TAX ADDITIONS:**						
59	Provision for income tax	+	747,049	0	747,049		**Does this include LCT? N**
60	Federal large corporation tax	+	0		0		
61	Depreciation & Amortization	+	2,355,023	0	2,355,023		
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)	+	3,475,708		3,475,708		Regulatory Assets - opening "debit" balances
66	***Items on which true-up does not apply "TAXREC 3"***		0	0	0		
67	Material addition items from TAXREC 2	+	52,302	0	52,302		
68	Other addition items (not Material) from TAXREC 2	+	0	0	0		
69							
70	*Subtotal*		6,630,082	0	6,630,082		
71							
72	*Other Additions: (Please explain the nature of the additions)*						
73	Recapture of CCA	+			0		
74	Non-deductible meals and entertainment expense	+			0		
75	Capital items expensed	+			0		
76		+	0		0		
77		+			0		
78		+			0		
79		+			0		
80	*Total Other Additions*	=	0	0	0		
81							
82	Total Additions	=	6,630,082	0	6,630,082		
83							

	A	B	C	D	E	F	G
1	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	**LINE**	**M of F**	Non-wires	**Wires-only**		
2	**TAX RETURN RECONCILIATION (TAXREC)**		**Corporate**	Eliminations	**Tax**		
3	(for "wires-only" business - see s. 72 OEB Act)		**Tax**		**Return**		
4	**0**		**Return**				
5					**Version 2009.1**		
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	-	1,721,254		1,721,254		
98	Cumulative eligible capital deduction	-	27,762		27,762		
99	Employee benefit plans-paid amounts	-			0		
100	Items capitalized for regulatory purposes	-			0		
101	*Regulatory adjustments :*	-			0		
102	*CCA*	-			0		
103	*other deductions*	-	2,972,064		2,972,064		Regulatory Assets - closing "credit" balances
104	*Tax reserves - end of year*	-	0	0	0		
105	*Reserves from financial statements- beginning of year*	-	0	0	0		
106	*Contributions to deferred income plans*	-			0		
107	*Contributions to pension plans*	-			0		
108	***Items on which true-up does not apply "TAXREC 3"***		0	0	0		
109	Interest capitalized for accounting deducted for tax	-			0		
110	Material deduction items from TAXREC 2	-	869	0	869		
111	Other deduction items (not Material) from TAXREC 2	-	0	0	0		
112							
113	Subtotal	=	4,721,949	0	4,721,949		
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	=	4,721,949	0	4,721,949		
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	=	2,065,056	0	2,065,056		
135	DEDUCT:						
136	Non-capital loss applied positive number	-	0		0		
137	Net capital loss applied positive number	-			0		
138					0		
139	NET TAXABLE INCOME	=	2,065,056	0	2,065,056		
140							
141	**FROM ACTUAL TAX RETURNS**						
142	Net Federal Income Tax (Must agree with tax return)	+	456,790		456,790		
143	Net Ontario Income Tax (Must agree with tax return)	+	289,108		289,108		
144	Subtotal	=	745,898	0	745,898		
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-	5,870		5,870		
146	**Total Income Tax**	=	740,028	0	740,028		
147							
148	**FROM ACTUAL TAX RETURNS**						
149	Net Federal Income Tax Rate (Must agree with tax return)		22.12%		22.12%		Divide federal income tax by the taxable income
150	Net Ontario Income Tax Rate (Must agree with tax return)		14.00%		14.00%		Divide Ontario income tax by the taxable income
151	Blended Income Tax Rate		36.12%		36.12%		
152							
153	**Section F: Income and Capital Taxes**						
154							
155	**RECAP**						
156	Total Income Taxes	+	740,028	0	740,028		
157	Ontario Capital Tax	+	98,050		98,050		
158	Federal Large Corporations Tax	+	0		0		
159							
160	**Total income and capital taxes**	=	838,078	0	838,078		
161							

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

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		0			
12						
13						
14						
15	**Section C: Reconciliation of accounting income to taxable income**					
16	**Add:**					
17		+			0	
18	Gain on sale of eligible capital property	+			0	
19	Loss on disposal of assets	+	36,727		36,727	
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	+	9,705		9,705	
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	Ontario Specified Tax Credits	+	5,870		5,870	
42		+			0	
43		+			0	
44		+			0	
45		+				
46	Total Additions	=	52,302	0	52,302	
47						
48	Recap of Material Additions:					
49			0	0	0	
50			0	0	0	
51	Loss on disposal of assets		36,727	0	36,727	
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	Debt issue expense		9,705	0	9,705	
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	Ontario Specified Tax Credits		5,870	0	5,870	
73			0	0	0	
74			0	0	0	
75			0	0	0	
76			0	0	0	
77	Total Material additions		52,302	0	52,302	
78	Other additions less than materiality level		0	0	0	
79	Total Additions		52,302	0	52,302	

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL** **(Halton Hills Version per Board Decision in EB-2008-0381)**	LINE	M of F	Non-wires	**Wires-only**	
3	**TAX RETURN RECONCILIATION (TAXREC 2)**		Corporate	Eliminations	**Tax**	
4	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
5	**RATEPAYERS ONLY**		Return			
6	**Shareholder-only Items should be shown on TAXREC 3**				**Version 2009.1**	
7						
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**					
9	**Reporting period: 2005**					
10	**Number of days in taxation year:**		365			
11	**Materiality Level:**		0			
12						
13						
80						
81	Deduct:					
82	Gain on disposal of assets per f/s	-			0	
83	Dividends not taxable under section 83	-			0	
84	Terminal loss from Schedule 8	-			0	
85	Depreciation in inventory, end of prior year	-			0	
86	Scientific research expenses claimed in year from Form T661	-			0	
87	Bad debts	-			0	
88	Book income of joint venture or partnership	-			0	
89	Equity in income from subsidiary or affiliates	-			0	
90	Contributions to a qualifying environment trust	-			0	
91	Other income from financial statements	-			0	
92	Income for tax purposes - joint ventures or partnerships	-	869		869	
93		-			0	
94		-			0	
95	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
96	Non-taxable load transfers	-	0		0	
97		-			0	
98		-			0	
99	Total Deductions	=	869	0	869	
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	Income for tax purposes - joint ventures or partnerships		869	0	869	
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		869	0	869	
120	Other deductions less than materiality level		0	0	0	
121	Total Deductions		869	0	869	
122						

	A	B	C	D	E	F
1						
2	**SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-0381)**					
3	**TAX RETURN RECONCILIATION (TAXREC 3)**					
4	**Shareholder-only Items should be shown on TAXREC 3**	LINE	M of F	Non-wires	**Wires-only**	
5	**ITEMS ON WHICH TRUE-UP DOES NOT APPLY**		Corporate	Eliminations	**Tax**	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax		**Return**	
7	**0**		Return			
8	**Utility Name: HALDIMAND COUNTY HYDRO INC.**				**Version 2009.1**	
9						
10						
11	**Reporting period: 2005**					
12	**Number of days in taxation year:**		365			
13						
14						
15						
16	**Section C: Reconciliation of accounting income to taxable income**					
17	**Add:**					
18						
19	Recapture of capital cost allowance	+			0	
20	CCA adjustments	+			0	
21	CEC adjustments	+			0	
22	Gain on sale of non-utility eligible capital property	+			0	
23	Gain on sale of utility eligible capital property	+			0	
24	Loss from joint ventures or partnerships	+			0	
25	Deemed dividend income	+			0	
26	Loss in equity of subsidiaries and affiliates	+			0	
27	Loss on disposal of utility assets	+			0	
28	Loss on disposal of non-utility assets	+			0	
29	Depreciation in inventory -end of year	+			0	
30	Depreciation and amortization adjustments	+			0	
31	Dividends credited to investment account	+			0	
32	Non-deductible meals	+			0	
33	Non-deductible club dues	+			0	
34	Non-deductible automobile costs	+			0	
35	**Donations - amount per books**				0	
36	Interest and penalties on unpaid taxes				0	
37	Management bonuses unpaid after 180 days of year end				0	
38	**Ontario capital tax adjustments**				0	
39		+			0	
40	**Changes in Regulatory Asset balances**	+			0	
41	Imputed interest expense on Regulatory Assets	+			0	
42		+			0	
43	*Other Additions: (please explain in detail the nature of the item)*	+			0	
44		+			0	
45		+			0	
46		+				
47	**Total Additions on which true-up does not apply**	=	0	0	0	
48						
49	**Deduct:**					
50						
51	CCA adjustments	-			0	
52	CEC adjustments	-			0	
53	Depreciation and amortization adjustments	-			0	
54	Gain on disposal of assets per financial statements	-			0	
55	Financing fee amorization - considered to be interest expense for PILs	-			0	
56	Imputed interest income on Regulatory Assets	-			0	
57	**Donations - amount deductible for tax purposes**	-			0	
58	Income from joint ventures or partnerships	-			0	
59		-			0	
60	**Ontario capital tax adjustments to current or prior year**	-			0	
61		-			0	
62	**Changes in Regulatory Asset balances**	-			0	
63		-			0	
64		-			0	
65		-			0	
66		-			0	
67		-			0	
68	*Other deductions: (Please explain in detail the nature of the item)*	-			0	
69		-			0	
70		-			0	
71		-			0	
72		-			0	
73	**Total Deductions on which true-up does not apply**	=	0	0	0	
74						
75						

	A	B	C	D	E	F	G	H	I	J
1	**SIMPIL MODEL (Halton Hills Version per Board Decision in EB-2008-0381)**									
2	**Corporate Tax Rates**					**Version 2009.1**				
3	**Exemptions, Deductions, or Thresholds**									
4	**Utility Name: HALDIMAND COUNTY HYDRO INC.**									
5	**Reporting period: 2005**									
6										
7						**Table 1**				
8	**Rates Used in 2005 RAM PILs Applications for 2005**									
9	**Income Range**		**0**		**400,001**					
10	**RAM 2005**		**to**		**to**	**>1,128,000**				
11		**Year**	**400,000**		**1,128,000**					
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**	7,425,000							
22	**Federal Large Corporations Tax Exemption ****	**MAX $50MM**	49,500,000							
23	****Exemption amounts must agree with the Board-approved 2005 RAM PILs filing**									
24										
25						**Table 2**				
26	**Expected Income Tax Rates for 2005 and Capital Tax Exemptions for 2005**									
27	**Income Range**		**0**	**250,001**	**400,001**					
28	**Expected Rates**		**to**	**to**	**to**	**>1,128,000**				
29		**Year**	**250,000**	**400,000**	**1,128,000**					
30	**Income Tax Rate**									
31	***Current year***	***2005***								
32	***Federal (Includes surtax)***	***2005***	13.12%	22.12%	22.12%	22.12%				
33	***Ontario***	***2005***	5.50%	5.50%	9.75%	14.00%				
34	***Blended rate***	***2005***	18.62%	27.62%	31.87%	36.12%				
35										
36	**Capital Tax Rate**	***2005***	0.300%							
37	**LCT rate**	***2005***	0.200%							
38	**Surtax**	***2005***	1.12%							
39	**Ontario Capital Tax Exemption *** 2005**	**MAX $7.5MM**	7,500,000							
40	**Federal Large Corporations Tax Exemption *** 2005**	**MAX $50MM**	50,000,000							
41	*****Allocation of exemptions must comply with the Board's instructions regarding regulated activities.**									
42										
43						**Table 3**				
44	**Input Information from Utility's Actual 2005 Tax Returns**									
45	**Income Range**		**0**	**250,001**	**400,001**					
46			**to**	**to**	**to**	**>1,128,000**				
47		**Year**	**250,000**	**400,000**	**1,128,000**					
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%	14.00%	14.00%				
52	***Blended rate***		18.62%	27.62%	36.12%	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**	7,487,139							
58	**Federal Large Corporations Tax Exemption ***	**MAX $50MM**	50,000,000							
59	*** Include copies of the actual tax return allocation calculations in your submission: Ontario CT23 page 11; federal T2 Schedule 36**									
60										
61										

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1	**SIMPIL MODEL**														
	(Halton Hills Version per Board Decision in EB-														
2	**Analysis of PILs Tax Account 1562:**														
3	**Utility Name: HALDIMAND COUNTY HYDRO INC.**														**Version 2009.1**
4	**Reporting period: 2005**				**Sign Convention: + for increase; - for decrease**										**0**
5															
6															
7															
8	**Year start:**		10/01/01		1/01/02		1/01/03		1/01/04		1/01/05		1/01/06		
9	**Year end:**		12/31/01		12/31/02		12/31/03		12/31/04		12/31/05		4/30/06		Total
10															
11	**Opening balance:**	=	0		336,951		763,072		(331,102)		(113,800)		779,385		0
12	**Board-approved PILs tax proxy from Decisions (1)**	+/-	334,927		1,096,347		1,431,274		1,180,079		1,158,573		393,105		5,594,304
13	**PILs proxy from April 1, 2005 - input 9/12 of amount**														0
14	**True-up Variance Adjustment Q4, 2001 (2)**	+/-													0
15	**True-up Variance Adjustment (3)**	+/-					(1,103,647)		370,214		1,037,278		221,698		525,543
16	**Deferral Account Variance Adjustment Q4, 2001 (4)**														0
17	**Deferral Account Variance Adjustment (5)**	+/-					0		(56,176)		(121,547)		(9,414)		(187,137)
18	**Adjustments to reported prior years' variances (6)**	+/-													0
19	**Carrying charges (7)**	+/-	2,024		47,824		10,329		(21,439)		19,939		40,076		98,753
20	**PILs billed to (collected from) customers (8)**	-	0		(718,050)		(1,432,130)		(1,255,376)		(1,201,057)		(517,856)		(5,124,469)
21															
22	**Ending balance: # 1562**		336,951		763,072		(331,102)		(113,800)		779,385		906,995		906,995
23															
24															
25															
26	**Uncollected PILs**														
27															
28	**NOTE:** The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers.														
29	For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.														
30															
31	**Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER:**														
32															
33	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.														
34	Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002.														
35	If the Board gave more than one decision in the year, calculate a weighted average proxy.														
36	(ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.														
37	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.														
38	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.														
39	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.														
40	(vi) Column M - The 2005 PILs tax proxy will used for the period from January 1 to April 30, 2006.														
41															
42	(2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
43	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.														
44															
45	(3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I132, of the TAXCALC spreadsheet.														
46	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
47															
48	(4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I181, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be														
49	trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.														
50															
51	(5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I181, of the TAXCALC spreadsheet.														
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.														
53															
54	(6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.														
55															
56	(7) Carrying charges are calculated on a simple interest basis.														
57															
58	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate														
59	components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the														
60	2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM.														
61	The 2005 PILs tax proxy is being recovered on a volumetric basis by class.														
62															
63	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied														
64	by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004;														
65	plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.														
67	In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7,														
68	for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.														
70	In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4,														
71	for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used														
72	to calculate the recovery for the period January 1 to March 31, 2005.														
73															
74	(9) Any interim PILs recovery from Board Decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes														
75	will have to include amounts from 1562 and from 1590.														
76															
77															

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 10

2001 Tax Returns

- Federal T2
- Provincial CT23
- Notice of Assessment

T2 CORPORATION INCOME TAX RETURN

Canada Customs and Revenue Agency / Agence des douanes et du revenu du Canada

200
Code 0101

055 Do not use this area

THIS IS YOUR FILE COPY

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

rts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may ntain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and the *General Index of Financial Information* (GIFI) to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

AMENDED

Identification

Business Number (BN) 001 890759814RT0001

Corporation's name

002 HALDIMAND COUNTY HYDRO INC.

Has the corporation changed its name since the last time we were notified? ... 003 1 Yes ☐ 2 No ☒

If *yes*, do you have a copy of the articles of amendment? ..... 004 1 Yes ☐ 2 No ☐

Address of head office

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

011 1 GREENDALE DRIVE R. R. #2

012

City	Province, territory, or state
015 CALEDONIA	016 ON
Country (other than Canada)	**Postal Code/ZIP code**
017	018 N3W-2J3

Mailing address (if different from head office address)

Has the address changed since the last time we were notified?

020 1 Yes ☐ 2 No ☒

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal code/ZIP code**
027	028

Location of books and records

031 1 GREENDALE DRIVE R. R. #2

032

City	Province, territory, or state
035 CALEDONIA	036 ON
Country (other than Canada)	**Postal Code/ZIP code**
037	038 N3W-2J3

040 Type of corporation at the end of the taxation year

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

If the type of corporation changed during the taxation year, please provide the effective date of the change ..... 043 _____ YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year end
060 2001-10-01 YYYY/MM/DD	061 2001-12-31 YYYY/MM/DD

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

If *yes*, provide the date control was acquired ..... 065 _____ YYYY/MM/DD

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

Is this the first year of filing after:

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

If *yes*, please provide Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year?

If *yes*, please provide Schedule 24 ..... 072 1 Yes ☐ 2 No ☒

Is this the final taxation year before amalgamation? ..... 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? ..... 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If *no*, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty?

If *yes*, please provide Schedule 91 ..... 082 1 Yes ☐ 2 No ☒

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

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

Do not use this area

091	092	093	094	095	096
097					

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules.
Schedules - Answer the following questions. For each *yes* response, attach to the T2 return the schedule that applies.

AMENDED

Guide	Item		Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's-length transactions with non-residents	162		11
33	If you answered *yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's-length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172		—
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	202		2
12,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
59-76	Is the corporation claiming any type of losses?	204	X	4
131	Is the corporation claiming a provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
102	i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) Is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210	X	10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
149	Is the corporation an investment corporation or a mutual fund corporation?	218		18
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	220		20 *
117	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
110	Does the corporation have any Canadian manufacturing and processing profits?	227		27
120	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661
123	Is the corporation subject to gross Part I.3 tax?	233	X	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236		36
123	Is the corporation claiming a surtax credit?	237		37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
127	Is the corporation claiming a Part I tax credit?	242		42
128	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
127	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
127	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Corporation's name	Business Number	Taxation year-end
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	2001-12-31

Attachments - continued from page 2

AMENDED

Guide	Item	Yes	Schedule
129	Is the corporation subject to Part XIII.1 tax?		92 *
152	Is the corporation claiming a film or video production services tax credit refund?		T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		T1134-A
44	Did the corporation have any controlled foreign affiliates?		T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		T1135
44	Did the corporation transfer or loan property to a non-resident trust?		T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
—	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
—	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		T1146
—	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
—	Is the corporation claiming the BC mining exploration tax credit?		421
—	Is the corporation claiming the BC SR&ED tax credit?		T666

Additional information

Is the corporation inactive?	280	1 Yes		2 No	X
Has the major business activity changed since the last return was filed? (enter *yes* for first time filers)	281	1 Yes		2 No	X

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

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

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

284	UTILITY	285	100 %
286		287	0 %
288		289	0 %

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes		2 No	X
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes		2 No	X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI		300	-774,511 A	
Deduct: Charitable donations from Schedule 2	311	0		
Gifts to Canada or a province from Schedule 2	312	0		
Cultural gifts from Schedule 2	313	0		
Ecological gifts from Schedule 2	314	0		
Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3	320	0		
Part VI.1 tax deduction from Schedule 43	325	0		
Non-capital losses of preceding taxation years from Schedule 4	331	0		
Net-capital losses of preceding taxation years from Schedule 4	332	0		
Restricted farm losses of preceding taxation years from Schedule 4	333	0		
Farm losses of preceding taxation years from Schedule 4	334	0		
Limited partnership losses of preceding taxation years from Schedule 4	335	0		
Taxable capital gains or taxable dividends allocated from a central credit union	340	0		
Prospector's and grubstaker's shares	350	0		
Subtotal		0	0	B
Subtotal (amount A minus amount B)			0	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions		355	0	D
xable income (amount C plus amount D)		360	0	
Income exempt under paragraph 149(1)(t)		370	0	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			0	Z

AMENDED

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7	400	0	A
Taxable income from line 360 or amount Z on page 3, whichever applies, **minus** 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and **minus** any amount that, because of federal law is exempt from Part I tax	405	0	B
Business limit (for associated corporations, enter business limit from Schedule 23)	410	50,411	C

Reduction to business limit:

Amount C 50,411 x 415 *** 0 D / 11,250 = 0 E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	50,411	F
Small business deduction - 16.00% of the least of amounts A, B, C, and F (enter amount G on line 9 of page 7)	430	0	G

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

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

***Large corporation tax for preceding year - Enter the total gross Part I.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425)	50,411 x 3/2 =	75,617	A
Net active business income (amount from line 400) *		0	B
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt for Part I Tax	0 C		
Deduct: Aggregate investment income (amount from line 440 of page 6)	0 D		
Amount C minus amount D (if negative, enter "0")	0	0	E
The least of amounts A, B, or E above		0	F
Amount Z from Part 9 of Schedule 27	0 x 100/7 = 0		G
Amount QQ from Part 13 of Schedule 27	0		H
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 = 0		I
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	0		J
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction	0		K
Total of amounts G, H, I, J, and K	0	0	L
Amount F minus amount L (if negative, enter "0")		0	M

Amount M 0 x (Number of days in the taxation year after December 31, 2000 / Number of days in the taxation year) 92/92 = 0 N

Accelerated tax reduction - 7% of amount N (enter amount O on line 637 of page 7)	0	O

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

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

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

AMENDED

Taxable income from line 360 or amount Z of page 3				0 A
Amount Z from Part 9 of Schedule 27	0 x 100/7	0 B		
Amount QQ from Part 13 of Schedule 27		0 C		
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =	0 D		
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 E		
Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4		0 F		
Aggregate investment income form line 440 of page 6		0 G		
Amount used to calculate the accelerated tax reduction (amount M of page 4)		0 H		
Total of amounts B, C, D, E, F, G, and H		0		0 I
Amount A minus amount I (if negative, enter "0")				0 J

Amount J	0 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	92 / 92 x 1% =		0 K
Amount J	0 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 92 x 3% =		0 L
Amount J	0 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 92 x 5% =		0 M
Amount J	0 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0 / 92 x 7% =		0 N

General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N (enter amount O on line 638 of page 7) ..... 0 O

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 or amount Z of page 3				0 A
Amount Z from Part 9 of Schedule 27	0 x 100/7	0 B		
Amount QQ from Part 13 of Schedule 27		0 C		
Resource allowance (amount from line 346 of Schedule 1)	0 x 3 =	0 D		
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 E		
Total of amounts B, C, D, and E		0		0 F
Amount A minus amount F (if negative, enter "0")				0 G

Amount G	0 x	Number of days in the taxation year in 2001 / Number of days in the taxation year	92 / 92 x 1% =		0 H
Amount G	0 x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 92 x 3% =		0 I
Amount G	0 x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 92 x 5% =		0 J
Amount G	0 x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0 / 92 x 7% =		0 K

General tax reduction - Total of amounts H, I, J and K (enter amount L on line 639 of page 7) ..... 0 L

Corporation's name	Business Number	Taxation year-end
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	2001-12-31

Refundable portion of Part I tax

AMENDED

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income .... 440 0 x 26 2/3% = ... 0 A
(amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

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

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

Taxable income from line 360 on page 3 0

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 ... 0

Foreign non-business income tax credit from line 632 of page 7 ..... 0 x 25/9 = 0

Foreign business income tax credit from line 636 of page 7 ..... 0 x 10/4 = 0

0 0

0 x 26 2/3% = 0 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 0

Deduct corporate surtax from line 600 of page 7 0

Net amount ..... 0 0 E

Refundable portion of Part I tax - The least of amounts C, D, and E ..... 450 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 0

Deduct dividend refund for the previous taxation year 465 0

0 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 0

Total Part IV tax payable from line 360 on page 2 of Schedule 3 0

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480 0

0 0 B

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B 485 0

Dividend refund

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 .... 0 x 1/3 0 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above ..... 0 B

Dividend refund - Lesser of amounts A and B (enter this amount on line 784 of page 8) 0

Corporation's name	Business Number	Taxation year-end
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	2001-12-31

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Part I tax

Base amount of Part I tax -38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 0 A

Corporate surtax calculation

Base amount from line A above 0 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 0 2

Investment corporation deduction from line 620 below 0 3

Federal logging tax credit from line 640 below 0 4

Federal qualifying environmental trust tax credit from line 648 below 0 5

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

28.00 % of taxable income from line 360 of page 3 ..... 0 a

28.00 % of taxed capital gains ..... 0 b — 0 6

Part I tax otherwise payable ..... 0 c

(line A **plus** lines C and D **minus** line F)

Total of lines 2 to 6 ..... 0 7

Net amount (line 1 minus line 7) 0 8

Corporate surtax - 4.00% of the amount on line 8 ..... 600 0 B

Recapture of investment tax credit from line XX in Part 16 of Schedule 31 ..... 602 0 C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income
(for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6 ..... 0 I

Taxable income from line 360 on page 3 0

Deduct:

The least of amounts on lines 400, 405, 410, and 425 of page 4 .. 0

Net amount ..... 0 — 0 II

Refundable tax on CCPC's investment income - 6 2/3% of the lesser of amounts I or II ..... 604 0 D

Subtotal (add lines A, B, C, and D) 0 E

Deduct:

Small business deduction from line 430 of page 4 ..... 0 9

Federal tax abatement 608 0

Manufacturing and processing profits deduction from amount BB or amount VV of Schedule 27 ..... 616 0

Investment corporation deduction 620 0

(taxed capital gains 624 0)

Additional deduction - credit unions from Schedule 17 ..... 628 0

Federal foreign non-business income tax credit from Schedule 21 ..... 632 0

Federal foreign business income tax credit from Schedule 21 ..... 636 0

Accelerated tax reduction from amount O of page 4 ..... 637 0

General tax reduction for CCPCs from amount O of page 5 ..... 638 0

General tax reduction from amount L of page 5 ..... 639 0

Federal logging tax credit from Schedule 21 ..... 640 0

Federal political contribution tax credit 644 0

Federal political contributions 646 0

Federal qualifying environmental trust tax credit 648 0

Investment tax credit from Schedule 31 ..... 652 0

Subtotal 0 — 0 F

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) ..... 0 G

Corporation's name	Business Number	Taxation year-end
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	2001-12-31

Summary of tax and credits

AMENDED

Federal tax

Part I tax payable from page 7	700	0
Part I.3 tax payable from Schedule 33, 34, or 35	704	15,524
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		15,524

Add provincial and territorial tax:

Provincial or territorial jurisdiction ..... 750 ON

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0	
		0	0
Total tax payable	770		15,524 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0	
Dividend refund from page 6	784	0	
Federal capital gains refund from Schedule 18	788	0	
Federal qualifying environmental trust tax credit refund	792	0	
Canadian film or video production tax credit refund from Form T1131	796	0	
Film or video production services tax credit refund from Form T1177	797	0	
Tax withheld at source	800	0	
Total payments on which tax has been withheld 801		0	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0	
Provincial and territorial capital gains refund from Schedule 18	808	0	
Provincial and territorial refundable tax credits from Schedule 5	812	0	
Royalties deductible under Syncrude Remission Order 815		0	
Tax remitted under Syncrude Remission Order	816	0	
Tax instalments paid	840	15,524	
Total credits	890	15,524	15,524 B

Refund code 894 [0] Overpayment 0

Balance (line A minus line B) 0

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

Balance unpaid 0

Enclosed payment 898 0

Direct deposit request

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

☐ Start ☐ Change information 910 _____ Branch number

914 _____ Institution number 918 _____ Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one month extension of the date the balance of tax is due? ..... 896 1 Yes ☐ 2 No [X]

Certification

I, 950 PRICE (Last name in block letters) 951 MICHAEL (First name in block letters) 954 GENERAL MANAGER (Position, office or rank)

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

955 2001-12-31 Date (yyyy/mm/dd) _____ Signature of an authorized signing officer of the corporation 956 905-765-5211 Telephone number

Is the contact person the same as the authorized signing officer? If *no*, complete the information below ..... 957 1 Yes [X] 2 No ☐

958 _____ Name in block letters 959 _____ Telephone number

Language of correspondence - Langue de correspondance

990 Please indicate the language of your choice. Indiquer la langue de correspondance de votre choix. 1 English/Anglais [X] 2 Français/French ☐

HALDIMAND COUNTY HYDRO INC. Sch. 001
Account/Business No.: 890759814RT0001 Year Ended: 2001-12-31

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to an this shcedule are from the "Income Tax Act."
- For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and extraordinary items per financial statements				581,317 A
Additions:				
Provision for income taxes - current		101	44,616	
Provision for income taxes - deferred		102	43,323	
Amortization of tangible assets		104	481,942	
Subtotal of additions			569,881	569,881
Other Additions:				
All crown charges, royalties, rentals, etc.:				
- Non-deductible crown payments	0			
- Other	0			
Total	0	207	0	
Debt issue expense (book treatment @ 10 yr. ded'n)		208	2,426	
Deemed dividend income		209	0	
Deemed interest on loans to non-residents		210	0	
Miscellaneous Other Additions:				
Subtotal of Other Additions		199	2,426	2,426
Total Additions		500	572,307	572,307
Deductions:				
Gain on disposal of assets per financial statements		401	11,000	
Capital cost allowance from Schedule 8		403	535,850	
Cumulative eligible capital deduction from Schedule 10		405	10,811	
Subtotal of Deductions			557,661	557,661
Other Deductions:				
Miscellaneous Other Deductions:				
700 TRANSITION COSTS (INCLUDING INTEREST)		390	79,396	
701 PURCHASE POWER VARIANCE (INCLUDING INTEREST)		391	935,815	} "change only" eff 1-Dec, 01
702 PILs (INCLUDING INTEREST)		392	350,998	→
703 FINANCING COSTS (tax treatment @ 5 yrs also @ restricted deductible amount)		393	3,853	
704 ENNERCONNECT LIMITED PARTNERSHIP LOSS		394	412	
Subtotal of Other Deductions		499	1,370,474	1,370,474
Total Deductions		510	1,928,135	1,928,135
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)				-774,511

T2 SCH 1 E (01)

(Ce formulaire existe en français.)

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Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

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CORPORATION LOSS CONTINUITY AND APPLICATION
(2000 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-774,511
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)	0	0
	Subtotal (if positive, enter "0")	-774,511
Add: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
	Subtotal	-774,511
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		-774,511

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		0	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	0	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	774,511	774,511

— Continuity of non-capital losses and request for a carryback (cont'd)

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Deduct:

Amount applied against taxable income (enter on line 331 of the T2 return)	130	0	
Amount applied against taxable dividends subject to Part IV tax	135	0	
Section 80 - Adjustments for forgiven amounts	140	0	
Subsection 111(10) - Adjustments for fuel tax rebate		0	
Other adjustments	150	0	0
		Subtotal	774,511

Deduct - Request to carry back non-capital loss to:

First preceding taxation year to reduce taxable income	901	0	
Second preceding taxation year to reduce taxable income	902	0	
Third preceding taxation year to reduce taxable income	903	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	0	0
Non-capital losses - Closing balance	180		774,511

— Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 Yes [ ]

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses

— Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200	0	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205	0	
Current-year capital loss (from Schedule 6 calculation)	210	0	0
Add:			
Allowable business investment loss expired as non-capital loss	0 x 4/3	220	0
		Subtotal	0

Deduct:

Amount applied against current-year capital gain (see note 1)	225	0	
Section 80 - Adjustments for forgiven amounts	240	0	
Other adjustments	250	0	0
		Subtotal	0

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)		Inclusion Rate		Amount carried back (100%)	
First preceding taxation year	0	x	.0000	951	0	
Second preceding taxation year	0	x	.0000	952	0	
Third preceding taxation year	0	x	.0000	953	0	0
Capital losses - Closing balance				280		0

Part 2 - Capital losses

Continuity of capital losses and request for a carryback (cont'd)

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Capital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.
tal losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.
taxation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determine
by dividing the total taxable capital gain by the total capital gain.

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2

Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 3 - Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	300	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	309	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330	0	
Amount applied against taxable dividends subject to Part IV tax	335	0	
Section 80 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:
Is the corporation exempt from the restricted farm loss rules?
(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Part 4 - Restricted farm losses

— Current-year restricted farm loss

Total losses for the year from farming business	485		0	A
Minus the deductible farm loss:				
$2,500 plus B or C, whichever is less			2,500	
(Amount A above 0 - $2,500) divided by 2 =		0 B		
		6,250 C	0	2,500
Current-year restricted farm loss (enter this amount on line 410)				0

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— Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year		0	
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0
		Subtotal	0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941	0	
Second preceding taxation year to reduce farming income	942	0	
Third preceding taxation year to reduce farming income	943	0	0
Restricted farm losses - Closing balance	480		0

Note

The total losses for the year from all farming businesses are computed without including any clientific research expenses.

Part 5 - Listed personal property losses

— Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			0
Deduct: Listed personal property loss expired after seven taxation years	500		0
Listed personal property losses at beginning of taxation year	502		0
Add: Current-year listed personal property loss (from Schedule 6)	510		0
		Subtotal	0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	550	0	0
		Subtotal	0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961	0	
Second preceding taxation year to reduce listed personal property gains	962	0	
Third preceding taxation year to reduce listed personal property gains	963	0	0
Listed personal property losses - Closing balance	580		0

Part 6 - Analysis of balance of losses by year of origin

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Non-capital losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	774,511	0	0	N/A	0	774,511	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	*
Total	0	774,511	0	0	0	0	774,511	

Farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	0	0	0	N/A	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
?	0	N/A	0	N/A	0	0	0	
	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	
0	0	N/A	0	N/A	0	0	0	*
Total	0	0	0	0	0	0	0	

Restricted farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year	
Current	N/A	0	0	0	N/A	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	
0	0	N/A	0	N/A	0	N/A	0	*
T ·l	0	0	0	0	0	N/A	0	

s balance expires this year and will not be available next year

ccount/Business No.: 890759814RT0001 Year Ended: 2001-12-31

ummary of Capital Cost Allowance

AMENDED

the corporation electing under regulation 1101(5q)? [101] N

Class No. 200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
2	0	28,578,796	0	0	855,954	6	0	0	419,261	28,159,535
8	0	238,806	0	0	31,963	20	0	0	10,427	228,379
10	0	597,414	0	0	143,860	30	0	0	34,296	563,118
12	0	423,093	0	0	178,746	100	0	0	61,589	361,504
1	0	1,046,271	0	0	26,992	4	0	0	10,277	1,035,994
otal	0	30,884,380	0	0	1,237,515		0	0	535,850	30,348,530

Account/Business No.: 890759814RT0001 Year Ended: 2001-12-31

RELATED AND ASSOCIATED CORPORATIONS

AMENDED

This schedule is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name	Ctry of resi-dence	Business Number (Note)	Rela-tion-ship Code	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of pre-ferred shares owned	Book value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
HALDIMAND COUNTY ENERGY INC.		890762412RP0001	3	0	0.00	0	0.00	0
HALDIMAND COUNTY GENERATION IN		890757412RC0001	3	0	0.00	0	0.00	0
HALDIMAND COUNTY UTILITIES INC		863917795RT0001	1	1,001	100.00	0	0.00	18,739,941

Note: Enter "NR" if a corporation is not registered.

Relationship code:

1 - Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

The relationship code represents the relationship that the corporation named has to the filing corporation. For example, if the corporation is the parent corporation of the filing corporation, then the relationship code is "1".

Schedule 9

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AMENDE

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

- For use by a corporation that has eligible capital property. For more information, see the "T2 Corporation Income Tax Guide".
- A separate cumulative eligible capital account must be kept for each business.
- This form applies to taxation years that end after February 27, 2000.

Part 1 - Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at end of preceding taxation year (if negative, enter "0")					200	0 A
Add:						
Cost of eligible capital property acquired during the taxation year	222	816,997 B				
Amount transferred on amalgamation or wind-up of subsidiary	224	0 C				
Other adjustments	226	0 D				
(add amounts B, C, and D)		816,997	x 0.75	=		612,748 E
Subtotal (amount A **plus** amount E)					230	612,748 F
Deduct:						
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242	0 G				
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244	0 H				
Other adjustments	246	0 I				
(add amounts G, H, and I)		0	x 0.75	=	248	0 J
Cumulative eligible capital balance (amount F **minus** amount J) (if amount K is negative, enter "0" at line M and proceed to Part 2)						612,748 K
Current year deduction amount K (enter amount L at line 405 of Schedule 1)		612,748	x 7.00%	=	250	10,811 L
Cumulative eligible capital - Closing balance Amount K **minus** amount L (if negative, enter "0")					300	601,937 M

Note

You can claim any amount up to the maximum deduction of 7%. For taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Part 2 - Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

nt from line K above (show as a positive amount)				0 N
Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988	400		0 1	AMENDED
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7)	401		0 2	
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	402	0 3		
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	408	0 4		
Line 3 **minus** line 4		0	0 5	
Total of lines 1, 2, and 5			0 6	
Line T from Schedule 10 of previous taxation years ending after February 27, 2000	409		0 7	
Line 6 **minus** line 7			0	0 O
Line N **minus** line O (cannot be negative)				0 P
Amount on line 5 0 x 1/2				0 Q
[illegible] **minus** line Q				0 R
[illegible]t on line R 0 x 2/3 *				0 S
Lesser of line N or line O				0 T
Amount to be included in income on line 108 of Schedule 1, line S **plus** line T For taxation years ending before February 28, 2000, line N - line Q			410	0

* For taxation years ending after February 27, 2000, and before October 18, 2000, use fraction 8/9 to calculate line S.

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS (CCPC's) TO ALLOCATE THE BUSINESS LIMIT (1998 and later taxation years)

AMENDED

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.

- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:
- 1 - associated for purposes of allocating the business limit (unless association code 5 applies)
- 2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
- 3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
- 4 - associated non-CCPC
- 5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation".

Column 4: Enter the amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 can not exceed $200,000.

Column 5: Complete column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Column 6: Enter the gross Part I.3 tax of the prior year. This is used for the business limit reduction.

Allocation of business limit

		Year Month Day
Date filed (for departmental use only)	025	
Enter the calendar year to which the agreement applies	050	Year 2001
Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?	075	[Y/N] [N]

AMENDED

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Association code	Business limit allocated (Note 1)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year (Notes 2 & 3)
100	200	300	400	500	
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	1	200,000		0
See attached			0		0
			---		---
	Totals (not to exceed $200,000)		200,000		0
			=======		==========

Note 1:
Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Note 2:
Reduction to the business limit under subsection 125(5.1)
The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return.
The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

3:
If the taxation year of the associated corporation was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

ccount/Business No.: 890759814RT0001 Year Ended: 2001-12-31

GREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

AMENDED

1	2	3	4	5	6
me of associated rporation	Business Number of associated corporation	Asso-ciation code	Business limit allocated (Note)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year
[100]	[200]	[300]	[400]	[500]	
LDIMAND COUNTY ENERGY INC.	890762412RP0001	1	0	2001-12-31	0
LDIMAND COUNTY GENERATION IN	890757412RC0001	1	0	2001-12-31	0
LDIMAND COUNTY UTILITIES INC	863917795RT0001	1	0	2001-12-31	0
OTALS			0		0

te: Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

duction to the business limit under subsection 125(5.1)

e reduction to the business limit applies when any member of the associated group had gross Part I.3 x payable (before the deduction of surtax credits) for its last taxation year ending in the preceding lendar year. The reduction is calculated in the small business deduction are of the T2 return. e amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), cludes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in lumn 3 for its last taxation year ending in the preceding calendar year.

chedule 23-Supplementary

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

PART I.3 TAX ON LARGE CORPORATIONS
'98 and later taxation years)

AMENDED

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" within six months of the end of the taxation year.

		Year	Month	Day
Filing date (for departmental use only)	100			

lete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation ot resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	0
Capital stock (or members' contributions if incorporated without share capital)	103	18,739,941
Retained earnings	104	1,153,738
Contributed surplus	105	0
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	0
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	17,490,000
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

Part 1 - Capital (cont'd)

AMENDED

Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111 and 112) in respect of the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	0		
	Subtotal	37,383,679	37,383,679	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121	0		
Any deficit deducted in computing the shareholders' equity	122	0		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	0		
The amount of deferred unrealized foreign exchange losses	124	0		
	Subtotal	0	0	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		37,383,679	

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	0
A loan or advance to another corporation (other than a financial institution)	402	10,000
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403	0
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)]	406	0
An interest in a partnership	407	0
nvestment allowance for the year	490	10,000

lote: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of ne Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

apital for the year (line 190)		37,383,679	C
educt: Investment allowance for the year (line 490)		10,000	D
axable capital for the taxation year amount C minus amount D) (if negative, enter "0")	500	37,373,679	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

AMENDED

To be completed by a corporation that was resident in Canada at any time in the year.

le capital for ear (line 500)	37,373,679	X	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	690	37,373,679
			Taxable income		1,000				

Notes: 1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701	0	
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	0	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada	712	0	
Total amount of carrying value at the end of year of an asset of the corporation a ship or aircraft the corporation operated in international traffic, sonal property used or held by the corporation in carrying on any business during the year in Canada	713	0	
Total deductions (add lines 711, 712, and 713)		0	0 E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		0

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)			37,373,679
Deduct: Capital deduction claimed for the year (enter $10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801	10,000,000	
Excess of taxable capital employed in Canada over capital deduction	811	27,373,679	
Gross Part I.3 tax: Line 811 27,373,679 x .2250% =			61,591 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 61,591 x (Number of days in the year 92 / 365) = 15,524 G

Gross Part I.3 tax (amount F or G, whichever applies)	820	15,524	

Part 7 - Calculation of current year surtax credits

AMENDED

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable

For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a) line 600 from the T2 return				0		
b) line 700 from the T2 return				0	0	H

In any other case, the lesser of c and d below:

			line 690 of this schedule			
c) line 600 from the T2 return	0	x	37,373,679	=	0	
			37,373,679			
			line 500 of this schedule			
d) line 700 from the T2 return				0	0	I
Current year surtax credit (amount H or I, whichever applies)				830	0	

Part 8 - Calculation of Part I.3 tax credit available for carry- forward

Amount on line 830		0	
Less: Part I.3 tax before deducting surtax credits (line 820)		15,524	J
	Net amount	-15,524	K

If the amount on line K is "positive," it represents the amount of Part I.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part I.3 tax credit balance | 0 | L

If the amount on line K is "negative," it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year | 15,524 | M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		0	
Less: Part I.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)		0	
Current year unused surtax credit (enter this amount on Schedule 37)	850	0	

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			15,524 N
Deduct the following amounts:			
nt year surtax credit applied			
esser of lines 820 and 830)	861	0	
Unused surtax credit from prior years applied	862	0	
Total (cannot exceed amount on line 820)		0	0 O
Net Part I.3 tax payable (amount N minus amount O)			
Enter this amount at line 704 of the T2 return	870		15,524

AMENDED

HALDIMAND COUNTY HYDRO INC. Sch. 050
Account/Business No.: 890759814RT0001 Year Ended: 2001-12-31

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AMENDED

SHAREHOLDER INFORMATION
(1998 and later taxation years)

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
HALDIMAND COUNTY UTILITIES INC.	863917795RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "SB" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

T2 SCH 50 (99)

HALDIMAND COUNTY HYDRO INC. T7B-1
Account/Business No.: 890759814RT0001 Year Ended: 2001-12-31

AMENDED

Schedule of Instalment Remittances

Name of Corporation Contact: . . . . . .
Phone Number: . . . . . .

Effective Interest Date	Description (Instalment Remittance, Split Payment, Assessed Credit)		Amount of Credit
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			15,524
	Total amount of instalments claimed	(A)	15,524
	Total instalments credited to the taxation year per T9	(B)	15,524

TRANSFER

Account Number	Taxation Year End	Amount	Effective Interest Date	Description
From:				
		0		
To:				

Millard, Rouse & Rosebrugh LLP
Chartered Accountants
P.O. Box 367, 96 Nelson Street
Brantford, Ontario N3T 5N3
Telephone: (519) 759-3511
Facsimile: (519) 759-7961

NOTICE TO READER

To the Directors of
Haldimand County Hydro Inc.

We have compiled the balance sheet of Haldimand County Hydro Inc. as at December 31, 2001 and the statement of income and retained earnings for the three month period then ended from information provided by management. We have not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information. Readers are cautioned that these statements may not be appropriate for their purposes.

Millard, Rouse & Rosebrugh LLP

CHARTERED ACCOUNTANTS

March 7, 2002

HALDIMAND COUNTY HYDRO INC.

BALANCE SHEET (UNAUDITED)

As at December 31, 2001

ASSETS	
Current Assets	
Cash and bank	4,220,880
Unbilled revenue	1,710,616
Accounts receivable	2,975,191
Due from Haldimand County Utilities Inc.	23,777
Inventory	580,463
Income taxes recoverable	92,465
Prepaid expenses	13,096
	9,616,488
Capital Assets	31,266,815
Deferred Financing Costs	80,882
Long Term Loans Receivable	110,000
Other Assets	1,197,579
	42,271,764
LIABILITIES	
Current Liabilities	
Accounts payable and accrued expenses	4,266,544
Due to Haldimand County Energy Inc.	24,719
Future income taxes	43,323
Current portion of long term liabilities	855,577
	5,190,163
Long Term Liabilities	16,942,517
	22,132,680
Deferred Credits	
Contributions in aid of construction	254,240
Less: Amortization to date	8,835
	245,405
SHAREHOLDER'S EQUITY	
Capital Stock	18,739,941
Retained Earnings	1,153,738
	19,893,679
	42,271,764

See Notice to Reader

HALDIMAND COUNTY HYDRO INC.

STATEMENT OF INCOME AND RETAINED EARNINGS (UNAUDITED)

For the three month period ended December 31, 2001

Service Revenue	
Residential	3,803,959
General	3,604,057
Street lighting	36,034
	7,444,050
Service revenue adjustment	221,055
	7,665,105
Cost of Power	5,920,095
Gross Margin on Service Revenue	1,745,010
Other Operating Revenue	551,600
	2,296,610
Expenses	
Distribution, operation and utilization	397,425
Billing and collecting	216,762
Administration	278,134
	892,321
Amortization	490,692
Less: Amortization of contributions in aid of construction	8,750
	481,942
	1,374,263
Income Before Interest and Income Taxes	922,347
Interest expense	253,091
Loss Before Income Taxes	669,256
Income taxes - current	44,616
Income taxes - future	43,323
Net Income	581,317
Retained Earnings - Beginning of Period	572,421
Deficit - End of Period	1,153,738

See Notice to Reader

We hereby elect to have subsection 7(4) apply to the company.

Ontario

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

Revised 2001 CT23 Corporations Tax and Annual Return

For taxation years commencing after May 4, 1999

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

AMENDED

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** ation on page 2 or file the **CT23 Return**, together with the applicable schedules. **Corporations that do not meet the EFF criteria but do meet the Short-Form criteria,** equest and file the **CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedules A or K) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

THIS IS YOUR FILE COPY

MCBS Annual Return Required? *(Refer to Guide)* Yes [X] No [ ]

Corporation's Legal Name *(including punctuation)* and Mailing Address

HALDIMAND COUNTY HYDRO INC.

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Ontario Corporations Tax Account No. (MOF)
1800101

This CT23 Return covers the Taxation Year

Start: year month day 2001-10-01

End: year month day 2001-12-31

Has address changed since last filed CT23 Return? Yes [ ]

Date of Change: year month day

Date of Incorporation or Amalgamation
year month day 2000-10-13

Registered/Head Office Address

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Ontario Corporation No. (MCBS) 1800101

Location of Books and Records

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter
890759814RT0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
MICHAEL PRICE	905-765-5211	

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:

Commenced: year month day

Ceased: year month day

(Not Applicable) [X]

Former Corporation Name *(Extra-Provincial Corporations only)* *(Not Applicable)* [X] (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS). [X] **No change**

Preferred Language/*Langue de préférence*
English *anglais* [X] French *français* [ ]

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

MICHAEL PRICE

Title: D [ ] Director O [X] Officer P [ ] Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2001-12-31

CT23 Corporations Tax Return

AMENDED

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1 1 [X] Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100%

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
If applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
If applicable, enter
111292775

Specify major business activity

2 1 [ ] Family Farm Corporation s.1 (2)
2 [ ] Family Fishing Corporation s.1 (2)
3 [ ] Mortgage Investment Corporation s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61 (4)
6 [ ] Bank s.1 (2)
7 [ ] Loan and Trust Corporation s.61 (4)
8 [ ] Non-resident Corporation s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned investment Corporation s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-residents s.63(1)
16 [ ] Financial institution prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [ ] Hydro successor, Municipal Electrical Utility or subsidiary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Please "X" box(es) if applicable:

[X] First Year of Filing
[ ] Amended Return
[X] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)
Date Control was acquired
year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[ ]	[X]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[X]	[ ]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Income Tax

AMENDED

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Inter. Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16)	±	From 690	-774,511.
ict: Charitable donations	–	1	0.
.act: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)*	–	2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–	3	0.
Subtract: Ontario political contributions *(Attach schedule)*	–	4	0.
Subtract: Federal Part VI.1 tax 0. X 9/4	–	5	0.
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	0.
Net capital losses From 715 (page 17) 0. X Inclusion rate 50.000000% =	–	714	0.
Farm losses	–	From 724	0.
Restricted farm losses	–	From 734	0.
Limited partnership losses	–	From 754	0.
Taxable Income (Non-capital loss)	=	10	-774,511.
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	0.
Adjusted Taxable Income 10 + 11 (If 10 is negative, enter 11)	=	20	0.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 15.5000%	x	Days before May 2, 2000 22: 0	÷	Total Days 73: 92	=	23	0.
From 10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 14.5000%	x	Days after May 1, 2000 and before Jan 1, 2001 24: 0	÷	Total Days 73: 92	=	25	0.
From 10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 14.0000%	x	Days after Dec 31, 2000 and before Oct 1, 2001 26: 0	÷	Total Days 73: 92	=	27	0.
From 10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 12.5000%	x	Days after Sept 30, 2001 and before Jan 1, 2003 28: 92	÷	Total Days 73: 92	=	29	0.
10 (or 20 if applicable)	0.	x 30 Ontario Allocation 100.0000%	x 11.0000%	x	Days after Dec 31, 2002 and before Jan 1, 2004 31: 0	÷	Total Days 73: 92	=	32	0.

Income Tax Payable (before deduction of tax credits) 23 + 25 + 27 + 29 + 32 = 40 0.

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [ ] Yes [X] No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			50	0.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51	0.		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52	0.		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	– 53	0.		
Federal Business limit for the year before the application of fed.s.125(5.1)	=	0.	54	0.
(not exceeding $200,000) *(Attach federal T2 SCH 23 if associated)*	+ 55	50,411.		
Add: Ontario enhancement of federal business limit				

Number of Days in Taxation Year

40,000 x	Days after Dec 31, 2000 and before Oct 1, 2001: 0	÷	Total Days 73: 92						
X From 55: 50,411	÷	200,000	=	42	0.				
80,000 x	Days after Sept 30, 2001 and before Jan 1, 2003: 92	÷	Total Days 73: 92						
X From 55: 50,411	÷	200,000	=	43	20,164.				
120,000 x	Days after Dec 31, 2002 and before Jan 1, 2004: 0	÷	Total Days 73: 92						
X From 55: 50,411	÷	200,000	=	46	0.				
To enhancement of business limit 42 + 43 + 46	=				20,164.	+ 44	20,164.		
..less Limit for Ontario purposes 55 + 44	=				70,575.	45	70,575.		
Income eligible for the IDSBC From 30	100.0000%	* Ontario Allocation	x	56	0.	Least of 50, 54 or 45	=	60	0.

* **Note:** *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

Number of Days in Taxation Year

.....	7.00%	x	Days after Dec 31, 1998 and before Jan 1, 2000	74	0	÷ 73	Total Days 92	= + 75	.0000
.....	7.50%	x	Days after Dec 31, 1999 and before Oct 1, 2001	76	0	÷ 73	Total Days 92	= + 77	.0000
.....	6.50%	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	92	÷ 73	Total Days 92	= + 79	6.5000
.....	5.50%	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 92	= + 89	.0000

IDSBC Rate for Taxation Year 75 + 77 + 79 + 89 ..... = 78 6.5000

Claim ..... From 60 0. x From 78 6.5000% ..... = 70 0.

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

** **Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** **Taxable Income of the corporation** ..... From 10 (or 20 if applicable) + 80 0.

If you are a member of an associated group (X) 81 X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Income (If loss, enter nil) **
See attached			+ 82 0.
			+ 83 .
			+ 84 .

Aggregate Taxable Income 80 + 82 + 83 + 84, etc. ..... = 85 0.

Number of Days in Taxation Year

Subtract: 200,000	x	Days before Jan 1, 2001	558	0	÷ 73	Total Days 92	= + 111	0.		
240,000	x	Days after Dec 31, 2000 and before Oct 1, 2001	26	0	÷ 73	Total Days 92	= + 112	0.		
280,000	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	92	÷ 73	Total Days 92	= + 113	280,000.		
320,000	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 92	= + 115	0.		

111 + 112 + 113 + 115 = 280,000. ..... - 114 280,000.

(If negative, enter nil) ..... = 86 0.

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	4.67%	x	Days after Dec 31, 1998 and before Jan 1, 2000	74	0	÷ 73	Total Days 92	= + 92	.0000	
.....	5.00%	x	Days after Dec. 31, 1999 and before Oct 1, 2001	76	0	÷ 73	Total Days 92	= + 93	.0000	
.....	4.3330%	x	Days after Sept 30, 2001 and before Jan 1, 2003	28	92	÷ 73	Total Days 92	= + 95	4.3330	
.....	3.6670%	x	Days after Dec 31, 2002 and before Jan 1, 2004	31	0	÷ 73	Total Days 92	= + 96	.0000	

Specified rate of surtax for Taxation Year 92 + 93 + 95 + 96 ..... = 94 4.3330

From 86 0. x From 94 4.3330% ..... = 87 0.

From 87 0. x From 60 0. ÷ From 114 280,000. = 88 0.

Surtax Lesser of 70 or 88 ..... = 100 0

Continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule)* ..... 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits ..... + 120 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) ..... − From 56 0.

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 0. ÷ From 30 100.0000 % ÷ From 78 6.5000 % = 121 0.
* Ontario Allocation

Lesser of 56 or 121 ..... + 122 0.

120 − 56 + 122 ..... = 130 0.

Taxable Income ..... + From 10 -774,511.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) ..... − From 56 0.

Add: Adjustments for Surtax on Canadian-controlled private corporations ..... + From 122 0.

Subtract: Taxable Income From 10 -774,511. X Allocation % to jurisdictions outside Canada .0000 % .... − 140 0.

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses ..... − 141 0.

10 − 56 + 122 − 140 − 141 ..... = 142 0.

Number of Days in Taxation Year

Claim

143 0. X From 30 100.0000 % X 2.0000 % X (Days before Oct 1, 2001: 152 0 ÷ Total Days: 73 92) = 153 0.
Lesser of 130 or 142 — * Ontario Allocation

0. X From 30 100.0000 % X 1.5000 % X (Days after Sept 30, 2001 and before Jan 1, 2003: 28 0 ÷ Total Days: 73 92) = 154 0.
Lesser of 130 or 142 — * Ontario Allocation

143 0. X From 30 100.0000 % X 1.0000 % X (Days after Dec 31, 2002 and before Jan 1, 2004: 31 0 ÷ Total Days: 73 92) = 155 0.
Lesser of 130 or 142 — * Ontario Allocation

M&P claim for taxation year 153 + 154 + 155 ..... = 160 0.

* **Note:** *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations ..... = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity ..... = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) *(Attach schedule)*. 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Total of Income Tax 40 − 70 + 100 − 110 − 160 − 161 − 162 − 170 − 180 ..... = 190 0.

continued on Page 7

AMENDED

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) *Applies* to research and development in Ontario.
Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* ..... + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.
Eligible Credit From 5799 Summary Schedule F ..... + 192 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible Credit From 5899 Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6)
Applies to employment of eligible unemployed graduate students.
No. of Graduates From 6596
194 0
Eligible Credit From 6599 Summary Schedule G ..... + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach only the original Claim Form. Retain the Certification Form)* ..... + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* ..... + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.
Eligible Credit From 7300 Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach only the original Claim Form. Retain the Certification Form)* ..... + 201 0.

Other (specify) _____ ..... + 201.1 0.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 0.

Specified Tax Credits *Applied to reduce Income Tax* ..... = 225 0.

Income Tax 190 − 225 **OR Enter NIL if reporting Non-Capital Loss** ..... = 230 0.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on *Page 8*. If CMT is not applicable, transfer amount in 230 to Income Tax in *Summary* section on *Page 18*.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on *Page 8*.

HALDIMAND COUNTY HYDRO INC. | 1800101 | 2001-12-31 | DOLLARS ONLY

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Corporate Minimum Tax (CMT)

Determination of Applicability

Applies If *either* Total Assets [249] exceeds $5,000,000 *or* Total Revenue [250] exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* **Total Assets of the corporation**	+ [240]	42,271,764.	
* **Total Revenue of the corporation**		+ [241]	32,598,884.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total assets	* Total Revenue
See attached			+ [243] 19,569,879.	+ [244] 49,926.
			+ [245] .	+ [246] .
			+ [247] .	+ [248] .

Aggregate Total Assets	[240] + [243] + [245] + [247], etc.	= [249]	61,841,643.
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc.	= [250]	32,648,810.

If CMT is applicable to current taxation year, complete section *Calculation: CMT* below and *Corporate Minimum Tax Schedules A through E on Pages 19, 20 and 21 of CT23.*

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 19.)*

‹s CMT Payable ..... CMT Base From [2135] 669,256. (If negative, enter zero) X From [30] 100.0000% (Ontario Allocation) X 4%	= [276]		26,770.
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*	– [277]		0.
Subtract: Income Tax	– From [190]		0.
Net CMT Payable (If negative, enter Nil on Page 18.)	= [280]		26,770.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from *Page 7* to *Income tax Summary, on Page 18.*

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to *Page 18* and transfer [280] to *Page 18*, and to *Schedule D: Continuity of CMT Credit Carryovers*, on *Page 21.*

CMT Credit Carryover available ..... From [2307] 26,770.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits)			+	From [190]	0.
Gross CMT Payable	+	From [276]	26,770.		
Subtract: Foreign Tax Credit for CMT purposes	–	From [277]	0.		
If [276] – [277] is negative, enter NIL in [290]	=		26,770.	– [290]	26,770.
Income Tax eligible for CMT Credit			=	[300]	0.
B. Income tax (after deduction of specified credits)			+	From [230]	0.
Subtract: CMT credit used to reduce income taxes			–	[310]	0.
Income Tax			=	[320]	0.

Transfer to page 18

If A & B apply, [310] *cannot exceed the lesser of* [230], [300] *and your CMT credit carryover available* [2307].

If B applies, [310] *cannot exceed the lesser of* [230] *and your CMT credit carryover available* [2307].

AMENDED

Capital Tax *(Refer to Guide)*

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 *and* 430 *are both $1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in* 480 *and* 430 *are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* 550 *on Page 13 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

Paid-up capital stock	+ 350	18,739,941.
Retained earnings (if deficit, deduct)	± 351	1,153,738.
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+ 352	0.
Loans and advances *(Attach schedule)*	+ 353	0.
Bank loans	+ 354	0.
Bankers acceptances	+ 355	0.
Bonds and debentures payable	+ 356	17,490,000.
Mortgages payable	+ 357	0.
Lien notes payable	+ 358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax)	+ 359	0.
Contingent, investment, inventory and similar reserves	+ 360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)*	+ 361	0.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	+ 362	0.
Subtotal	= 370	37,383,679.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	− 371	1,255,078.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	− 372	0.
Total Paid-up Capital	= 380	36,128,601.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	− 381	0.
Net Paid-up Capital	= 390	36,128,601.

Eligible Investments *(Refer to Guide)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 *(Refer to Guide)*	+ 400	0.
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+ 402	0.
Mortgages due from other corporations	+ 403	0.
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+ 404	0.
Loans and advances to unrelated corporations	+ 405	10,000.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+ 406	0.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+ 407	0.
Total Eligible Investments	= 410	10,000.

Continued on Page 10

AMENDED

Capital Tax *continued from Page 9*

Total Assets

Assets per balance sheet	+	420	42,271,764.
gages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	-	423	0.
Total Assets as adjusted	=	430	42,271,764.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	-	441	1,255,078.
Subtract: Appraisal surplus if booked	-	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	41,016,686.

Investment Allowance (410 ÷ 450) x 390 ..... Not to exceed 410 = 460 8,808.

Taxable Capital 390 - 460 ..... = 470 36,119,793.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 8,216,705.

Total Assets (as adjusted) ..... From 430 42,271,764.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B and select and complete the one specific subsection (e.g. B4) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C. Next review, and if applicable, complete Section D. If Section D is not applicable review Section E and complete the applicable subsection: either E1 or E2. Note: if the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year end is before January 1, 2001 and 430 and 480 are both $1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B2. If the taxation year end is after December 31, 2000 and 430 and 480 are both $1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B3. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B4. If taxable capital, 470 on page 10 is $2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

continued on Page 11

AMENDED

Capital Tax Calculation *continued from page 10*

B5. If taxable capital, 470 exceeds $2,000,000 but is $5,000,000 or less, complete the following calculations and transfer the total from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. X .3000% = 490 0.

Deduct:

$2,400,000 − From 470 0. X 1.5% = 492 0. *If 2,400,000 − 470 is negative, enter NIL in 492*

(504 = 490 − 492) = 504 0. X From 30 Ontario Allocation 100.0000% X Days in taxation year after May 4, 1999 and before Jan 1, 2000 552: 0 ** 365 (366 if leap year) = 505 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. X .3000% = 490 0.

Deduct:

$2,800,000 − From 470 0. X 0.75% = 493 0. *If 2,800,000 − 470 is negative, enter NIL in 493*

(506 = 490 − 493) = 506 0. X From 30 Ontario Allocation 100.0000% X Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553: 0 ** 365 (366 if leap year) = 507 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. X .3000% = 490 0.

Deduct:

$3,200,000 − From 470 0. X 0.5% = 495 0. *If 3,200,000 − 470 is negative, enter NIL in 495*

(509 = 490 − 495) = 509 0. X From 30 Ontario Allocation 100.0000% X Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 554: 0 ** 365 (366 if leap year) = 522 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose taxable capital is $5,000,000 or less and that is not associated, is NIL. ..... + 0.

Total Capital Tax for the taxation year 505 + 507 + 522 ..... = 508 0.

Transfer to 543 on page 13 and complete the return from that point.

36. If 470 exceeds **$5,000,000,** complete the following calculations and transfer the amount from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 0. X From 30 Ontario Allocation 100.0000% X .3000% X Days in taxation year before Oct 1, 2001 559: 0 ** 365 (366 if leap year) ..... = 502 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 0.

Exemption − 0.

= 471 0. X From 30 Ontario Allocation 100.0000% X .3000% X Days in taxation year after Sept 30, 2001 560: 92 ** 365 (366 if leap year) ..... = 523 0.

Total Capital Tax for the taxation year 502 + 523 ..... = 508 0.

Transfer to 543 on page 13 and complete the return from that point.

** *If floating taxation year, refer to Guide.*

continued on Page 12

AMENDED

Capital Tax Calculation *continued from page 11*

SECTION C

corporation is a member of an associated group and/or partnership,
plete the following two aggregate taxable capital calculations as applicable, and (x) 510 X (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation ..... + From 470 36,119,793.

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada		Taxable Capital
See attached	+ 531	410,042.
Aggregate Taxable Capital 470 + 531	= 540	36,529,835.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL.
Enter NIL in 523 in E1(d) or E2(b), as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From 470 36,119,793. ÷ From 540 36,529,835. x 5,000,000 ..... = 541 4,943,876.
Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners with no permanent establishment in Canada		Taxable Capital
	+ 514	0.
Total Aggregate Taxable Capital 540 + 514	= 520	36,529,835.

If 520 is greater than $2,000,000 and less than $3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From 470 36,119,793. ÷ From 520 0. = 521 .0000.
Transfer to Section E1(a) and/or (b) and/or (c) as applicable

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 is *$2,000,000 or less.*

Enter NIL in 550 and complete the return from that point.

continued on Page 13

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2001-12-31

DOLLARS ONLY

Capital Tax Calculation *continued from Page 12*

SECTION E

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 *exceeds $2,000,000.*

E1. If the total aggregate taxable capital 520 exceeds **$2,000,000** but is **$3,200,000** or less, complete the following calculations and transfer the total From 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = 490 0.

Deduct: $2,400,000 – From 520 0. x 1.5% x From 521 .0000 = 492 0.

If 2,400,000 – 520 is negative, enter NIL in 492

Days in taxation year after May 4, 1999 and before Jan 1, 2000: 552

(504 = 490 – 492) = 504 0. x From 30 Ontario Allocation 100.0000% x 0 ** 365 (366 if leap year) = 505 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = 490 0.

Deduct: $2,800,000 – From 520 0. x 0.75% x From 521 .0000 = 493 0.

If 2,800,000 – 520 is negative, enter NIL in 493

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001: 553

(506 = 490 – 493) = 506 0. x From 30 Ontario Allocation 100.0000% x 0 ** 365 (366 if leap year) = 507 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = 490 0.

Deduct: $3,200,000 – From 520 0. x 0.5% x From 521 .0000 = 495 0.

If 3,200,000 – 520 is negative, enter NIL in 495

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001: 557

(509 = 490 – 495) = 509 0. x From 30 Ontario Allocation 100.0000% x 0 ** 365 (366 if leap year) = 522 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at 540 is $5,000,000 or less is NIL. Enter NIL ..... = 523 0.

Total Capital Tax for the taxation year 505 + 507 + 522 + 523 ..... = 508 0.

Transfer to 543 and complete the return from that point.

E2. If the total aggregate taxable capital at 520 exceeds **$3,200,000** complete the following calculations and transfer the total From 508 to 543, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 36,119,793. x From 30 Ontario Allocation 100.0000% x .3000% x Days in taxation year before Oct 1, 2001: 555 — 0 ** 365 (366 if leap year) ..... = 502 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 36,119,793.

From 541 (section C) – 4,943,876.

= 471 31,175,917. x From 30 Ontario Allocation 100.0000% x .3000% x Days in taxation year after Sept 30, 2001: 560 — 92 ** 365 (366 if leap year) = 523 23,574.

Total Capital Tax for the taxation year 502 + 523 ..... = 508 23,574.

** *If floating taxation year, refer to Guide.*

Transfer to 543 and complete the return from that point.

Capital Tax *before application of specified credits* ..... = 543 23,574.

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* ..... – 546 0.

Capital Tax 543 – 546 ..... = 550 23,574.

Transfer to Page 18

continued on Page 14

AMENDED

Capital Tax *continued from page 13*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in [550] on page 13, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) x 0.00% X From [30] ____% (Ontario Allocation) x [555] 0 ÷ ** 0 (Days in taxation year; 366 if leap year) = +[569] 0.

[570] 0. (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) x [571] 0.00% (Capital Tax Rate *(Refer to Guide)*) X From [30] ____% (Ontario Allocation) x [555] 0 ÷ ** 0 (Days in taxation year; 366 if leap year) = +[574] 0.

Capital Tax for Financial Institutions – other than Credit Unions (before Sections II) [569] + [574] = [575] 0.

*** If floating taxation year, refer to Guide.***

J1 Small Business Investment Tax Credit

in details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments ..... - [585] 0.

Financial institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions [575] - [585] ..... = [586] 0.

Transfer to [543] on Page13

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements ..... [587] 0. x 2% .... = [588] 0.

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* ..... - [589] 0.

Premium Tax [588] - [589] ..... = [590] 0.

Transfer to page 18

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

AMENDED

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... ±600 -774,511.
Transfer to page 16

Add:

Federal capital cost allowance	+601	535,850.
Federal cumulative eligible capital deduction	+602	10,811.
Ontario taxable capital gain	+603	0.
Federal non allowable reserves. Balance beginning of year	+604	0.
Federal allowable reserves. Balance end of year	+605	0.
Ontario non-allowable reserves. Balance end of year	+606	0.
Ontario allowable reserves. Balance beginning of year	+607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+608	0.
Federal resource allowance	+609	0.
Federal depletion allowance	+610	0.
Federal foreign exploration and development expenses	+611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

		Days before May 2, 2000	Total Days		
612	0. x 5 ÷ 15.5000 x	22 0	÷ 73 92	= 630	0.
612	0. x 5 ÷ 14.5000 x	Days after May 1, 2000 and before Jan 1, 2001 — 24 0	÷ 73 92	= 631	0.
612	0. x 5 ÷ 14.0000 x	Days after Dec 31, 2000 and before Oct 1, 2001 — 26 0	÷ 73 92	= 632	0.
612	0. x 5 ÷ 12.5000 x	Days after Sept 30, 2001 and before Jan 1, 2003 — 28 92	÷ 73 92	= 633	0.
612	0. x 5 ÷ 11.0000 x	Days after Dec 31, 2002 and before Jan 1, 2004 — 31 0	÷ 73 92	= 634	0.

Total add-back amount for Management fees, etc. 630 + 631 + 632 + 633 + 634 = 0. +613 0.

Federal allowable business investment loss ..... +620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* ..... +614 0.

Federal Scientific Research Expenses claimed in year from federal form T661 ..... 0.

Negative Ontario SR&ED Pool amounts from Ontario schedule 161 line 473 ..... + 0.

= 0. +615 0.

Subtotal of Additions 601 to 611 + 613 + 620 + 614 + 615 ..... = 546,661. 640 546,661.
Transfer to page 16

Continued on Page 16

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

AMENDED

continued from Page 15

Income (loss) for federal income tax purposes, per federal T2 SCH 1	From ± 600	-774,511.
Subtotal of Additions	From + 640	546,661.

Deduct:

Ontario capital cost allowance	+ 650	535,850.
Ontario cumulative eligible capital deduction	+ 651	10,811.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves. Balance beginning of year	+ 653	0.
Ontario allowable reserves. Balance end of year	+ 654	0.
Federal non-allowable reserves. Balance end of year	+ 655	0.
Federal allowable reserves. Balance beginning of year	+ 656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	0.
Ontario depletion allowance	+ 658	0.
Ontario resource allowance	+ 659	0.
Ontario research and development super allowance *(Attach schedule)*	+ 660	0.
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	+ 674	0.
Ontario current cost adjustment *(Attach schedule)*	+ 661	0.

Ontario New Technology Tax Incentive (ONTTI) Gross-up

Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year ..... 662 0.

ONTTI Gross-up deduction calculation:

From 662 0. x (Gross-up of CCA 100 / From 30 .0000 Ontario Allocation) - From 662 0. = 663 0.

Workplace Child Care Tax Incentive: (*Applies* to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: 665 0. x 30.00% x (100 / From 30 100.0000 Ontario Allocation) = 666 0.

Workplace Accessibility Tax Incentive: (*Applies* to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: 667 0. x 100.00% x (100 / From 30 100.0000 Ontario Allocation) = 668 0.

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (*Applies* to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.) *(Refer to Guide)*

Qualifying expenditures: 670 0. x 30.00% x (100 / From 30 100.0000 Ontario Allocation) = 671 0.

Educational Technology Tax Incentive: (*Applies* to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 0. x 15.00% x (100 / From 30 100.0000 Ontario Allocation) = 673 0.

Ontario allowable business investment loss	+ 678	0.
Ontario Scientific Research Expenses claimed in the year from Ontario form CT161	+ 679	0.
Total of other deductions allowed by Ontario *(Attach schedule)*	+ 664	0.

Total of Deductions

650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 664 ..... = 546,661. 680 546,661.

Net income (loss) for Ontario Purposes 600 + 640 - 680 ..... = 690 -774,511.

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 0	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 774,511	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 774,511	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 0	715 (4) 0	724 0	734 (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 18 0	716 (2) to Page 18 0	726 (2) to Page 18 0	736 (2) to Page 18 0	746 0	
Subtotal	707 0	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 774,511	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800				850 0	870 0
801				851 0	871 0
802				852 0	872 0
803	820 0	830 0	840 0	853 0	873 0
804	821 0	831 0	841 0	854 0	874 0
805	822 0	832 0	842 0	855 0	875 0
806	823 0	833 0	843 0	856 0	876 0
807	824 0	834 0	844 0	857 0	877 0
808	825 0	835 0	845 0	858 0	878 0
809 2001-12-31	826 774,511	836 0	846 0	859 0	879 0
Total	829 774,511	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of carried back.

after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.

- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under *any Act administered by the Ministry of Finance.*
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 774,511	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF) / **Taxation Year Ending** (year month day)				
i) 3rd preceding _____ 901	911 0	921 0	931 0	941 0
ii) 2nd preceding _____ 902	912 0	922 0	932 0	942 0
iii) 1st preceding _____ 903	913 0	923 0	933 0	943 0
Total loss to be carried back	From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward	919 774,511	929 0	939 0	949 0

Summary

Income tax + From 230 or 320		0.
Corporate Minimum Tax + From 280		26,770.
Capital Tax + From 550		23,574.
Premium Tax + From 590		0.
Total Tax Payable = 950		50,344.
Subtract: Payments – 960		145,426.
Capital Gains Refund (s.48) – 965		0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)* – 985		0.
Specified Tax Credits *(Refer to Guide)* – 955		0.
Other (specify) _____ –		0.
Balance = 970		-95,082.
If payment due Enclosed * 990		0.
If overpayment: Refund *(Refer to Guide)* = 975		95,082.
Apply to (year month day) _____ 980		0.

(Includes credit interest)

*Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, *payable to the MINISTER OF FINANCE* and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

MICHAEL PRICE
Title

GENERAL MANAGER
Full Residence Address

Signature | Date 2001-12-31

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

AMENDED

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP)			±2100	581,317.
Subtract (to the extent reflected in net income/loss):				
Provision for recovery of income taxes	+2101	0.		
Provision for deferred income taxes (credits)	+2102	0.		
Equity income from corporations	+2103	0.		
Share of partnership(s)/joint venture(s) income	+2104	0.		
Dividends received/receivable deductible under fed.s.112	+2105	0.		
Dividends received/receivable deductible under fed.s.113	+2106	0.		
Dividends received/receivable deductible under fed.s.83(2)	+2107	0.		
Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1) — 0. X 9/4	+2108	0.		
Subtotal	=	0.	-2109	0.
Add (to extent reflected in net income/loss):				
Provision for current taxes	+2110	44,616.		
Provision for deferred income taxes (debits)	+2111	43,323.		
Equity losses from corporations	+2112	0.		
Share of partnership(s)/joint venture(s) losses	+2113	0.		
Dividends that have been deducted to arrive at net income per Financial Statements. *Applies* to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+2114	0.		
Subtotal	=	87,939.	+2115	87,939.
Add/Subtract:				
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years				
**Fed.s.85	+2116	0. or	-2117	0.
**Fed.s.85.1	+2118	0. or	-2119	0.
**Fed.s.97	+2120	0. or	-2121	0.
**Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+2122	0. or	-2123	0.
**Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+2124	0. or	-2125	0.
**Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+2126	0. or	-2127	0.
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income			-2150	0.
Subtotal (Additions)	=	0.	+2128	0.
Subtotal (Subtractions)	=	0.	-2129	0.
**Other adjustments			±2130	0.
Subtotal ±2100 - 2109 + 2115 + 2128 - 2129 ± 2130			=2131	669,256.
Share of partnership(s)/joint venture(s) **adjusted net income/loss			±2132	0.
Adjusted net income (loss) (If loss, transfer to 2202 *in Schedule B: Continuity of CMT Losses Carried Forward, Page 20.*)			=2133	669,256.
Deduct: * CMT losses: pre-1994 Loss	+ From 2210	0.		
* CMT losses: other eligible losses	+ From 2211	0.		
	=	0.	-2134	0.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base	=2135	669,256.

Transfer to CMT Base on Page 8

AMENDED

DOLLARS ONLY

Corporate Minimum Tax (CMT)

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)				+ 2201	0.
Add: Current year's losses		+ 2202	0.		
Losses from predecessor corporations on amalgamation (3)		+ 2203	0.		
Losses from predecessor corporations on wind-up (3)		+ 2204	0.		
Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes					
Subtotal		=	0.	+ 2207	0.
Adjustments (attach schedule)				± 2208	0.
CMT losses available 2201 + 2207 ± 2208				= 2209	0.
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income		+ 2210	0.		
Other eligible losses utilized during the year to reduce adjusted net income (4)		+ 2211	0.		
Losses expired during the year		+ 2212	0.		
Subtotal		=	0.	- 2213	0.
Balances at End of Year (5) 2209 - 2213				= 2214	0.

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	2001-12-31	2260 0	2280 0
2241		2261 0	2281 0
2242		2262 0	2282 0
2243		2263 0	2283 0
2244		2264 0	2284 0
2245		2265 0	2285 0
2246		2266 0	2286 0
2247		2267 0	2287 0
2248		2268 0	2288 0
		2269 0	2289 0
Totals		2270 0	2290 0

The sum of amounts 2270 + 2290 *must equal amount in* 2214.

DOLLARS ONLY

AMENDED

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1) ..... + 2301 0.

Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL) ..... + From 280 26,770.

CMT Credit Carryovers from predecessor corporations (2) ..... + 2302 0.

Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes

Subtotal ..... = 26,770. + 2305 26,770.

Adjustments *(Attach schedule)* ..... ± 2306 0.

CMT credit carryover available 2301 + 2305 ± 2306 ..... = 2307 26,770.

Transfer to Page 8

Subtract: CMT Credit utilized during the year to reduce income tax (Page 8) + From 310 0.

CMT Credit expired during the year ..... + 2308 0.

Subtotal ..... = 0. - 2309 0.

Balance at End of Year (3) 2307 - 2309 ..... = 2310 26,770.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	2001-12-31	2360 26,770	2380 0
2341		2361 0	2381 0
2342		2362 0	2382 0
2343		2363 0	2383 0
2344		2364 0	2384 0
2345		2365 0	2385 0
2346		2366 0	2386 0
2347		2367 0	2387 0
2348		2368 0	2388 0
2349		2369 0	2389 0
Totals		2370 26,770	2390 0

The sum of amounts 2370 + 2390 *must equal amount in* 2310.

Corp. Tax Acct. No. : 1800101 Year Ended: 2001-12-31

ONTARIO CT23 SUPPLEMENTARY - LIST OF ASSOCIATED CORPORATIONS

AMENDED

Name of Associated Corporation	Ontario Corp. Tax Number	Taxation Year end	Taxable Capital	Total Assets (Note 1)	Total Revenue (Note 1)	Taxable Income (Note 2)	No Perm Estab in Canada
HALDIMAND COUNTY ENERGY INC.	1800099	2001-12-31	403,999	414,780	34,926		0
HALDIMAND COUNTY GENERATION IN	1800100	2001-12-31	2	2	0		0
HALDIMAND COUNTY UTILITIES INC	1800102	2001-12-31	6,041	19,155,097	15,000		0
TOTALS			410,042	19,569,879	49,926		0

Note 1: Enter total assets and total revenues only if "Corporate Minimum Tax (CMT)" is applicable.

Note 2: Enter Taxable Income amounts only if "Surtax on a CCPC" is applicable (i.e. IDSBC is applicable).

Ontario CT23 Supplementary

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
2	0	28,578,796	0	0	28,578,796	14,289,398	14,289,398	6	0	0	419,261	28,159,535
8	0	238,806	0	0	238,806	119,403	119,403	20	0	0	10,427	228,379
10	0	597,414	0	0	597,414	298,707	298,707	30	0	0	34,296	563,118
12	0	423,093	0	0	423,093	211,546	211,547	100	0	0	61,589	361,504
1	0	1,046,271	0	0	1,046,271	523,135	523,136	4	0	0	10,277	1,035,994
Total	0	30,884,380	0	0	30,884,380	15,442,189	15,442,191		0	0	535,850	30,348,530
									Enter in boxes	[650]	[650]	[650] on the CT23

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

DISCLAIMER

Ontario

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

Ontario Cumulative Eligible Capital Deduction

AMENDED

Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2001-12-31

- **For use by a corporation that has eligible capital property.**
- **A separate cumulative eligible capital account must be kept for each business.**

Part 1 - Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital – balance at end of preceding taxation year *(if negative, enter zero)*						0 A
Add: Cost of eligible capital property acquired during the taxation year	+	816,997 B				
Amount transferred on amalgamation or wind-up of subsidiary	+	0 C				
Other adjustments	+	0 D				
Total of B + C + D	=	816,997	X 0.75	=		612,748 E
Subtotal A + E				=		612,748 F
Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	+	0 G				
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada)	+	0 H				
Other adjustments	+	0 I				
Total of G + H + I	=	0	X 0.75	=		0 J
Ontario cumulative eligible capital balance F – J				=		612,748 K

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction 612,748 K X 7.00% * = 10,811 L

* *The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.*

Enter amount in box 651 *of the CT23*

Ontario cumulative eligible capital - closing balance K – L *(if negative, enter zero)* = 601,937 M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Only complete this part if the amount at line K is negative

Amount from line K above *(show as a positive amount)*				0 N
Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988		0 1		
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA		0 2		
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	0 3			
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	0 4			
Line 3 deduct line 4	0	0 5		
Total lines 1 + 2 + 5		0 6		
Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000		0 7		
Deduct line 7 from line 6		0		0 O
N - O *(cannot be negative)*				0 P
Amount on line 5	0	X 1/2		0 Q
P - Q				0 R
Amount on line R	0	X 2/3 *		0 S
Lesser of line N or line O				0 T
Amount to be included in income S + T				0

Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

We hereby elect to have subsection 7(4) apply to the company.

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 11

2002 Tax Returns

- Federal T2
- Provincial CT23
- Notice of Assessment

Detach and return this REMITTANCE FORM with your payment.

Ontario

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

Remittance Advice - Payment-in-Lieu (PIL)

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

Account No.
1800101

35
PX5005

HALDIMAND COUNTY HYDRO INC.
C/O LLOYD PAYNE
1 GREENDALE DR
RR 2
CALEDONIA ON
N3W 2J3

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2 0 0 2 1 2 3 1

Payment Amount: $

Total Payment Enclosed: $

Ontario

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

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 ~~Corporations Tax Act, R.S.O. 1990~~
from 2002/01/01 to 2002/12/31

Account No.	Reassessment Date (year, month, day)	Page
1800101	2006/06/28	1 of 2

HALDIMAND COUNTY HYDRO INC.

REASSESSMENT NO. 78 REPLACING ASSESSMENT DATED: 2003/09/15

Tax: Federal and Provincial PIL		243,732.00
Assessment Interest		1,723.30CR
Total Reassessment Liability		242,008.70

SUMMARY OF 2002/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	261,348.00CR	
Refunds	13,488.72	
Sub-Total		247,859.28CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		5,850.58CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

RECEIVED BY: DR DATE: July 4/06
APPROVED BY:
- Supervisor _____ DATE: _____
- Manager _____ DATE: _____

GL / JOB NUMBER: _____

COPY

VOUCHER NO. _____

Tax (Re)Assessment Enquiries:
- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:
- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

002 PX5005

Detach and return this REMITTANCE FORM with your payment.

Ontario

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

Remittance Advice - Payment-in-Lieu (PIL)

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

Account No.
1800101

35
PX5003

HALDIMAND COUNTY HYDRO INC.
JACQUELINE SCOTT
1 GREENDALE DR
RR #2
CALEDONIA ON
N3W 2J3

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2 0 0 2 1 2 3 1

Payment Amount: $

Total Payment Enclosed: $

Ontario

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

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2002/01/01 to 2002/12/31

	Account No.	Assessment Date (year, month, day)	Page
HALDIMAND COUNTY HYDRO INC.	**1800101**	2003/09/15	1 of 1

ASSESSMENT NO. 22

RECEIVED
SEP 2 2 2003

Tax: Federal and Provincial PIL		249,031.00
Assessment Interest		1,158.42CR
Total Assessment Liability		247,872.58

SUMMARY OF 2002/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	261,348.00CR	
Sub-Total		261,348.00CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		13,475.42CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Tax Assessment as per Company Estimate.

Tax (Re)Assessment Enquiries:
- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:
- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

002 PX5003

T2 CORPORATION INCOME TAX RETURN

200
Code 0101

Canada Customs and Revenue Agency / Agence des douanes et du revenu du Canada

055 Do not use this area

THIS IS YOUR FILE COPY

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, including proposed legislation, see the corresponding items in the *2001 T2 Corporation Income Tax Guide*.

Send one completed copy of this return, including schedules, and the *General Index of Financial Information* (GIFI) to your tax services office or to the tax centre that serves the corporation. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

Identification

Business Number (BN) 001 890759814RT0001

Corporation's name

002 HALDIMAND COUNTY HYDRO INC.

Has the corporation changed its name since the last time we were notified? ... 003 1 Yes ☐ 2 No ☒

If *yes*, do you have a copy of the articles of amendment? ..... 004 1 Yes ☐ 2 No ☐

Address of head office

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

011 1 GREENDALE DRIVE R. R. #2

012

City	Province, territory, or state
015 CALEDONIA	016 ON
Country (other than Canada)	Postal Code/ZIP code
017	018 N3W-2J3

Mailing address (If different from head office address)

Has the address changed since the last time we were notified?

020 1 Yes ☐ 2 No ☒

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	Postal code/ZIP code
027	028

Location of books and records

031 1 GREENDALE DRIVE R. R. #2

032

City	Province, territory, or state
035 CALEDONIA	036 ON
Country (other than Canada)	Postal Code/ZIP code
037	038 N3W-2J3

040 Type of corporation at the end of the taxation year

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

If the type of corporation changed during the taxation year, please provide the effective date of the change ..... 043 _____ YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year end
060 2002-01-01 YYYY/MM/DD	061 2002-12-31 YYYY/MM/DD

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

If *yes*, provide the date control was acquired ..... 065 _____ YYYY/MM/DD

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

Is this the first year of filing after:

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

If *yes*, please provide Schedule 24

Has there been a windup of a subsidiary under section 88 during the current taxation year?

If *yes*, please provide Schedule 24 ..... 072 1 Yes ☐ 2 No ☒

Is this the final taxation year before amalgamation? ..... 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? ..... 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If *no*, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty?

If *yes*, please provide Schedule 91 ..... 082 1 Yes ☐ 2 No ☒

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

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

Do not use this area

091	092	093	094	095	096
097					

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141. * We do not print these schedules.
Schedules - Answer the following questions. For each *yes* response, attach to the T2 return the schedule that applies.

Guide	Item		Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's-length transactions with non-residents	162		11
33	If you answered *yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's-length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172		—
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
'8-81	Has the corporation made any charitable donations, gifts to Canada or a province, or gifts of cultural or ecological property?	202		2
2,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
i9-76	Is the corporation claiming any type of losses?	204	X	4
131	Is the corporation claiming a provincial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	X	6
102	I) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or II) Is the corporation claiming the refundable portion of Part I tax?	207		7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210	X	10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
149	Is the corporation an investment corporation or a mutual fund corporation?	218		18
130	Was the corporation carrying on business in Canada while not a Canadian corporation?	220		20
117	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
154	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
110	Does the corporation have any Canadian manufacturing and processing profits?	227		27
120	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661
123	Is the corporation subject to gross Part I.3 tax?	233	X	33/34/35
123	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	X	36
123	Is the corporation claiming a surtax credit?	237		37
127	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
127	Is the corporation claiming a Part I tax credit?	242		42
128	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
128	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
124	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
127	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
127	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
127	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
151	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Corporation's name	Business Number	Taxation year-end
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	2002-12-31

Attachments - continued from page 2

Guide item		Yes	Schedule
129	Is the corporation subject to Part XIII.1 tax?		92 *
152	Is the corporation claiming a film or video production services tax credit refund?		T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		T1134-A
44	Did the corporation have any controlled foreign affiliates?		T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		T1135
44	Did the corporation transfer or loan property to a non-resident trust?		T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
—	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
—	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		T1146
—	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
—	Is the corporation claiming the BC mining exploration tax credit?		421
—	Is the corporation claiming the BC SR&ED tax credit?		T666

Additional Information

Is the corporation inactive?	280	1 Yes		2 No	X
Has the major business activity changed since the last return was filed? (enter *yes* for first time filers)	281	1 Yes		2 No	X

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

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

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

284	UTILITY	285	100 %
286		287	0 %
288		289	0 %

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes		2 No	X
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes		2 No	X

Taxable Income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI		300		633,268 A
Deduct: Charitable donations from Schedule 2	311	0		
Gifts to Canada or a province from Schedule 2	312	0		
Cultural gifts from Schedule 2	313	0		
Ecological gifts from Schedule 2	314	0		
Taxable dividends deductible under section 112, 113, or subsection 138(6) from Schedule 3	320	0		
Part VI.1 tax deduction from Schedule 43	325	0		
Non-capital losses of preceding taxation years from Schedule 4	331	633,268		
Net-capital losses of preceding taxation years from Schedule 4	332	0		
Restricted farm losses of preceding taxation years from Schedule 4	333	0		
Farm losses of preceding taxation years from Schedule 4	334	0		
Limited partnership losses of preceding taxation years from Schedule 4	335	0		
Taxable capital gains or taxable dividends allocated from a central credit union	340	0		
Prospector's and grubstaker's shares	350	0		
Subtotal		633,268	633,268	B
Subtotal (amount A minus amount B)			0	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions		355	0	D
Taxable income (amount C plus amount D)		360	0	
Income exempt under paragraph 149(1)(t)		370	0	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			0	Z

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7	400	633,268	A
Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/3 of the amount that would be deductible at line 632*, and 10/4 of line 636** on page 7, and minus any amount that, because of federal law is exempt from Part I tax	405	0	B
Business limit (for associated corporations, enter business limit from Schedule 23)	410	200,000	C

Reduction to business limit:

Amount C 200,000 x 415*** 61,591 D / 11,250 = 1,094,951 E

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	0	F
Small business deduction - 16.00% of the least of amounts A, B, C, and F (enter amount G on line 9 of page 7)	430	0	G

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

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

*** **Large corporation tax for preceding year** - Enter the total gross Part I.3 tax for the corporation for its preceding taxation year, before deducting the surtax credits, increased to reflect a full-year tax liability if the previous year is less than 51 weeks. For associated corporations, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit
line 425 0 X $300,000 + increased business limit (Schedule 23) = 0 A

Net active business income (amount from line 400) * 633,268 B

Taxable income from line 360 or amount Z on page 3, whichever applies, minus 10/4 of the maximum deductible amount at line 636** on page 7, and minus any amount that, because of federal law is exempt for Part I Tax 0 C

Deduct:
Aggregate investment income (amount from line 440 of page 6) 0 D

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

The least of amounts A, B, or E above 0 F

Amount Z from Part 9 of Schedule 27 0 x 100/7 = 0 G

Amount QQ from Part 13 of Schedule 27 0 H

Resource allowance
(amount from line 346 of Schedule 1) 0 x 3 = 0 I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) 0 J

Least of amounts on lines 400, 405, 410, and 425 of the small business deduction 0 K

Total of amounts G, H, I, J, and K 0 0 L

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

Amount M 0 x Number of days in the taxation year after December 31, 2000 / Number of days in the taxation year = 365/365 = 0 N

Accelerated tax reduction - 7% of amount N
(enter amount O on line 637 of page 7) 0 O

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

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

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 or amount Z of page 3 ..... 0 A

Amount Z from Part 9 of Schedule 27 ..... 0 x 100/7 = 0 B

Amount QQ from Part 13 of Schedule 27 ..... 0 C

Resource allowance (amount from line 346 of Schedule 1) 0 x 3 = 0 D

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) ..... 0 E

Least of amounts on lines 400, 405, 410, and 425 of the small business deduction on page 4 ..... 0 F

Aggregate investment income form line 440 of page 6 ..... 0 G

Amount used to calculate the accelerated tax reduction (amount M of page 4) ..... 0 H

Total of amounts B, C, D, E, F, G, and H ..... 0 0 I

Amount A minus amount I (if negative, enter "0") ..... 0 J

Amount J 0 x (Number of days in the taxation year in 2001 / Number of days in the taxation year) 0/365 x 1% = 0 K

Amount J 0 x (Number of days in the taxation year in 2002 / Number of days in the taxation year) 365/365 x 3% = 0 L

Amount J 0 x (Number of days in the taxation year in 2003 / Number of days in the taxation year) 0/365 x 5% = 0 M

Amount J 0 x (Number of days in the taxation year after 2003 / Number of days in the taxation year) 0/365 x 7% = 0 N

General tax reduction for Canadian-controlled private corporations - Total of amounts K, L, M and N ..... 0 O
(enter amount O on line 638 of page 7)

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 or amount Z of page 3 ..... 0 A

Amount Z from Part 9 of Schedule 27 ..... 0 x 100/7 = 0 B

Amount QQ from Part 13 of Schedule 27 ..... 0 C

Resource allowance (amount from line 346 of Schedule 1) 0 x 3 = 0 D

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) ..... 0 E

Total of amounts B, C, D, and E ..... 0 0 F

Amount A minus amount F (if negative, enter "0") ..... 0 G

Amount G 0 x (Number of days in the taxation year in 2001 / Number of days in the taxation year) 0/365 x 1% = 0 H

Amount G 0 x (Number of days in the taxation year in 2002 / Number of days in the taxation year) 365/365 x 3% = 0 I

Amount G 0 x (Number of days in the taxation year in 2003 / Number of days in the taxation year) 0/365 x 5% = 0 J

Amount G 0 x (Number of days in the taxation year after 2003 / Number of days in the taxation year) 0/365 x 7% = 0 K

General tax reduction - Total of amounts H, I, J and K ..... 0 L
enter amount L on line 639 of page 7)

Corporation's name	Business Number	Taxation year-end
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	2002-12-31

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income .... 440 0 x 26 2/3% = ... 0 A
(amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

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

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

Taxable income from line 360 on page 3 0

Deduct:

Least of amounts on lines 400, 405, 410, and 425 on page 4 ... 0

Foreign non-business income tax credit from line 632 of page 7 ..... 0 x 25/9 = 0

Foreign business income tax credit from line 636 of page 7 ..... 0 x 10/4 = 0
0 0
0 x 26 2/3% = 0 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 0
Deduct corporate surtax from line 600 of page 7 0
Net amount ..... 0 0 E

Refundable portion of Part I tax - The least of amounts C, D, and E ..... 450 0 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 0
Deduct dividend refund for the previous taxation year 465 0
0 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 0
Total Part IV tax payable from line 360 on page 2 of Schedule 3 0
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480 0
0 0 B

Refundable dividend tax on hand at the end of the taxation year - Amount A plus amount B 485 0

Dividend refund

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 .... 0 x 1/3 0 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above ..... 0 B

Dividend refund - Lesser of amounts A and B (enter this amount on line 784 of page 8) 0

Corporation's name	Business Number	Taxation year-end
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	2002-12-31

Part I tax

Base amount of Part I tax - 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 **0** A

Corporate surtax calculation

Base amount from line A above **0** 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... **0** 2

Investment corporation deduction from line 620 below **0** 3

Federal logging tax credit from line 640 below **0** 4

Federal qualifying environmental trust tax credit from line 648 below **0** 5

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

28.00 % of taxable income from line 360 of page 3 ..... **0** a

28.00 % of taxed capital gains ..... **0** b

Part I tax otherwise payable ..... **0** c

(line A **plus** lines C and D **minus** line F) — **0** 6

Total of lines 2 to 6 ..... **0** 7

Net amount (line 1 minus line 7) **0** 8

Corporate surtax - 4.00% of the amount on line 8 ..... 600 **0** B

Recapture of investment tax credit from line XX in Part 16 of Schedule 31 ..... 602 **0** C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income
(for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6 ..... **0** I

Taxable income from line 360 on page 3 ..... **0**

Deduct:

The least of amounts on lines 400, 405, 410, and 425 of page 4 .. **0**

Net amount ..... **0** — **0** II

Refundable tax on CCPC's investment income - 6 2/3% of the lesser of amounts I or II ..... 604 **0** D

Subtotal (add lines A, B, C, and D) **0** E

Deduct:

Small business deduction from line 430 of page 4 ..... **0** 9

Federal tax abatement 608 **0**

Manufacturing and processing profits deduction from amount BB or amount VV of Schedule 27 ..... 616 **0**

Investment corporation deduction 620 **0**

(taxed capital gains 624 **0**)

Additional deduction - credit unions from Schedule 17 ..... 628 **0**

Federal foreign non-business income tax credit from Schedule 21 ..... 632 **0**

Federal foreign business income tax credit from Schedule 21 ..... 636 **0**

Accelerated tax reduction from amount O of page 4 ..... 637 **0**

General tax reduction for CCPCs from amount O of page 5 ..... 638 **0**

General tax reduction from amount L of page 5 ..... 639 **0**

Federal logging tax credit from Schedule 21 ..... 640 **0**

Federal political contribution tax credit 644 **0**

Federal political contributions 646 **0**

Federal qualifying environmental trust tax credit 648 **0**

Investment tax credit from Schedule 31 ..... 652 **0**

Subtotal **0** — **0** F

Part I tax payable - Line E minus line F (enter amount G on line 700 of page 8) ..... **0** G

Corporation's name	Business Number	Taxation year-end
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	2002-12-31

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700		0
Part I.3 tax payable from Schedule 33, 34, or 35	704		67,474
Part II surtax payable from Schedule 46	708		0
Part IV tax payable from Schedule 3	712		0
Part IV.1 tax payable from Schedule 43	716		0
Part VI tax payable from Schedule 38	720		0
Part VI.1 tax payable from Schedule 43	724		0
Part XIII.1 tax payable from Schedule 92	727		0
Part XIV tax payable from Schedule 20	728		0
Total federal tax			67,474

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0	
		0	0
Total tax payable	770		67,474 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0	
Dividend refund from page 6	784	0	
Federal capital gains refund from Schedule 18	788	0	
Federal qualifying environmental trust tax credit refund	792	0	
Canadian film or video production tax credit refund from Form T1131	796	0	
Film or video production services tax credit refund from Form T1177	797	0	
Tax withheld at source	800	0	
Total payments on which tax has been withheld 801		0	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0	
Provincial and territorial capital gains refund from Schedule 18	808	0	
Provincial and territorial refundable tax credits from Schedule 5	812	0	
Royalties deductible under Syncrude Remission Order 815		0	
Tax remitted under Syncrude Remission Order	816	0	
Tax instalments paid	840	61,590	
Total credits	890	61,590	61,590 B
Balance (line A minus line B)			5,884

Refund code 894 0 Overpayment 0

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.

Enter the amount on whichever line applies.
We do not charge or refund a difference of less than $2.

Balance unpaid 5,884

Enclosed payment 898 5,884

Direct deposit request

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

☐ Start ☐ Change information 910 _____ Branch number

914 _____ Institution number 918 _____ Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 PAYNE (Last name in block letters) 951 LLOYD (First name in block letters) 954 PRESIDENT (Position, office or rank)

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

955 2003/06/30 (Date (yyyy/mm/dd)) L.L. Payne (Signature of an authorized signing officer of the corporation) 956 905-765-5211 (Telephone number)

Is the contact person the same as the authorized signing officer? If *no*, complete the information below 957 1 Yes ☒ 2 No ☐

958 _____ (Name in block letters) 959 _____ (Telephone number)

Language of correspondence - Langue de correspondance

990 Please indicate the language of your choice. Indiquer la langue de correspondance de votre choix. 1 English/Anglais ☒ 2 Français/French ☐

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Identification of the corporation (Imported Data)

Name of the corporation.....	HALDIMAND COUNTY HYDRO INC.		
Business Number.....	890759814RT0001	Taxation year end.....	2002-12-31
Address.....	1 GREENDALE DRIVE R. R. #2	City.....	CALEDONIA
Province, Territory.....	ON	Postal code.....	N3W-2J3

Balance Sheet

GIFI	Account	Description		Amount	Prior Year
Assets					
1599		Total current assets	+	11,340,514	9,616,488
2008		Total tangible capital assets	+	29,785,502	31,266,815
2009		Total accumulated amortization of tangible capital assets	-	0	0
2178		Total intangible capital assets	+	0	0
2179		Total accumulated amortization of intangible capital assets	-	0	0
2589		Total long term assets	+	3,453,055	1,388,461
2590		Assets held in trust	+	0	0
2599		**Total Assets** (mandatory field)	=	44,579,071	42,271,764
Liabilities					
3139		Total current liabilities		4,891,599	5,190,163
3450		Total long term liabilities		16,691,193	17,187,922
3460		Subordinated debt		0	0
3470		Amounts held in trust		0	0
3499		Total liabilities (mandatory field)		21,582,792	22,378,085
Shareholder equity					
3620		Total shareholder equity (mandatory field)		22,996,279	19,893,679
3640		**Total Liabilities and Shareholder Equity**		44,579,071	42,271,764
3849		**Retained Earnings/Deficit - End** (mandatory field)		3,115,574	1,153,738

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Shareholder Equity

GIFI	Account	Description		Amount	Prior year
Shareholder equity					
3500		Common shares	+	17,144,796	17,144,796
3520		Preferred shares	+	0	0
Contributed and other surplus					
3540	*	Contributed and other surplus		0	0
3541		Contributed surplus		2,735,909	1,595,145
3542		Appraisal surplus		0	0
3543		General reserve		0	0
		Contributed and other surplus	+	2,735,909	1,595,145
3570		Head office account	+	0	0
3600		Retained earnings/deficit	+	3,115,574	1,153,738
3620		**Total Shareholder Equity**	=	22,996,279	19,893,679

* Generic Item

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Retained Earning/Deficit

GIFI	Account	Description		Amount	Prior year
3660		Retained earnings/deficit - start	+	1,153,737	572,421
3680		Net income/loss	+	1,961,837	581,317
		Dividends declared			
3700	*	Dividends declared		0	0
3701		Cash dividends		0	0
3702		Patronage dividends		0	0
		Dividends declared	-	0	0
3720		Prior period adjustments	+	0	0
		Other items affecting retained earnings			
3740	*	Other items affecting retained earnings		0	0
3741		Share redemptions		0	0
3742		Special reserves		0	0
3743		Currency adjustments		0	0
3744		Unusual revenue items		0	0
3745		Interfund transfer		0	0
		Other items affecting retained earnings	+	0	0
3849		**Retained Earnings/Deficit - End**	=	3,115,574	1,153,738

* Generic Item

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Income Statement

GIFI	Description
0001	Operating name.....
0002	Description of the operation..... HYDRO DISTRIBUTION
0003	Sequence Number.....

GIFI	Account	Description		Amount	Prior year
— Income Statement Information					
8089		Total sales of goods and services.....	+	0	0
8518		Cost of sales.....	-	0	0
8519		**Gross profit/loss**	=	0	0
8518		Cost of sales.....	+	0	0
9367		Total operating expenses.....	+	36,949,844	7,635,388
9368		**Total expenses (mandatory field)**	=	36,949,844	7,635,388
8299		Total revenue (mandatory field).....	+	39,022,084	8,216,705
9368		Total expenses (mandatory field).....	-	36,949,844	7,635,388
9369		**Net non-farming income**	=	2,072,240	581,317
— Farming Income Statement Information					
9659		Total farm revenue (mandatory field).....	+	0	0
9898		Total farm expenses (mandatory field).....	-	0	0
9899		**Net farm income**	=	0	0
9970		**Net Income/Loss before Taxes and Extraordinary Items**		2,072,240	581,317

Extraordinary Items and Income taxes (linked to Schedule 140)

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9975	Extraordinary Item(s)	0	0
9976	Legal settlements	0	0
10	Unrealized gains/losses	0	0
9985	Unusual Items	0	0
9990	Current income taxes	153,726	0
9995	Deferred income tax provision	-43,323	0
9999	**Net Income/Loss after Taxes and Extraordinary Items** (mandatory field)	1,961,837	581,317

UNAUDITED
SEE NOTICE TO READER

HALDIMAND COUNTY HYDRO INC. Sch. 001
Account/Business No.: 890759814RT0001 Year Ended: 2002-12-31

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

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

Net income (loss) after taxes and extraordinary items per financial statements				1,961,837 A
Additions:				
Provision for income taxes - current	101	153,726		
Provision for income taxes - deferred	102	-43,323		
Amortization of tangible assets	104	2,059,539		
Loss on disposal of assets	111	209,767		
Subtotal of additions		2,379,709	2,379,709	
Other Additions:				
Capital items expensed	206	60,818		
Miscellaneous Other Additions:				
600 12/31/01 PPVA BALANCE	290	180,967		
601 12/31/01 PILS BALANCE	291	350,998		
602 12/31/01 NON CAPITAL TRANSITION COSTS	292	665,614		
Subtotal of Other Additions	199	1,258,397	1,258,397	
Total Additions	500	3,638,106	3,638,106	
Deductions:				
Capital cost allowance from Schedule 8	403	1,804,659		
Cumulative eligible capital deduction from Schedule 10	405	34,515		
Subtotal of Deductions		1,839,174	1,839,174	
Other Deductions:				
Miscellaneous Other Deductions:				
700 TRANSITION COSTS (INCLUDING INTEREST)	390	866,582		
701 12/31/02 PPVA (INCLUDING INTEREST)	391	597,652		
702 12/31/02 PILs (INCLUDING INTEREST)	392	763,240		
703 FIXED RATE SETUP FEES	393	53,255		
704 RETAIL COST / SETTLEMENT VARIANCES	394	846,772		
Subtotal of Other Deductions	499	3,127,501	3,127,501	
Total Deductions	510	4,966,675	4,966,675	
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)				633,268

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NOTES CHECKLIST
998 and later taxation years)

- This form is to be used by all corporations that do not use a software package to prepare financial statement information and are not eligible to use the GIFI-Short form.
- Use this schedule to report a notes checklist for the corporation's financial statement information.
- For more information, see the "Guide to the General Index of Financial Information (GIFI) for Corporations" and the "T2 Corporation Income Tax Guide."
- The following questions have to be answered:
  - questions 100, 101, and 108;
  - if you answer "yes" to question 101, you have to answer questions 102 to 107;
  - if you answer "yes" to question 108, you have to answer question 109.

Part 1 - Involvement of accountant

Who reported on or prepared the corporation's financial statements? 100

Tick only one of the following:

		[X]
An independent auditor with a report that expressed no reservation	1	[ ]
An independent auditor with a report that expressed a reservation	2	[ ]
An independent accountant with a review engagement report that expressed no reservation	3	[ ]
An independent accountant with a review engagement report that expressed a reservation	4	[ ]
An independent accountant who conducted a compilation engagement with no review	5	[X]
An independent accountant with a compilation and review engagement resulting in no reservation	6	[ ]
Independent accountant with a compilation and review engagement resulting in a reservation	7	[ ]
Prepared by an employee/associate/management of the company, or a person for the company, without a review/audit by an independent accountant/auditor	8	[ ]

Part 2 - Other Information

		Yes/No
Were notes to the financial statements prepared?	101	[N]
Are any values presented at other than cost?	102	[ ]
Has there been a change in accounting policies since the last return?	103	[ ]
Are subsequent events mentioned in the notes?	104	[ ]
Is re-evaluation of asset information mentioned in the notes?	105	[ ]
Is contingent liability information mentioned in the notes?	106	[ ]
Is information regarding commitments mentioned in the notes?	107	[ ]
Does the corporation have investments in joint venture(s) or partnership(s)?	108	[N]
If "yes," are you filing financial statements of the joint venture(s) or partnership(s)?	109	[ ]

NOTICE TO READER

WE HAVE COMPILED THE G.I.F.I FROM INFORMATION PROVIDED BY THE COMPANY. WE HAVE NOT AUDITED, REVIEWED OR OTHERWISE ATTEMPTED TO VERIFY THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. READERS ARE CAUTIONED THAT THIS INFORMATION MAY NOT BE APPROPRIATE FOR THEIR PURPOSES.

MILLARD, ROUSE & ROSEBRUGH LLP
BRANTFORD, ONTARIO

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION (2000 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses

— Determination of current-year non-capital loss

Net income (loss) for income tax purposes		633,268
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)	0	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)	0	0
Subtotal (if positive, enter "0")		0
Deduct: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
Subtotal		0
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		0

— Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		774,511	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	774,511	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	0	774,511

Continuity of non-capital losses and request for a carryback (cont'd)

Deduct:

Amount applied against taxable income (enter on line 331 of the T2 return)	130	633,268	
Amount applied against taxable dividends subject to Part IV tax	135	0	
Section 80 - Adjustments for forgiven amounts	140	0	
Subsection 111(10) - Adjustments for fuel tax rebate		0	
Other adjustments	150	0	633,268
		Subtotal	141,243

Deduct - Request to carry back non-capital loss to:

First preceding taxation year to reduce taxable income	901	0	
Second preceding taxation year to reduce taxable income	902	0	
Third preceding taxation year to reduce taxable income	903	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	0	0
Non-capital losses - Closing balance	180		141,243

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 Yes [ ]

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200	0	
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205	0	
Current-year capital loss (from Schedule 6 calculation)	210	16,528	16,528
Add:			
Allowable business investment loss expired as non-capital loss 0x 4/3	220		0
		Subtotal	16,528

Deduct:

Amount applied against current-year capital gain (see note 1)	225	0	
Section 80 - Adjustments for forgiven amounts	240	0	
Other adjustments	250	0	0
		Subtotal	16,528

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)		Amount carried back (100%)	
First preceding taxation year	0	951	0	
Second preceding taxation year	0	952	0	
Third preceding taxation year	0	953	0	0
Capital losses - Closing balance		280		16,528

Part 2 - Capital losses

Continuity of capital losses and request for a carryback (cont'd)

Capital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.
Capital losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.
For taxation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determine by dividing the total taxable capital gain by the total capital gain.

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2

Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 3 - Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	300	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	305	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330	0	
Amount applied against taxable dividends subject to Part IV tax	335	0	
Section 80 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:
Is the corporation exempt from the restricted farm loss rules?
(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Part 4 - Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business			485		0 A
Is the deductible farm loss:					
$2,500 plus B or C, whichever is less				2,500	
(Amount A above 0 - $2,500) divided by 2	=	0 B			
		6,250 C		0	2,500
Current-year restricted farm loss (enter this amount on line 410)					0

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year		0	
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0
		Subtotal	0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941	0	
Second preceding taxation year to reduce farming income	942	0	
Third preceding taxation year to reduce farming income	943	0	0
Restricted farm losses - Closing balance	480		0

Note

The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			0
Deduct: Listed personal property loss expired after seven taxation years	500		0
Listed personal property losses at beginning of taxation year	502		0
Add: Current-year listed personal property loss (from Schedule 6)	510		0
		Subtotal	0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	550	0	0
		Subtotal	0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961	0	
Second preceding taxation year to reduce listed personal property gains	962	0	
Third preceding taxation year to reduce listed personal property gains	963	0	0
Listed personal property losses - Closing balance	580		0

Part 6 - Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	0	0
2001	774,511	N/A	0	N/A	633,268	0	141,243
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0 *
Total	774,511	0	0	0	633,268	0	141,243

Farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	0	0
2001	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0 *
Total	0	0	0	0	0	0	0

Restricted farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce: Taxable Income	Applied to Reduce: Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	N/A	0
2001	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0 *
Total	0	0	0	0	0	N/A	0

* This balance expires this year and will not be available next year

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SUMMARY OF DISPOSITIONS OF CAPITAL PROPERTY
)00 and later taxation years)

- For use by corporations that have disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- Use this schedule to make a designation under paragraph 111(4)(e) of the federal "Income Tax Act", if control of the corporation has been acquired by a person or group of persons.
- If more space is needed, attach additional schedules.

For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the "T2 Corporation Income Tax Guide".

Designation under paragraph 111(4)(e) of the "Income Tax Act"
Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?

050 [Y/N] [N] If "yes", attach a statement specifying which properties are subject to such a designation.

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

t 1 - Shares

No. of shares 100	Name of corporation 105	Class of shares 106	110	120	130	140	Gain (or loss) 150	
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
				0	0	0	0	
			Totals	0	0	0	0	A

Gain (loss) on dispositions before February 28, 2000	0	A1
Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000	0	A2
Gain (loss) on dispositions after October 17, 2000	0	A3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 2 - Real estate - Do not include losses on depreciable property.

Municipal address
1 = Address 1
2 = Address 2
3 = City
4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code

200	210	220	230	240	Gain (or loss) 250	
DUNNVILLE PROPERTY		23,811	42,389	0	-18,578	3
HWY 6 BYPASS		2,050	0	0	2,050	3
-		0	0	0	0	3
-		0	0	0	0	3
-		0	0	0	0	
	Totals	25,861	42,389	0	-16,528	B
		Gain (loss) on dispositions before February 28, 2000			0	B1
		Gain (loss) on disposition after February 27, 2000 and before October 18, 2000			0	B2
		Gain (loss) on dispositions after October 17, 2000			-16,528	B3

Part 3 - Bonds

Face value 300	Maturity date 305	Name of Issuer 307	310	320	330	340	Gain (or loss) 350	
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
				0	0	0	0	
			Totals	0	0	0	0	C
				Gain (loss) on dispositions before February 28, 2000			0	C1
				Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000			0	C2
				Gain (loss) on dispositions after October 17, 2000			0	C3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 4 - Other properties - Do not include losses on depreciable property.

Description 400	410	420	430	440	Gain (or loss) 450	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	
Disposition from a partnership						
		0	0	0	0	
	Totals	0	0	0	0	D
		Gain (loss) on dispositions before February 28, 2000			0	D1
		Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000			0	D2
		Gain (loss) on dispositions after October 17, 2000			0	D3

Part 5 - Personal-use property

Description 500	510	520	530	540	Gain only 550	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
Note:	Totals	0	0	0	0	E
Losses are not deductible.		Gain on dispositions before February 28, 2000			0	E1
		Gain on dispositions after February 27, 2000 and before October 18, 2000			0	E2
		Gain on dispositions after October 17, 2000			0	E3

Part 6 - Listed personal property

Description 600	610	620	630	640	Gain (or loss) 650	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
Note:	Totals	0	0	0	0	
Net listed personal property losses may only be applied against listed personal property gains.			After 2000/02/27			
- Amount from line 655 is from line 530 in Part 5 of Schedule 4.		Before 2000/02/28	and before 2000/10/18	After 2000/10/17		
Gains or losses on dispositions		0	0	0	0	
Subtract: Unapplied listed personal property losses from other years		0	0	0	655 0	
		657	658	659		
Net gains (or loss)		0	0	0	0	F

Part 7 - Property qualifying for and resulting in an allowable business investment loss

Name of small business corporation	Shares, enter 1; debt, enter 2	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Adjusted cost base	Outlays and expenses (dispositions)	Loss (col. 920 less cols. 930 and 940)	Date of disp.
900	905	910	920	930	940	950	
	0		0	0	0	0	3
	0		0	0	0	0	3
	0		0	0	0	0	3
	0		0	0	0	0	3
		Totals	0	0	0	0	G
					Loss on dispositions before February 28 2000	0	G1
					Loss on dispositions after February 27, 2000 and before October 18, 2000	0	G2
					Loss on dispositions after October 17, 2000	0	G3

Note: Properties listed in Part 7 should not be included in any other parts of Schedule 6.

Determining capital gains or losses

	Before 2000/02/28	After 2000/02/27 and before 2000/10/18	After 2000/10/17	Total	
Sum of the **Total** amounts A to F (do not include F, if the amount is a loss)	0	0	-16,528	-16,528	H
Allowable business investment losses (G1, G2, G3)	0	0	0		
	770	670	570		
Gains or losses on dispositions (including ABIL)	0	0	-16,528		
Add:					
Gain or loss from a partnership				0	
	775	675	575	875	
Capital gains dividend received in the year	0	0	0	0	
Capital gains reserve opening balance (from Schedule 13)	0	0	0	0	
				880	
Subtotal	0	0	-16,528	-16,528	
Deduct:					
Capital gains reserve closing balance (from Schedule 13) (note 1)	785	685	585	885	
	0	0	0	0	
Deductible portion of gain on donations including ecologically sensitive land)	0	0	0		
	790	690	590	890	
Gains (or losses)	0	0	-16,528	-16,528	

Note 1: Applicable to dispositions made in the period. Closing balance reserves from dispositions made in a previous taxation year need to be deducted in the period during which the taxation year begins.

Inclusion rate

	Gain/loss			Inclusion rate		Net capital gain or Net capital loss	
Amount from line 790	0	J	x	75.0000%	=	0	JJ
Amount from line 690	0	K	x	66.6667%	=	0	KK
Subtotal (note 2)	0	a	x	.0000%	=	0	aa
Amount from line 590	-16,528	L	x	50.0000%	=	-8,264	LL
Total (note 3)	-16,528	b			=	-8,264	bb
Inclusion rate for the year expressed as a decimal fraction (bb divided by b)						50.0000%	M

Note 2
If one of either line J or line K is positive, and the other is negative, enter the difference (gain or loss) on the **subtotal** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line aa based on that rate. In this case, it would not be necessary to calculate an amount at JJ and KK. Otherwise, add lines J and K, and lines JJ and KK for the subtotals. At the **inclusion rate** line between a and aa, enter the result of aa divided by a. This rate may be required in further calculations.

Note 3
If one of either line a or line L is positive, and the other is negative, enter the difference (gain or loss) on the **total** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line bb based on that rate. This could be the rate referred to at the end of the note 2 above. In this case, it would not be necessary to calculate an amount at line LL. Otherwise, add lines a and L, and lines aa and LL for the totals.

Time Weighted Method for investment corporation or mutual fund corporation

e corporation a mutual fund corporation that wishes to use the time weighted method?						[Y/N] N	
Number of days before February 28, 2000	0	x	75.0000%	=	.0000%		
Number of days after February 27, 2000 and before October 18, 2000	0	x	66.6667%	=	.0000%		
Number of days after October 17, 2000	0	x	50.0000%	=	.0000%		
Number of days in the taxation year	0				.0000%	N	

Determining taxable capital gains, total capital losses and allowable business investment losses

Amount from line 890						-16,528	O
Gain on donations of a share, debt obligation, or right (included in amounts A to F) (note 4)							
Before February 28, 2000	0						
After February 27, 2000 and before October 18, 2000	0						
After October 17, 2000	0						
	0	x	1/2	=	895	0	P
Amount on line O **minus** line 895						-16,528	Q
Amount of gain on donation of ecologically sensitive land after February 27, 2000							
After February 27, 2000 and before October 18, 2000	0						
After October 17, 2000	0						
	0	x	1/2	=	896	0	R
Amount on line Q **minus** line 896						-16,528	S
If this amount is a loss, enter on line 210 of Schedule 4.							
ble capital gains (line S x line M or N)						0	T
Enter the amount on line 113 of Schedule 1.							

Determining taxable capital gains and allowable business investment losses (cont'd)

Allowable business investment loss (line G x rate M or N) Enter the amount on line 406 of Schedule 1.	0 U

Note 4: Gain on donations of a share, debt obligation, or right listed on a prescribed stock exchange and amounts under paragraph 38(a.1) of the Act (for donations made after February 18, 1997, and before the year 2002 to charities other than private foundations)

Portion of Gain or Loss from Foreign sources (100%)	0

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5q)? [101] N

Class No. [200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
2	28,159,535	0	-28,159,535	0	0	6	0	0	0	0
8	228,379	76,676	0	0	38,338	20	0	0	53,343	251,712
10	563,118	322,944	0	750	161,097	30	0	0	217,265	668,047
12	361,504	30,309	0	0	15,154	100	0	0	376,659	15,154
1	1,035,994	1,618,173	27,226,622	273,829	672,172	4	0	0	1,157,392	28,449,568
Total	30,348,530	2,048,102	-932,913	274,579	886,761		0	0	1,804,659	29,384,481

ELATED AND ASSOCIATED CORPORATIONS

is schedule is to be completed by a corporation having one or more of the following:
related corporation(s)
associated corporation(s)

ne	Ctry of resi-dence	Business Number (Note)	Rela-tion-ship Code	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of pre-ferred shares owned	Book value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
LDIMAND COUNTY ENERGY INC.		890762412RP0001	3	0	0.00	0	0.00	0
LDIMAND COUNTY GENERATION IN		890757412RC0001	3	0	0.00	0	0.00	0
LDIMAND COUNTY UTILITIES INC		863917795RT0001	1	1,001	100.00	0	0.00	18,739,941

te: Enter "NR" if a corporation is not registered.
Lationship code:
- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

e relationship code represents the relationship that the corporation named has to the filing
rporation. For example, if the corporation is the parent corporation of the filing corporation,
en the relationship code is "1".

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CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

- For use by a corporation that has eligible capital property. For more information, see the "T2 Corporation Income Tax Guide".
- A separate cumulative eligible capital account must be kept for each business.
- This form applies to taxation years that end after February 27, 2000.

Part 1 - Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at end of preceding taxation year (if negative, enter "0")						200	601,937 A
Add:							
Cost of eligible capital property acquired during the taxation year	222	0 B					
Amount transferred on amalgamation or wind-up of subsidiary	224	0 C					
Other adjustments	226	0 D					
(add amounts B, C, and D)		0	x	0.75	=		0 E
Subtotal (amount A plus amount E)						230	601,937 F
Deduct:							
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242	0 G					
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244	0 H					
Other adjustments	246	145,154 I					
(add amounts G, H, and I)		145,154	x	0.75	=	248	108,866 J
Cumulative eligible capital balance (amount F **minus** amount J) (If amount K is negative, enter "0" at line M and proceed to Part 2)							493,071 K
Current year deduction (enter amount L at line 405 of Schedule 1)	amount K	493,071	x	7.00%	=	250	34,515 L
Cumulative eligible capital - Closing balance Amount K **minus** amount L (if negative, enter "0")						300	458,556 M

Note

You can claim any amount up to the maximum deduction of 7%. For taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Part 2 - Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

Amount from line K above (show as a positive amount)					0 N
Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988	400		0 1		
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7)	401		0 2		
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	402	0 3			
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	408	0 4			
Line 3 minus line 4		0	0 5		
Total of lines 1, 2, and 5			0 6		
Line T from Schedule 10 of previous taxation years ending after February 27, 2000	409		0 7		
Line 6 minus line 7			0		0 O
Line N minus line O (cannot be negative)					0 P
Amount on line 5 0 x 1/2					0 Q
Line P minus line Q					0 R
Amount on line R 0 x 2/3 *					0 S
Lesser of line N or line O					0 T
Amount to be included in income on line 108 of Schedule 1, line S plus line T For taxation years ending before February 28, 2000, line N - line Q				410	0

* For taxation years ending after February 27, 2000, and before October 18, 2000, use fraction 8/9 to calculate line S.

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS (CCPC's) TO ALLOCATE THE BUSINESS LIMIT (1998 and later taxation years)

or use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.

- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation".

Column 4: Enter the amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 can not exceed $200,000.

Column 5: Complete column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Column 6: Enter the gross Part I.3 tax of the prior year. This is used for the business limit reduction.

Allocation of business limit

		Year Month Day
Date filed (for departmental use only)	025	
		Year
Enter the calendar year to which the agreement applies	050	2002
Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?	075	[Y/N] [N]

1	2	3	4	4A	5	6
Names of associated corporations	Business Number of associated corporations	Asso-ciation code	Business limit allocated (Note 1)	Increased business limit (Note 4)	Taxation year end to which this agreement applies	Gross Part I.3 Tax of the prior year (Notes 2 & 3)
100	200	300	400		500	
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	1	200,000	200,000		61,591
See attached			0	0		0
		Totals	200,000	200,000		61,591

Note 1:
Each corporation will enter the amount allocated to it in column 4 based on a repartition of $200,000 unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Note 2:
Reduction to the business limit under subsection 125(5.1)
The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return.
The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note 3:
If the taxation year of the associated corporation was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

Note 4:
For 2003, the limit is $225,000 and it will increase by $25,000 each year to reach $300,000 in 2006. For the taxation years that overlap with the calendar year, the limit is established on a pro-rata basis using of the number of days of the taxation year that fall within the calendar year.

AGREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	4A	5	6
Name of associated corporation	Business Number of associated corporation	Asso-ciation code	Business limit allocated (Note 1)	Increased business limit (Note 3)	Taxation year end to which this agreement applies (Note 2)	Gross Part I.3 Tax of the prior year
[100]	[200]	[300]	[400]		[500]	
HALDIMAND COUNTY ENERGY INC.	890762412RP0001	1	0	0		0
HALDIMAND COUNTY GENERATION IN	890757412RC0001	1	0	0		0
HALDIMAND COUNTY UTILITIES INC	863917795RT0001	1	0	0		0
TOTALS			0	0		0

Note 1:
Each corporation will enter the amount allocated to it in column 4 based on a repartition of $200,000 unless the corporation's taxation year is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 365.

Note 2:
Reduction to the business limit under subsection 125(5.1)
The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before the deduction of surtax credits) for its last taxation year ending in the preceding calendar year. The reduction is calculated in the small business deduction are of the T2 return. The amount to be entered at line 415 of the T2 return, (large corporation tax for preceding year), includes the gross Part I.3 tax payable for each corporation that has an "association code" of 1 or 4 in column 3 for its last taxation year ending in the preceding calendar year.

Note 3:
For 2003, the limit is $225,000 and it will increase by $25,000 each year to reach $300,000 in 2006. For the taxation years that overlap with the calendar year, the limit is established on a prorata basis using of the number of days of the taxation year that fall within the calendar year.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

PART I.3 TAX ON LARGE CORPORATIONS
(1998 and later taxation years)

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 in respect of its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or in respect of a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carried on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including processing incidental to or connected therewith) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" within six months of the end of the taxation year.

		Year	Month	Day
Filing date (for departmental use only)	100			

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 5, "Taxable capital employed in Canada - Non-resident corporation."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	0
Capital stock (or members' contributions if incorporated without share capital)	103	17,144,796
Retained earnings	104	3,115,574
Contributed surplus	105	2,735,909
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	377,015
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, bankers' acceptances, or similar obligations	109	16,720,000
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

Part 1 - Capital (cont'd)

Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111 and 112) in respect of the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	0		
	Subtotal	40,093,294	40,093,294	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121	0		
Any deficit deducted in computing the shareholders' equity	122	0		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	0		
The amount of deferred unrealized foreign exchange losses	124	0		
	Subtotal	0	0	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		40,093,294	

Note: Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined in accordance with the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	0
A loan or advance to another corporation (other than a financial institution)	402	5,000
A bond, debenture, note, mortgage, or similar obligation of another corporation (other than a financial institution)	403	100,000
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 [other than by reason of paragraph 181.1(3)(d)]	406	0
An interest in a partnership	407	0
Investment allowance for the year	490	105,000

Note: Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I of the Act (other than by reason of paragraph 181.1(3)(d) of the Act).

Part 3 - Taxable capital

Capital for the year (line 190)		40,093,294	C
Deduct: Investment allowance for the year (line 490)		105,000	D
Taxable capital for the taxation year (amount C minus amount D) (if negative, enter "0")	600	39,988,294	

Part 4 - Taxable capital employed in Canada - Canadian resident corporation

To be completed by a corporation that was resident in Canada at any time in the year.

Taxable capital for the year (line 500)	39,988,294	X	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	690	39,988,294
			Taxable income		1,000				

Notes:
1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 5 - Taxable capital employed in Canada - Non-resident corporation

To be completed by a corporation that was not resident in Canada throughout the year and carried on a business through a permanent establishment in Canada.

Total of all amounts which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		0
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	0	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year in Canada	712	0	
Total amount of carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year in Canada	713	0	
Total deductions (add lines 711, 712, and 713)		0	0 E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		0

Part 6 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada for the year (line 690 or 790, whichever applies)			39,988,294
Deduct: Capital deduction claimed for the year (enter $10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801	10,000,000	
Excess of taxable capital employed in Canada over capital deduction	811		29,988,294

Gross Part I.3 tax: Line 811 29,988,294 x .2250% = 67,474 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount F 67,474 x (Number of days in the year 365 / 365) = 0 G

Gross Part I.3 tax (amount F or G, whichever applies)	820		67,474

Part 7 - Calculation of current year surtax credits

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable. This is called the surtax credit.
  Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible in respect of a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

Current year surtax credit equals current year Canadian surtax payable.

Canadian surtax payable

For a corporation that was not resident in Canada throughout the year, the lesser of a and b, below:

a)	line 600 from the T2 return			0	
b)	line 700 from the T2 return			0	0 H

In any other case, the lesser of c and d below:

			line 690 of this schedule			
c)	line 600 from the T2 return	0 x	39,988,294	=	0	
			39,988,294			
			line 500 of this schedule			
d)	line 700 from the T2 return				0	0 I

Current year surtax credit (amount H or I, whichever applies) 830 0

Part 8 - Calculation of Part I.3 tax credit available for carry- forward

Amount on line 830		0
Less: Part I.3 tax before deducting surtax credits (line 820)		67,474 J
	Net amount	-67,474 K

If the amount on line K is "positive," it represents the amount of Part I.3 tax credits that may be carried forward from taxation years prior to 1992 and applied this year to reduce Canadian surtax payable. Refer to Schedule 37 for unused Part I.3 tax credit balance ..... 0 L

If the amount on line K is "negative," it represents the amount of unused surtax credit of other years that may be applied to reduce Part I.3 tax payable in the current year ..... 67,474 M

Part 9 - Calculation of current year unused surtax credit

Amount K (if positive)		0
Less: Part I.3 tax credits claimed (carried forward from taxation years prior to 1992 - see amount L above)		0
Current year unused surtax credit (enter this amount on Schedule 37)	850	0

Part 10 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			67,474 N
Deduct the following amounts:			
Current year surtax credit applied (the lesser of lines 820 and 830)	861	0	
Unused surtax credit from prior years applied	862	0	
Total (cannot exceed amount on line 820)		0	0 O
Net Part I.3 tax payable (amount N minus amount O)			
Enter this amount at line 704 of the T2 return	870		67,474

HALDIMAND COUNTY HYDRO INC. Sch. 036
Account/Business No.:890759814RT0001 Year Ended: 2002-12-31

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
998 and later taxation years)

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.
  Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? ..... [Y/N] [Y]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.

- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.

- In accordance with subsection 181.5(7) of the federal "Income Tax Act", a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

- Attach additional schedules if space for agreement is not sufficient.

Agreement

		Year Month Day
Date filed (for departmental use only)	010	
Is this an amended agreement?	020	[Y/N] [N]
er the calendar year to which the agreement applies	030	Year 2002

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (Note 1)	Allocation of capital deduction for the year $	Taxation year end to which this agreement applies (Note 2)
200	300	400	500
HALDIMAND COUNTY HYDRO INC.	890759814RT0001	10,000,000	
See attached		0	
Total (not to exceed $10,000,000)		10,000,000	

Note 1: If a corporation is not registered enter, "NR".

Note 2: An entry is only required for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

GREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 among the members of the related group.

In accordance with subsection 181.5(7) of the federal Income Tax Act, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

mes of all corporations ich are members of the lated group [200]	Business Number (Note 1) [300]	Allocation of capital deduction for the year [400]	Taxation year end to which this agreement applies (Note 2) [500]
DIMAND COUNTY ENERGY INC.	890762412RP0001	0	
DIMAND COUNTY GENERATION IN	890757412RC0001	0	
DIMAND COUNTY UTILITIES INC	863917795RT0001	0	
)TAL		0	

ce 1: If a corporation is not registered, enter "NR".

ce 2: An entry is only required for a corporation that has more than one taxation ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION
`98 and later taxation years)

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
HALDIMAND COUNTY UTILITIES INC.	863917795RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Schedule of Instalment Remittances

Name of Corporation Contact: . . . . . .
Telephone Number: . . . . . .

Effective Interest Date	Description (Instalment Remittance, Split Payment, Assessed Credit)		Amount of Credit
			61,590
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
	Total amount of instalments claimed	(A)	61,590
	Total instalments credited to the taxation year per T9	(B)	61,590

— TRANSFER

Account Number	Taxation Year End	Amount	Effective Interest Date	Description
From:				
		0		
To:				

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

BUSINESS CONSENT FORM

Use this form to consent to the release of confidential information about your Business Number (BN) account(s) to the representative named below, or to cancel consent for an existing representative.

- Complete Parts 1, 2, and 5 to name a representative.
- Complete Parts 3, 4, and 5 to cancel consent for an existing representative.
- Complete all parts of this form if you want to both name a new representative and cancel consent for an existing representative.

If you have questions, such as where to send this form, call us at 1-800-959-5525.

Part 1 - Consent to release of information to a representative

Client's name: HALDIMAND COUNTY HYDRO INC. Business Number: 890759814RT0001

I consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

Millard, Rouse & Rosebrugh LLP

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to specify a particular individual of that firm, enter that individual's first and last name.

519-759-3511
Representative's telephone number

Representative's fax number

Part 2 - Details of consent

A. Which accounts?

I request that this consent apply to all accounts. [X] OR

I request that this consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to authorize access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001	[ ]	RC [ ]	RC [ ]
GST/HST	RT0001	[ ]	RT [ ]	RT [ ]
Payroll deductions	RP0001	[ ]	RP [ ]	RP [ ]
Import/Export	RM0001	[ ]	RM [ ]	RM [ ]

B. Which years?

I request that this consent apply to all years. [X] OR

I request that this consent apply only to the following years:

1. All year-ends up to: [ ] Year Month Day

2. All year-ends beginning in: [ ] Year Month Day and all years after that.

3. The following year-ends only: [ ] Year Month Day [ ] Year Month Day
   [ ] Year Month Day [ ] Year Month Day

Part 3 - Cancellation of consent to release of information to a representative

Client's name: HALDIMAND COUNTY HYDRO INC. Business Number: 890759814RT0001

I cancel all previous consents for all representatives. ☐ OR

I cancel my consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to cancel the consent for a particular individual of that firm, enter that individual's first and last name.

Representative's telephone number

Representative's fax number

Part 4 - Details of cancellation of consent

A. Which accounts?

I request that this cancellation of consent apply to all accounts. ☐ OR

I request that this cancellation of consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to cancel access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate Income tax	RC0001 ☐	RC		RC
GST/HST	RT0001 ☐	RT		RT
Payroll deductions	RP0001 ☐	RP		RP
Import/Export	RM0001 ☐	RM		RM

B. Which years?

I request that this cancellation of consent apply to all years. ☐ OR

I request that this cancellation of consent apply only to the following years:

1. All year-ends up to: Year Month Day
2. All year-ends beginning in: Year Month Day and all years after that.
3. The following year-ends only: Year Month Day Year Month Day
   Year Month Day Year Month Day

Part 5 - Signature

Print your name LLOYD PAYNE Title PRESIDENT

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here Date Year Month Day

WE WILL NOT PROCESS THIS FORM IF IT IS NOT SIGNED

Ontario

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

2002 CT23 Corporations Tax and Annual Return

For taxation years commencing after May 1, 2000

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS) (formerly Ministry of Consumer and Commercial Relations)

THIS IS YOUR FILE COPY

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the Exempt from Filing (EFF) declaration on page 2 or file the CT23 Return on pages 3-18, together with the applicable schedules on pages 19-22. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the CT23 Short-Form Return (see page 2).

The Annual Return (common page 1 and MCBS Schedules A or K on pages 23 and 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt, Refer to Guide)* [X] Yes [ ] No **Page 1 of 24**

Corporation's Legal Name *(including punctuation)* and Mailing Address

HALDIMAND COUNTY HYDRO INC.

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Ontario Corporations Tax Account No. (MOF): 1800101

This CT23 Return covers the Taxation Year
Start: year month day 2002-01-01
End: year month day 2002-12-31

Has the mailing address changed since last filed CT23 Return? Yes [ ] | Date of Change: year month day

Date of Incorporation or Amalgamation: year month day 2000-10-13

Registered/Head Office Address

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Ontario Corporation No. (MCBS): 1800101

Location of Books and Records

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter: 890759814RT0001

Name of person to contact regarding this CT23 Return: LLOYD PAYNE
Telephone No.: 905-765-5211
Fax No.:

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA -

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
(Not Applicable) [X]

Former Corporation Name *(Extra-Provincial Corporations only)* *(Not Applicable)* [X] (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS).

[X] No change

Preferred Language/*Langue de préférence*
English *anglais* [X] French *français* [ ]

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

LLOYD PAYNE

Title: [ ] D Director [X] O Officer [ ] P Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2002-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1 [X] 1 Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent): 100%

2 [ ]

1 [ ] Family Farm Corporation s.1 (2)
2 [ ] Family Fishing Corporation s.1 (2)
3 [ ] Mortgage Investment Corporation s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61 (4)
6 [ ] Bank s.1 (2)
7 [ ] Loan and Trust Corporation s.61 (4)
8 [ ] Non-resident Corporation s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned Investment Corporation s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-residents s.63(1)
16 [ ] Financial institution prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [ ] Hydro successor, Municipal Electrical Utility or subsidiary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
If applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
If applicable, enter
111292775

Specify major business activity

Please "X" box(es) if applicable:

[ ] First Year of Filing
[ ] Amended Return
[ ] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)

Date Control was acquired
year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[X]	[ ]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Income Tax

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Inter. Bulletin 2617). Attach a schedule (or a copy of federal T2 SCH 5) showing allocation of gross revenue, salaries and wages, including applicable percentages.

Net income (loss) for Ontario purposes (per reconciliation schedule, page 16)	±	From 690	633,268.
Subtract: Charitable donations	–	1	0.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)*	–	2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–	3	0.
Subtract: Ontario political contributions *(Attach schedule)*	–	4	0.
Subtract: Federal Part VI.1 tax 0. X 9/4	–	5	0.
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	633,268.
Net capital losses From 715 (page 17) 0. X Inclusion rate 50.000000% =	–	714	0.
Farm losses	–	From 724	0.
Restricted farm losses	–	From 734	0.
Limited partnership losses	–	From 754	0.
Taxable Income (Non-capital loss)	=	10	0.
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	0.
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=	20	0.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	0.	X 30	100.0000% Ontario Allocation	X 15.5000%	X	Days before May 2, 2000: 22 = 0	+	Total Days: 73 = 365	= + 23	0.
From 10 (or 20 if applicable)	0.	X 30	100.0000% Ontario Allocation	X 14.5000%	X	Days after May 1, 2000 and before Jan 1, 2001: 24 = 0	+	Total Days: 73 = 365	= + 25	0.
From 10 (or 20 if applicable)	0.	X 30	100.0000% Ontario Allocation	X 14.0000%	X	Days after Dec 31, 2000 and before Oct 1, 2001: 26 = 0	+	Total Days: 73 = 365	= + 27	0.
From 10 (or 20 if applicable)	0.	X 30	100.0000% Ontario Allocation	X 12.5000%	X	Days after Sept 30, 2001 and before Jan 1, 2003: 28 = 365	+	Total Days: 73 = 365	= + 29	0.
From 10 (or 20 if applicable)	0.	X 30	100.0000% Ontario Allocation	X 12.5000%	X	Days after Dec 31, 2002 and before Jan 1, 2004: 31 = 0	+	Total Days: 73 = 365	= + 32	0.

Income Tax Payable (before deduction of tax credits) 23 + 25 + 27 + 29 + 32 = 40 0.

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [ ] Yes [X] No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			50	0.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51 0.		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52 0.		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	–	53 0.		
	=	0.	54	0.
Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding $ 200,000) *(Attach federal T2 SCH 23 if associated)*	+	55 200,000.		

Add: Ontario enhancement of federal business limit

Number of Days in Taxation Year

40,000 x X From 55 200,000	Days after Dec 31, 2000 and before Oct 1, 2001: 0	+	Total Days: 73 = 365	+ 200,000	=+	42	0.			
80,000 x X From 55 200,000	Days after Sept 30, 2001 and before Jan 1, 2003: 365	+	Total Days: 73 = 365	+ 200,000	=+	43	80,000.			
120,000 x X From 55 200,000	Days after Dec 31, 2002 and before Jan 1, 2004: 0	+	Total Days: 73 = 365	+ 200,000	=+	46	0.			

Ontario enhancement of federal business limit 42 + 43 + 46 = 80,000. + 44 80,000.

Business Limit for Ontario purposes 55 + 44	=	280,000.	45	280,000.
Income eligible for the IDSBC From 30 100.0000% * Ontario Allocation X 56 0.	=		60	0.

Least of 50, 54 or 45

* Note: *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

Number of Days in Taxation Year

			Days after	Total Days		
7.00%	x	74 Dec 31, 1998 and before Jan 1, 2000: 0	+ 73: 365		= + 75	.0000
7.50%	x	76 Dec 31, 1999 and before Oct 1, 2001: 0	+ 73: 365		= + 77	.0000
6.50%	x	28 Sept 30, 2001 and before Jan 1, 2003: 365	+ 73: 365		= + 79	6.5000
7.00%	x	31 Dec 31, 2002 and before Jan 1, 2004: 0	+ 73: 365		= + 89	.0000

IDSBC Rate for Taxation Year [75] + [77] + [79] + [89] = [78] 6.5000

Claim From [60] 0. x From [78] 6.5000% = [70] 0.

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in [114] below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

** **Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** **Taxable Income of the corporation** From [10] (or [20] if applicable) + [80] 0.

If you are a member of an associated group (X) [81] [X] (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Income (if loss, enter nil) **
See attached			+ [82] 0.
			+ [83]
			+ [84]

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] 0.

Number of Days in Taxation Year

			Days before	Total Days		
Subtract: 200,000	x	558 Jan 1, 2001: 0	+ 73: 365		= + 111	0.
240,000	x	26 Days after Dec 31, 2000 and before Oct 1, 2001: 0	+ 73: 365		= + 112	0.
280,000	x	28 Days after Sept 30, 2001 and before Jan 1, 2003: 365	+ 73: 365		= + 113	280,000.
320,000	x	31 Days after Dec 31, 2002 and before Jan 1, 2004: 0	+ 73: 365		= + 115	0.

[111] + [112] + [113] + [115] = 280,000.

[114] 280,000.

(If negative, enter nil) = [86] 0.

Number of Days in Taxation Year

			Days after	Total Days		
Calculation of Specified Rate for Surtax: 4.67%	x	74 Dec 31, 1998 and before Jan 1, 2000: 0	+ 73: 365		= + 92	.0000
5.00%	x	76 Dec. 31, 1999 and before Oct 1, 2001: 0	+ 73: 365		= + 93	.0000
4.3330%	x	28 Days after Sept 30, 2001 and before Jan 1, 2003: 365	+ 73: 365		= + 95	4.3330
4.6670%	x	31 Days after Dec 31, 2002 and before Jan 1, 2004: 0	+ 73: 365		= + 96	.0000

Specified rate of surtax for Taxation Year [92] + [93] + [95] + [96] = [94] 4.3330

From [86] 0. x From [94] 4.3330% = [87] 0.

From [87] 0. x From [60] 0. + From [114] 280,000. = [88] 0.

Surtax Lesser of [70] or [88] = [100] 0

Continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule)* ..... 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of the federal T2 SCH 27 including necessary changes for Ontario tax purposes (e.g. different C.C.A. claimed).

The whole of the active business income qualifies as Eligible Canadian Profits if: a) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and b) the total active business income is $250,000 or less.

Eligible Canadian Profits ..... + 120 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) ..... – From 56 0.

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 0. + From 30 100.0000 % * Ontario Allocation + From 78 6.5000 % = 121 0.

Lesser of 56 or 121 ..... + 122 0.

120 – 56 + 122 ..... = 130 0.

Taxable Income ..... + From 10 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) ..... – From 56 0.

Add: Adjustments for Surtax on Canadian-controlled private corporations ..... + From 122 0.

Subtract: Taxable Income From 10 0. X Allocation % to jurisdictions outside Canada .0000 % .... – 140 0.

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses ..... – 141 0.

10 – 56 + 122 – 140 – 141 ..... = 142 0.

Number of Days in Taxation Year

Claim

143 0. X From 30 100.0000 % * Ontario Allocation X 2.0000 % X (Days before Oct 1, 2001: 152 0 + Total Days: 73 365) = + 153 0.

Lesser of 130 or 142

143 0. X From 30 100.0000 % * Ontario Allocation X 1.5000 % X (Days after Sept 30, 2001 and before Jan 1, 2003: 28 0 + Total Days: 73 365) = + 154 0.

Lesser of 130 or 142

143 0. X From 30 100.0000 % * Ontario Allocation X 1.5000 % X (Days after Dec 31, 2002 and before Jan 1, 2004: 31 0 + Total Days: 73 365) = + 155 0.

Lesser of 130 or 142

M&P claim for taxation year 153 + 154 + 155 ..... = 160 0.

* Note: *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations ..... = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity ..... = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Info. Bulletins 15-79 & 2739) *(Attach schedule)*. 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 ..... = 190 0.

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) *Applies* to research and development in Ontario.
Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* ..... + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.
Eligible Credit From 5798 Summary Schedule F ..... + 192 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible Credit From 5899 Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596
Applies to employment of eligible unemployed graduate students. 194 0
Eligible Credit From 6598 Summary Schedule G ..... + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)
Applies to qualifying expenditures in respect of eligible literary works by first-time Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach only the original Claim Form. Retain the Certification Form)* ..... + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 Claim Form Certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* ..... + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible non-Canadian content film and television productions.
Eligible Credit From 7300 Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 Claim Form certified by Ontario Film Development Corporation
(Retain original Claim Form. Do not submit the Claim Form with the CT23 Tax Return.) ..... + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach only the original Claim Form. Retain the Certification Form)* ..... + 201 0.

Other (specify) _____ ..... + 201.1 0.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 0.

Specified Tax Credits *Applied to reduce Income Tax* ..... = 225 0.

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** ..... = 230 0.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in 230 to Income Tax in ***Summary*** section on ***Page 18.***

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on ***Page 8.***

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies *if **either*** Total Assets [249] exceeds $5,000,000 ***or*** Total Revenue [250] exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation	+ [240]	44,579,071.
* Total Revenue of the corporation	+ [241]	39,022,084.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total assets	* Total Revenue
See attached			+ [243] 19,567,802.	+ [244] 190,249.
			+ [245]	+ [246]
			+ [247]	+ [248]

Aggregate Total Assets	[240] + [243] + [245] + [247], etc. =	[249] 64,146,873.
Aggregate Total Revenue	[241] + [244] + [246] + [248], etc. =	[250] 39,212,333.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 19, 20 and 21 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 19.)*

oss CMT Payable	CMT Base From [2135] 2,072,240. (if negative, enter zero)	X From [30] 100.0000 % (Ontario Allocation)	X 4% =	[276]	82,890.
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*			–	[277]	0.
Subtract: Income Tax			– From	[190]	0.
Net CMT Payable (If negative, enter Nil on Page 18.)			=	[280]	82,890.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from ***Page 7*** to ***Income tax Summary, on Page 18.***

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to ***Page 18*** and transfer [280] to ***Page 18,*** and to ***Schedule D: Continuity of CMT Credit Carryovers,*** on ***Page 21.***

CMT Credit Carryover available From [2307] 109,660.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits)			+ From	[190]	0.
Gross CMT Payable	+ From [276]	82,890.			
Subtract: Foreign Tax Credit for CMT purposes	– From [277]	0.			
If [276] – [277] is negative, enter NIL in [290]	=	82,890.	–	[290]	82,890.
Income Tax eligible for CMT Credit			=	[300]	0.
B. Income tax (after deduction of specified credits)			+ From	[230]	0.
Subtract: CMT credit used to reduce income taxes			–	[310]	0.
Income Tax			=	[320]	0.

Transfer to page 18

If A & B apply, [310] ***cannot exceed the lesser of*** [230], [300] ***and your CMT credit carryover available*** [2307].

If only B applies, [310] ***cannot exceed the lesser of*** [230] ***and your CMT credit carryover available*** [2307].

Capital Tax *(Refer to Guide)*

f your corporation is a Financial Institution (s.58(2)), proceed to page 14.

f your corporation is not a member of an associated group and/or artnership and (1) the Gross Revenue and Total Assets as calculated on age 10 in 480 and 430 are both $1,000,000 or less and the taxation year nds on or after January 1, 2000, or (2) the Gross Revenue and Total Assets s calculated on Page 10 in 480 and 430 are both $1,500,000 or less and he taxation year ends on or after January 1, 2001, it is exempt from Capital ax for the taxation year. A corporation that meets these criteria should isregard all other Capital Tax items (including the calculation of Taxable apital). Enter NIL in 550 on Page 13 and complete the return from that oint. All other corporations must compute their Taxable Capital in order o determine their Capital Tax payable.

lembers of a partnership (limited or general) or a joint venture, must attach all nancial statements of each partnership. The Paid-up Capital of each corporate artner must include its share of liabilities that would otherwise be included if the artnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B.15-79, Int.B.L-12 and Int.B.L-16)

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater of** (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a).

Paid-up Capital

aid-up capital stock	+	350	17,144,796.
etained earnings (if deficit, deduct)	±	351	3,115,574.
apital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	+	352	2,735,909.
oans and advances *(Attach schedule)*	+	353	377,015.
ank loans	+	354	0.
ankers acceptances	+	355	0.
onds and debentures payable	+	356	16,720,000.
ortgages payable	+	357	0.
ien notes payable	+	358	0.
eferred credits (including income tax reserves, and deferred revenue where it would lso be included in paid-up capital for the purposes of the large corporations tax)	+	359	0.
ontingent, investment, inventory and similar reserves	+	360	0.
ther reserves not allowed as deductions for income tax purposes *(Attach schedule)*	+	361	0.
hare of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))*	+	362	0.
ubtotal	=	370	40,093,294.
ubtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)*	−	371	2,161,385.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	−	372	0.
otal Paid-up Capital	=	380	37,931,909.
ubtract: Deferred mining exploration and development expenses (s.62(1)(d))	−	381	0.
let Paid-up Capital	=	390	37,931,909.

Eligible Investments *(Refer to Guide)*

ttach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term eposits, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

erm deposits and investment certificates in foreign financial institutions for taxation years nding prior to December 15, 1999 *(Refer to Guide)*	+	400	0.
onds, lien notes and similar obligations, (similar obligations, e.g. stripped terest coupons, applies to taxation years ending after October 30, 1998)	+	402	0.
ortgages due from other corporations	+	403	105,000.
hares in other corporations (certain restrictions apply) *(Refer to Guide)*	+	404	0.
oans and advances to unrelated corporations	+	405	0.
ligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+	406	0.
hare of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+	407	0.
otal Eligible Investments	=	410	105,000.

ontinued on Page 10

Capital Tax *continued from Page 9*

Total Assets

Total Assets per balance sheet	+	420	44,579,071.
Mortgages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	−	423	0.
Total Assets as adjusted	=	430	44,579,071.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	−	441	2,161,385.
Subtract: Appraisal surplus if booked	−	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	42,417,686.
Investment Allowance (410 + 450) x 390 — Not to exceed 410	=	460	93,896.
Taxable Capital 390 − 460	=	470	37,838,013.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	39,022,084.
Total Assets (as adjusted) From 430		44,579,071.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2002) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.

(Financial Institutions use calculations on page 14.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B and select and complete the one specific subsection (e.g. B4) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C. Next review, and if applicable, complete Section D. If Section D is not applicable review Section E and complete the applicable subsection: either E1 or E2. Note: If the corporation is a member of a connected partnership, please refer to the guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year end is before January 1, 2001 and 430 and 480 are both $1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B2. If the taxation year end is after December 31, 2000 and 430 and 480 are both $1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B3. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B4. If taxable capital, 470 on page 10 is $2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

continued on Page 11

Capital Tax Calculation *continued from page 10*

B5. If taxable capital, 470 exceeds $2,000,000 but is $5,000,000 or less, complete the following calculations and transfer the total from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = + 490 0.

Deduct:

$2,400,000 – From 470 0. x 1.5% = – 492 0.

If $2,400,000 – 470 is negative, enter NIL in 492

Days in taxation year after May 4, 1999 and before Jan 1, 2000 552

(504 = 490 – 492) = 504 0. x From 30 Ontario Allocation 100.0000% x 0 / ** 365 (366 if leap year) = + 505 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = + 490 0.

Deduct:

$2,800,000 – From 470 0. x 0.75% = – 493 0.

If $2,800,000 – 470 is negative, enter NIL in 493

Days in taxation year after Dec 31, 1999 and before Jan 1, 2001 553

(506 = 490 – 493) = 506 0. x From 30 Ontario Allocation 100.0000% x 0 / ** 365 (366 if leap year) = + 507 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = + 490 0.

Deduct:

$3,200,000 – From 470 0. x 0.5% = – 495 0.

If $3,200,000 – 470 is negative, enter NIL in 495

Days in taxation year after Dec 31, 2000 and before Oct 1, 2001 558

(509 = 490 – 495) = 509 0. x From 30 Ontario Allocation 100.0000% x 0 / ** 365 (366 if leap year) = + 522 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose taxable capital is $5,000,000 or less and that is not associated, is NIL. ..... + 0.

Total Capital Tax for the taxation year 505 + 507 + 522 ..... = 508 0.

Transfer to 543 on page 13 and complete the return from that point.

B6. If 470 exceeds **$5,000,000,** complete the following calculations and transfer the amount from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 0. x From 30 Ontario Allocation 100.0000% x .3000% x Days in taxation year before Oct 1, 2001 559: 0 / ** 365 (366 if leap year) ..... = + 502 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 0.

Exemption – 0.

= 471 0. x From 30 Ontario Allocation 100.0000% x .3000% x Days in taxation year after Sept 30, 2001 560: 365 / ** 365 (366 if leap year) ..... = + 523 0.

Total Capital Tax for the taxation year 502 + 523 ..... = 508 0.

Transfer to 543 on page 13 and complete the return from that point.

*** If floating taxation year, refer to Guide.***

continued on Page 12

Capital Tax Calculation *continued from page 11*

SECTION C

If the corporation is a member of an associated group and/or partnership, complete the following two aggregate taxable capital calculations as applicable, and (x) [510] [X] (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation ..... + From [470] 37,838,013.

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Names of associated corporations or related partners having a permanent establishment in Canada		Taxable Capital
See attached	+ [531]	389,452.
Aggregate Taxable Capital [470] + [531]	= [540]	38,227,465.

If [540] above is $5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL.
Enter NIL in [523] in E1(d) or E2(b), as applicable.

If [540] above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From [470] 37,838,013. + From [540] 38,227,465. x 5,000,000 ..... = [541] 4,949,061.
Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Names of Canadian & Foreign associated corporations or related partners no permanent establishment in Canada		Taxable Capital
	+ [514]	0.
Total Aggregate Taxable Capital [540] + [514]	= [520]	38,227,465.

If [520] is greater than $2,000,000 and less than $3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From [470] 37,838,013. + From [520] 0. = [521] .0000.
Transfer to Section E1(a) and/or (b) and/or (c) as applicable

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at [520] is *$2,000,000 or less.*

Enter NIL in [550] and complete the return from that point.

continued on Page 13

Capital Tax Calculation *continued from Page 12*

SECTION E

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital at 520 *exceeds $2,000,000.*

E1. If the total aggregate taxable capital 520 exceeds $2,000,000 but is $3,200,000 or less, complete the following calculations and transfer the total From 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after May 4, 1999 and before January 1, 2000

(a) From 470 0. x .3000% = + 490 0.

Deduct: $2,400,000 – [From 520: 0.] x 1.5% x [From 521: .0000] = – 492 0.

If 2,400,000 – 520 is negative, enter NIL in 492

(504 = 490 – 492) = 504 0. x [From 30: 100.0000]% Ontario Allocation x [Days in taxation year after May 4, 1999 and before Jan 1, 2000: 552: 0] ** 365 (366 if leap year) = + 505 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(b) From 470 0. x .3000% = + 490 0.

Deduct: $2,800,000 – [From 520: 0.] x 0.75% x [From 521: .0000] = – 493 0.

If 2,800,000 – 520 is negative, enter NIL in 493

(506 = 490 – 493) = 506 0. x [From 30: 100.0000]% Ontario Allocation x [Days in taxation year after Dec 31, 1999 and before Jan 1, 2001: 553: 0] ** 365 (366 if leap year) = + 507 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(c) From 470 0. x .3000% = + 490 0.

Deduct: $3,200,000 – [From 520: 0.] x 0.5% x [From 521: .0000] = – 495 0.

If 3,200,000 – 520 is negative, enter NIL in 495

(509 = 490 – 495) = 509 0. x [From 30: 100.0000]% Ontario Allocation x [Days in taxation year after Dec 31, 2000 and before Oct 1, 2001: 557: 0] ** 365 (366 if leap year) = + 522 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(d) Capital Tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at 540 is $5,000,000 or less is NIL. Enter NIL ..... = + 523 0.

Total Capital Tax for the taxation year 505 + 507 + 522 + 523 ..... = 508 0.

Transfer to 543 and complete the return from that point.

E2. If the total aggregate taxable capital at 520 exceeds $3,200,000 complete the following calculations and transfer the total From 508 to 543, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 37,838,013. x From [30: 100.0000]% Ontario Allocation x .3000% x [Days in taxation year before Oct 1, 2001: 555: 0] ** 365 (366 if leap year) ..... = + 502 0.

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) From 470 37,838,013.

From 541 (section C) – 4,949,061.

= 471 32,888,952. x From [30: 100.0000]% Ontario Allocation x .3000% x [Days in taxation year after Sept 30, 2001: 560: 365] ** 365 (366 if leap year) = + 523 98,667.

Total Capital Tax for the taxation year 502 + 523 ..... = 508 98,667.

Transfer to 543 and complete the return from that point.

** *If floating taxation year, refer to Guide.*

Capital Tax *before application of specified credits* ..... = 543 98,667.

Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)* ..... – 546 0.

Capital Tax 543 – 546 ..... = 550 98,667.

Transfer to Page 18

continued on Page 14

Capital Tax *continued from page 13*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in [550] on page 13, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) x 0.00% x From [30] ____% (Ontario Allocation) x [555] 0 + ** 0 (366 if leap year) (Days in taxation year) = + [569] 0.

[570] 0. (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) x [571] 0.00% (Capital Tax Rate *(Refer to Guide)*) x From [30] ____% (Ontario Allocation) x [555] 0 + ** 0 (366 if leap year) (Days in taxation year) = + [574] 0.

Capital Tax for Financial Institutions – other than Credit Unions (before Sections II) [569] + [574] = [575] 0.

*** If floating taxation year, refer to Guide.***

Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments ..... – [585] 0.

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions [575] – [585] ..... = [586] 0.
Transfer to [543] on Page13

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements ..... [587] 0. x 2% .... = [588] 0.
Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* ..... – [589] 0.

Premium Tax [588] – [589] ..... = [590] 0.
Transfer to page 18

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 633,268.
Transfer to page 16

Add:

Federal capital cost allowance	+ 601	1,804,659.
Federal cumulative eligible capital deduction	+ 602	34,515.
Ontario taxable capital gain	+ 603	0.
Federal non allowable reserves. Balance beginning of year	+ 604	0.
Federal allowable reserves. Balance end of year	+ 605	0.
Ontario non-allowable reserves. Balance end of year	+ 606	0.
Ontario allowable reserves. Balance beginning of year	+ 607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	0.
Federal resource allowance	+ 609	0.
Federal depletion allowance	+ 610	0.
Federal foreign exploration and development expenses	+ 611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

			Days before May 2, 2000	Total Days		
612	0. × 5 ÷ 15.5000 ×	22	0	÷ 73 365	= + 630	0.
		Days after May 1, 2000 and before Jan 1, 2001		Total Days		
612	0. × 5 ÷ 14.5000 ×	24	0	÷ 73 365	= + 631	0.
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days		
612	0. × 5 ÷ 14.0000 ×	26	0	÷ 73 365	= + 632	0.
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days		
612	0. × 5 ÷ 12.5000 ×	28	365	÷ 73 365	= + 633	0.
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
612	0. × 5 ÷ 12.5000 ×	31	0	÷ 73 365	= + 634	0.

Total add-back amount for Management fees, etc. 630 + 631 + 632 + 633 + 634 = 0. + 613 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 0.

Federal Scientific Research Expenses claimed in year from federal form T661 0.

Negative Ontario SR&ED Pool amounts from Ontario schedule 161 line 473 + 0.

= 0. + 615 0.

Subtotal of Additions 601 to 611 + 613 + 620 + 614 + 615 = 1,839,174. 640 1,839,174.
Transfer to page 16

continued on Page 16

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

ntinued from Page 15

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 633,268.

Subtotal of Additions ..... From + 640 1,839,174.

Deduct:

Ontario capital cost allowance	+ 650	1,804,659.
Ontario cumulative eligible capital deduction	+ 651	34,515.
Federal taxable capital gain	+ 652	0.
Ontario non-allowable reserves. Balance beginning of year	+ 653	0.
Ontario allowable reserves. Balance end of year	+ 654	0.
Federal non-allowable reserves. Balance end of year	+ 655	0.
Federal allowable reserves. Balance beginning of year	+ 656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	0.
Ontario depletion allowance	+ 658	0.
Ontario resource allowance	+ 659	0.
Ontario research and development super allowance *(Attach schedule)*	+ 660	0.
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	+ 674	0.
Ontario current cost adjustment *(Attach schedule)*	+ 661	0.

Ontario New Technology Tax Incentive (ONTTI) Gross-up
Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year ..... 662 0.

ONTTI Gross-up deduction calculation:

From [illegible] 0. x (Gross-up of CCA 100 / From 30 .0000 Ontario Allocation) – From 662 0. = 663 0.

Workplace Child Care Tax Incentive: (*Applies* to qualifying expenditures incurred after May 5, 1998.)

Qualifying expenditures: 665 0. x 30.00% x (100 / From 30 100.0000 Ontario Allocation) = 666 0.

Workplace Accessibility Tax Incentive: (*Applies* to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: 667 0. x 100.00% x (100 / From 30 100.0000 Ontario Allocation) = 668 0.

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (*Applies* to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: 670 0. x 30.00% x (100 / From 30 100.0000 Ontario Allocation) = 671 0.

Educational Technology Tax Incentive: (*Applies* to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 0. x 15.00% x (100 / From 30 100.0000 Ontario Allocation) = 673 0.

Ontario allowable business investment loss	+ 678	0.
Ontario Scientific Research Expenses claimed in the year from Ontario form CT161	+ 679	0.
Total of other deductions allowed by Ontario *(Attach schedule)*	+ 664	0.

Subtotal of Deductions
650 to 660 + 674 + 661 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 664 ..... = 1,839,174. 680 1,839,174.

Net income (loss) for Ontario Purposes 600 + 640 – 680 ..... = 690 633,268.
Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 774,511	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 0	711 16,528	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 0	713 16,528	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 633,268	715 (4) 0	724 0	734 (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 18 0	716 (2) to Page 18 0	726 (2) to Page 18 0	736 (2) to Page 18 0	746 0	
Subtotal	707 633,268	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 141,243	719 16,528	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800				850 0	870 0
801				851 0	871 0
802				852 0	872 0
803	820 0	830 0	840 0	853 0	873 0
804	821 0	831 0	841 0	854 0	874 0
805	822 0	832 0	842 0	855 0	875 0
806	823 0	833 0	843 0	856 0	876 0
807	824 0	834 0	844 0	857 0	877 0
808 2001-12-31	825 141,243	835 0	845 0	858 0	878 0
809 2002-12-31	826 0	836 0	846 0	859 0	879 0
Total	829 141,243	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910 0	920 16,528	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF) / Taxation Year Ending (year month day)				
i) 3rd preceding ____ 901	911 0	921 0	931 0	941 0
ii) 2nd preceding ____ 902	912 0	922 0	932 0	942 0
iii) 1st preceding ____ 903	913 0	923 0	933 0	943 0
Total loss to be carried back	From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward	919 0	929 16,528	939 0	949 0

Summary

Income tax	+ From 230 or 320		0.
Corporate Minimum Tax	+ From 280		82,890.
Capital Tax	+ From 550		98,667.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		181,557.
Subtract: Payments	− 960		199,758.
Capital Gains Refund (s.48)	− 965		0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	− 985		0.
Specified Tax Credits *(Refer to Guide)*	− 955		0.
Other (specify) ____	−		0.
Balance	= 970		-18,201.
If payment due	Enclosed * 990		0.
If overpayment: Refund *(Refer to Guide)*	= 975		18,201.
Apply to (year month day)	980		0.

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the MINISTER OF FINANCE*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

LLOYD PAYNE
Title

PRESIDENT
Full Residence Address

Signature: L. P. Payne | Date: June 30/03

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2002-12-31

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

DOLLARS ONLY

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP)			± 2100	1,961,837.
Subtract (to the extent reflected in net income/loss):				
Provision for recovery of income taxes	+ 2101	0.		
Provision for deferred income taxes (credits)	+ 2102	43,323.		
Equity income from corporations	+ 2103	0.		
Share of partnership(s)/joint venture(s) income	+ 2104	0.		
Dividends received/receivable deductible under fed.s.112	+ 2105	0.		
Dividends received/receivable deductible under fed.s.113	+ 2106	0.		
Dividends received/receivable deductible under fed.s.83(2)	+ 2107	0.		
Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1) 0. x 9/4	+ 2108	0.		
Subtotal	=	43,323.	- 2109	43,323.
Add (to extent reflected in net income/loss):				
Provision for current taxes	+ 2110	153,726.		
Provision for deferred income taxes (debits)	+ 2111	0.		
Equity losses from corporations	+ 2112	0.		
Share of partnership(s)/joint venture(s) losses	+ 2113	0.		
Dividends that have been deducted to arrive at net income per Financial Statements. *Applies* to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2114	0.		
Subtotal	=	153,726.	+ 2115	153,726.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	+ 2116	0.	or - 2117	0.	
** Fed.s.85.1	+ 2118	0.	or - 2119	0.	
** Fed.s.97	+ 2120	0.	or - 2121	0.	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2122	0.	or - 2123	0.	
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2124	0.	or - 2125	0.	
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ 2126	0.	or - 2127	0.	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income			- 2150	0.	

Subtotal (Additions)	=	0.	+ 2128	0.
Subtotal (Subtractions)	=	0.	- 2129	0.
** Other adjustments			± 2130	0.
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130			= 2131	2,072,240.
** Share of partnership(s)/joint venture(s) adjusted net income/loss			± 2132	0.
Adjusted net income (loss) (if loss, transfer to 2202 *in Schedule B: Continuity of CMT Losses Carried Forward, Page 20.)*			= 2133	2,072,240.
Deduct: * CMT losses: pre-1994 Loss	+ From 2210	0.		
* CMT losses: other eligible losses	+ From 2211	0.		
	=	0.	- 2134	0.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base	= 2135	2,072,240.

Transfer to CMT Base on Page 8

Corporate Minimum Tax (CMT)

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)		+ 2201	0.
Add: Current year's losses	+ 2202	0.	
Losses from predecessor corporations on amalgamation (3)	+ 2203	0.	
Losses from predecessor corporations on wind-up (3)	+ 2204	0.	
Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes			
Subtotal	= 0.	+ 2207	0.
Adjustments (attach schedule)		± 2208	0.
CMT losses available 2201 + 2207 ± 2208		= 2209	0.
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210	0.	
Other eligible losses utilized during the year to reduce adjusted net income (4)	+ 2211	0.	
Losses expired during the year	+ 2212	0.	
Subtotal	= 0.	− 2213	0.
Balances at End of Year (5) 2209 − 2213		= 2214	0.

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	2001-12-31	2260 0	2280 0
2241	2002-12-31	2261 0	2281 0
2242		2262 0	2282 0
2243		2263 0	2283 0
2244		2264 0	2284 0
2245		2265 0	2285 0
2246		2266 0	2286 0
2247		2267 0	2287 0
2248		2268 0	2288 0
2249		2269 0	2289 0
Totals		2270 0	2290 0

The sum of amounts 2270 + 2290 ***must equal amount in*** 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1)				+ 2301	26,770.
Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL)		+ From 280	82,890.		
CMT Credit Carryovers from predecessor corporations (2)		+ 2302	0.		
Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes					
Subtotal		=	82,890.	+ 2305	82,890.
Adjustments *(Attach schedule)*				± 2306	0.
CMT credit carryover available 2301 + 2305 ± 2306				= 2307	109,660.
					Transfer to Page 8
Subtract: CMT Credit utilized during the year to reduce income tax (Page 8)		+ From 310	0.		
CMT Credit expired during the year		+ 2308	0.		
Subtotal		=	0.	- 2309	0.
Balance at End of Year (3) 2307 - 2309				= 2310	109,660.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	2001-12-31	2360 26,770	2380 0
2341	2002-12-31	2361 82,890	2381 0
2342		2362 0	2382 0
2343		2363 0	2383 0
2344		2364 0	2384 0
2345		2365 0	2385 0
2346		2366 0	2386 0
2347		2367 0	2387 0
2348		2368 0	2388 0
2349		2369 0	2389 0
Totals		2370 109,660	2390 0

The sum of amounts 2370 + 2390 *must equal amount in* 2310.

HALDIMAND COUNTY HYDRO INC.
Corp. Tax Acct. No. : 1800101 Year Ended: 2002-12-31
ONTARIO CT23 SUPPLEMENTARY - LIST OF ASSOCIATED CORPORATIONS

Name of Associated (oration	Ontario Corp. Tax Number	Taxation Year end	Taxable Capital	Total Assets (Note 1)	Total Revenue (Note 1)	Taxable Income (Note 2)	No Perm Estab in Canada
HALDIMAND COUNTY ENERGY INC.	1800099	2002-12-31	387,161	404,454	130,249		0
HALDIMAND COUNTY GENERATION IN	1800100	2002-12-31	2	2	0		0
HALDIMAND COUNTY UTILITIES INC	1800102	2002-12-31	2,289	19,163,346	60,000		0
TOTALS			389,452	19,567,802	190,249		0

Note 1: Enter total assets and total revenues only if "Corporate Minimum Tax (CMT)" is applicable.

Note 2: Enter Taxable Income amounts only if "Surtax on a CCPC" is applicable (i.e. IDSBC is applicable).

Ontario CT23 Supplementary

Ontario Summary of Dispositions of Capital Property
Schedule 6

- For a corporation that has disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- This schedule may be used to make a designation under section 34(10) of the "Corporations Tax Act" provided the corporation has made a designation under paragraph 111(4)(e) of the "Income Tax Act" (Canada), if control of the corporation has been acquired by a person or group of persons.

Period 1: Dispositions before February 28, 2000
Period 2: Dispositions after February 27, 2000 and before October 18, 2000
Period 3: Dispositions after October 17, 2000

Part A: Designation under section 34(10) of the "Corporations Tax Act"

Complete part A if there are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e) of the "Income Tax Act" (Canada) or section 34(10) of the "Corporations Tax Act"?..... Yes/No [N]
If Yes, complete the following:

Property	Class number	Date of disposition YYYY/MM/DD	Proceeds of disposition	Adjusted cost base	Other adjustments	Designated amount	Gain or loss
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0

Part B: Inter-provincial asset transfers

Complete part B if there was any disposition shown on the schedule as a result of a federal election under section 85 of the "Income Tax Act" (Canada) that transferred assets to a non-arm's length corporation with a permanent establishment in another Canadian jurisdiction?..... Yes/No [N]
If Yes, complete the following:

Property	Class number	Corporation name of transferee/or	Date of disposition YYYY/MM/DD	Cost of asset in other jurisdiction
				0
				0
				0
				0
				0

Name of other jurisdiction	Allocation ratio to other jurisdictions	Ontario elected amount	Gain or loss
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.

Part 1 - Shares

No.of shares	Name of corporation	Class of shares				Gain (loss)	
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
			0	0	0	0	
		Totals	0	0	0	0	A
					Gain (loss) on dispositions in period 1	0	A1
					Gain (loss) on dispositions in period 2	0	A2
					Gain (loss) on dispositions in period 3	0	A3

Part 2 - Real estate ("Do not include losses on depreciable property")

nicipal address
, = Address 1
2 = Address 2
3 = City
4 = Province, Country, Postal Code, Zip Code or Foreign Postal Code

					Gain (loss)	
DUNNVILLE PROPERTY		23,811	42,389	0	-18,578	3
HWY 6 BYPASS		2,050	0	0	2,050	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	
	Totals	25,861	42,389	0	-16,528	B
				Gain (loss) on dispositions in period 1	0	B1
				Gain (loss) on dispositions in period 2	0	B2
				Gain (loss) on dispositions in period 3	-16,528	B3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.

Part 3 - Bonds

Face value	Maturity date YYYY/MM/DD	Name of issuer				Gain (loss)	
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
			0	0	0	0	
		Totals	0	0	0	0	C
					Gain (loss) on dispositions in period 1	0	C1
					Gain (loss) on dispositions in period 2	0	C2
					Gain (loss) on dispositions in period 3	0	C3

Part 4 - Other properties - ("Do not include losses on depreciable property")

Description					Gain (loss)	
	0	0	0	0	3	
	0	0	0	0	3	
	0	0	0	0	3	
	0	0	0	0		
Gain or loss from a partnership						
	0	0	0	0		
Totals	0	0	0	0	D	
			Gain (loss) on dispositions in period 1	0	D1	
			Gain (loss) on dispositions in period 2	0	D2	
			Gain (loss) on dispositions in period 3	0	D3	

Part 5 - Personal- use property

Description of capital property					Gain only	
	0	0	0	0	3	
	0	0	0	0	3	
	0	0	0	0	3	
	0	0	0	0	3	
Note: Losses are not deductible. Totals	0	0	0	0	E	
			Gain on dispositions in period 1	0	E1	
			Gain on dispositions in period 2	0	E2	
			Gain on dispositions in period 3	0	E3	

1	2	3	4	5	6	
Types of capital property	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Ontario adjusted cost base	Outlays and expenses	Ontario gain or (loss) (col. 3 less cols. 4 & 5)	Date of disp.

Part 6 - Listed personal property

Description					Gain (loss)	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
	Totals	0	0	0	0	

	Period 1	Period 2	Period 3		
Gain (or loss) on dispositions	0	0	0	0	
Subtract: Unapplied LPP losses from other years applicable to gain on dispositions	0	0	0	0	
Net gain (loss) on dispositions	0	0	0	0	F

Note: Net listed personal property losses may only be applied against personal property gains.

Part 7 - Property qualifying for and resulting in an allowable business investment loss

Name of small business corporation	Shares enter 1 Debt enter 2	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Ontario adjusted cost base	Outlays and expenses	Ontario loss (col. 3 less (cols 4 & 5)	Date of disp.
	0		0	0	0	0	3
	0		0	0	0	0	3
	0		0	0	0	0	3
	0		0	0	0	0	3
		Totals	0	0	0	0	G
				Loss on dispositions in period 1		0	G1
				Loss on dispositions in period 2		0	G2
				Loss on dispositions in period 3		0	G3

Note: Properties listed in Part 7 should not be included in any other Part of Schedule 6.

Determining capital gains and capital losses

	Period 1	Period 2	Period 3	
Gains or losses on dispositions (Total of amounts A to F, if amount F is a loss, do not include it)	0	0	-16,528	-16,528
Allowable business investment losses (G1, G2, G3)	0	0	0	
Gains or losses on dispositions (including ABIL)	0	0	-16,528	
Add:				
Gain or loss from a partnership				0
Capital gains dividends received in the year	0	0	0	0
Capital gains reserve (Opening balance) Schedule 13	0	0	0	0
Subtotal	0	0	-16,528	-16,528
Less:				
Capital gains reserve (Closing balance) from Schedule 13 (note 1)	0	0	0	0
Deductible portion of gain on donations (including ecologically sensitive land)	0	0	0	
Gains (or losses)	0 H	0 I	-16,528 J	-16,528 Z

Note 1: Applicable to dispositions made in the period. Closing balance reserves from dispositions made in a previous taxation year need to be deducted in the period during which the taxation year begins.

Inclusion rate

	Gains or losses		Inclusion Rate		Net capital gain/capital loss	
Amount from line I, period 1	0 H	x	75.0000%	=	0	K
Amount from line I, period 2	0 I	x	66.6667%	=	0	L
Subtotal (note 2)	0 M	x	.0000%	=	0	AA
Amount from line I, period 3	-16,528 J	x	50.0000%	=	-8,264	N
Total (note 3)	-16,528 O				-8,264	P
Inclusion rate for the year expressed as a decimal fraction (P divided by O)					50.000000%	Q

Note 2

If one of either line H or line I is positive, and the other is negative, enter the difference (gain or loss) on the **subtotal** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line AA based on that rate. In this case, it would not be necessary to calculate an amount at K and L. Otherwise, add lines H and I, and lines K and L for the subtotals. At the **inclusion rate** line between M and AA, enter the result of M divided by AA. This rate may be required in further calculations.

Note 3

If one of either line M or line J is positive, and the other is negative, enter the difference (gain or loss) on the total line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line P based on that rate. This could be the rate referred to at the end of note 2 above. In this case, it would not be necessary to calculate an amount at line N. Otherwise, add lines M and J, and lines AA and N for the totals.

Time Weighted Method for investment corporation or mutual fund corporation

Is the corporation a mutual fund corporation that wishes to use the time weighted method?..... [Y/N] N

Number of days in period 1	0	x	75.0000%	=	.0000%
Number of days in period 2	0	x	66.6667%	=	.0000%
Number of days in period 3	0	x	50.0000%	=	.0000%
Number of days in the taxaton year	0				.000000%

Determination of taxable capital gains and allowable business investment losses

Amount from line Z					-16,528	Z
Deduct:						
Gain on donations of a share, debt obligation, or right (included in amounts A to F) (note 4)						
Before February 28, 2000	0					
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	=	0	
Subtotal					-16,528	
Deduct:						
Amount of gain on donations of ecologically sensitive land after February 27, 2000						
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	=	0	
Gains or Loss						
Include 100% of the losses in box 711 of the CT23					-16,528	R
Taxable capital gains (amount R x inclusion rate)						
Transfer to 603 of the CT23					0	S
Allowable business investment loss (line G x inclusion rate)						
Transfer to 678 of the CT23					0	G4

Note 4:
Gain on donations of a share, debt obligation, or right listed on a prescribe stock exchange and amounts under paragraph 38(a.1) of the Act on (for donations made after February 18, 1997, and before the year 2002 to charities other than private foundations).

Portion of Gain or Loss from Foreign sources (100%)	0

Corp. Tax Acct. No. : 1800101 Year Ended: 2002-12-31

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
2	28,159,535	0	-28,159,535	0	0	0	0	6	0	0	0	0
8	228,379	76,676	0	0	305,055	38,338	266,717	20	0	0	53,343	251,712
10	563,118	322,944	0	750	885,312	161,097	724,215	30	0	0	217,265	668,047
12	361,504	30,309	0	0	391,813	15,154	376,659	100	0	0	376,659	15,154
1	1,035,994	1,618,173	27,226,622	273,829	29,606,960	672,172	28,934,788	4	0	0	1,157,392	28,449,568
Total	30,348,530	2,048,102	-932,913	274,579	31,189,140	886,761	30,302,379		0	0	1,804,659	29,384,481
							Enter in boxes	[650]	[650]		[650] on the CT23	

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Ontario

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

Ontario Cumulative Eligible Capital Deduction

Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2002-12-31

- **For use by a corporation that has eligible capital property.**
- **A separate cumulative eligible capital account must be kept for each business.**

Part 1 - Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital – balance at end of preceding taxation year (*if negative, enter zero*) ..... **601,937** A

Add:

Cost of eligible capital property acquired during the taxation year	+	0 B				
Amount transferred on amalgamation or wind-up of subsidiary	+	0 C				
Other adjustments	+	0 D				
Total of B + C + D	=	0	X 0.75	=	0 E	
Subtotal A + E				=	601,937 F	

Deduct:

Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	+	0 G				
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada)	+	0 H				
Other adjustments	+	145,154 I				
Total of G + H + I	=	145,154	X 0.75	=	108,866 J	
Ontario cumulative eligible capital balance F – J				=	493,071 K	

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction 493,071 K X 7.00%* ..... = 34,515 L

* *The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.*

Enter amount in box 651 *of the CT23*

Ontario cumulative eligible capital - closing balance K – L (*if negative, enter zero*) ..... = 458,556 M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Only complete this part if the amount at line K is negative

Amount from line K above (*show as a positive amount*) ..... 0 N

Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988		0 1		
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA		0 2		
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	0 3			
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	0 4			
Line 3 deduct line 4	0	0 5		
Total lines 1 + 2 + 5		0 6		
Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000		0 7		
Deduct line 7 from line 6		0		0 O
N - O (*cannot be negative*)				0 P
Amount on line 5	0	X 1/2		0 Q
P - Q				0 R
Amount on line R	0	X 2/3*		0 S
Lesser of line N or line O				0 T
Amount to be included in income S + T				0

* Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 12

2003 Tax Returns

- Federal T2
- Provincial CT23
- Notice of Assessment

Detach and return this REMITTANCE FORM with your payment.

Ontario

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

Account No.
1800101

35
PX5005

HALDIMAND COUNTY HYDRO INC.
C/O LLOYD PAYNE
1 GREENDALE DR
RR 2
CALEDONIA ON
N3W 2J3

Remittance Advice - Payment-in-Lieu (PIL)

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

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 2003 12 31

Payment Amount: $

Total Payment Enclosed: $

Ontario

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

Keep this portion for your records.

Notice of Reassessment

Electricity Act, 1998 - Corporations Tax Act, R.S.O. 1990
from 2003/01/01 to 2003/12/31

Account No.	Reassessment Date (year, month, day)	Page
1800101	2006/06/28	2 of 2

HALDIMAND COUNTY HYDRO INC.

REASSESSMENT NO. 84 REPLACING ASSESSMENT DATED: 2004/07/30

Tax: Federal and Provincial PIL	758,558.00
Assessment Interest	5,190.56
Total Reassessment Liability	763,748.56

SUMMARY OF 2003/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	808,078.33CR	
Sub-Total		808,078.33CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		44,329.77CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

RECEIVED BY: _____ DATE: July 4/06
APPROVED BY:
- Supervisor _____ DATE: _____
- Manager _____ DATE: _____
GL / JOB NUMBER: _____

COPY
VOUCHER NO.

Tax (Re)Assessment Enquiries:
- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:
- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

002 PX5005

etach and return this REMITTANCE FORM with your payment.

Ontario

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

FILE COPY

Account No.
1800101

35
PX5003

HALDIMAND COUNTY HYDRO INC.
JACQUELINE SCOTT FIN MGR
1 GREENDALE DR
RR #2
CALEDONIA ON
N3W 2J3

Remittance Advice - Payment-in-Lieu (PIL)

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

Taxation Year End: (YYYYMMDD)

Payment Amount: $

Taxation Year End: (YYYYMMDD) 20031231

Payment Amount: $ 8,004.83

Total Payment Enclosed: $ 8,004.83

Ontario

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

RECEIVED
AUG 10 2004

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2003/01/01 to 2003/12/31

Account No.	Assessment Date (year, month, day)	Page
1800101	2004/07/30	1 of 1

ALDIMAND COUNTY HYDRO INC.

ENTERED
AUG 13 2004

SSESSMENT NO. 36

Tax: Federal and Provincial PIL	800,047.00
Assessment Interest	8,004.83
Total Assessment Liability	808,051.83

UMMARY OF 2003/12/31 TAXATION YEAR TRANSACTIONS

ayments/Transfers	800,047.00CR	
Sub-Total		800,047.00CR
AXATION YEAR BALANCE DUE **		8,004.83

1 accordance with s.s.80(8) of the Corporations Tax Act, as made applicable y s.95 of the Electricity Act, 1998, notice is hereby given of the amount of ax, penalty and interest for which you are assessed.

otal tax assessed as per company estimate

Remember to include additional interest due with your payment. Interest on ie balance is compounded daily from the date of this Notice/Statement until ayment is received by the Ontario Electricity Financial Corporation (OEFC) he current interest rate is 0.0191780%.

(Re)Assessment Enquiries:	Account Billing Enquiries & Change of Address Information:
• Toronto (416) 730-5585	• Oshawa and Local (905) 433-6708 • Toll-Free 1-800-262-0784 ext. 3036
• FAX (416) 730-5593	• Toronto (416) 920-9048 ext. 3036 • FAX (905) 433-5197

202 PX5001

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

200
Code 0301

055 Do not use this area

THIS IS YOUR FILE COPY

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

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

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see Items 1 to 5 in the guide.

Identification

Business Number (BN) 001 890759814RC0001

Corporation's name

002 HALDIMAND COUNTY HYDRO INC.

Has the corporation changed its name since the last time we were notified? ... 003 1 Yes [ ] 2 No [X]

If *Yes*, do you have a copy of the articles of amendment? ..... 004 1 Yes [ ] 2 No [ ]

Address of head office

Has the address changed since the last time we were notified? ..... 010 1 Yes [ ] 2 No [X]

011 1 GREENDALE DRIVE R. R. #2

012

City	Province, territory, or state
015 CALEDONIA	016 ON
Country (other than Canada)	**Postal code/ZIP code**
017	018 N3W-2J3

Mailing address (if different from head office address)

Has the address changed since the last time we were notified?

020 1 Yes [ ] 2 No [X]

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal code/ZIP code**
027	028

Location of books and records

031 1 GREENDALE DRIVE R. R. #2

032

City	Province, territory, or state
035 CALEDONIA	036 ON
Country (other than Canada)	**Postal code/ZIP code**
037	038 N3W-2J3

040 Type of corporation at the end of the taxation year

1 [X] Canadian-controlled private corporation (CCPC)
2 [ ] Other private corporation
3 [ ] Public corporation
4 [ ] Corporation controlled by a public corporation
5 [ ] Other corporation (specify, below)

If the type of corporation changed during the taxation year, provide the effective date of the change ..... 043 _____ YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year-end
060 2003-01-01 YYYY/MM/DD	061 2003-12-31 YYYY/MM/DD

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

If *Yes*, give the date control was acquired ..... 065 _____ YYYY/MM/DD

Is the corporation a professional corporation that is a member of a partnership? ..... 067 1 Yes [ ] 2 No [X]

Is this the first year of filing after:

Incorporation? ..... 070 1 Yes [ ] 2 No [X]
Amalgamation? ..... 071 1 Yes [ ] 2 No [X]

If *Yes*, complete and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current taxation year? ..... 072 1 Yes [ ] 2 No [X]

If *yes*, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? ..... 076 1 Yes [ ] 2 No [X]

Is this the final return up to dissolution? ..... 078 1 Yes [ ] 2 No [X]

Is the corporation a resident of Canada?

080 1 Yes [X] 2 No [ ] If *No*, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? ..... 082 1 Yes [ ] 2 No [X]

If *yes*, complete and attach Schedule 91.

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

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

Attachments

Financial statement information: For taxation years ending in 2000 and later, use GIFI schedules 100, 125, and 141.

* We do not print these schedules.

Schedules – Answer the following questions. For each *Yes* response, attach to the T2 return the schedule that applies.

Guide	Item		Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
33	If you answered *Yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172		—
46	For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
8-81	Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of cultural or ecological property?	202		2
2,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	3
9-76	Is the corporation claiming any type of losses?	204	X	4
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	X	6
103	i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) Is the corporation claiming the refundable portion of Part I tax?	207	X	7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
58	Does the corporation have any property that is eligible capital property?	210	X	10
59	Does the corporation have any resource-related deductions?	212		12
60	Is the corporation claiming reserves of any kind?	213		13
61	Is the corporation claiming a patronage dividend deduction?	216		16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
150	Is the corporation an investment corporation or a mutual fund corporation?	218		18
131	Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
118	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
111	Does the corporation have any Canadian manufacturing and processing profits?	227		27
121	Is the corporation claiming an investment tax credit?	231		31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232		T661
124	Is the corporation subject to gross Part I.3 tax?	233	X	33/34/35
124	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236	X	36
124	Is the corporation claiming a surtax credit?	237		37
128	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
128	Is the corporation claiming a Part I tax credit?	242		42
129	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243		43
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
125	Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	249		46
128	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250		39
128	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251		40
128	For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252		41
152	Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131

Attachments – continued from page 2

Guide	Item	Yes	Schedule
130	Is the corporation subject to Part XIII.1 tax?		92 *
153	Is the corporation claiming a film or video production services tax credit refund?		T1177
44	Did the corporation have any foreign affiliates that are not controlled foreign affiliates?		T1134-A
44	Did the corporation have any controlled foreign affiliates?		T1134-B
44	Did the corporation own specified foreign property in the year with a cost amount over $100,000?		T1135
44	Did the corporation transfer or loan property to a non-resident trust?		T1141
44	Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?		T1142
—	Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?		T1145
—	Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?		T1146
—	Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?		T1174
—	Is the corporation claiming the BC mining exploration tax credit?		421
—	Is the corporation claiming the BC SR&ED tax credit?		T666

Additional information

Is the corporation inactive?	280	1 Yes		2 No	X
Has the major business activity changed since the last return was filed? (enter Yes for first-time filers)	281	1 Yes		2 No	X

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

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

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

284	UTILITY	285	100%
286		287	0%
288		289	0%

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes		2 No	X
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes		2 No	X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300	2,264,566 A
Deduct: Charitable donations from Schedule 2	311	0		
Gifts to Canada, a province, or a territory from Schedule 2	312	0		
Cultural gifts from Schedule 2	313	0		
Ecological gifts from Schedule 2	314	0		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	0		
Part VI.1 tax deduction from Schedule 43	325	0		
Non-capital losses of preceding taxation years from Schedule 4	331	141,243		
Net-capital losses of preceding taxation years from Schedule 4	332	8,264		
Restricted farm losses of preceding taxation years from Schedule 4	333	0		
Farm losses of preceding taxation years from Schedule 4	334	0		
Limited partnership losses of preceding taxation years from Schedule 4	335	0		
Taxable capital gains or taxable dividends allocated from a central credit union	340	0		
Prospector's and grubstaker's shares	350	0		
Subtotal		149,507		149,507 B
Subtotal (amount A minus amount B) (if negative, enter "0")				2,115,059 C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions			355	0 D
Taxable income (amount C plus amount D)			360	2,115,059
Income exempt under paragraph 149(1)(t)			370	0
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)				2,115,059 Z

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

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7 ..... 400 2,236,199 A

Taxable income from line 360 on page 3, **minus** 10/3 of the amount at line 632* on page 7, **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax ... 405 2,115,059 B

Calculation of the business limit:

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

200,000 x (Number of days in the taxation year before 2003 / Number of days in the taxation year) 0 / 365 = ... 0 1

225,000 x (Number of days in the taxation year in 2003 / Number of days in the taxation year) 365 / 365 = ... 225,000 2

250,000 x (Number of days in the taxation year in 2004 / Number of days in the taxation year) 0 / 365 = ... 0 3

275,000 x (Number of days in the taxation year in 2005 / Number of days in the taxation year) 0 / 365 = ... 0 3.1

Add amounts at lines 1, 2, 3, and 3.1 225,000 4

Business limit (see notes 1 and 2 below) ..... 410 225,000 C

Notes: 1. For CCPCs that are note associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of dyas in the taxation year divided by 365, and enter the result on line 410.

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

Business limit reduction:

Amount C 225,000 x (415 *** 68,319 D / 11,250) = ... 1,366,380 E

Reduced business limit (amount C minus amount E) (if negative, enter "0") ..... 425 0 F

Small business deduction - 16.00% of whichever amount is least: A, B, C, or F ..... 430 0 G
(enter amount G on line 9 of page 7)

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

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

*** **Large corporation tax**

- The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada minus $10,000,000).
- If the corporation is not associated with any corporation in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporation in the current taxation year, but was associated in the preceding taxation year, and its current taxation year:
  - starts before December 21, 2002, enter the corporation's gross Part I.3 tax for its **preceding** taxation year; or
  - starts after December 20, 2002, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425) ..... 0 x (300,000 / line 4 above) = 0 A

Net active business income (amount from line 400) * ..... 2,236,199 B

Taxable income from line 360 on page 3 **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt for Part I Tax ..... 2,115,059 C

Deduct:

Aggregate investment income (amount from line 440 of page 6) ..... 20,103 D

Amount C minus amount D (if negative, enter "0") ..... 2,094,956 2,094,956 E

Amount A, B, or E above, whichever is less ..... 0 F

Amount Z from Part 9 of Schedule 27 ..... 0 x 100/7 = 0 G

Amount QQ from Part 13 of Schedule 27 ..... 0 H

Taxable resource income from line 435 of page 5 ..... 0 I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) .. 0 J

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less .. 0 K

Total of amounts G, H, I, J, and K ..... 0 0 L

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

Accelerated tax reduction - 7% of amount M (enter amount N on line 637 of page 7) ..... 0 N

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

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

Resource deduction

Taxable resource income ..... 435 0 A

Amount A	0	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365/365	x 1% =	0 B
Amount A	0	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	0/365	x 2% =	0 C
Amount A	0	x	Number of days in the taxation year in 2005 / Number of days in the taxation year	0/365	x 3% =	0 C.1

Resource deduction – total of amounts B, C, and C.1 ..... 438 0 D
(enter amount D on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3 ..... 2,115,059 E

Amount Z from Part 9 of Schedule 27	0 x 100/7	0 F	
Amount QQ from Part 13 of Schedule 27		0 G	
Taxable resource income from line 435 above		0 H	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 I	
Amount on line 400, 405, 410, or 425 on page 4, whichever is less		0 J	
Aggregate investment income from line 440 of page 6		20,103 K	
Amount used to calculate the accelerated tax reduction (amount M of page 4)		0 L	
Total of amounts F, G, H, I, J, K, and L		20,103	20,103 M

Amount E minus amount M (if negative, enter "0") ..... 2,094,956 N

Amount N	2,094,956	x	Number of days in the taxation year in 2001 / Number of days in the taxation year	0/365	x 1% =	0
Amount N	2,094,956	x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0/365	x 3% =	0 O
Amount N	2,094,956	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365/365	x 5% =	104,748 P
Amount N	2,094,956	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0/365	x 7% =	0 Q

General tax reduction for Canadian-controlled private corporations - total of amounts year 2001, O, P, and Q ..... 104,748 R
(enter amount R on line 638 of page 7)

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 of page 3 ..... 0 S

Amount Z from Part 9 of Schedule 27	0 x 100/7	0 T	
Amount QQ from Part 13 of Schedule 27		0 U	
Taxable resource income from line 435 above		0 V	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		0 W	
Total of amounts T, U, V, and W		0	0 X

Amount S minus amount X (if negative, enter "0") ..... 0 Y

Amount Y	0	x	Number of days in the taxation year in 2001 / Number of days in the taxation year	0/365	x 1% =	0
Amount Y	0	x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0/365	x 3% =	0 Z
Amount Y	0	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365/365	x 5% =	0 AA
Amount Y	0	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	0/365	x 7% =	0 BB

General tax reduction - total of amounts year 2001, Z, AA, and BB ..... 0 CC
(enter amount CC on line 639 of page 7)

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income .... 440 20,103 x 26 2/3% = ... 5,361 A
(amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

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

Amount A minus amount B (if negative, enter "0") ..... 5,361 C

Taxable income from line 360 on page 3 2,115,059

Deduct:

Amount on line 400, 405, 410, or 425 on page 4, whichever is less 0

Foreign non-business income tax credit from line 632 of page 7 ..... 0 x 25/9 = 0

Foreign business income tax credit from line 636 of page 7 ..... 0 x 3 = 0
0 0
2,115,059 x 26 2/3% = 564,016 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 512,497
Deduct: Corporate surtax from line 600 of page 7 23,689
Net amount ..... 488,808 488,808 E

Refundable portion of Part I tax – Amount C, D, or E, whichever is less ..... 450 5,361 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 0
Deduct: Dividend refund for the previous taxation year 465 0
0 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 5,361
Total Part IV tax payable from line 360 on page 2 of Schedule 3 0

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480 0
5,361 5,361 B

Refundable dividend tax on hand at the end of the taxation year – Amount A plus amount B 485 5,361

Dividend refund

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 ..... 500,652 x 1/3 166,884 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above ..... 5,361 B

Dividend refund – Amount A or B, whichever is less (enter this amount on line 784 of page 8) 5,361

Part I tax

Base amount of Part I tax – 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 803,722 A

Corporate surtax calculation

Base amount from line A above	803,722	1
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	211,506	2
Investment corporation deduction from line 620 below	0	3
Federal logging tax credit from line 640 below	0	4
Federal qualifying environmental trust tax credit from line 648 below	0	5

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

28.00% of taxable income from line 360 of page 3	0 a	
28.00% of taxed capital gains	0 b	0 6
Part I tax otherwise payable (line A **plus** lines C and D **minus** line F)	0 c	
Total of lines 2 to 6		211,506 7
Net amount (line 1 minus line 7)		592,216 8

Corporate surtax – 4.00% of the amount on line 8 ..... 600 23,689 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 ..... 602 0 C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6		20,103	i
Taxable income from line 360 on page 3	2,115,059		
Deduct:			
Amount on line 400, 405, 410, or 425 of page 4, whichever is less	0		
Net amount	2,115,059	2,115,059	ii

Refundable tax on CCPC's investment income – 6 2/3% of the lesser of amounts i or ii ..... 604 1,340 D

Subtotal (add lines A, B, C, and D) 828,751 E

Deduct:

Small business deduction from line 430 of page 4		0	9
Federal tax abatement	608	211,506	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27	616	0	
Investment corporation deduction	620	0	
(taxed capital gains 624 0)			
Additional deduction – credit unions from Schedule 17	628	0	
Federal foreign non-business income tax credit from Schedule 21	632	0	
Federal foreign business income tax credit from Schedule 21	636	0	
Accelerated tax reduction from amount N of page 4	637	0	
Resource deduction from line 438 of page 5		0	10
General tax reduction for CCPCs from amount R of page 5	638	104,748	
General tax reduction from amount CC of page 5	639	0	
Federal logging tax credit from Schedule 21	640	0	
Federal political contribution tax credit	644	0	
Federal political contributions 646 0			
Federal qualifying environmental trust tax credit	648	0	
Investment tax credit from Schedule 31	652	0	
Subtotal		316,254	316,254 F

Part I tax payable – Line E minus line F (enter amount G on line 700 of page 8) ..... 512,497 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	512,497
Part I.3 tax payable from Schedule 33, 34, or 35	704	41,489
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		553,986

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0	
		0	0
Total tax payable	770		553,986 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0	
Dividend refund from page 6	784	5,361	
Federal capital gains refund from Schedule 18	788	0	
Federal qualifying environmental trust tax credit refund	792	0	
Canadian film or video production tax credit refund from Form T1131	796	0	
Film or video production services tax credit refund from Form T1177	797	0	
Tax withheld at source	800	0	
Total payments on which tax has been withheld 801		0	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0	
Provincial and territorial capital gains refund from Schedule 18	808	0	
Provincial and territorial refundable tax credits from Schedule 5	812	0	
Royalties deductible under Syncrude Remission Order 815		0	
Tax remitted under Syncrude Remission Order	816	0	
Tax instalments paid	840	0	
Total credits	890	5,361	5,361 B
Balance (line A minus line B)			548,625

Refund code 894 0 Overpayment 0

If the result is negative, you have an **overpayment.**
If the result is positive, you have a **balance unpaid.**

Enter the amount on whichever line applies.
We do not charge or refund a difference of less than $2.

Balance unpaid 548,625

Enclosed payment 898 548,625

Direct deposit request

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

☐ Start ☐ Change information 910 _____ Branch number

914 _____ Institution number 918 _____ Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 PAYNE Last name in block letters 951 LLOYD First name in block letters 954 PRESIDENT Position, office or rank

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

955 2004/05/28 Date (yyyy/mm/dd) L.S. Payne Signature of the authorized signing officer of the corporation 956 905-765-5211 Telephone number

Is the contact person the same as the authorized signing officer? If *No*, complete the information below 957 1 Yes ☒ 2 No ☐

958 _____ Name in block letters 959 _____ Telephone number

Language of correspondence - Langue de correspondance

990 Indicate the language of your choice. Indiquer la langue de correspondance de votre choix. 1 English/Anglais ☒ 2 Français/French ☐

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Identification of the corporation (Imported Data)

..ne of the corporation.....	HALDIMAND COUNTY HYDRO INC.		
Business Number.....	890759814RC0001	Taxation year end.....	2003-12-31
Address.....	1 GREENDALE DRIVE R. R. #2	City.....	CALEDONIA
Province, Territory.....	ON	Postal code.....	N3W-2J3

Balance Sheet

GIFI	Account	Description		Amount	Prior Year
Assets					
1599		Total current assets	+	12,162,786	11,340,514
2008		Total tangible capital assets	+	30,385,055	29,785,502
2009		Total accumulated amortization of tangible capital assets	-	0	0
2178		Total intangible capital assets	+	0	0
2179		Total accumulated amortization of intangible capital assets	-	0	0
2589		Total long term assets	+	2,387,640	3,453,055
2590		Assets held in trust	+	0	0
2599		**Total Assets** (mandatory field)	=	44,935,481	44,579,071
Liabilities					
[illegible]		Total current liabilities		6,181,097	4,891,599
		Total long term liabilities		16,167,608	16,691,193
3460		Subordinated debt		0	0
3470		Amounts held in trust		0	0
3499		**Total liabilities** (mandatory field)		22,348,705	21,582,792
Shareholder equity					
3620		**Total shareholder equity** (mandatory field)		22,586,776	22,996,279
3640		**Total Liabilities and Shareholder Equity**		44,935,481	44,579,071
3849		**Retained Earnings/Deficit - End** (mandatory field)		2,706,071	3,115,574

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Shareholder Equity

GIFI	Account	Description		Amount	Prior year
Shareholder equity					
3500		Common shares	+	17,144,796	17,144,796
3520		Preferred shares	+	0	0
Contributed and other surplus					
3540	*	Contributed and other surplus		0	0
3541		Contributed surplus		2,735,909	2,735,909
3542		Appraisal surplus		0	0
3543		General reserve		0	0
		Contributed and other surplus	+	2,735,909	2,735,909
3570		Head office account	+	0	0
3600		Retained earnings/deficit	+	2,706,071	3,115,574
3620		**Total Shareholder Equity**	=	22,586,776	22,996,279

' Generic Item

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Retained Earning/Deficit

GIFI	Account	Description		Amount	Prior year
3660		Retained earnings/deficit - start	+	3,115,574	1,153,737
3680		Net income/loss	+	91,149	1,961,837
		Dividends declared			
3700	*	Dividends declared		500,652	0
3701		Cash dividends		0	0
3702		Patronage dividends		0	0
		Dividends declared	-	500,652	0
3720		Prior period adjustments	+	0	0
		Other items affecting retained earnings			
3740	*	Other items affecting retained earnings		0	0
3741		Share redemptions		0	0
3742		Special reserves		0	0
3743		Currency adjustments		0	0
3744		Unusual revenue items		0	0
3745		Interfund transfer		0	0
		Other items affecting retained earnings	+	0	0
3849		**Retained Earnings/Deficit - End**	=	2,706,071	3,115,574

* Generic Item

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Income Statement

GIFI	Description	
0001	Operating name.....	
0002	Description of the operation.....	HYDRO DISTRIBUTION
0003	Sequence Number.....	

GIFI	Account	Description		Amount	Prior year
— Income Statement Information					
8089		Total sales of goods and services.....	+	0	0
8518		Cost of sales.....	-	0	0
8519		**Gross profit/loss**	=	0	0
8518		Cost of sales.....	+	0	0
9367		Total operating expenses.....	+	24,920,684	36,949,844
9368		**Total expenses (mandatory field)**	=	24,920,684	36,949,844
8299		Total revenue (mandatory field).....	+	25,746,833	39,022,084
9368		Total expenses (mandatory field).....	-	24,920,684	36,949,844
9369		**Net non-farming income**	=	826,149	2,072,240
— Farming Income Statement Information					
9659		Total farm revenue (mandatory field).....	+	0	0
9898		Total farm expenses (mandatory field).....	-	0	0
9899		**Net farm income**	=	0	0
9970		**Net Income/Loss before Taxes and Extraordinary Items**		826,149	2,072,240

Extraordinary Items and Income taxes (linked to Schedule 140)

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9975	Extraordinary item(s)	0	0
9976	Legal settlements	0	0
[illegible]80	Unrealized gains/losses	0	0
[illegible]5	Unusual items	0	0
9990	Current income taxes	735,000	153,726
9995	Deferred income tax provision	0	-43,323
9999	**Net Income/Loss after Taxes and Extraordinary Items** (mandatory field)	91,149	1,961,837

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NOTES CHECKLIST
(1998 and later taxation years)

- This form is to be used by all corporations that do not use a software package to prepare financial statement information and are not eligible to use the GIFI-Short form.
- Use this schedule to report a notes checklist for the corporation's financial statement information.
- For more information, see the "Guide to the General Index of Financial Information (GIFI) for Corporations" and the "T2 Corporation Income Tax Guide."
- The following questions have to be answered:
  - questions 100, 101, and 108;
  - if you answer "yes" to question 101, you have to answer questions 102 to 107;
  - if you answer "yes" to question 108, you have to answer question 109.

— Part 1 - Involvement of accountant

			[X]
Who reported on or prepared the corporation's financial statements?	100		
Tick only one of the following:			
An independent auditor with a report that expressed no reservation	1	[	]
An independent auditor with a report that expressed a reservation	2	[	]
An independent accountant with a review engagement report that expressed no reservation	3	[	]
An independent accountant with a review engagement report that expressed a reservation	4	[	]
An independent accountant who conducted a compilation engagement with no review	5	[X	]
An independent accountant with a compilation and review engagement resulting in no reservation	6	[	]
An independent accountant with a compilation and review engagement resulting in a reservation	7	[	]
Prepared by an employee/associate/management of the company, or a person for the company, without a review/audit by an independent accountant/auditor	8	[	]

— Part 2 - Other information

		Yes/No
Were notes to the financial statements prepared?	101	[N]
Are any values presented at other than cost?	102	[ ]
Has there been a change in accounting policies since the last return?	103	[ ]
Are subsequent events mentioned in the notes?	104	[ ]
Is re-evaluation of asset information mentioned in the notes?	105	[ ]
Is contingent liability information mentioned in the notes?	106	[ ]
Is information regarding commitments mentioned in the notes?	107	[ ]
Does the corporation have investments in joint venture(s) or partnership(s)?	108	[N]
If "yes," are you filing financial statements of the joint venture(s) or partnership(s)?	109	[ ]

NOTICE TO READER

WE HAVE COMPILED THE G.I.F.I FROM INFORMATION PROVIDED BY THE COMPANY. WE HAVE NOT AUDITED, REVIEWED OR OTHERWISE ATTEMPTED TO VERIFY THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. READERS ARE CAUTIONED THAT THIS INFORMATION MAY NOT BE APPROPRIATE FOR THEIR PURPOSES.

MILLARD, ROUSE & ROSEBRUGH LLP
BRANTFORD, ONTARIO

HALDIMAND COUNTY HYDRO INC. Sch. 001
Account/Business No.: 890759814RC0001 Year Ended: 2003-12-31

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

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

Net income (loss) after taxes and extraordinary items per financial statements			91,149	A
Additions:				
Provision for income taxes - current	101	735,000		
Amortization of tangible assets	104	2,154,108		
Income or loss for tax purposes - joint ventures or partnerships	109	6,960		
Taxable capital gains from Schedule 6	113	28,367		
Subtotal of additions		2,924,435	2,924,435	
Other Additions:				
Miscellaneous Other Additions:				
600 12/31/02 PPVA BALANCE	290	597,652		
601 12/31/02 PILS BALANCE (plus cr balance in '03 bal)	291	1,123,563		
602 12/31/02 NON CAP TRANSITION COSTS (net of capital)	292	552,748		
603a 12/31/02 RETAIL COST/SETTLEMENT VARIANCES/SETUP FEE 900,027				
b Ontario Specified Tax Credits 1,000				
c 0				
901,027	293	901,027		
604a Income prev. booked for acctg (cap. trans. costs recovery) 60,478				
604b portion 0				
60,478	294	60,478		
Subtotal of Other Additions	199	3,235,468	3,235,468	
Total Additions	500	6,159,903	6,159,903	
Deductions:				
Gain on disposal of assets per financial statements	401	58,400		
Capital cost allowance from Schedule 8	403	1,551,409		
Cumulative eligible capital deduction from Schedule 10	405	32,099		
Subtotal of Deductions		1,641,908	1,641,908	
Other Deductions:				
Miscellaneous Other Deductions:				
700 TRANSITION COSTS (INCLUDING INTEREST)	390	519,562		
701 12/31/02 PPVA (INCLUDING INTEREST)	391	640,629		
703 FIXED RATE SETUP FEES	393	57,116		
704 RETAIL COST / SETTLEMENT VARIANCES	394	1,127,271		
Subtotal of Other Deductions	499	2,344,578	2,344,578	
Total Deductions	510	3,986,486	3,986,486	
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)			2,264,566	

121,296 - 60,818 (double counted in 2002)

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND PART IV TAX CALCULATION (1998 and later taxation years)

This schedule is for use by any corporation to report:

- non-taxable dividends under section 83;
- deductible dividends under subsection 138(6);
- taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
- taxable dividends paid for purposes of a dividend refund.

- Parts, sections, subsections, and paragraphs referred to on this schedule are from the "Income Tax Act."
- A recipient corporation is connected with a payer corporation at any time in a taxation year, if at that time the recipient corporation;
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation, at any time in the taxation year.
- If you need more space, continue on a separate schedule.
- For more information, see the sections about Schedule 3 in the "T2 Corporation Income Tax Guide."
- "X" under column A if dividend received from a foreign source. (Connected corporation only.)
- "X" under column B if the payer corporation is connected.

Part 1 - Dividends received during the taxation year

			Complete if payer corporation is connected	
	A	B	C	D
Name of payer corporation (Use only one line per corporation, abreviating its name if necessary)			Business Number	Taxation year end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends were paid YYYY/MM/DD
200		205	210	220

Complete if payer corporation is connected and is either a private corporation or a subject corporation

Name of payer corporation	E Non-taxable dividend under section 83 230	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d) 240	G Total taxable dividends paid by connected payer corporation 250	H Dividend refund of the connected payer corporation 260	I Part IV tax before deductions F x 1/3 ** 270
	0	0	0	0	0
Total (enter on line 320 of the T2 return)	0	0	0	0	0

For dividends received from non-connected corporation:
Part IV tax equals: Column F x Column H / Column G

** Life insurers are not subject of Part IV tax on subsection 138(6) dividends.
Public corporations (other than subject corporations) do not need to calculate Part IV tax.

Part 2 - Calculation of Part IV tax payable

Part IV tax before deductions (total of column I in Part 1)		0		
Add:				
Part IV.1 tax payable on dividends subject to Part IV tax	320	0		0
Deduct:				
Current-year non-capital loss claimed to reduce Part IV tax	330	0		
Non-capital losses from prior years claimed to reduce Part IV tax	335	0		
Current-year farm loss claimed to reduce Part IV tax	340	0		
Farm losses from prior years claimed to reduce Part IV tax	345	0		
Total losses applied against Part IV tax		0	x 1/3 =	0
Part IV tax payable (enter amount on line 712 of the T2 return)	360			0

Part 3 - Taxable dividends paid in the taxation year for purposes of a dividend refund

A	B	C	D
Name of connected recipient corporation	Business Number	Taxation year end of connected recipient corporation in which the dividends in column D were received	Taxable dividends paid to connected corporations
400	410	420 YYYY/MM/DD	430
Haldimand County Utilit	863917795RC0001	2003-12-31	500,652
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
		Total	500,652

Total taxable dividends paid in the taxation year to other than connected corporations	450	0
Total taxable dividends paid in the taxation year for the purposes of a dividend refund (total of column D above plus line 450)	460	500,652

Part 4 - Taxable dividends paid in the taxation year

Complete this part if the total taxable dividends paid in the taxation year for purposes of a dividend refund (line 460 above), is different from the total dividends paid in the taxation year.

Total taxable dividends paid in the taxation year for the purposes of a dividend refund (From above)		460	500,652
Other dividends paid in the taxation year (Total of 510 to 550)			0
Total dividends paid in the taxation year		500	500,652
Deduct:			
Dividends paid out of capital dividend account	510	0	
Capital gains dividends	520	0	
Dividends paid on shares described in subsection 129(1.2)	530	0	
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540	0	
Deemed dividends paid on a small business development bond	550	0	
Subtotal		0	0
Taxable dividends paid in the taxation year for purposes of a dividend refund			500,652

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CORPORATION LOSS CONTINUITY AND APPLICATION
000 and later taxation years)

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, "Losses - Their Deductibility in the Loss Year or in Other Years." For information on these losses, see the "T2 Corporation Income Tax Guide."
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal "Income Tax Act."

Part 1 - Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		2,264,566
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)	8,264	
Taxable dividends deductible under sections 112, 113, or subsection 138(6)	0	
Amount of Part VI.1 tax deductible	0	
Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)	0	8,264
	Subtotal (if positive, enter "0")	0
Deduct: (increase a loss)		
Section 110.5 - Addition for foreign tax deductions		0
	Subtotal	0
Add: (decrease a loss)		
Current-year farm loss		0
Current-year non-capital loss (if positive, enter "0")		0

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		141,243	
Deduct: Non-capital loss expired after seven taxation years	100	0	
Non-capital losses at beginning of taxation year	102	141,243	
Add: Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	105	0	
Current-year non-capital loss (from calculation above)	110	0	141,243

— Continuity of non-capital losses and request for a carryback (cont'd)

Deduct:				
Amount applied against taxable income (enter on line 331 of the T2 return)	130	141,243		
Amount applied against taxable dividends subject to Part IV tax	135	0		
Section 80 - Adjustments for forgiven amounts	140	0		
Subsection 111(10) - Adjustments for fuel tax rebate		0		
Other adjustments	150	0	141,243	
		Subtotal	0	
Deduct - Request to carry back non-capital loss to:				
First preceding taxation year to reduce taxable income	901	0		
Second preceding taxation year to reduce taxable income	902	0		
Third preceding taxation year to reduce taxable income	903	0		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911	0		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912	0		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913	0	0	
Non-capital losses - Closing balance	180		0	

— Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 Yes [ ]

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Part 2 - Capital losses

— Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200	16,528		
Capital losses transferred on amalgamation or wind-up of subsidiary corporation	205	0		
Current-year capital loss (from Schedule 6 calculation)	210	0	16,528	
Add:				
Allowable business investment loss expired as non-capital loss	0x 4/3	220	0	
		Subtotal	16,528	
Deduct:				
Amount applied against current-year capital gain (see note 1)	225	16,528		
Section 80 - Adjustments for forgiven amounts	240	0		
Other adjustments	250	0	16,528	
		Subtotal	0	

Deduct - Request to carry back capital loss to: (see note 2)

	Capital gain (100%)		Amount carried back (100%)	
First preceding taxation year	0	951	0	
Second preceding taxation year	0	952	0	
Third preceding taxation year	0	953	0	0
Capital losses - Closing balance		280		0

Part 2 - Capital losses

Continuity of capital losses and request for a carryback (cont'd)

Capital losses carried back to taxation years ending before February 28, 2000, the inclusion rate is 3/4.
Capital losses carried back to taxation years starting after October 17, 2000, the inclusion rate is 2/3.
For taxation years that straddle February 28, 2000 or October 18, 2000, the inclusion rate will be determine by dividing the total taxable capital gain by the total capital gain.

Note 1
On line 332 of the T2 return, enter the amount from line 225 multiplied by the current year inclusion rate (see Schedule 6.)

Note 2
Enter on lines 225, 951, 952, or 953, whichever is applicable, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss it is applied.

Part 3 - Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year		0	
Deduct: Farm loss expired after 10 taxation years	300	0	
Farm losses at beginning of taxation year	302	0	
Add: Farm losses transferred on amalgamation or wind-up of subsidiary corporation	305	0	
Current-year farm loss	310	0	0
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330	0	
Amount applied against taxable dividends subject to Part IV tax	335	0	
Section 80 - Adjustment forgiven amount	340	0	
Other adjustments	350	0	0
		Subtotal	0
Deduct - Request to carry back farm loss to:			
First preceding taxation year to reduce taxable income	921	0	
Second preceding taxation year to reduce taxable income	922	0	
Third preceding taxation year to reduce taxable income	923	0	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	0	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	0	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	0	0
Farm losses - Closing balance	380		0

Restricted Farm Loss Determination:
Is the corporation exempt from the restricted farm loss rules?
(A reply of "NO" triggers the restricted farm loss rules.) [Y/N] [Y]

Part 4 - Restricted farm losses

— Current-year restricted farm loss —

Total losses for the year from farming business		485		0 A	
Minus the deductible farm loss:					
$2,500 plus B or C, whichever is less				2,500	
(Amount A above 0 - $2,500) divided by 2 =			0 B		
			6,250 C	0	2,500
Current-year restricted farm loss (enter this amount on line 410)					0

— Continuity of restricted farm losses and request for a carryback —

Restricted farm losses at end of preceding taxation year		0	
Deduct: Restricted farm loss expired after 10 taxation years	400	0	
Restricted farm losses at beginning of taxation year	402	0	
Add: Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405	0	
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410	0	0
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430	0	
Section 80 - Adjustments for forgiven amounts	440	0	
Other adjustments	450	0	0
		Subtotal	0
Deduct - Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941	0	
Second preceding taxation year to reduce farming income	942	0	
Third preceding taxation year to reduce farming income	943	0	0
Restricted farm losses - Closing balance	480		0

Note

The total losses for the year from all farming businesses are computed without including any scientific research expenses.

Part 5 - Listed personal property losses

— Continuity of listed personal property loss and request for a carryback —

Listed personal property losses at end of preceding taxation year			0
Deduct: Listed personal property loss expired after seven taxation years	500		0
Listed personal property losses at beginning of taxation year	502		0
Add: Current-year listed personal property loss (from Schedule 6)	510		0
		Subtotal	0
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530	0	
Other adjustments	650	0	0
		Subtotal	0
Deduct - Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961	0	
Second preceding taxation year to reduce listed personal property gains	962	0	
Third preceding taxation year to reduce listed personal property gains	963	0	0
Listed personal property losses - Closing balance	580		0

Part 6 - Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce Taxable Income	Applied to Reduce Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	0	0
2002	0	N/A	0	N/A	0	0	0
2001	141,243	N/A	0	N/A	141,243	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0 *
Total	141,243	0	0	0	141,243	0	0

Farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back Parts I & 4	Applied to Reduce Taxable Income	Applied to Reduce Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	0	0
2002	0	N/A	0	N/A	0	0	0
2001	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0
0	0	N/A	0	N/A	0	0	0 *
Total	0	0	0	0	0	0	0

Restricted farm losses

Year of origin	Balance at Beginning of year	Loss Incurred in Current Year	Adjustments and Transfers <F1> for help	Loss Carried Back	Applied to Reduce Taxable Income	Applied to Reduce Part IV Tax	Balance at End of Year
Current	N/A	0	0	0	N/A	N/A	0
2002	0	N/A	0	N/A	0	N/A	0
2001	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0
0	0	N/A	0	N/A	0	N/A	0 *
Total	0	0	0	0	0	N/A	0

* This balance expires this year and will not be available next year

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SUMMARY OF DISPOSITIONS OF CAPITAL PROPERTY
(2000 and later taxation years)

- For use by corporations that have disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- Use this schedule to make a designation under paragraph 111(4)(e) of the federal "Income Tax Act", if control of the corporation has been acquired by a person or group of persons.
- If more space is needed, attach additional schedules.

For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the "T2 Corporation Income Tax Guide".

Designation under paragraph 111(4)(e) of the "Income Tax Act"
Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?

050 [Y/N] [N] If "yes", attach a statement specifying which properties are subject to such a designation.

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 1 - Shares

No. of shares 100	Name of corporation 105	Class of shares 106	110	120	130	140	Gain (or loss) 150	
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
				0	0	0	0	
			Totals	0	0	0	0	A

Gain (loss) on dispositions before February 28, 2000	0	A1
Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000	0	A2
Gain (loss) on dispositions after October 17, 2000	0	A3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 2 - Real estate - Do not include losses on depreciable property.

Municipal address
1 = Address 1
2 = Address 2
3 = City
4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code

200	210	220	230	240	Gain (or loss) 250	
Dunnville property	2000-10-31	7,900	0	0	7,900	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	
	Totals	7,900	0	0	7,900	B
				Gain (loss) on dispositions before February 28, 2000	0	B1
				Gain (loss) on disposition after February 27, 2000 and before October 18, 2000	0	B2
				Gain (loss) on dispositions after October 17, 2000	7,900	B3

Part 3 - Bonds

Face value 300	Maturity date 305	Name of Issuer 307	310	320	330	340	Gain (or loss) 350	
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
				0	0	0	0	
			Totals	0	0	0	0	C
						Gain (loss) on dispositions before February 28, 2000	0	C1
						Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000	0	C2
						Gain (loss) on dispositions after October 17, 2000	0	C3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 4 - Other properties - Do not include losses on depreciable property.

Description 400	410	420	430	440	Gain (or loss) 450	
Truck #11	2000-10-31	51,750	2,917	0	48,833	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	
Disposition from a partnership						
		0	0	0	0	
	Totals	51,750	2,917	0	48,833	D
		Gain (loss) on dispositions before February 28, 2000			0	D1
		Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000			0	D2
		Gain (loss) on dispositions after October 17, 2000			48,833	D3

Part 5 - Personal-use property

Description 500	510	520	530	540	Gain only 550	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
Note:	Totals	0	0	0	0	E
Losses are not deductible.		Gain on dispositions before February 28, 2000			0	E1
		Gain on dispositions after February 27, 2000 and before October 18, 2000			0	E2
		Gain on dispositions after October 17, 2000			0	E3

Part 6 - Listed personal property

Description 600	610	620	630	640	Gain (or loss) 650	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
Note:	Totals	0	0	0	0	
Net listed personal property losses may only be applied against listed personal property gains. Amount from line 655 is from line 530 in Part 5 of Schedule 4.		Before 2000/02/28	After 2000/02/27 and before 2000/10/18	After 2000/10/17		
Gains or losses on dispositions		0	0	0	0	
Subtract: Unapplied listed personal property losses from other years		0	0	0	0	655
		657	658	659		
Net gains (or loss)		0	0	0	0	F

Part 7 - Property qualifying for and resulting in an allowable business investment loss

Name of small business corporation	Shares, enter 1; debt, enter 2	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Adjusted cost base	Outlays and expenses (dispositions)	Loss (col. 920 less cols. 930 and 940)	Date of disp.	
900	905	910	920	930	940	950		
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
		Totals	0	0	0	0	G	
					Loss on dispositions before February 28 2000	0	G1	
					Loss on dispositions after February 27, 2000 and before October 18, 2000	0	G2	
					Loss on dispositions after October 17, 2000	0	G3	

Note: Properties listed in Part 7 should not be included in any other parts of Schedule 6.

Determining capital gains or losses

	Before 2000/02/28	After 2000/02/27 and before 2000/10/18	After 2000/10/17	Total	
Sum of the Total amounts A to F (do not include F, if the amount is a loss)	0	0	56,733	56,733	H
Allowable business investment losses (G1, G2, G3)	0	0	0		
	770	670	570		
Gains or losses on dispositions (including ABIL)	0	0	56,733		
Add:					
Gain or loss from a partnership				0	
	775	675	575	875	
Capital gains dividend received in the year	0	0	0	0	
				880	
Capital gains reserve opening balance (from Schedule 13)	0	0	0	0	
Subtotal	0	0	56,733	56,733	
Deduct:					
Capital gains reserve closing balance (from Schedule 13) (note 1)	785	685	585	885	
	0	0	0	0	
Deductible portion of gain on donations (including ecologically sensitive land)	0	0	0		
	790	690	590	890	
Gains (or losses)	0	0	56,733	56,733	

Note 1: Applicable to dispositions made in the period. Closing balance reserves from dispositions made in a previous taxation year need to be deducted in the period during which the taxation year begins.

Inclusion rate

	Gain/loss			Inclusion rate		Net capital gain or Net capital loss	
Amount from line 790	0	J	x	75.0000%	=	0	JJ
Amount from line 690	0	K	x	66.6667%	=	0	KK
Subtotal (note 2)	0	a	x	.0000%	=	0	aa
Amount from line 590	56,733	L	x	50.0000%	=	28,367	LL
Total (note 3)	56,733	b			=	28,367	bb
Inclusion rate for the year expressed as a decimal fraction (bb divided by b)						50.0000%	M

Note 2

If one of either line J or line K is positive, and the other is negative, enter the difference (gain or loss) on the **subtotal** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line aa based on that rate. In this case, it would not be necessary to calculate an amount at JJ and KK. Otherwise, add lines J and K, and lines JJ and KK for the subtotals. At the **inclusion rate** line between a and aa, enter the result of aa divided by a. This rate may be required in further calculations.

Note 3

If one of either line a or line L is positive, and the other is negative, enter the difference (gain or loss) on the **total** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line **bb** based on that rate. This could be the rate referred to at the end of the note 2 above. In this case, it would not be necessary to calculate an amount at line LL. Otherwise, add lines a and L, and lines aa and LL for the totals.

Time Weighted Method for investment corporation or mutual fund corporation

Is the corporation a mutual fund corporation that wishes to use the time weighted method? ..... [Y/N] N

Number of days before February 28, 2000	0	x	75.0000%	=	.0000%
Number of days after February 27, 2000 and before October 18, 2000	0	x	66.6667%	=	.0000%
Number of days after October 17, 2000	0	x	50.0000%	=	.0000%
Number of days in the taxation year	0				.0000% N

Determining taxable capital gains, total capital losses and allowable business investment losses

Amount from line 890					56,733	O
Gain on donations of a share, debt obligation, or right included in amounts A to F) (note 4)						
Before February 28, 2000	0					
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	= 895	0	P
Amount on line O **minus** line 895					56,733	Q
Amount of gain on donation of ecologically sensitive land after February 27, 2000						
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	= 896	0	R
Amount on line Q **minus** line 896					56,733	S
If this amount is a loss, enter on line 210 of Schedule 4.						
Taxable capital gains (line S x line M or N)					28,367	T
Enter the amount on line 113 of Schedule 1.						

Determining taxable capital gains and allowable business investment losses (cont'd)

Allowable business investment loss G x rate M or N) Enter the amount on line 406 of Schedule 1.	0 U

Note 4: Gain on donations of a share, debt obligation, or right listed on a prescribed stock exchange and amounts under paragraph 38(a.1) of the Act (for donations made after February 18, 1997, and before the year 2002 to charities other than private foundations)

Portion of Gain or Loss from Foreign sources (100%)	0

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CALCULATION OF AGGREGATE INVESTMENT INCOME AND ACTIVE BUSINESS INCOME

- This schedule is for the use of Canadian-controlled private corporations to calculate:
  - aggregate investment income and foreign investment income for the purpose of determining the refundable portion of Part I tax, as defined in subsection 129(4) of the "Income Tax Act;"
  - income from an active business carried on in Canada for the small business deduction; and
  - specified partnership income for members of a partnership(s).
- For more information, see the sections called "Small Business Deduction" and "Refundable Portion of Part 1 Tax" in the "T2 Corporation Income Tax Guide."

Part 1 - Aggregate and foreign investment income calculation

	Canadian investment income	Foreign investment income	Aggregate investment income	
		001	002	
The eligible portion of taxable capital gains included in income for the year	28,367	0	28,367	A
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	0	009 0	012 0	B
Net capital losses of other years claimed on line 332 on the T2 return	8,264		022 8,264	C
Total of amounts B and C	8,264	0	8,264	D
Amount A **minus** amount D (if negative, enter "0")	20,103	0	20,103	E
Total income from property (in box 32 include income from a specified investment business carried on in Canada other than income from a source outside Canada)				
Taxable dividends	0	0	0	
Other property income	0	0	0	
		019	032	
Total income from property	0	0	0	F
		029	042	
Exempt income	0	0	0	G
Amounts received from NISA Fund No. 2 that were included in computing the corporation's income for the year	0	0	052 0	H
Taxable dividends deductible from Schedule 3, and taxable dividends deductible under paragraph 113(1)(d) and subsection 113(2)	0	049 0	062 0	I
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	0	059 0	072 0	J
Total of amounts G, H, I, and J	0	0	0	K

Part 1 - Aggregate and foreign investment income calculation (cont'd)

Total of amounts G, H, I, and J	0	0	0 K
Amount F **minus** amount K	0	0	0 L
Total of amount E **plus** amount L	20,103	0	20,103 M
Total losses from property (in box 82 include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)	0	069 0	082 0 N
Amount M **minus** amount N (if negative, enter "0")	20,103	079 0 O	092 20,103 P

Note: The aggregate investment income is the aggregate world source income.
Enter amount O, foreign investment income, on line 445 of the T2 return.
Enter amount P, aggregate investment income, on line 440 of the T2 return.

NET TAXABLE DIVIDENDS

	Canadian	Foreign	Total
Taxable dividends deducted per schedule 3	0	0	0
Less: Expenses related to such dividends			
Total expenses	0	0	0
Net taxable dividends	0	0	0

Part 2 - Specified partnership income

A	B	C
Partnership name	Total income (loss) of partnership from an active business	Corporation's share of amount in column B
200	300	310
	0	0
	0	0
	0	0
	0	0

Part 2 - Specified partnership income (cont'd)

D	E	F	G	H
Adjustments add prior-year reserves added back to current-year income, under subsection 34.2(5), and deduct expenses incurred to earn partnership income) 315	Corporations's income (loss) of the partnership (column C **plus** column D) 320	Number of days in the partnership's fiscal period 325	Prorated business limit (column C / column B) x [SBD Threshold * x (column F / 365)] (if column C is (-), enter "0") ** 330	Lesser of columns E and G (if column E is negative, enter "0") 340
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
350 Totals	0			360 0

Add to line 360 the lesser of:

i) the corporation's losses for the year from an active business carried on in Canada (other than as a member of a partnership) - enter as a positive amount 370 0

plus:

the specified partnership loss of the corporation for the year - enter as a positive amount (total of all negative amounts in column E) 380 0

0

ii) column E **minus** column G - if negative, enter "0" (if a member of more than one partnership, calculate separately for each partnership and enter total) 385 0 390 0

Specified partnership income (line 360 **plus** line 390) 400 0

* For the purpose of the Accelerated Tax Reduction calculation on Schedule 70, the business limit is $300,000.

* When a partnership carries on more than one business, one of which generates income and another realizes a loss, the partnership loss is not netted against the partnership's income.

Part 3 - Determination of partnership income

Corporation's share of partnership income from active businesses carried on in Canada after deducting related expenses - from line 350 above (if the net amount is negative, enter "0" on line M)	0	I
Add: Specified partnership loss (from line 380 above)	0	J
Subtotal	0	K
Deduct: Specified partnership income (from line 400 above)	0	L
Partnership income * (enter on line P below) 450	0	M

If the amount on line 450 is positive, complete Schedule 70.

Part 4 - Income from active business carried on in Canada

Net income for income tax purposes from line 300 of the T2 return			2,264,566	N
Deduct: Foreign business income after deducting related expenses *	500	0		
Taxable capital gains **minus** allowable capital loss - amount A **minus** amount B * (page 1) **		28,367		
Net property income = amount F **minus** amounts G, H and N *		0	O	
Personal services business income after deducting related expenses *	520	0		
		28,367	28,367	
		Net amount	2,236,199	
Deduct: Partnership income (line 450 above)			0	P
Income from active business carried on in Canada (enter on line 400 of the T2 return) - (if negative, enter "0")			2,236,199	Q

* If negative, enter a negative amount, and add instead of subtracting.

** Amount A minus amount B from page 1 may only be negative to the extent of any allowable business investment losses.

Summary of Capital Cost Allowance

the corporation electing under regulation 1101(5q)? [101] N

Class No. [200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
8	251,712	115,948	0	0	57,974	20	0	0	61,937	305,723
1.0	668,047	335,722	0	2,916	166,403	30	0	0	250,335	750,518
1.2	15,154	97,040	0	0	48,520	100	0	0	63,674	48,520
	28,449,568	1,793,778	0	0	896,889	4	0	0	1,173,858	29,069,488
1.7	0	40,114	0	0	20,057	8	0	0	1,605	38,509
Total	29,384,481	2,382,602	0	2,916	1,189,843		0	0	1,551,409	30,212,758

HALDIMAND COUNTY HYDRO INC.
Account/Business No.: 890759814RC0001 Year Ended: 2003-12-31

RELATED AND ASSOCIATED CORPORATIONS

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
- associated corporation(s)

Name	Ctry of resi-dence	Business Number (Note)	Rela-tion-ship Code	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of pre-ferred shares owned	Book value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
HALDIMAND COUNTY ENERGY INC.		890762412RC0001	3	0	0.00	0	0.00	0
HALDIMAND COUNTY GENERATION IN		890757412RC0001	3	0	0.00	0	0.00	0
HALDIMAND COUNTY UTILITIES INC		863917795RT0001	1	1,001	100.00	0	0.00	18,739,941

Note: Enter "NR" if a corporation is not registered.

Relationship code:

1 - Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

The relationship code represents the relationship that the corporation named has to the filing corporation. For example, if the corporation is the parent corporation of the filing corporation, then the relationship code is "1".

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CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

- For use by a corporation that has eligible capital property. For more information, see the "T2 Corporation Income Tax Guide."
- A separate cumulative eligible capital account must be kept for each business.
- This form applies to taxation years that end after February 27, 2000.

Part 1 - Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at end of preceding taxation year if negative, enter "0"						200	458,556 A
Add:							
Cost of eligible capital property acquired during the taxation year	222	0 B					
Amount transferred on amalgamation or wind-up of subsidiary	224	0 C					
Other adjustments	226	0 D					
(add amounts B, C, and D)		0	x	0.75	=		0 E
Subtotal (amount A **plus** amount E)						230	458,556 F
Deduct:							
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242	0 G					
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244	0 H					
Other adjustments	246	0 I					
(add amounts G, H, and I)		0	x	0.75	=	248	0 J
Cumulative eligible capital balance (amount F **minus** amount J) if amount K is negative, enter "0" at line M and proceed to Part 2)							458,556 K
Current year deduction amount K enter amount L at line 405 of Schedule 1)		458,556	x	7.00%	=	250	32,099 L
Cumulative eligible capital - Closing balance Amount K **minus** amount L (if negative, enter "0")						300	426,457 M

Note

You can claim any amount up to the maximum deduction of 7%. For taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Part 2 - Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

ount from line K above (show as a positive amount)				0 N
Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988	400		0 1	
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7)	401		0 2	
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	402	0 3		
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	408	0 4		
Line 3 **minus** line 4		0	0 5	
Total of lines 1, 2, and 5			0 6	
Line T from Schedule 10 of previous taxation years ending after February 27, 2000	409		0 7	
Line 6 **minus** line 7			0	0 O
Line N **minus** line O (cannot be negative)				0 P
Amount on line 5 0 x 1/2				0 Q
P **minus** line Q				0 R
...ount on line R 0 x 2/3 *				0 S
Lesser of line N or line O				0 T
Amount to be included in income on line 108 of Schedule 1, line S **plus** line T For taxation years ending before February 28, 2000, line N - line Q			410	0

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AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT (2003 and later taxation years)

For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.

An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the "Income Tax Act," not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation."

Column 4: Enter the business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:

- from $200,001 to $225,000, if the calendar year to which this agreement applies is 2003;
- from $225,001 to $250,000, if the calendar year to which this agreement applies is 2004;
- from $250,001 to $275,000, if the calendar year to which this agreement applies is 2005; or
- from $275,001 to $300,000, if the calendar year to which this agreement applies is 2006 or after.

Column 7: Complete this column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Allocation of the business limit

Date filed (do not use this area)..... 025 Year Month Day

Enter the calendar year to which the agreement applies..... 050 Year 2003

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?..... 075 [Y/N] [N]

1	2	3	4	5	6	7
Names of associated corporations	Business Number of associated corporations	Association code	Business limit for the year (before the allocation) $	Percentage of the business limit %	Business limit allocated* $	Taxation year end to which this agreement applies (YYYY/MM/DD)
100	200	300		350	400	500
HALDIMAND COUNTY HYDRO INC.	890759814RC0001	1	225,000	100.0000	225,000	
See attached			0	.0000	0	
			Total	100.0000	225,000A	

Business limit reduction under subsection 125(5.1)

The business limit reduction is calculated in the small business deduction area of the T2 return.

... of the amounts used in this calculation is the "Large corporation tax" at line 415 of the T2 return.

... corporation is a member of an associated group of corporations in the current taxation year, the amount to be entered at line 415 of the T2 return is equal to 0.225% x (A - $10,000,000) where, "A" is the total of taxable capital employed in Canada** of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's taxation year is less than 51 weeks, prorate the amount in column 6 by the number of days in the taxation year divided by 365, and enter the result on line 410 of the T2 return.

** "Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the "Income Tax Act."

*** The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

GREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6	7	8
ıe of associated :poration [100]	Business Number of associated corporation [200]	Asso- ciation code [300]	Business limit before the allo- cation	Percentage of the business limit allocated [350]	Business limit allocated [400]	Taxation year end to which this agreement applies [500]	Part I.3 Tax
.DIMAND COUNTY ENERGY INC.	890762412RC0001	1	0	.0000	0		845
.DIMAND COUNTY GENERATION IN	890757412RC0001	1	0	.0000	0		0
.DIMAND COUNTY UTILITIES INC	863917795RT0001	1	0	.0000	0		0
)TALS			0	.0000	0		845

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

PART I.3 TAX ON LARGE CORPORATIONS
100 and later taxation years)

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part I.3 tax payable before the deduction for surtax credits.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal "Income Tax Act."
- Subsection 181(1) defines the terms "financial institution," "long-term debt," and "reserves."
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part I.3 tax is payable for a taxation year by a corporation that was:
  1) a non-resident-owned investment corporation throughout the year;
  2) bankrupt [as defined by subsection 128(3)] at the end of the year;
  3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
  4) exempt from tax under section 149 throughout the year on all of its taxable income;
  5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
  6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the "T2 Corporation Income Tax Return" no later than six months from the end of the taxation year.

Complete the following areas to determine the amounts needed to calculate Part I.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I	101	0
Capital stock (or members' contributions if incorporated without share capital)	103	17,144,796
Retained earnings	104	2,706,071
Contributed surplus	105	2,735,909
Any other surpluses	106	0
Deferred unrealized foreign exchange gains	107	0
All loans and advances to the corporation	108	465,080
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	15,916,000
Any dividends declared but not paid by the corporation before the end of the year	110	0
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	111	0

— Part 1 - Capital (cont'd)

Proportion of the amount, if any, by which the total of all amounts (that would be determined under lines 101, 107, 108, 109, 111, and 112) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses (see note below)	112	0		
	Subtotal	38,967,856	38,967,856	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121	0		
Any deficit deducted in computing the shareholders' equity	122	0		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	0		
The amount of deferred unrealized foreign exchange losses	124	0		
	Subtotal	0	0	B
Capital for the year (amount A minus amount B) (if negative, enter "0")	190		38,967,856	

Note:

Lines 101, 107, 108, 109, 111, and 112 are determined as follows:

- Amounts owing to the member or to corporations that are other members of the partnership are not to be included.
- Amounts are determined as at the end of the last fiscal period of the partnership ending in the year of the corporation.
- Amounts at these lines apply to partnerships in the same way that they apply to corporations.
- The proportion of the total amounts is determined by the corporation's share of the partnership's income or loss for the fiscal period of the partnership.

— Part 2 - Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:		
A share of another corporation	401	0
A loan or advance to another corporation (other than a financial institution)	402	0
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	0
Long-term debt of a financial institution	404	0
A dividend receivable on a share of the capital stock of another corporation	405	0
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d))	406	0
An interest in a partnership (see note 1 below)	407	0
Investment allowance for the year	490	0

Part 2 - Investment allowance (cont'd)

Notes:

1) Where the corporation has an interest in a partnership, the carrying value at the end of the taxation year, of that interest is deemed to be equal to that proportion of the total of the carrying value of each asset of the partnership described in 401 to 405 above, at the end of its last fiscal period ending at or before the end of the year, that the corporation's share of the partnership's income or loss is of the partnership's income or loss for that period.

2) Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of, a corporation that is exempt from tax under Part I.3 (other than by reason of paragraph 181.1(3)(d)).

3) Where, in certain circumstances, a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, according to subsection 181.2(6).

Part 3 - Taxable capital

Capital for the year (line 190)		38,967,856	C
Deduct: Investment allowance for the year (line 490)		0	D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	38,967,856	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	38,967,856	X	Taxable income earned in Canada / Taxable income	610	2,115,059 / 2,115,059	=	**Taxable capital employed in Canada**	690	38,967,856

Notes:

1) Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2) Where a corporation's taxable income for a taxation year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3) In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

Part 4 - Taxable capital employed in Canada (cont'd)

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	701		0
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	0	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada	712	0	
Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	0	
Total deductions (add lines 711, 712, and 713)		0	0 E
Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790		0

Note:

Complete line 713 only if the country in which the corporation is resident imposed neither a capital tax for the year on similar assets, nor a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 - Calculation of gross Part I.3 tax

Taxable capital employed in Canada (line 690 or 790, whichever applies)			38,967,856
Deduct: Capital deduction claimed for the year (for related corporations, enter the amount allocated on Schedule 36)	801		10,000,000
Excess of taxable capital employed in Canada over capital deduction	811		28,967,856

Gross Part I.3 Tax

Year	Line 811		Number of days		Number of days in the taxation year					
Before 2004	28,967,856	x	(365	/	365)	x	.2250%	=	65,178	1
2004	28,967,856	x	(0	/	365)	x	.2000%	=	0	2
2005	28,967,856	x	(0	/	365)	x	.1750%	=	0	3
Total Gross Part I.3 tax (add lines 1, 2, and 3)									65,178	65,178 F

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

$$\text{Amount F } 65{,}178 \times \frac{\text{Number of days in the year } 365}{365} = 0 \text{ G}$$

Gross Part I.3 tax (amount F or G, whichever applies)	820	65,178

Part 6 - Calculation of current-year surtax credit available

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, the lesser of a and b, below:

a)	line 600 from the T2 return					0	
b)	line 700 from the T2 return					0	0 H

In any other case, the lesser of c and d below:

c)	line 600 from the T2 return	23,689	x	line 690 of this schedule / 38,967,856	=	23,689		
				38,967,856				
d)	line 700 from the T2 return			line 500 of this schedule		512,497	23,689	I
Current-year surtax credit available (amount H or I, whichever applies)						830	23,689	

Part 7 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)							23,689
·able capital employed in Canada							
.e 690 or 790, whichever applies)						38,967,856	
Deduct: Capital deduction claimed for the year						10,000,000	
Excess of taxable capital employed in Canada over capital deduction						28,967,856	a
Less: Gross Part I.3 tax							
Line a	28,967,856	x	.2250%		=	65,178	65,178 b

Where the taxation year of a corporation is less than 51 weeks, calculate the amount of tax payable as follows:

Amount b	65,178	x	Number of days in the year / 365	=		0 c
			365			
Current-year unused surtax credit (if negative, enter "0")					850	0

Enter this amount at line 600 on Schedule 37

* For the purposes of the calculation of current-year unused surtax credit, the calculation is performed on a capital deduction based on $10 millions and a specified percentage of 0.225%.

Part 8 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)			65,178	J
Deduct:				
Current-year surtax credit applied (the lesser of lines 820 and 830)	861	23,689		
Unused surtax credit from previous years applied	862	0		
Subtotal (cannot exceed amount on line 820)		23,689	23,689	K
Net Part I.3 tax payable (amount J minus amount K)	870		41,489	

Enter this amount at line 704 of the T2 return

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX
'98 and later taxation years)

- Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 or $50,000,000 among the members of the related group.
  Do not file this agreement if no members of the related group are liable to pay Part I.3 tax.

Are any members of the related group liable to pay Part I.3 tax? ..... [Y/N] [Y]

- In cases where a related corporation has more than one taxation year ending in a calendar year, it is required to file an agreement for each taxation year ending in that calendar year.

- A corporation that is related to any other corporation at any time in a taxation year of the corporation ending in a calendar year may file such an agreement.

- In accordance with subsection 181.5(7) of the federal "Income Tax Act", a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

- Attach additional schedules if space for agreement is not sufficient.

Agreement

		Year Month Day
Date filed (for departmental use only)	010	
Is this an amended agreement?	020	[Y/N] [N]
r the calendar year to which the agreement applies	030	Year 2003

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member which is exempt from Part I.3 tax under subsection 181.1(3) is not required to be included.

Names of all corporations which are members of the related group	Business Number (Note 1)	Allocation of capital deduction for the year $	Taxation year end to which this agreement applies (Note 2)
200	300	400	500
HALDIMAND COUNTY HYDRO INC.	890759814RC0001	10,000,000	
See attached		0	
Total (Before 2004 must not exceed $10,000,000 After 2003 must not exceed $50,000,000)		10,000,000	

Note 1: If a corporation is not registered enter, "NR".

Note 2: An entry is only required for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

GREEMENT AMONG RELATED CORPORATIONS - PART I.3 TAX

Members of a related group of corporations should use this schedule to allocate the capital deduction of $10,000,000 or $50,000,000 among the members of the related group.
In accordance with subsection 181.5(7) of the federal Income Tax Act, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

ies of all corporations ch are members of the ated group	Business Number (Note 1)	Allocation of capital deduction for the year	Taxation year end to which this agreement applies (Note 2)
[200]	[300]	[400]	[500]
DIMAND COUNTY ENERGY INC.	890762412RC0001	0	
DIMAND COUNTY GENERATION IN	890757412RC0001	0	
DIMAND COUNTY UTILITIES INC	863917795RT0001	0	
TAL		0	

e 1: If a corporation is not registered, enter "NR".

e 2: An entry is only required for a corporation that has more than one taxation ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION
998 and later taxation years)

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
HALDIMAND COUNTY UTILITIES INC.	863917795RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

.e 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Ontario

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

2003 CT23 Corporations Tax and Annual Return

For taxation years commencing after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS) (formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both forms. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17, together with the applicable schedules on pages 18-21. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the **CT23 Short-Form Return** (see page 2).

THIS IS YOUR FILE COPY

The Annual Return (common page 1 and MCBS Schedule A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt, Refer to Guide)* [X] Yes [ ] No

Ministry Use

Corporation's Legal Name *(including punctuation)*

HALDIMAND COUNTY HYDRO INC.

Ontario Corporations Tax Account No. (MOF): 1800101

Mailing Address

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

This CT23 Return covers the Taxation Year
Start: year month day 2003-01-01
End: year month day 2003-12-31

Has the mailing address changed since last filed CT23 Return? [ ] Yes | Date of Change: year month day

Date of Incorporation or Amalgamation: year month day 2000-10-13

Registered/Head Office Address

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Ontario Corporation No. (MCBS): 1800101

Location of Books and Records

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.
If applicable, enter: 890759814RC0001

Name of person to contact regarding this CT23 Return: LLOYD PAYNE
Telephone No.: 905-765-5211
Fax No.:

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
[X] *Not Applicable*

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MCBS)

Preferred Language/*Langue de préférence*
[X] English *anglais* [ ] French *français*

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS). [X] No change

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

LLOYD PAYNE

Title: [ ] D Director [X] O Officer [ ] P Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1 [1] [X] Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100%

2
1 [ ] Family Farm Corporation s.1 (2)
2 [ ] Family Fishing Corporation s.1 (2)
3 [ ] Mortgage Investment Corporation s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61 (4)
6 [ ] Bank s.1 (2)
7 [ ] Loan and Trust Corporation s.61 (4)
8 [ ] Non-resident Corporation s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned Investment Corporation s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-resident s.63(1)
16 [ ] Financial institution prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [ ] Hydro successor, Municipal Electrical Utility or subsidiary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
If applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
If applicable, enter 111292775

Specify major business activity

Please "X" box(es) if applicable:

[ ] First Year of Filing
[ ] Amended Return
[ ] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up) (Note: For discontinued businesses, see Guide.)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)

Date Control was acquired
year month day

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[ ]	[X]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Income Tax

DOLLARS ONLY

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Int.B. 3008).

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	2,264,566.
Subtract: Charitable donations	–	1	0.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–	2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–	3	0.
Subtract: Ontario political contributions *(Attach schedule 2A)* (Int.B. 3002)	–	4	0.
Subtract: Federal Part VI.1 tax 0. X 9/4	–	5	0.
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	141,243.
Net capital losses From 715 (page 16) 16,528. X inclusion rate 50.000000%	–	714	8,264.
Farm losses	–	From 724	0.
Restricted farm losses	–	From 734	0.
Limited partnership losses	–	From 754	0.
Taxable income (Non-capital loss)	=	10	2,115,059.
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	0.
Adjusted Taxable Income 10 + 11 (If 10 is negative, enter 11)	=	20	2,115,059.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable) 2,115,059. x 30 100.0000% (Ontario Allocation) x 12.5000% x (Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 365 + Total Days 73 365) = + 29 264,382.

From 10 (or 20 if applicable) 2,115,059. x 30 100.0000% (Ontario Allocation) x 14.0000% x (Days after Dec. 31, 2003 and before Jan. 1, 2005: 34 0 + Total Days 73 365) = + 32 0.

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 264,382.

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [X] Yes [ ] No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	2,236,199.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51	2,115,059.	
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52	149,507.	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	– 53	149,507.	
	=	2,115,059.	54 2,115,059.
Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding $200,000)	+ 55	200,000.	

Add: Ontario enhancement of federal business limit

Number of Days in Taxation Year

80,000 x (Days after Sept. 30, 2001 and before Jan. 1, 2003: 28 0 + Total Days 73 365) / X From 55 200,000 + 200,000	= +	43	0.		
120,000 x (Days after Dec. 31, 2002 and before Jan 1, 2004: 31 365 + Total Days 73 365) / X From 55 200,000 + 200,000	= +	46	120,000.		
200,000 x (Days after Dec 31, 2003 and before Jan 1, 2005: 31 0 + Total Days 73 365) / X From 55 200,000 + 200,000	= +	47	0.		
Ontario enhancement of federal business limit 43 + 46 + 47	– =		120,000.	+ 44	120,000.
Business Limit for Ontario purposes 55 + 44	=		320,000.	45	320,000.
Income eligible for the IDSBC From 30 100.0000% * Ontario Allocation x 56 320,000. Least of 50, 54 or 45				= 60	320,000.

* Note: *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

Number of Days in Taxation Year

.....	6.50 %	x	Days after Sept. 30, 2001 and before Jan 1, 2003 28: 0	+	Total Days 73: 365	= +	79	.0000
.....	7.00 %	x	Days after Dec. 31, 2002 and before Jan. 1, 2004 31: 365	+	Total Days 73: 365	= +	89	7.0000
.....	8.50 %	x	Days after Dec. 31, 2003 and before Jan 1, 2005 34: 0	+	Total Days 73: 365	= +	90	.0000

IDSBC Rate for Taxation Year [79] + [89] + [90] ..... = [78] 7.0000

Claim ..... From [60] 320,000. x From [78] 7.0000 % ..... = [70] 22,400.

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in [114] below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

** Short Taxation Years - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** Taxable Income of the corporation ..... From [10] (or [20] if applicable) + [80] 2,115,059.

If you are a member of an associated group (X) [81] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	** Taxable Income (if loss, enter nil)
See attached			+ [82] 0.
			+ [83]
			+ [84]

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. ..... = [85] 2,115,059.

Number of Days in Taxation Year

Subtract: 280,000 x	Days after Sept. 30, 2001 and before Jan. 1, 2003 28: 0	+	Total Days 73: 365	= +	113	0.
320,000 x	Days after Dec. 31, 2002 and before Jan 1, 2004 31: 365	+	Total Days 73: 365	= +	115	320,000.
400,000 x	Days after Dec 31, 2003 and before Jan 1, 2005 34: 0	+	Total Days 73: 365	= +	116	0.

[113] + [115] + [116] = 320,000. ..... - [114] 320,000.

(If negative, enter nil) ..... = [86] 1,795,059.

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	4.3330 %	x	Days after Sept. 30, 2001 and before Jan 1, 2003 28: 0	+	Total Days 73: 365	= +	95	.0000
.....	4.6670 %	x	Days after Dec. 31, 2002 and before Jan. 1, 2004 31: 365	+	Total Days 73: 365	= +	96	4.6670
.....	4.6670 %	x	Days after Dec. 31, 2003 and before Jan 1, 2005 34: 0	+	Total Days 73: 365	= +	97	.0000

Specified rate of surtax for Taxation Year [95] + [96] + [97] ..... = [94] 4.6670

From [86] 1,795,059. x From [94] 4.6670 % ..... = [87] 83,775.

From [87] 83,775. x From [60] 320,000. + From [114] 320,000. = [88] 83,775.

Surtax Lesser of [70] or [88] ..... = [100] 22,400

Continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* ..... 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: a) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and b) the total active business income is $250,000 or less.

Eligible Canadian Profits ..... + 120 0.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) ..... – From 56 320,000.

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 22,400. + From 30 100.0000 % * Ontario Allocation + From 78 7.0000 % = 121 320,000.

Lesser of 56 or 121 ..... + 122 320,000.

120 – 56 + 122 ..... = 130 0.

Taxable Income ..... + From 10 2,115,059.

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) ..... – From 56 320,000.

Add: Adjustments for Surtax on Canadian-controlled private corporations ..... + From 122 320,000.

Subtract: Taxable Income 10 2,115,059. X Allocation % to jurisdictions outside Canada .0000 % ..... – 140 0.

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses ..... – 141 20,103.

10 – 56 + 122 – 140 – 141 ..... = 142 2,094,956.

Claim

Number of Days in Taxation Year

143 0. X From 30 100.0000 % * Ontario Allocation X 1.5000 % X (Days after Sept 30, 2001 and before Jan 1, 2004: 33 0 + Total Days: 73 365) =+ 154 0.

Lesser of 130 or 142

143 0. X From 30 100.0000 % * Ontario Allocation X 2.0000 % X (Days after Dec 31, 2003 and before Jan 1, 2005: 34 0 + Total Days: 73 365) =+ 156 0.

Lesser of 130 or 142

M&P claim for taxation year 154 + 156 ..... = 160 0.

* Note: *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity ..... = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) *(Attach schedule)*. ..... 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 ..... = 190 264,382.

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) *Applies* to research and development in Ontario.

Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* ..... + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.

Eligible Credit From 5798 Summary Schedule F ..... + 192 1,000.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Eligible Credit From 5899 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) ..... + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596

Applies to employment of eligible unemployed post secondary graduate. 194 0

Eligible Credit From 6598 Summary Schedule G ..... + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)

Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.

Eligible Credit From 6900 OBPTC Claim Form *(Attach both the original Claim Form and the Certification Form)* ..... + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)

Applies to labour relating to computer animation and special effects on an eligible production.

Eligible Credit From 6700 Claim Form Certified by Ontario Media Development Corporation

(Attach the original Claim/Certification Form with the CT23 Tax Return.) ..... + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)

Applies to qualifying R&D expenditures under an eligible research institute contract.

Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* ..... + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)

Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.

Eligible Credit From 7300 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) ..... + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)

Applies to qualifying labour expenditures of eligible products for the taxation year.

Eligible Credit From 7400 Claim Form certified by Ontario Media Development Corporation

(Attach original Claim/Certification Form.) ..... + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)

Applies to qualifying expenditures in respect of eligible Canadian sound recordings.

Eligible Credit From 7500 OSRTC Claim Form *(Attach both the original Claim Form and the Certification Form)* ..... + 201 0.

Other (specify) _____ ..... + 201.1 0.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 1,000.

Specified Tax Credits *Applied to reduce Income Tax* ..... = 225 1,000.

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)*..... = 230 263,382.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8.*** If CMT is not applicable, transfer amount in 230 to Income Tax in ***Summary*** section on ***Page 17.***

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on ***Page 8.***

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if ***either*** Total Assets [249] exceeds $5,000,000 ***or*** Total Revenue [250] exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s)/joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation	+ [240]	44,935,481.	
* Total Revenue of the corporation			+ [241] 25,746,833.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
See attached			+ [243] .	+ [244] .
			+ [245] .	+ [246] .
			+ [247] .	+ [248] .

Aggregate Total Assets	[240] + [243] + [245] + [247] , etc.	= [249]	44,935,481.
Aggregate Total Revenue	[241] + [244] + [246] + [248] , etc.	= [250]	25,746,833.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 18, 19 and 20 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 18.)*

Gross CMT Payable ..... CMT Base From [2135]	826,149. (If negative, enter zero)	X From [30]	100.0000 % (Ontario Allocation)	X 4.0000 = [276]	33,046.
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*				– [277]	0.
Subtract: Income Tax				– From [190]	264,382.
Net CMT Payable (If negative, enter Nil on Page 17.)				= [280]	0.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from ***Page 7*** to ***Income tax Summary, on Page 17.***

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to ***Page 17*** and transfer [280] to ***Page 17***, and to ***Schedule D: Continuity of CMT Credit Carryovers, on Page 20.***

CMT Credit Carryover available ..... From [2307] 109,660.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits)				+ From [190]	264,382.
Gross CMT Payable		+ From [276]	33,046.		
Subtract: Foreign Tax Credit for CMT purposes		– From [277]	0.		
If [276] – [277] is negative, enter NIL in [290]		=	33,046.	– [290]	33,046.
Income Tax eligible for CMT Credit				= [300]	231,336.
B. Income tax (after deduction of specified credits)				+ From [230]	263,382.
Subtract: CMT credit used to reduce income taxes				– [310]	109,660.
Income Tax				= [320]	153,722.

Transfer to page 17

If A & B apply, [310] ***cannot exceed the lesser of*** [230], [300] ***and your CMT credit carryover available*** [2307].

only B applies, [310] ***cannot exceed the lesser of*** [230] ***and your CMT credit carryover available*** [2307].

Capital Tax *(Refer to Guide and Int.B. 3011)*

If your corporation is a Financial Institution (s.58(2)), complete lines 480 ***and*** 430 ***on page 10 then proceed to page 13.***
If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 ***and*** 430 ***are both $1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in*** 480 ***and*** 430 ***are both $3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital tax for the taxation year. A Corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in*** 550 ***on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.***

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed. Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Inf.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the greater of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012 and 3015)	+	350	17,144,796.
Retained earnings (If deficit, deduct) (Int.B. 3012)	±	351	2,706,071.
Capital and other surpluses, excluding appraisal surplus (Inf.B.3012)	+	352	2,735,909.
Loans and advances *(Attach schedule)* (Int.B. 3013)	+	353	465,080.
Bank loans (Int.B. 3013)	+	354	0.
Bankers acceptances (Int.B. 3013)	+	355	0.
Bonds and debentures payable (Int.B. 3013)	+	356	15,916,000.
Mortgages payable (Int.B. 3013)	+	357	0.
Lien notes payable (Int.B. 3013)	+	358	0.
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	+	359	0.
Contingent, Investment, Inventory and similar reserves (Int.B. 3012)	+	360	0.
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012)	+	361	0.
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017)	+	362	0.
Subtotal	=	370	38,967,856.
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012)	−	371	1,451,943.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	−	372	0.
Total Paid-up Capital	=	380	37,515,913.
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	−	381	0.
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	−	382	0.
Net Paid-up Capital	=	390	37,515,913.

Eligible Investments *(Refer to Guide and Int.B. 3015)*

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	+	402	0.
Mortgages due from other corporations	+	403	0.
Shares in other corporations (certain restrictions apply) *(Refer to Guide)*	+	404	0.
Loans and advances to unrelated corporations	+	405	0.
Eligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+	406	0.
Share of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+	407	0.
Total Eligible Investments	=	410	0.

continued on Page 10

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015)

Total Assets per balance sheet	+ 420	44,935,481.
Mortgages or other liabilities deducted from assets	+ 421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+ 422	0.
Subtract: Investment in partnership(s)/joint venture(s)	− 423	0.
Total Assets as adjusted	= 430	44,935,481.
Amounts in 360 and 361 (if deducted from assets)	+ 440	0.
Subtract: Amounts in 371, 372 and 381	− 441	1,451,943.
Subtract: Appraisal surplus if booked	− 442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	± 443	0.
Total Assets	= 450	43,483,538.
Investment Allowance (410 + 450) x 390 ... Not to exceed 410	= 460	0.
Taxable Capital 390 − 460	= 470	37,515,913.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	480	25,746,833.
Total Assets (as adjusted) From 430		44,935,481.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.

(Financial Institutions use calculations on page 13.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11, and if applicable, complete Section D or Section E on page 12. Note: If the corporation is a member of a connected partnership, please refer to the 2003 CT23 guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in 550 on page 12 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

B2. If taxable capital, 470 on page 10, is **$5,000,000 or less**, enter NIL in 550 on page 12 and complete the return from that point.

B3. If taxable capital, 470 on page 10 exceeds **$5,000,000**, complete the following calculation and transfer the amount From 523 to 543 on page 12, and complete the return from that point.

+ From 470	0.						
−	0.						
= 471	0.	X From 30	100.0000% (Ontario Allocation)	X .3000%	X 555 365 / ** 365 (366 if leap year) (Days in taxation year)	= + 523	0.

Transfer to 543 on page 12 and complete the return from that point

** If floating taxation year, refer to Guide.*

continued on Page 11

Capital Tax Calculation *continued from page 10*

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (exluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

C1. [ ] 509 (X if applicable) **All corporations that you are associated with do not have a permanent establishment in Canada.**

If taxable capital 470 on page 10 is $5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

If taxable capital 470 on page 10 exceeds $5,000,000 proceed to **Section D**, enter $5,000,000 in 542 Section D, and complete Section D and the return from that point.

C2. [X] 524 (X if applicable) **One or more of the corporations that you are associated with maintains a permanent establishment in Canada.**

If the taxation year **ends before January 1, 2003**, you must complete the *Calculation* below.

If the taxation year **ends after December 31, 2002**, you and your associated group may continue to allocate the $5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group **may file an election** under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the $15,000 capital tax effect, relating to the $5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

***Calculation** Do NOT complete this calculation if ss.69(2.1) election is filed*

Taxable Capital From 470 on page 10 ..... + From 470 37,515,913.

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding financial institutions and corporations exempt form capital tax) or related partners having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
See attached			+ 531 385,866.
			+ 532 .
			+ 533 .

Aggregate Taxable Capital 470 + 531 + 532 + 533, etc. ..... = 540 37,901,779.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL.
Enter NIL in 523 in section D on page 12, as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under Section D on page 12.

From 470 37,515,913. + From 540 37,901,779. x 5,000,000 ..... = 541 4,949,097.

Transfer to 542 in Section D on page 12

S.s.69(2.1) Election Filed

[ ] 591 (X if applicable) **Election filed.** ***Attach a copy of the election with this CT23 Return.***
Proceed to **Section E** on page 12.

continued on Page 12

Capital Tax Calculation *continued from Page 11*

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, 540 *on page 11, exceeds $5,000,000.*

Complete the following calculation and transfer the amount From 523 to 543, and complete the return from that point.

+ From 470	37,515,913.											
– 542	4,949,097.											
= 471	32,566,816.	x From 30	100.0000%	x	.3000%	x	555 365 / ** 365	.....	= + 523	97,700.	Total Capital Tax for the taxation year
			Ontario Allocation				Days in taxation year (366 if leap year)			Transfer to 543 and complete the return from that point	

SECTION E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From 470	0.	x From 30	100.0000%	x	.3000%	.....	= + 561	0.	
			Ontario Allocation						

– Capital tax deduction From 995 relating to *your corporation's* capital tax deduction, on ss.69(2.1) election form ..... – From 995 0.

= 562 0.

Capital Tax 562	0.	x	555 365 / ** 365	.....	= 563	0.		
			Days in taxation year (366 if leap year)				Transfer to 543 and complete the return from that point.	

** *If floating taxation year, refer to Guide.*

Capital Tax *before application of specified credits*	= 543	97,700.
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	– 546	0.
Capital Tax 543 – 546 *(amount cannot be negative)*	= 550	97,700.
		Transfer to Page 17

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions only

For taxation years commencing after May 4, 1999 enter NIL in [550] on page 12, and complete the return from that point.

I.2. Other than Credit Unions

(Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) x 0.6% x From [30] ____ % (Ontario Allocation) x [555] 0 ÷ ** 0 (366 if leap year) (Days in taxation year) = + [569] 0.

[570] 0. (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) x [571] 0.00 % (Capital Tax Rate *(Refer to Guide)*) x From [30] ____ % (Ontario Allocation) x [555] 0 ÷ ** 0 (366 if leap year) (Days in taxation year) = + [574] 0.

Capital Tax for Financial Institutions – other than Credit Unions (before Section II) [569] + [574] ..... = [575] 0.

*** If floating taxation year, refer to Guide.*

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments ..... – [585] 0.

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions [575] – [585] ..... = [586] 0.

Transfer to [543] on Page12

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements ..... [587] 0. x 2% .... = [588] 0.

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* ..... – [589] 0.

Premium Tax [588] – [589] ..... = [590] 0.

Transfer to page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 2,264,566.
Transfer to Page 15

Add:

Federal capital cost allowance	+ 601	1,551,409.
Federal cumulative eligible capital deduction	+ 602	32,099.
Ontario taxable capital gain	+ 603	28,367.
Federal non-allowable reserves. Balance beginning of year	+ 604	0.
Federal allowable reserves. Balance end of year	+ 605	0.
Ontario non-allowable reserves. Balance end of year	+ 606	0.
Ontario allowable reserves. Balance beginning of year	+ 607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	0.
Federal resource allowance	+ 609	0.
Federal depletion allowance	+ 610	0.
Federal foreign exploration and development expenses	+ 611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

612	0.	× 5 +	12.5000	×	Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 365	Total Days: + 73 365	= + 633	0.
612	0.	× 5 +	14.0000	×	Days after Dec. 31, 2003 and before Jan. 1, 2005: 34 0	Total Days: + 73 365	= + 634	0.

Total add-back amount for Management fees, etc. 633 + 634 .... = 0. + 613 0.

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 schedule 161	+ 615	0.
Add any negative amount in 473 from Ont. CT23 Schedule 161	+ 616	0.
Federal allowable business investment loss	+ 620	0.
Total of other items not allowed by Ontario but allowed federally *(Attach schedule)*	+ 614	0.

Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 ..... = 1,611,875. 640 1,611,875.
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	+ 650	1,551,409.
Ontario cumulative eligible capital deduction	+ 651	32,099.
Federal taxable capital gain	+ 652	28,367.
Ontario non-allowable reserves. Balance beginning of year	+ 653	0.
Ontario allowable reserves. Balance end of year	+ 654	0.
Federal non-allowable reserves. Balance end of year	+ 655	0.
Federal allowable reserves. Balance beginning of year	+ 656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	0.
Ontario depletion allowance	+ 658	0.
Ontario resource allowance	+ 659	0.
Ontario current cost adjustment *(Attach schedule)*	+ 661	0.
Incentive for new electricity supply (section 13.6 deduction from income) *(Applies only to electrical generating corporations.)*	+ 674	0.
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	+ 675	0.

Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675 ..... 681 1,611,875.
Transfer to Page 15

continued on Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 14

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 2,264,566.

Total of Additions ..... From = 640 1,611,875.

Subtotal of deductions on page 14 ..... From = 681 1,611,875.

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year ..... 662 0.

ONTTI Gross-up deduction calculation:

From 662 0. x Gross-up of CCA 100 / From 30 .0000 Ontario Allocation – From 662 0. = 663 0

Workplace Child Care Tax Incentive

Qualifying expenditures: 665 0. x 30.00% x 100 / From 30 100.0000 Ontario Allocation = 666 0

Workplace Accessibility Tax Incentive

Qualifying expenditures: 667 0. x 100.00% x 100 / From 30 100.0000 Ontario Allocation = 668 0

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI): (*Applies* to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: 670 0. x 30.00% x 100 / From 30 100.0000 Ontario Allocation = 671 0

Educational Technology Tax Incentive: (*Applies* to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 0. x 15.00% x 100 / From 30 100.0000 Ontario Allocation = 673 0

Ontario allowable business investment loss ..... + 678 0.

Ontario Scientific Research Expenses claimed in year in 477 **from Ont. CT23 Schedule 161** ..... + 679 0

Amount added to income federally for an amount that was negative in line 454 of federal form T661 ..... + 677 0

Total of other deductions allowed by Ontario *(Attach schedule)* ..... + 664 0.

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 .. = 1,611,875. 680 1,611,875.

Net income (loss) for Ontario Purposes 600 + 640 – 680 ..... = 690 2,264,566.

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 141,243	710 (2) 16,528	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 0	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 0	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 (2) 141,243	715 (2) (4) 16,528	724 (2) 0	734 (2) (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17 0	716 (2) to Page 17 0	726 (2) to Page 17 0	736 (2) to Page 17 0	746 0	
Subtotal	707 141,243	717 16,528	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 0	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 9th preceding taxation year				850 0	870 0
801 8th preceding taxation year				851 0	871 0
802 7th preceding taxation year				852 0	872 0
803 6th preceding taxation year	820 0	830 0	840 0	853 0	873 0
804 5th preceding taxation year	821 0	831 0	841 0	854 0	874 0
805 4th preceding taxation year	822 0	832 0	842 0	855 0	875 0
806 3rd preceding taxation year	823 0	833 0	843 0	856 0	876 0
807 2nd preceding taxation year 2001-12-31	824 0	834 0	844 0	857 0	877 0
808 1st preceding taxation year 2002-12-31	825 0	835 0	845 0	858 0	878 0
09 Current taxation year 2003-12-31	826 0	836 0	846 0	859 0	879 0
Total	829 0	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Predecessor Ontario Corporation's Tax Account No. (MOF)	Taxation Year Ending (year month day)	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss			910 0	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income						
i) 3rd preceding		901	911 0	921 0	931 0	941 0
ii) 2nd preceding		902	912 0	922 0	932 0	942 0
iii) 1st preceding		903	913 0	923 0	933 0	943 0
Total loss to be carried back			From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward			919 0	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		153,722.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		97,700.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		251,422.
Subtract: Payments	– 960		249,036.
Capital Gains Refund (s.48)	– 965		0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985		0.
Specified Tax Credits *(Refer to Guide)*	– 955		0.
Other (specify) _____	–		0.
Balance	= 970		2,386.
If payment due	Enclosed * 990		2,386.
If overpayment: Refund *(Refer to Guide)*	= 975		0.
Apply to (year month day)	980		0.

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the Minister of Finance*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

LLOYD PAYNE

Title

PRESIDENT

Full Residence Address

Signature L. Payne

Date May 28/04

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 **91,149.**

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes	+ 2101	0.	
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102	0.	
Equity income from corporations	+ 2103	0.	
Share of partnership(s)/joint venture(s) income	+ 2104	0.	
Dividends received/receivable deductible under fed.s.112	+ 2105	0.	
Dividends received/receivable deductible under fed.s.113	+ 2106	0.	
Dividends received/receivable deductible under fed.s.83(2)	+ 2107	0.	
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) 0. X 9/4	+ 2108	0.	
Subtotal	=	0.	- 2109 0.

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes	+ 2110	735,000.	
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2111	0.	
Equity losses from corporations	+ 2112	0.	
Share of partnership(s)/joint venture(s) losses	+ 2113	0.	
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2114	0.	
Subtotal	=	735,000.	+ 2115 735,000.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	+ 2116	0.	or - 2117	0.
** Fed.s.85.1	+ 2118	0.	or - 2119	0.
** Fed.s.97	+ 2120	0.	or - 2121	0.
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2122	0.	or - 2123	0.
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2124	0.	or - 2125	0.
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ 2126	0.	or - 2127	0.
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	- 2150	0.		

Subtotal (Additions) = 0. + 2128 0.

Subtotal (Subtractions) = 0. - 2129 0.

** Other adjustments ± 2130 0.

Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130 = 2131 **826,149.**

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss ± 2132 0.

Adjusted net income (loss) (if loss, transfer to 2202 *in Schedule B: Continuity of CMT Losses Carried Forward, Page 19.)* = 2133 **826,149.**

Deduct: * CMT losses: pre-1994 Loss + From 2210 0.

* CMT losses: other eligible losses + 2211 0.

= 0. - 2134 0.

* CMT losses applied cannot exceed adjusted net income or increase a loss

* *Retain calculations. Do not submit with this tax return.*

CMT Base = 2135 **826,149.**

Transfer to CMT Base on Page 6

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)				+ 2201	0.
Add: Current year's losses	+ 2202	0.			
Losses from predecessor corporations on amalgamation (3)	+ 2203	0.			
Losses from predecessor corporations on wind-up (3)	+ 2204	0.			
Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes					
Subtotal	=	0.	+ 2207	0.	
Adjustments (attach schedule)			± 2208	0.	
CMT losses available 2201 + 2207 ± 2208			= 2209	0.	
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210	0.			
Other eligible losses utilized during the year to reduce adjusted net income (4)	+ 2211	0.			
Losses expired during the year	+ 2212	0.			
Subtotal	=	0.	− 2213	0.	
Balances at End of Year (5) 2209 − 2213			= 2214	0.	

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 2001-12-31	2260 0	2280 0
2241	8th preceding taxation year 2002-12-31	2261 0	2281 0
2242	7th preceding taxation year 2003-12-31	2262 0	2282 0
2243	6th preceding taxation year	2263 0	2283 0
2244	5th preceding taxation year	2264 0	2284 0
2245	4th preceding taxation year	2265 0	2285 0
2246	3rd preceding taxation year	2266 0	2286 0
2247	2nd preceding taxation year	2267 0	2287 0
2248	1st preceding taxation year	2268 0	2288 0
2249	Current taxation year	2269 0	2289 0
Totals		2270 0	2290 0

The sum of amounts 2270 + 2290 *must equal amount in* 2214

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1)				+ 2301	109,660.
Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL)	+ From 280	0.			
CMT Credit Carryovers from predecessor corporations (2)	+ 2302	0.			
Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes					
Subtotal	=	0.	+ 2305		0.
Adjustments *(Attach schedule)*			± 2306		0.
CMT credit carryover available 2301 + 2305 ± 2306			= 2307		109,660.
					Transfer to Page 8
Subtract: CMT Credit utilized during the year to reduce income tax (Page 8)	+ From 310	109,660.			
CMT Credit expired during the year	+ 2308	0.			
Subtotal	=	109,660.	− 2309		109,660.
Balance at End of Year (3) 2307 − 2309			= 2310		0.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 2001-12-31	2360 0	2380 0
2341	8th preceding taxation year 2002-12-31	2361 0	2381 0
2342	7th preceding taxation year 2003-12-31	2362 0	2382 0
2343	6th preceding taxation year	2363 0	2383 0
2344	5th preceding taxation year	2364 0	2384 0
2345	4th preceding taxation year	2365 0	2385 0
2346	3rd preceding taxation year	2366 0	2386 0
2347	2nd preceding taxation year	2367 0	2387 0
2348	1st preceding taxation year	2368 0	2388 0
349	Current taxation year	2369 0	2389 0
Totals		2370 0	2390 0

The sum of amounts 2370 + 2390 *must equal amount in* 2310.

Calculation of Tax Rates for the

- Incentive Deduction for Small Business Corporations (IDSBC)
  (Small Business Tax Credit) (S.41)
  Surtax on Canadian-controlled Private Corporations (s.41.1)

1. Calculation of IDSBC Rate

Number of Days In Taxation Year

		Days after December 31, 1998 and before January 1, 2000		Total Days		
7.00%	x	0	/	365	=	.0000%
		Days after Dec 31, 1999 and before Jan 1, 2001		Total Days		
7.50%	x	0	/	365	=	.0000%
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days		
7.50%	x	0	/	365	=	.0000%
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days		
6.50%	x	0	/	365	=	.0000%
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
7.00%	x	365	/	365	=	7.0000%
		Days after Dec 31, 2003 and before Jan 1, 2005		Total Days		
8.50%	x	0	/	365	=	.0000%
IDSBC Rate for the Taxation Year					=	7.0000%

2. Calculation of Specified Rate for Surtax

		Number of Days In Taxation Year			
		Days after Dec 31, 1998 and before Jan 1, 2000		Total Days	
4.67%	x	0	/	365	= .0000%
		Days after Dec 31, 1999 and before Jan 1, 2001		Total Days	
5.00%	x	0	/	365	= .0000%
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days	
5.00%	x	0	/	365	= .0000%
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days	
4.3330%	x	0	/	365	= .0000%
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days	
4.6670%	x	365	/	365	= 4.6670%
		Days after Dec 31, 2003 and before Jan 1, 2005		Total Days	
4.6670%	x	0	/	365	= .0000
Specified Rate of Surtax for the Taxation Year					= 4.6670%

Ontario

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

Surtax on Canadian-Controlled Private Corporations

ıporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2003-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
HALDIMAND COUNTY ENERGY INC.	1800099	2002-12-31	+
HALDIMAND COUNTY GENERATION INC.	1800100	2002-12-31	+
HALDIMAND COUNTY UTILITIES INC.	1800102	2002-12-31	+
			+
			+
			+
			+
			+
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			+
			+
			+
			+
		Total	
		Transfer to 85 *of the CT23*	=

Ontario

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

Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2003-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
HALDIMAND COUNTY ENERGY INC.	1800099	2002-12-31	+	+
HALDIMAND COUNTY GENERATION INC.	1800100	2002-12-31	+	+
HALDIMAND COUNTY UTILITIES INC.	1800102	2002-12-31	+	+
			+	+
			+	+
			+	+
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			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
			+	+
		Totals	=	=
			Transfer to 249 of the CT23	Transfer to 250 of the CT23

Ontario

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

Paid-Up Capital: Loans and Advances

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2003-12-31

Loans or Advances Credited or Advanced to Corporation
(Includes accounts payable to related parties outstanding at the taxation year end for 120 days or more, and accounts payable to non-related parties outstanding for 365 days or more at the taxation year end)

Customer Deposits	+	465,080
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
	+	0
Total *Transfer to* 353 *of the CT23*	=	465,080

Ontario Summary of Dispositions of Capital Property
Schedule 6

- For a corporation that has disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- This schedule may be used to make a designation under section 34(10) of the "Corporations Tax Act" provided the corporation has made a designation under paragraph 111(4)(e) of the "Income Tax Act" (Canada), if control of the corporation has been acquired by a person or group of persons.

Period 1: Dispositions before February 28, 2000
Period 2: Dispositions after February 27, 2000 and before October 18, 2000
Period 3: Dispositions after October 17, 2000

Part A: Designation under section 34(10) of the "Corporations Tax Act"

Complete part A if there are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e) of the "Income Tax Act" (Canada) or section 34(10) of the "Corporations Tax Act"? ..... Yes/No [N]
If Yes, complete the following:

Property	Class number	Date of disposition YYYY/MM/DD	Proceeds of disposition	Adjusted cost base	Other adjustments	Designated amount	Gain or loss
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0

Part B: Inter-provincial asset transfers

Complete part B if there was any disposition shown on the schedule as a result of a federal election under section 85 of the "Income Tax Act" (Canada) that transferred assets to a non-arm's length corporation with a permanent establishment in another Canadian jurisdiction? ..... Yes/No [N]
If Yes, complete the following:

Property	Class number	Corporation name of transferee/or	Date of disposition YYYY/MM/DD	Cost of asset in other jurisdiction
				0
				0
				0
				0
				0

Name of other jurisdiction	Allocation ratio to other jurisdictions	Ontario elected amount	Gain or loss
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.	

Part 1 - Shares

No.of shares	Name of corporation	Class of shares				Gain (loss)	
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
			0	0	0	0	
		Totals	0	0	0	0	A
					Gain (loss) on dispositions in period 1	0	A1
					Gain (loss) on dispositions in period 2	0	A2
					Gain (loss) on dispositions in period 3	0	A3

Part 2 - Real estate ("Do not include losses on depreciable property")

nicipal address
1 = Address 1
2 = Address 2
3 = City
4 = Province, Country, Postal Code, Zip Code or Foreign Postal Code

					Gain (loss)	
Dunnville property	2000-10-31	7,900	0	0	7,900	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	
	Totals	7,900	0	0	7,900	B
				Gain (loss) on dispositions in period 1	0	B1
				Gain (loss) on dispositions in period 2	0	B2
				Gain (loss) on dispositions in period 3	7,900	B3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.

Part 3 - Bonds

Face value	Maturity date YYYY/MM/DD	Name of issuer				Gain (loss)	
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
0			0	0	0	0	3
			0	0	0	0	
		Totals	0	0	0	0	C
					Gain (loss) on dispositions in period 1	0	C1
					Gain (loss) on dispositions in period 2	0	C2
					Gain (loss) on dispositions in period 3	0	C3

Part 4 - Other properties - ("Do not include losses on depreciable property")

Description						Gain (loss)	
Truck #11	2000-10-31	51,750	2,917	0	48,833	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0		
Gain or loss from a partnership							
		0	0	0	0		
	Totals	51,750	2,917	0	48,833	D	
					Gain (loss) on dispositions in period 1	0	D1
					Gain (loss) on dispositions in period 2	0	D2
					Gain (loss) on dispositions in period 3	48,833	D3

Part 5 - Personal- use property

Description of capital property					Gain only	
	0	0	0	0	3	
	0	0	0	0	3	
	0	0	0	0	3	
	0	0	0	0	3	
Note: Losses are not deductible.	Totals 0	0	0	0	E	
			Gain on dispositions in period 1	0	E1	
			Gain on dispositions in period 2	0	E2	
			Gain on dispositions in period 3	0	E3	

1	2	3	4	5	6	
Types of capital property	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Ontario adjusted cost base	Outlays and expenses	Ontario gain or (loss) (col. 3 less cols. 4 & 5)	Date of disp.

Part 6 - Listed personal property

Description					Gain (loss)	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
	Totals	0	0	0	0	

	Period 1	Period 2	Period 3		
Gain (or loss) on dispositions	0	0	0	0	
Subtract: Unapplied LPP losses from other years applicable to gain on dispositions	0	0	0	0	
Net gain (loss) on dispositions	0	0	0	0	F

Note: Net listed personal property losses may only be applied against personal property gains.

Part 7 - Property qualifying for and resulting in an allowable business investment loss

Name of small business corporation	Shares enter 1 Debt enter 2	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Ontario adjusted cost base	Outlays and expenses	Ontario loss (col. 3 less (cols 4 & 5)	Date of disp.
	0		0	0	0	0	3
	0		0	0	0	0	3
	0		0	0	0	0	3
	0		0	0	0	0	3
		Totals	0	0	0	0	G
				Loss on dispositions in period 1		0	G1
				Loss on dispositions in period 2		0	G2
				Loss on dispositions in period 3		0	G3

Note: Properties listed in Part 7 should not be included in any other Part of Schedule 6.

Determining capital gains and capital losses

	Period 1	Period 2	Period 3	
Gains or losses on dispositions				
(Total of amounts A to F,				
if amount F is a loss, do not include it)	0	0	56,733	56,733
Allowable business investment losses				
(G1, G2, G3)	0	0	0	
Gains or losses on dispositions				
(including ABIL)	0	0	56,733	
Add:				
Gain or loss from a partnership				0
Capital gains dividends received in the year	0	0	0	0
Capital gains reserve				
(Opening balance) Schedule 13	0	0	0	0
Subtotal	0	0	56,733	56,733
Less:				
Capital gains reserve				
(Closing balance) from Schedule 13 (note 1)	0	0	0	0
Deductible portion of gain on donations				
(including ecologically sensitive land)	0	0	0	
Gains (or losses)	0 H	0 I	56,733 J	56,733 Z

Note 1: Applicable to dispositions made in the period. Closing balance reserves from dispositions made in a previous taxation year need to be deducted in the period during which the taxation year begins.

Inclusion rate

	Gains or losses		Inclusion Rate		Net capital gain/capital loss	
Amount from line I, **period 1**	0 H	x	75.0000%	=	0	K
Amount from line I, **period 2**	0 I	x	66.6667%	=	0	L
Subtotal (note 2)	0 M	x	.0000%	=	0	AA
Amount from line I, **period 3**	56,733 J	x	50.0000%	=	28,367	N
Total (note 3)	56,733 O				28,367	P
Inclusion rate for the year expressed as a decimal fraction (P divided by O)					50.000000%	Q

Note 2

If one of either line H or line I is positive, and the other is negative, enter the difference (gain or loss) on the **subtotal** line. On the **Inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line AA based on that rate. In this case, it would not be necessary to calculate an amount at K and L. Otherwise, add lines H and I, and lines K and L for the subtotals. At the **Inclusion rate** line between M and AA, enter the result of M divided by AA. This rate may be required in further calculations.

Note 3

If one of either line M or line J is positive, and the other is negative, enter the difference (gain or loss) on the total line. On the **Inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line P based on that rate. This could be the rate referred to at the end of note 2 above. In this case, it would not be necessary to calculate an amount at line N. Otherwise, add lines M and J, and lines AA and N for the totals.

Time Weighted Method for Investment corporation or mutual fund corporation

Is the corporation a mutual fund corporation that wishes to use the time weighted method?..... [Y/N] N

Number of days in period 1	0	x	75.0000%	=	.0000%
Number of days in period 2	0	x	66.6667%	=	.0000%
Number of days in period 3	0	x	50.0000%	=	.0000%
Number of days in the taxaton year	0				.000000%

Determination of taxable capital gains and allowable business investment losses

Amount from line Z				56,733	Z
Deduct:					
Gain on donations of a share, debt obligation, or right (included in amounts A to F) (note 4)					
Before February 28, 2000	0				
After February 27, 2000 and before October 18, 2000	0				
After October 17, 2000	0				
	0	x 1/2	=	0	
Subtotal				56,733	
Deduct:					
Amount of gain on donations of ecologically sensitive land after February 27, 2000					
After February 27, 2000 and before October 18, 2000	0				
After October 17, 2000	0				
	0	x 1/2	=	0	
Gains or Loss					
Include 100% of the losses in box 711 of the CT23				56,733	R
Taxable capital gains (amount R x inclusion rate)					
Transfer to 603 of the CT23				28,367	S
Allowable business investment loss (line G x inclusion rate)					
Transfer to 678 of the CT23				0	G4

Note 4:
Gain on donations of a share, debt obligation, or right listed on a prescribe stock exchange and amounts under paragraph 38(a.1) of the Act on (for donations made after February 18, 1997, and before the year 2002 to charities other than private foundations).

Portion of Gain or Loss from Foreign sources (100%)	0

CALCULATION OF AGGREGATE INVESTMENT INCOME AND ACTIVE BUSINESS INCOME

Part 1 - Aggregate and foreign investment income calculation

	Canadian investment income	Foreign investment income	Aggregate investment income	
The eligible portion of taxable capital gains included in income for the year	28,367	0	28,367	A
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	0	0	0	B
Net capital losses of other years claimed at line 332 on the T2 return	8,264		8,264	C
Total of amounts B and C	8,264	0	8,264	D
Amount A **minus** amount D (if negative, enter "0")	20,103	0	20,103	E
Total income from property (include only income from a specified investment business carried on in Canada other than income from a source outside Canada)				
Taxable dividends	0	0	0	
Other property income	0	0	0	
Total income from property	0	0	0	F
Exempt income	0	0	0	G
Amounts received from NISA Fund No.2 that were included in computing the corporation's income for the year	0	0	0	H
Taxable dividends deductible from Schedule 3, and taxable dividends deductible under paragraph 113(1)(d) and subsection 113(2)	0	0	0	I
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	0	0	0	J
Total of amounts G, H, I, and J	0	0	0	K
Amount F **minus** amount K	0	0	0	L
Total of amount E **plus** amount L	20,103	0	20,103	M
Total losses from property (include only losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)	0	0	0	N
Amount M **minus** amount N (if negative, enter "0")	20,103	0 O	20,103	P

Note: The aggregate investment income is the aggregate world source income.
Enter amount O, foreign investment income, on line 445 of the T2 return.
Enter amount P, aggregate investment income, on line 440 of the T2 return.

NET TAXABLE DIVIDENDS	Canadian	Foreign	Total
Taxable dividends deducted per schedule 3	0	0	0
Less: Expenses related to such dividends			
Total expenses	0	0	0
Net taxable dividends	0	0	0

Part 2 - Specified partnership income

A Partnership name	B Total income (loss) of partnership from an active business	C Corp's share of amount in column B	D Adjustments (add prior-year reserves added back to current-year income, under subsection 34.2(5), and deduct expenses incurred to earn partnership income)	E Corp's income (loss) of the partnership (column C plus column D)	F Number of days in the partnership's fiscal period	G Prorated business limit (columns C / B) x [200,000 x (column F / 365)] (if column C is negative, enter "0")	H Lesser of columns E and G (if column E is negative, enter "0")	
	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
			Total	0		Total	0	H.1

Add to the total of Line H, the lesser of:

i) the corporation's losses for the year from an active business carried on in Canada (other than as a member of a partnership) - enter as a positive amount 0

plus:

the specified partnership loss of the corporation for the year - enter as a positive amount (total of all negative amounts in column E) 0 H.2

0

ii) Column E **minus** column G - if negative, enter "0" (if a member of more than one partnership, calculate separately for each partnership and enter total) 0 0 H.3

Specified partnership income (line H.1 **plus** line H.3) 0 H.4

* When a partnership carries on more than one business, one of which generates income and another realizes a loss, the partnership loss is not netted against the partnership's income.

Part 3 - Determination of partnership income

Corporation's share of partnership income from active businesses carried on in Canada after deducting related expenses - from the total of line E above (if the net amount is negative, enter "0" on line M)		0	I
Add: Specified partnership loss (from line H.2 above)		0	J
	Subtotal	0	K
Deduct: Specified partnership income (from line H.4 above)		0	L
Partnership income (enter on line P below)		0	M

Part 4 - Income from active business carried on in Canada

Net income for Ontario income tax purposes			2,264,566	N
Deduct: Foreign business income after deducting related expenses *	0			
Taxable capital gains **minus** allowable capital loss - amount A **minus** amount B (page 1) *	28,367			
Net property income - amount F **minus** amounts G, H and N (page 1) *	0	O		
Personal services business income after deducting related expenses *	0			
	28,367		28,367	
	Net amount		2,236,199	
Deduct: Partnership income (line M above)			0	P
Income from active business carried on in Canada (if negative, enter "0")			2,236,199	Q

* If negative, enter in brackets, and add instead of subtracting.

HALDIMAN COUNTY HYDRO INC. Ont. Sch. 008
Corp. Tax Acct. No. : 1800101 Year Ended: 2003-12-31

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
8	251,712	115,948	0	0	367,660	57,974	309,686	20	0	0	61,937	305,723
10	668,047	335,722	0	2,916	1,000,853	166,403	834,450	30	0	0	250,335	750,518
12	15,154	97,040	0	0	112,194	48,520	63,674	100	0	0	63,674	48,520
1	28,449,568	1,793,778	0	0	30,243,346	896,889	29,346,457	4	0	0	1,173,858	29,069,488
17	0	40,114	0	0	40,114	20,057	20,057	8	0	0	1,605	38,509
Total	29,384,481	2,382,602	0	2,916	31,764,167	1,189,843	30,574,324		0	0	1,551,409	30,212,758
								Enter in boxes	[650]	[650]	[650] on the CT23	

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Ontario

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

Ontario Cumulative Eligible Capital Deduction

Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2003-12-31

- **For use by a corporation that has eligible capital property.**
- **A separate cumulative eligible capital account must be kept for each business.**

Part 1 - Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital – balance at end of preceding taxation year (*if negative, enter zero*) ..... **458,556 A**

Add:

Cost of eligible capital property acquired during the taxation year	+	0 B			
Amount transferred on amalgamation or wind-up of subsidiary	+	0 C			
Other adjustments	+	0 D			
Total of B + C + D	=	0	X 0.75 =		0 E
Subtotal A + E			=		458,556 F

Deduct:

Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	+	0 G			
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada)	+	0 H			
Other adjustments	+	0 I			
Total of G + H + I	=	0	X 0.75 =		0 J
Ontario cumulative eligible capital balance F – J			=		458,556 K

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction 458,556 K X 7.00% * ..... = **32,099 L**

* *The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.*

Enter amount in box 651 *of the CT23*

Ontario cumulative eligible capital - closing balance K – L (*if negative, enter zero*) ..... = **426,457 M**

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may **not** exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Only complete this part if the amount at line K is negative

Amount from line K above (*show as a positive amount*) ..... **0 N**

Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988		0 1		
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA		0 2		
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	0 3			
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	0 4			
Line 3 deduct line 4	0	0 5		
Total lines 1 + 2 + 5		0 6		
Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000		0 7		
Deduct line 7 from line 6		0		0 O
N - O (*cannot be negative*)				0 P
Amount on line 5	0	X 1/2		0 Q
P - Q				0 R
Amount on line R	0	X 2/3 *		0 S
Lesser of line N or line O				0 T
Amount to be included in income S + T				0

* Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

Ontario

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

Taxable Capital of Associated Corporations

(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2003-12-31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Capital
HALDIMAND COUNTY ENERGY INC.	1800099	2002-12-31	+ 385,866
HALDIMAND COUNTY GENERATION INC.	1800100	2002-12-31	+
HALDIMAND COUNTY UTILITIES INC.	1800102	2002-12-31	+
			+
			+

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 13

2004 Tax Returns

- Federal T2
- Provincial CT23
- Notice of Assessment

Detach and return this REMITTANCE FORM with your payment.

Remittance Advice - Payment-in-Lieu (PIL)

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

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

COPY

Account No.
1800101

35
PX5003

Taxation Year End: (YYYYMMDD) 2004

Payment Amount: $ 137960

Taxation Year End: (YYYYMMDD) 20041231

HALDIMAND COUNTY HYDRO INC.
C/O LLOYD PAYNE
1 GREENDALE DR
RR #2
CALEDONIA ON
N3W 2J3

Payment Amount: $

Total Payment Enclosed: $ 137960

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2004/01/01 to 2004/12/31

Ontario

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

RECEIVED
SEP - 1 2005

Account No.	Assessment Date (year, month, day)	Page
1800101	2005/08/29	1 of 1

HALDIMAND COUNTY HYDRO INC.

ASSESSMENT NO. 61

ENTERED
001939

Tax: Federal and Provincial PIL		1,612,386.00
Assessment Interest		3,407.22
Total Assessment Liability		1,615,793.22

SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	1,614,416.00CR	
Sub-Total		1,614,416.00CR
TAXATION YEAR BALANCE DUE **		1,377.22

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Government Assistance added to Taxable Income

Statement of Adjustments sent under separate cover.

Apprenticeship Training Tax Credit (ATTC) adjusted

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC) The current interest rate is 0.0191780%.

Tax (Re)Assessment Enquiries:
- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:
- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

PX5003 200

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

200
Code 0401

055 Do not use this area

THIS IS YOUR FILE COPY

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

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

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

Identification

Business Number (BN) 001 890759814RC0001

Corporation's name

002 HALDIMAND COUNTY HYDRO INC.

Has the corporation changed its name since the last time we were notified? 003 1 Yes [ ] 2 No [X]

If *Yes*, do you have a copy of the articles of amendment? 004 1 Yes [ ] 2 No [ ]

Address of head office

Has the address changed since the last time we were notified? 010 1 Yes [ ] 2 No [X]

011 1 GREENDALE DRIVE R. R. #2

012

City	Province, territory, or state
015 CALEDONIA	016 ON
Country (other than Canada)	**Postal code/ZIP code**
017	018 N3W-2J3

Mailing address (if different from head office address)

Has the address changed since the last time we were notified? 020 1 Yes [ ] 2 No [X]

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal code/ZIP code**
027	028

Location of books and records

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

031 1 GREENDALE DRIVE R. R. #2

032

City	Province, territory, or state
035 CALEDONIA	036 ON
Country (other than Canada)	**Postal code/ZIP code**
037	038 N3W-2J3

040 **Type of corporation at the end of the taxation year**

1 [X] Canadian-controlled private corporation (CCPC)
2 [ ] Other private corporation
3 [ ] Public corporation
4 [ ] Corporation controlled by a public corporation
5 [ ] Other corporation (specify, below)

If the type of corporation changed during the taxation year, provide the effective date of the change 043 YYYY/MM/DD

To which taxation year does this return apply?

Taxation year start	Taxation year-end
060 2004-01-01 YYYY/MM/DD	061 2004-12-31 YYYY/MM/DD

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

If *Yes*, give the date control was acquired 065 YYYY/MM/DD

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes [ ] 2 No [X]

Is this the first year of filing after:

Incorporation? 070 1 Yes [ ] 2 No [X]
Amalgamation? 071 1 Yes [ ] 2 No [X]

If *Yes*, complete and attach Schedule 24.

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

If *Yes*, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? 076 1 Yes [ ] 2 No [X]

Is this the final return up to dissolution? 078 1 Yes [ ] 2 No [X]

Is the corporation a resident of Canada?

080 1 Yes [X] 2 No [ ] If *No*, give the country of residence.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes [ ] 2 No [X]

If *Yes*, complete and attach Schedule 91.

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

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

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141. * We do not print these schedules.

Schedules – Answer the following questions. For each *Yes* response, attach to the T2 return the schedule that applies.

Guide item			Yes	Schedule
27	Is the corporation related to any other corporations?	150	X	9
28	Does the corporation have any non-resident shareholders?	151		19
29	Is the corporation an associated Canadian-controlled private corporation?	160	X	23
30	Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
33	If you answered *Yes* to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163		44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
38	Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168		22
41	Did the corporation have any foreign affiliates during the year?	169		25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal *Income Tax Regulations*?	170		29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
47	Has the corporation made payments to, or received amounts from, a retirement compensation arrangement in the year?	172		—
46	For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
55	Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province or a territory, or gifts of cultural or ecological property?	202		2
2,104	Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	3
69-76	Is the corporation claiming any type of losses?	204		4
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	X	6
103	i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return, b) a partnership, c) a foreign business, or d) a personal services business; or ii) is the corporation claiming the refundable portion of Part I tax?	207	X	7
		208	X	8
57	Does the corporation have any property that is eligible for capital cost allowance?	210	X	10
58	Does the corporation have any property that is eligible capital property?	212		12
59	Does the corporation have any resource-related deductions?	213		13
60	Is the corporation claiming reserves of any kind?	216		16
61	Is the corporation claiming a patronage dividend deduction?	217		17
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	218		18
150	Is the corporation an investment corporation or a mutual fund corporation?	220		20
131	Was the corporation carrying on business in Canada as a non-resident corporation?	221		21
118	Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	226		26 *
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	227		27
111	Does the corporation have any Canadian manufacturing and processing profits?	231		31
121	Is the corporation claiming an investment tax credit?	232		T661
63	Is the corporation claiming any scientific research and experimental development expenditures?	233		33/34/35
124	Is the corporation subject to gross Part I.3 tax?	236		36
124	Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	237	X	37
124	Is the corporation claiming a surtax credit?	238		38
128	Is the corporation subject to gross Part VI tax on capital of financial institutions?	242		42
128	Is the corporation claiming a Part I tax credit?	243		43
129	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	244		45
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	249		46
125	Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	250		39
128	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	253		T1131
152	Is the corporation claiming a Canadian film or video production tax credit refund?	254		T1177
153	Is the corporation claiming a film or video production services tax credit refund?	255		92 *
130	Is the corporation subject to Part XIII.1 tax?			

Attachments – continued from page 2

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

Additional information

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

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

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

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

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

284	UTILITY	285	100%
286		287	0%
288		289	0%

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

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

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI 300 4,184,566 A

Deduct:

Charitable donations from Schedule 2	311	0	
Gifts to Canada, a province, or a territory from Schedule 2	312	0	
Cultural gifts from Schedule 2	313	0	
Ecological gifts from Schedule 2	314	0	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	0	
Part VI.1 tax deduction from Schedule 43*	325	0	
Non-capital losses of preceding taxation years from Schedule 4	331	0	
Net-capital losses of preceding taxation years from Schedule 4	332	0	
Restricted farm losses of preceding taxation years from Schedule 4	333	0	
Farm losses of preceding taxation years from Schedule 4	334	0	
Limited partnership losses of preceding taxation years from Schedule 4	335	0	
Taxable capital gains or taxable dividends allocated from a central credit union	340	0	
Prospector's and grubstaker's shares	350	0	
Subtotal		0	0 B

Subtotal (amount A minus amount B) (if negative, enter "0") 4,184,566 C

Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions 355 0 D

Taxable income (amount C plus amount D) 360 4,184,566

Income exempt under paragraph 149(1)(t) 370 0

Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) 4,184,566 Z

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

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7 ..... 400 4,175,586 A

Taxable income from line 360 on page 3, **minus** 10/3 of the amount at line 632* on page 7, **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax ... 405 4,184,566 B

Calculation of the business limit:

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

200,000	x	Number of days in the taxation year before 2003 / Number of days in the taxation year	0 / 366	=	0	1
225,000	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 366	=	0	2
250,000	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	366 / 366	=	250,000	3
300,000	x	Number of days in the taxation year after 2004 / Number of days in the taxation year	0 / 366	=	0	3.1

Add amounts at lines 1, 2, 3, and 3.1 250,000 4

Business limit (see notes 1 and 2 below) ..... 410 250,000 C

Notes: 1. For CCPCs that are note associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.

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

Business limit reduction:

Amount C 250,000 x 415*** 65,178 / 11,250 D = ... 1,448,400 E

Reduced business limit (amount C minus amount E) (if negative, enter "0") ..... 425 0 F

Small business deduction - 16.00% of whichever amount is least: A, B, C, or F ..... 430 0 G
(enter amount G on line 9 of page 7)

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

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

*** **Large corporation tax**

- The large corporation tax to be entered at line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada minus $10,000,000).
- If the corporation is not associated with any corporation in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporation in the current taxation year, but was associated in the preceding taxation year, and its current taxation year:
  - starts before December 21, 2002, enter the corporation's gross Part I.3 tax for its **preceding** taxation year; or
  - starts after December 20, 2002, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425) ..... 0 x 300,000 / line 4 above = 0 A

Net active business income (amount from line 400) * ..... 4,175,586 B

Taxable income from line 360 on page 3 **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt for Part I tax ..... 4,184,566 C

Deduct:

Aggregate investment income (amount from line 440 of page 6) ..... 8,980 D

Amount C minus amount D (if negative, enter "0") ..... 4,175,586 4,175,586 E

Amount A, B, or E above, whichever is less ..... 0 F

Amount Z from Part 9 of Schedule 27 ..... 0 x 100/7 = 0 G

Amount QQ from Part 13 of Schedule 27 ..... 0 H

Taxable resource income from line 435 of page 5 ..... 0 I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) .. 0 J

Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less .. 0 K

Total of amounts G, H, I, J, and K ..... 0 0 L

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

Accelerated tax reduction - 7% of amount M (enter amount N on line 637 of page 7) ..... 0 N

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

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

Resource deduction

Taxable resource income (as defined in subsection 125.11(1)) ..... 435 0 A

Amount A	0	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 366	x 1% =	0	B
Amount A	0	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	366 / 366	x 2% =	0	C
Amount A	0	x	Number of days in the taxation year in 2005 / Number of days in the taxation year	0 / 366	x 3% =	0	C.1
Amount A	0	x	Number of days in the taxation year in 2006 / Number of days in the taxation year	0 / 366	x 5% =	0	C.2

Resource deduction – total of amounts B, C, C.1, and C.2 ..... 438 0 D
(enter amount D on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3 ..... 4,184,566 E

Amount Z from Part 9 of Schedule 27	0 x 100/7 = 0	F	
Amount QQ from Part 13 of Schedule 27	0	G	
Taxable resource income from line 435 above	0	H	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	0	I	
Amount on line 400, 405, 410, or 425 on page 4, whichever is less	0	J	
Aggregate investment income from line 440 of page 6	8,980	K	
Amount used to calculate the accelerated tax reduction (amount M of page 4)	0	L	
Total of amounts F, G, H, I, J, K, and L	8,980		8,980 M

Amount E minus amount M (if negative, enter "0") ..... 4,175,586 N

Amount N	4,175,586	x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 366	x 3% =	0	O
Amount N	4,175,586	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 366	x 5% =	0	P
Amount N	4,175,586	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	366 / 366	x 7% =	292,291	Q

General tax reduction for Canadian-controlled private corporations - total of amounts O, P, and Q ..... 292,291 R
(enter amount R on line 638 of page 7)

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation

Taxable income from line 360 of page 3 ..... 0 S

Amount Z from Part 9 of Schedule 27	0 x 100/7 = 0	T	
Amount QQ from Part 13 of Schedule 27	0	U	
Taxable resource income from line 435 above	0	V	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	0	W	
Total of amounts T, U, V, and W	0		0 X

Amount S minus amount X (if negative, enter "0") ..... 0 Y

Amount Y	0	x	Number of days in the taxation year in 2002 / Number of days in the taxation year	0 / 366	x 3% =	0	Z
Amount Y	0	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	0 / 366	x 5% =	0	AA
Amount Y	0	x	Number of days in the taxation year after 2003 / Number of days in the taxation year	366 / 366	x 7% =	0	BB

General tax reduction - total of amounts Z, AA, and BB ..... 0 CC
(enter amount CC on line 639 of page 7)

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income .... 440 8,980 x 26 2/3% = ... 2,395 A
(amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 0

Deduct:

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

Amount A minus amount B (if negative, enter "0") ..... 2,395 C

Taxable income from line 360 on page 3 4,184,566

Deduct:

Amount on line 400, 405, 410, or 425 on page 4, whichever is less 0

Foreign non-business income tax credit from line 632 of page 7 ..... 0 x 25/9 = 0

Foreign business income tax credit from line 636 of page 7 ..... 0 x 3 = 0

0 — 0

4,184,566 x 26 2/3% = 1,115,884 D

Part I tax payable minus investment tax credit refund (line 700 minus line 780 of page 8) ... 926,853

Deduct: Corporate surtax from line 600 of page 7 46,867

Net amount ..... 879,986 — 879,986 E

Refundable portion of Part I tax – Amount C, D, or E, whichever is less ..... 450 2,395 F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 5,361

Deduct: Dividend refund for the previous taxation year 465 5,361

0 — 0 A

Add the total of:

Refundable portion of Part I tax from line 450 above 2,395

Total Part IV tax payable from line 360 on page 2 of Schedule 3 0

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation 480 0

2,395 — 2,395 B

Refundable dividend tax on hand at the end of the taxation year – Amount A plus amount B 485 2,395

Dividend refund

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

Taxable dividends paid in the taxation year from line 460 on page 2 of Schedule 3 ..... 19,654 x 1/3 — 6,551 A

Refundable dividend tax on hand at the end of the taxation year from line 485 above ..... 2,395 B

Dividend refund – Amount A or B, whichever is less (enter this amount on line 784 of page 8) 2,395

Part I tax

Base amount of Part I tax – 38.00% of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 1,590,135 A

Corporate surtax calculation

Base amount from line A above	1,590,135	1
Deduct:		
10% of taxable income (line 360 or amount Z, whichever applies) from page 3	418,457	2
Investment corporation deduction from line 620 below	0	3
Federal logging tax credit from line 640 below	0	4
Federal qualifying environmental trust tax credit from line 648 below	0	5

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

28.00% of taxable income from line 360 of page 3	0	a	
28.00% of taxed capital gains	0	b	0 6
Part I tax otherwise payable	0	c	
(line A **plus** lines C and D **minus** line F)			
Total of lines 2 to 6			418,457 7
Net amount (line 1 minus line 7)			1,171,678 8

Corporate surtax – 4.00% of the amount on line 8 ..... 600 46,867 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 ..... 602 0 C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(for a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6		8,980	i
Taxable income from line 360 on page 3	4,184,566		
Deduct:			
Amount on lines 400, 405, 410, or 425 of page 4, whichever is less	0		
Net amount	4,184,566	4,184,566	ii

Refundable tax on CCPC's investment income – 6 2/3% of the lesser of amounts i or ii ..... 604 599 D

Subtotal (add lines A, B, C, and D) 1,637,601 E

Deduct:

Small business deduction from line 430 of page 4		0	9
Federal tax abatement	608	418,457	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27	616	0	
Investment corporation deduction	620	0	
(taxed capital gains 624 0)			
Additional deduction – credit unions from Schedule 17	628	0	
Federal foreign non-business income tax credit from Schedule 21	632	0	
Federal foreign business income tax credit from Schedule 21	636	0	
Accelerated tax reduction from amount N of page 4	637	0	
Resource deduction from line 438 of page 5		0	10
General tax reduction for CCPCs from amount R of page 5	638	292,291	
General tax reduction from amount CC of page 5	639	0	
Federal logging tax credit from Schedule 21	640	0	
Federal political contribution tax credit	644	0	
Federal political contributions 646 0			
Federal qualifying environmental trust tax credit	648	0	
Investment tax credit from Schedule 31	652	0	
Subtotal		710,748	710,748 F

Part I tax payable – Line E minus line F (enter amount G on line 700 of page 8) ..... 926,853 G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	926,853
Part I.3 tax payable from Schedule 33, 34, or 35	704	0
Part II surtax payable from Schedule 46	708	0
Part IV tax payable from Schedule 3	712	0
Part IV.1 tax payable from Schedule 43	716	0
Part VI tax payable from Schedule 38	720	0
Part VI.1 tax payable from Schedule 43	724	0
Part XIII.1 tax payable from Schedule 92	727	0
Part XIV tax payable from Schedule 20	728	0
Total federal tax		926,853

Add provincial and territorial tax:

Provincial or territorial jurisdiction 750 ON

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial and territorial tax payable (except Quebec, Ontario, and Alberta)	760	0	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	0	
		0	0
Total tax payable	770		926,853 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	0
Dividend refund from page 6	784	2,395
Federal capital gains refund from Schedule 18	788	0
Federal qualifying environmental trust tax credit refund	792	0
Canadian film or video production tax credit refund from Form T1131	796	0
Film or video production services tax credit refund from Form T1177	797	0
Tax withheld at source	800	0
Total payments on which tax has been withheld 801		0
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	0
Provincial and territorial capital gains refund from Schedule 18	808	0
Provincial and territorial refundable tax credits from Schedule 5	812	0
Royalties deductible under Syncrude Remission Order 815		0
Tax remitted under Syncrude Remission Order	816	0
Tax instalments paid	840	924,458
Total credits	890	926,853

926,853 B

Refund code 894 3 Overpayment 0

Balance (line A minus line B) 0

If the result is negative, you have an **overpayment**.
If the result is positive, you have a **balance unpaid**.

Enter the amount on whichever line applies.
We do not charge or refund a difference of $2 or less.

Balance unpaid 0

Enclosed payment 898 0

Direct deposit request

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

☐ Start ☐ Change information 910 Branch number

914 Institution number 918 Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 PAYNE (Last name in block letters) 951 LLOYD (First name in block letters) 954 PRESIDENT (Position, office, or rank)

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

955 2005/06/06 (Date (yyyy/mm/dd)) L. E. Payne (Signature of the authorized signing officer of the corporation) 956 905-765-5211 (Telephone number)

Is the contact person the same as the authorized signing officer? If *No*, complete the information below 957 1 Yes ☒ 2 No ☐

958 Name in block letters 959 Telephone number

Language of correspondence - Langue de correspondance

990 Indicate the language of your choice. Indiquer la langue de correspondance de votre choix. 1 English/Anglais ☒ 2 Français/French ☐

GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Identification of the corporation (Imported Data)

Name of the corporation.....	HALDIMAND COUNTY HYDRO INC.		
Business Number.....	890759814RC0001	Taxation year end.....	2004-12-31
Address.....	1 GREENDALE DRIVE R. R. #2	City.....	CALEDONIA
Province, Territory.....	ON	Postal code.....	N3W-2J3

Balance Sheet

GIFI	Account	Description		Amount	Prior Year
Assets					
1599		Total current assets	+	14,219,778	12,162,786
2008		Total tangible capital assets	+	30,439,501	30,385,055
2009		Total accumulated amortization of tangible capital assets	-	0	0
2178		Total intangible capital assets	+	0	0
2179		Total accumulated amortization of intangible capital assets	-	0	0
2589		Total long-term assets	+	347,339	2,387,640
2590		Assets held in trust	+	0	0
2599		**Total Assets** (mandatory field)	=	45,006,618	44,935,481
Liabilities					
3139		Total current liabilities		6,704,231	6,181,097
3450		Total long-term liabilities		15,581,134	16,167,608
3460		Subordinated debt		0	0
3470		Amounts held in trust		0	0
3499		Total liabilities (mandatory field)		22,285,365	22,348,705
Shareholder equity					
3620		**Total shareholder equity** (mandatory field)		22,721,253	22,586,776
3640		**Total Liabilities and Shareholder Equity**		45,006,618	44,935,481
3849		**Retained Earnings/Deficit - End** (mandatory field)		2,840,548	2,706,071

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Shareholder equity

GIFI	Account	Description		Amount	Prior year
Shareholder equity					
3500		Common shares	+	17,144,796	17,144,796
3520		Preferred shares	+	0	0
Contributed and other surplus					
3540	*	Contributed and other surplus		0	0
3541		Contributed surplus		2,735,909	2,735,909
3542		Appraisal surplus		0	0
3543		General reserve		0	0
		Contributed and other surplus	+	2,735,909	2,735,909
3570		Head office account	+	0	0
3600		Retained earnings/deficit	+	2,840,548	2,706,071
3620		**Total Shareholder equity**	=	22,721,253	22,586,776

Generic Item

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Retained Earnings/Deficit

GIFI	Account	Description		Amount	Prior year
3660		Retained earnings/deficit - start	+	2,706,071	3,115,574
3680		Net income/loss	+	154,131	91,149
		Dividends declared			
3700	*	Dividends declared		19,654	500,652
3701		Cash dividends		0	0
3702		Patronage dividends		0	0
		Dividends declared	-	19,654	500,652
3720		Prior period adjustments	+	0	0
		Other items affecting retained earnings			
3740	*	Other items affecting retained earnings		0	0
3741		Share redemptions		0	0
3742		Special reserves		0	0
3743		Currency adjustments		0	0
3744		Unusual revenue items		0	0
3745		Interfund transfer		0	0
		Other items affecting retained earnings	+	0	0
3849		**Retained Earnings/Deficit - End**	=	2,840,548	2,706,071

* Generic Item

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GENERAL INDEX OF FINANCIAL INFORMATION (GIFI)

Income Statement

GIFI	Description
0001	Operating name.....
0002	Description of the operation..... HYDRO DISTRIBUTION
0003	Sequence Number.....

GIFI	Account	Description		Amount	Prior year
— Income Statement Information					
8089		Total sales of goods and services.....	+	0	0
8518		Cost of sales.....	-	0	0
8519		**Gross profit/loss**	=	0	0
8518		Cost of sales.....	+	0	0
9367		Total operating expenses.....	+	27,849,797	24,920,684
9368		**Total expenses** (mandatory field)	=	27,849,797	24,920,684
8299		Total revenue (mandatory field).....	+	29,437,278	25,746,833
9368		Total expenses (mandatory field).....	-	27,849,797	24,920,684
9369		**Net non-farming income**	=	1,587,481	826,149
— Farming Income Statement Information					
9659		Total farm revenue (mandatory field).....	+	0	0
9898		Total farm expenses (mandatory field).....	-	0	0
9899		**Net farm income**	=	0	0
9970		**Net Income/Loss before Taxes and Extraordinary Items**		1,587,481	826,149

Extraordinary items and income taxes (linked to Schedule 140)

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9975	Extraordinary item(s)	0	0
9976	Legal settlements	0	0
9980	Unrealized gains/losses	0	0
9985	Unusual items	0	0
9990	Current income taxes	1,433,350	735,000
9995	Deferred income tax provision	0	0
9999	**Net Income/Loss after Taxes and Extraordinary Items** (mandatory field)	154,131	91,149

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NOTES CHECKLIST

This form is to be used by all corporations that do not use a software package to prepare financial statement information and are not eligible to use the GIFI-Short form.

Use this schedule to report a notes checklist for the corporation's financial statement information.

For more information, see the "Guide to the General Index of Financial Information (GIFI) for Corporations" and the "T2 Corporation - Income Tax Guide."

For the purposes of this schedule, the person who reported on or prepared the financial statement of the corporation is referred to as the "accounting practitioner."

Part 1 - Accounting practitioner information

Choose only one of the following three options, whichever applies to the accounting practitioner:

	096		
Chartered accountant	1		[X]
Other professional designation	2		[ ]
No professional designation	3		[ ]
Is the accounting practitioner connected* with the corporation?	097	[Y/N]	[N]

A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Part 2 - Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner:

	098		
Completed an auditor's report	1		[X]
Completed a review engagement report	2		[ ]
Compiled the financial statements along with reviewing the books	3		[ ]
Conducted a compilation engagement	4		[ ]

Part 3 - Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation?	099	[Y/N]	[N]

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Part 4 - Other information

		Yes/No
Were notes to the financial statements prepared?	101	[N]

If you answered "Yes" to the question at line 101, complete lines 102 to 107 below:

Are any values presented at other than cost?	102	[ ]
Has there been a change in accounting policies since the last return?	103	[ ]
Are subsequent events mentioned in the notes?	104	[ ]
Is re-evaluation of asset information mentioned in the notes?	105	[ ]
Is contingent liability information mentioned in the notes?	106	[ ]
Is information regarding commitments mentioned in the notes?	107	[ ]
Does the corporation have investments in joint venture(s) or partnership(s)?	108	[N]

If you answered "Yes" to the question at line 108, complete line 109 below:

Are you filing financial statements of the joint venture(s) or partnership(s)?	109	[ ]

NOTICE TO READER

WE HAVE COMPILED THE G.I.F.I FROM INFORMATION PROVIDED BY THE COMPANY. WE HAVE NOT AUDITED, REVIEWED OR OTHERWISE ATTEMPTED TO VERIFY THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. READERS ARE CAUTIONED THAT THIS INFORMATION MAY NOT BE APPROPRIATE FOR THEIR PURPOSES.

MILLARD, ROUSE & ROSEBRUGH LLP
BRANTFORD, ONTARIO

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).

Sections, subsections, and paragraphs referred to an this schedule are from the "Income Tax Act."

For more information, see the "T2 Corporation Income Tax Guide."

Net income (loss) after taxes and extraordinary items per financial statements		154,131 A

Additions:

Provision for income taxes - current	101	1,433,350	
Amortization of tangible assets	104	2,239,370	
Income or loss for tax purposes - joint ventures or partnerships	109	3,156	
Taxable capital gains from Schedule 6	113	8,980	
Subtotal of additions		3,684,856	3,684,856

Other Additions:

Miscellaneous Other Additions:

600	RSVA ending credit balance + opening Dr balance		290	1,504,180	
601	12/31/03 Retail variance account dr balances		291	1,127,271	
602	12/31/03 NON CAP TRANSITION COSTS (net of capital)		292	519,562	
603a	12/31/03 POEV dr balance + Fixed rate setup fees	697,745			
603b	Ontario Specified Tax Credits	2,659			
603c		0			
		700,404	293	700,404	
604a	Recovered capital transition costs	105,909			
604b		0			
		105,909	294	105,909	
Subtotal of Other Additions			199	3,957,326	3,957,326
			Total Additions	500	7,642,182

Deductions:

Gain on disposal of assets per financial statements	401	23,474	
Capital cost allowance from Schedule 8	403	1,634,345	
Cumulative eligible capital deduction from Schedule 10	405	29,852	
Subtotal of Deductions		1,687,671	1,687,671

Other Deductions:

Miscellaneous Other Deductions:

700	TRANSITION COSTS (INCLUDING INTEREST)	390	406,429	
701	12/31/04 PPVA (INCLUDING INTEREST)	391	576,124	
702	12/31/03 CR pilS BALANCE	392	360,323	
703	12/31/04 DR Pils balance	393	318,697	
704	RETAIL COST / SETTLEMENT VARIANCES	394	262,503	
Subtotal of Other Deductions		499	1,924,076	1,924,076
	Total Deductions	510		3,611,747

Net income (loss) for income tax purposes (enter on line 300 on the T2 return)	4,184,566

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DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND PART IV TAX CALCULATION

This schedule is for use by any corporation to report:

- non-taxable dividends under section 83;
- deductible dividends under subsection 138(6);
- taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
- taxable dividends paid for purposes of a dividend refund.

Parts, sections, subsections, and paragraphs referred to on this schedule are from the "Income Tax Act."

A recipient corporation is connected with a payer corporation at any time in a taxation year, if at that time the recipient corporation;

- controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
- owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation, at any time in the taxation year.

If you need more space, continue on a separate schedule.

For more information, see the sections about Schedule 3 in the "T2 Corporation Income Tax Guide."

"X" under column A if dividend received from a foreign source. (Connected corporation only.)

"X" under column B if the payer corporation is connected.

Part 1 - Dividends received during the taxation year

	A	B	Complete if payer corporation is connected C	D
Name of payer corporation (Use only one line per corporation, abreviating its name if necessary)			Business Number	Taxation year end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends were paid
200		205	210	220

Complete if payer corporation is connected and is either a private corporation or a subject corporation

Name of payer corporation	E Non-taxable dividend under section 83 230	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d) 240	G Total taxable dividends paid by connected payer corporation 250	H Dividend refund of the connected payer corporation 260	I Part IV tax before deductions F x 1/3 ** 270
	0	0	0	0	0
Total (enter on line 320 of the T2 return)	0	0	0	0	0

For dividends received from non-connected corporation:
Part IV tax equals: Column F x Column H / Column G

** Life insurers are not subject ot Part IV tax on subsection 138(6) dividends.
Public corporations (other than subject corporations) do not need to calculate Part IV tax.

Part 2 - Calculation of Part IV tax payable

Part IV tax before deductions (total of column I in Part 1)		0		
Deduct:				
Part IV.I tax payable on dividends subject to Part IV tax	320	0		0
Deduct:				
Current-year non-capital loss claimed to reduce Part IV tax	330	0		
Non-capital losses from prior years claimed to reduce Part IV tax	335	0		
Current-year farm loss claimed to reduce Part IV tax	340	0		
Farm losses from prior years claimed to reduce Part IV tax	345	0		
Total losses applied against Part IV tax		0	x 1/3 =	0
Part IV tax payable (enter amount on line 712 of the T2 return)	360			0

Part 3 - Taxable dividends paid in the taxation year for purposes of a dividend refund

A	B	C	D
Name of connected recipient corporation	Business Number	Taxation year end of connected recipient corporation in which the dividends in column D were received	Taxable dividends paid to connected corporations
400	410	420	430
		YYYY/MM/DD	
Haldimand County Utilit	863917795RC0001	2004-12-31	19,654
			0
			0
			0
			0
			0
			0
			0
			0
			0
			0
		Total	19,654

Total taxable dividends paid in the taxation year to other than connected corporations	450	0
Total taxable dividends paid in the taxation year for the purposes of a dividend refund (total of column D above plus line 450)	460	19,654

Part 4 - Taxable dividends paid in the taxation year

Complete this part if the total taxable dividends paid in the taxation year for purposes of a dividend refund (line 460 above), is different from the total dividends paid in the taxation year.

Total taxable dividends paid in the taxation year for the purposes of a dividend refund (From above)		460	19,654
Other dividends paid in the taxation year (Total of 510 to 550)			0
Total dividends paid in the taxation year		500	19,654
Deduct:			
Dividends paid out of capital dividend account	510	0	
Capital gains dividends	520	0	
Dividends paid on shares described in subsection 129(1.2)	530	0	
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540	0	
Deemed dividends paid on a small business development bond	550	0	
Subtotal		0	0
Taxable dividends paid in the taxation year for purposes of a dividend refund			19,654

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SUMMARY OF DISPOSITIONS OF CAPITAL PROPERTY

For use by corporations that have disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
Use this schedule to make a designation under paragraph 111(4)(e) of the federal "Income Tax Act", if control of the corporation has been acquired by a person or group of persons.
If more space is needed, attach additional schedules.

For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the "T2 Corporation Income Tax Guide".

Designation under paragraph 111(4)(e) of the "Income Tax Act"
Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?

050 [Y/N] [N] If "yes", attach a statement specifying which properties are subject to such a designation.

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 1 - Shares

No. of shares 100	Name of corporation 105	Class of shares 106	110	120	130	140	Gain (or loss) 150	
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
				0	0	0	0	
			Totals	0	0	0	0	A

Gain (loss) on dispositions before February 28, 2000	0	A1
Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000	0	A2
Gain (loss) on dispositions after October 17, 2000	0	A3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 2 - Real estate - Do not include losses on depreciable property.

Municipal address
1 = Address 1
2 = Address 2
3 = City
4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code

200	210	220	230	240	Gain (or loss) 250	
Nairne St Service Centre Bldg	2004-11-24	21,521	4,294	0	17,227	3
Nairne St Service Centre Land	2004-11-24	897	165	0	732	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	
	Totals	22,418	4,459	0	17,959	B
				Gain (loss) on dispositions before February 28, 2000	0	B1
				Gain (loss) on disposition after February 27, 2000 and before October 18, 2000	0	B2
				Gain (loss) on dispositions after October 17, 2000	17,959	B3

Part 3 - Bonds

Face value 300	Maturity date 305	Name of issuer 307	310	320	330	340	Gain (or loss) 350	
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
0				0	0	0	0	3
				0	0	0	0	
			Totals	0	0	0	0	C
						Gain (loss) on dispositions before February 28, 2000	0	C1
						Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000	0	C2
						Gain (loss) on dispositions after October 17, 2000	0	C3

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Adjusted cost base	5 Outlays and expenses (dispositions)	6 Gain (or loss) (col. 3 less cols. 4 and 5)	7 Date of disp.

Part 4 - Other properties - Do not include losses on depreciable property.

Description 400	410	420	430	440	Gain (or loss) 450	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	
Disposition from a partnership						
		0	0	0	0	
	Totals	0	0	0	0	D
		Gain (loss) on dispositions before February 28, 2000			0	D1
		Gain (loss) on dispositions after February 27, 2000 and before October 18, 2000			0	D2
		Gain (loss) on dispositions after October 17, 2000			0	D3

Part 5 - Personal-use property

Description 500	510	520	530	540	Gain only 550	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
Note:	Totals	0	0	0	0	E
Losses are not deductible.		Gain on dispositions before February 28, 2000			0	E1
		Gain on dispositions after February 27, 2000 and before October 18, 2000			0	E2
		Gain on dispositions after October 17, 2000			0	E3

Part 6 - Listed personal property

Description 600	610	620	630	640	Gain (or loss) 650	
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
	Totals	0	0	0	0	

Part 6 - Listed personal property (cont'd)

Note:
Net listed personal property losses may only be applied against listed personal property gains.
- Amount from line 655 is from line 530 in Part 5 of Schedule 4.

	Before 2000/02/28	After 2000/02/27 and before 2000/10/18	After 2000/10/17		
Gains or losses on dispositions	0	0	0	0	
Subtract: Unapplied listed personal property losses from other years	0	0	0	0	
	657	658	659	655	
Net gains (or loss)	0	0	0	0	F

Part 7 - Property qualifying for and resulting in an allowable business investment loss

Name of small business corporation	Shares, enter 1; debt, enter 2	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Adjusted cost base	Outlays and expenses (dispositions)	Loss (col. 920 less cols. 930 and 940)	Date of disp.	
900	905	910	920	930	940	950		
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
		Totals	0	0	0	0		G
					Loss on dispositions before February 28 2000	0		G1
					Loss on dispositions after February 27, 2000 and before October 18, 2000	0		G2
					Loss on dispositions after October 17, 2000	0		G3

Note: Properties listed in Part 7 should not be included in any other parts of Schedule 6.

Determining capital gains or losses

	Before 2000/02/28	After 2000/02/27 and before 2000/10/18	After 2000/10/17	Total	
Sum of the **Total** amounts A to F (do not include F, if the amount is a loss)	0	0	17,959	17,959	H
Allowable business investment losses (G1, G2, G3)	0	0	0		
	770	670	570		
Gains or losses on dispositions (including ABIL)	0	0	17,959		
Add:					
Gain or loss from a partnership				0	
	776	676	575	876	
Capital gains dividend received in the year	0	0	0	0	
Capital gains reserve opening balance (from Schedule 13)	0	0	0	880 0	
Subtotal	0	0	17,959	17,959	

Determining capital gains or losses (cont'd)

Deduct:				
Capital gains reserve closing balance	785	685	585	885
from Schedule 13) (note 1)	0	0	0	0
Deductible portion of gain on donations				
including ecologically sensitive land)	0	0	0	
	790	690	590	890
Gains (or losses)	0	0	17,959	17,959

Note 1: Applicable to dispositions made in the period. Closing balance reserves from dispositions made in a previous taxation year need to be deducted in the period during which the taxation year begins.

Inclusion rate

	Gain/loss			Inclusion rate		Net capital gain or Net capital loss	
Amount from line 790	0	J	x	75.0000%	=	0	JJ
Amount from line 690	0	K	x	66.6667%	=	0	KK
Subtotal (note 2)	0	a	x	.0000%	=	0	aa
Amount from line 590	17,959	L	x	50.0000%	=	8,980	LL
Total (note 3)	17,959	b			=	8,980	bb
Inclusion rate for the year expressed as a decimal fraction (bb divided by b)						50.0000%	M

Note 2

If one of either line J or line K is positive, and the other is negative, enter the difference (gain or loss) on the **subtotal** line. On the **Inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line **aa** based on that rate. In this case, it would not be necessary to calculate an amount at **JJ** and **KK**. Otherwise, add lines J and K, and lines **JJ** and **KK** for the subtotals. At the **Inclusion rate** line between **a** and **aa**, enter the result of **aa** divided by **a**. This rate may be required in further calculations.

Note 3

If one of either line **a** or line **L** is positive, and the other is negative, enter the difference (gain or loss) on the **total** line. On the **Inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line **bb** based on that rate. This could be the rate referred to at the end of the note 2 above. In this case, it would not be necessary to calculate an amount at line LL. Otherwise, add lines **a** and **L**, and lines **aa** and **LL** for the totals.

Time Weighted Method for investment corporation or mutual fund corporation

Is the corporation a mutual fund corporation that wishes to use the time weighted method? ..... [Y/N] N

Number of days before February 28, 2000	0	x	75.0000%	=	.0000%	
Number of days after February 27, 2000 and before October 18, 2000	0	x	66.6667%	=	.0000%	
Number of days after October 17, 2000	0	x	50.0000%	=	.0000%	
Number of days in the taxation year	0				.0000%	N

Determining taxable capital gains, total capital losses and allowable business investment losses

Amount from line 890					17,959	O
Gain on donations of a share, debt obligation, or right						
(included in amounts A to F) (note 4)						
Before February 28, 2000	0					
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	= 895	0	P
Amount on line O **minus** line 895					17,959	Q
Amount of gain on donation of ecologically sensitive land after February 27, 2000						
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	= 896	0	R
Amount on line Q **minus** line 896					17,959	S
If this amount is a loss, enter on line 210 of Schedule 4.						
Taxable capital gains (line S x line M or N)					8,980	T
Enter the amount on line 113 of Schedule 1.						

Determining taxable capital gains and allowable business investment losses (cont'd)

Allowable business investment loss	
(line G x rate M or N)	0 U
Enter the amount on line 406 of Schedule 1.	

Note 4: Gain on donations of a share, debt obligation, or right listed on a prescribed stock exchange and amounts under paragraph 38(a.1) of the Act (for donations made after February 18, 1997, and before the year 2002 to charities other than private foundations)

Portion of Gain or Loss from Foreign sources (100%)	0

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CALCULATION OF AGGREGATE INVESTMENT INCOME AND ACTIVE BUSINESS INCOME

This schedule is for the use of Canadian-controlled private corporations to calculate:

- foreign investment income and aggregate investment income for the purpose of determining the refundable portion of Part I tax, as defined in subsection 129(4) of the "Income Tax Act;"
- income from an active business carried on in Canada for the small business deduction; and
- specified partnership income for members of one or more partnership(s).

For more information, see the sections called "Small Business Deduction" and "Refundable Portion of Part 1 Tax" in the "T2 Corporation Income Tax Guide."

Part 1 - Foreign and aggregate investment income calculation

	Canadian investment income	Foreign investment income	Aggregate investment income	
		001	002	
The eligible portion of taxable capital gains included in income for the year	8,980	0	8,980	A
		009	012	
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	0	0	0	B
			022	
Net capital losses of other years claimed on line 332 on the T2 return	0		0	C
Total of amounts B and C	0	0	0	D
Amount A **minus** amount D (if negative, enter "0")	8,980	0	8,980	E
Total income from property (in box 32 include income from specified investment business carried on in Canada other than income from a source outside Canada)				
Taxable dividends	0	0	0	
Other property income	0	0	0	
		019	032	
Total income from property	0	0	0	F
		029	042	
Exempt income	0	0	0	G
			052	
Amounts received from NISA Fund No. 2 (CAIS) that were included in computing the corporation's income for the year	0	0	0	H
		049	052	
Taxable dividends deductible from Schedule 3, and taxable dividends deductible under paragraph 113(1)(d) and subsection 113(2)	0	0	0	I
		059	072	
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	0	0	0	J
Total of amounts G, H, I, and J	0	0	0	K

Part 1 - Foreign and aggregate investment income calculation (cont'd)

Total of amounts G, H, I, and J	0	0	0 K
Amount F **minus** amount K	0	0	0 L
Total of amount E **plus** amount L	8,980	0	8,980 M
Total losses from property (in box 82 include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)	0	069 0	082 0 N
		079 O	092 P
Amount M **minus** amount N (if negative, enter "0")	8,980	0	8,980

Note: The aggregate investment income is the aggregate world source income.
Enter amount O, foreign investment income, on line 445 of the T2 return.
Enter amount P, aggregate investment income, on line 440 of the T2 return.

NET TAXABLE DIVIDENDS	Canadian	Foreign	Total
Taxable dividends deducted per schedule 3	0	0	0
Less: Expenses related to such dividends			
Total expenses	0	0	0
Net taxable dividends	0	0	0

Part 2 - Specified partnership income

A	B	C
Partnership name	Total income (loss) of partnership from an active business	Corporation's share of amount in column B
200	300	310
	0	0
	0	0
	0	0
	0	0

Part 2 - Specified partnership income (cont'd)

D	E	F	G	I
Adjustments add prior-year reserves under subsection 34.2(5), and deduct expenses incurred to earn partnership income, including any reserve under subsection 34.2(4)] 315	Corporation's income (loss) of the partnership (column C **plus** column D) 320	Number of days in the partnership's fiscal period 325	Prorated business limit (column C / column B) x [business limit* x (column F / 365)] (if column C is negative, enter "0")** 330	Lesser of columns E and G (if column E is negative, enter "0") 340
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
Total 350	0		Total 360	0

Corporation's losses for the year from an active business carried on in Canada (other than as a member of a partnership) - enter as a positive amount 370 0

Specified partnership loss of the corporation for the year - enter as a positive amount (total of all negative amounts in column E) 380 0

Total of line 370 and 380 ..... 0 J

Column E **minus** column G - if negative, enter "0" (if a member of more than one partnership, calculate separately for each partnership and enter total) 385 0

Amount at line 385 or line J, whichever is less 390 0

Specified partnership income (line 360 **plus** line 390) 400 0

* Use one of the following business limits to calculate column G, whichever applies:
- $225,000 if the corporation's taxation year ends in 2003;
- $250,000 if the corporation's taxation year ends in 2004;
- $300,000 if the corporation's taxation year ends in 2005 or after.

* When a partnership carries on more than one business, one of which generates income and another of which realizes a loss, the loss is not netted against the partnership's income.

Part 3 - Determination of partnership income

Corporation's share of partnership income from active businesses carried on in Canada after deducting related expenses - from line 350 above (if the net amount is negative, enter "0" on line O)		0	K
Add: Specified partnership loss (from line 380 above)		0	L
Subtotal		0	M
Deduct: Specified partnership income (from line 400 above)		0	N
Partnership income * (enter on line S below)	450	0	O

* If the amount on line 450 is positive, complete Schedule 70.

Part 4 - Income from active business carried on in Canada

Net income for income tax purposes from line 300 of the T2 return			4,184,566	P
Deduct: Foreign business income after deducting related expenses *	500	0		
Taxable capital gains **minus** allowable capital loss - amount A **minus** amount B * (page 1) **		8,980		
Net property income = amount F **minus** amounts G, H and N * (page 1)		0	Q	
Personal services business income after deducting related expenses *	520	0		
		8,980	8,980	
Net amount			4,175,586	R
Deduct: Partnership income (line 450 above)			0	S
Income from active business carried on in Canada (enter on line 400 of the T2 return - if negative, enter "0")			4,175,586	T

* If negative, enter a negative amount, and **add** instead of **subtracting**.

** This amount may only be negative to the extent of any allowable business investment losses.

ummary of Capital Cost Allowance

the corporation electing under regulation 1101(5q)? [101] N

Class No. 200]	UCC at Beginning of Year [201]	Cost of Additions During Year [203]	Adjustments [205]	Lesser of Cost or Proceeds [207]	1/2 of [203]-[207] [211]	Rate % [212]	Recapture of Capital Cost Allowance [213]	Terminal Loss [215]	Capital Cost Allowance [217]	Undepreciated Capital Cost end of year [220]
8	305,723	147,897	0	0	73,948	20	0	0	75,934	377,686
10	750,518	171,405	0	2,000	84,702	30	0	0	250,566	669,357
12	48,520	100,551	0	0	50,275	100	0	0	98,796	50,275
1	29,069,488	1,659,696	-11,300	4,294	827,701	4	0	0	1,195,436	29,518,154
17	38,509	0	0	0	0	8	0	0	3,081	35,428
45	0	45,497	0	0	22,748	45	0	0	10,237	35,260
46	0	1,965	0	0	982	30	0	0	295	1,670
otal	30,212,758	2,127,011	-11,300	6,294	1,060,356		0	0	1,634,345	30,687,830

HALDIMAND COUNTY HYDRO INC.
Account/Business No.: 890759814RC0001 Year Ended: 2004-12-31
RELATED AND ASSOCIATED CORPORATIONS

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
- associated corporation(s)

Name	Ctry of resi-dence	Business Number (Note)	Rela-tion-ship Code	Number of common shares owned	% of common shares owned	Number of preferred shares owned	% of pre-ferred shares owned	Book value of capital stock
[100]	[200]	[300]	[400]	[500]	[550]	[600]	[650]	[700]
HALDIMAND COUNTY ENERGY INC.		890762412RC0001	3	0	0.00	0	0.00	0
HALDIMAND COUNTY GENERATION IN		890757412RC0001	3	0	0.00	0	0.00	0
HALDIMAND COUNTY UTILITIES INC		863917795RC0001	1	1,001	100.00	0	0.00	18,739,941

Note: Enter "NR" if a corporation is not registered.
Relationship code:
1 - Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated

The relationship code represents the relationship that the corporation named has to the filing corporation. For example, if the corporation is the parent corporation of the filing corporation, then the relationship code is "1".

Schedule 9

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

For use by a corporation that has eligible capital property. For more information, see the "T2 Corporation Income Tax Guide."
A separate cumulative eligible capital account must be kept for each business.

— Part 1 - Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at the end of the preceding taxation year if negative, enter "0"						200	426,457 A
Add: Cost of eligible capital property acquired during the taxation year	222	0					
Other adjustments	226	0					
Subtotal (line 222 plus line 226)		0	x	0.75	=	0 B	
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002	228	0	x	0.50	=	0 C	
amount B minus amount C (if negative, enter "0")						0	0 D
Amount transferred on amalgamation or wind-up of subsidiary						224	0 E
Subtotal (add amounts A, D, and E)						230	426,457 F
Deduct: Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242			0 G			
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244			0 H			
Other adjustments	246			0 I			
(add amounts G, H, and I)				0	x 0.75 =	248	0 J
Cumulative eligible capital balance (amount F minus amount J)							426,457 K
if amount K is negative, enter "0" at line M and proceed to Part 2)							
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business	249			0			
amount K		426,457					
less amount from line 249		0					
Current year deduction		426,457	x	7.00%	= 250	29,852 *	
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)						29,852	29,852 L
Cumulative eligible capital - Closing balance (amount K minus amount L) if negative, enter "0"						300	396,605 M

* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Part 2 - Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

Amount from line K (show as a positive amount)				0	N
Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988	400		0 1		
Total of all amounts which reduced CEC in the current or prior years under subsection 80(7)	401		0 2		
Total of CEC deductions claimed for taxation years beginning before July 1, 1988	402	0 3			
Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	408	0 4			
Line 3 minus line 4 (if negative, enter "0")		0	0 5		
Total of lines 1, 2, and 5			0 6		
Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400		0 7			
Amounts at line T from Schedule 10 ending after February 27, 2000		0 8			
Subtotal (line 7 plus line 8)	409	0	0 9		
Line 6 minus line 9 (if negative, enter "0")			0	0	O
Line N minus line O (if negative, enter "0")				0	P
	Line 5		0 x 1/2 =	0	Q
Line P minus line Q (if negative, enter "0")				0	R
	Amount R		0 x 2/3 =	0	S
Amount N or amount O, whichever is less				0	T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)			410	0	

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT

For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.

An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the "Income Tax Act," not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:

- from $200,001 to $225,000, if the calendar year to which this agreement applies is 2003;
- from $225,001 to $250,000, if the calendar year to which this agreement applies is 2004; or
- from $250,001 to $300,000, if the calendar year to which this agreement applies is 2005.

If the calendar year to which this agreement applies is after 2005, ensure that the total at line A does not exceed $300,000.

— Allocation of the business limit

		Year Month Day
Date filed (do not use this area)	025	
		Year
Enter the calendar year to which the agreement applies	050	2004

Allocation of the business limit (cont'd)

Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? ..... 075 [Y/N] [N]

1	2	3	4	5	6
Names of associated corporations	Business Number of associated corporations	Asso-ciation code	Business limit for the year (before the allocation) $	Percentage of the business limit %	Business limit allocated * $
100	200	300		350	400
HALDIMAND COUNTY HYDRO INC.	890759814RC0001	1	250,000	100.0000	250,000
See attached				.0000	0
			Total	100.0000	250,000 A

* The % of the annual business limit required to maximize the small business deduction is .0000%.

100.0000% of the annual business limit can be attributed to an associated corporation.

Business limit reduction under subsection 125(5.1)

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the amounts used in this calculation is the "Large corporation tax" at line 415 of the T2 return. If the corporation is a member of an associated group*** of corporations in the current taxation year, and that taxation year:

- starts before December 21, 2002, the amount at line 415 of the T2 return is equal to the gross Part I.3 tax of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year. The gross Part I.3 tax is the amount before deducting the surtax credits, which is increased to reflect a full-year tax liability if the taxation year is less than 51 weeks; or
- starts after December 20, 2002, the amount at line 415 of the T2 return is equal to 0.225% x (A - $10,000,000) where, "A" is the total of taxable capital employed in Canada** of each corporation in the associated group*** for its last taxation year ending in the preceding calendar year.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's taxation year is less than 51 weeks, prorate the amount in column 6 by the number of days in the taxation year divided by 365, and enter the result on line 410 of the T2 return.

If a CCPC has more than one taxation year ending in a calendar year and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year, the business limit for the second (and subsequent) taxation year(s) will be equal to the business limit allocated for the first taxation year ending in the calendar year.

** "Taxable capital employed in Canada" has the meaning assigned by subsection 181.2(1) or 181.3(1) or section 181.4 of the "Income Tax Act."

*** The associated group includes the corporation filing this schedule and each corporation that has an "association code" of 1 or 4 in column 3.

GREEMENT AMONG ASSOCIATED CCPC's TO ALLOCATE THE BUSINESS LIMIT

1	2	3	4	5	6	7
ne of associated corporation [100]	Business Number of associated corporation [200]	Asso-ciation code [300]	Business limit (before the allo-cation)	Percentage of the business limit % [350]	Business limit allocated $ [400]	Part I.3 Tax
LDIMAND COUNTY ENERGY INC.	890762412RC0001	1	250,000	.0000	0	0
LDIMAND COUNTY GENERATION IN	890757412RC0001	1	250,000	.0000	0	0
LDIMAND COUNTY UTILITIES INC	863917795RC0001	1	250,000	.0000	0	0
OTALS			750,000	.0000	0	0

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

CALCULATION OF UNUSED SURTAX CREDIT

- Use this schedule to calculate a corporation's unused surtax credit.
- You should also use this schedule to request a carryback of unused surtax credit. This request should be filed by the required filing date of the T2 return for the year in which the surtax credit arose.
- Any unused surtax credit can be carried back three years and carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the "Income Tax Act" when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.
- Attach this schedule to the T2 return or mail it separately to the tax centre where the return is filed.

Part 1 - Calculation of closing balance of unused surtax credits

Unused surtax credit at the end of the preceding taxation year		0	
Deduct: Unused surtax credit expired after seven taxation years	115	0	
Unused surtax credit at beginning of the taxation year	120	0	
Add: Unused surtax credit transferred on amalgamation or wind-up of subsidiary	220	0	
	Subtotal	0	A
Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part I.3 tax payable in the current year (see line 862 of Schedule 33, line 862 of Schedule 34, or line 862 of Schedule 35, whichever applies)	320	0	
Unused surtax credit balance		0	
Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part VI tax payable in the current year (see line 887 of Schedule 38)	420	0	
	Subtotal	0	
Add: Current year unused surtax credit (enter amount from line 850 of Schedule 33, line 850 of Schedule 34, or line 850 of Schedule 35)	600	46,867	
	Subtotal	46,867	
Deduct: Unused surtax credit carried back to preceding taxation year(s) (complete Part 2 below)		46,788	B
Closing balance of unused surtax credit	820	79	

Part 2 - Request for carryback of unused surtax credit

	Year Month Day			Part I.3 Tax		Part VI Tax	
1st preceding taxation year	2003-12-31	Credit to be applied	901	41,489	911	0	
2nd preceding taxation year	2002-12-31	Credit to be applied	902	5,299	912	0	
3rd preceding taxation year		Credit to be applied	903	0	913	0	
			Subtotal	46,788	C	0	D
		Total of C and D (enter this amount at line B in Part 1 above)				46,788	

SCHEDULE 037 SUPPLEMENTARY - UNUSED SURTAX CREDITS

Continuity of Post-1991 Unused Surtax Credits

			* Opening Balance	Applied to Part I.3	Applied to Part VI	Expired	Closing Balance
1st prior year	-	2003	0	0	0	N/A	0
2nd prior year	-	2002	0	0	0	N/A	0
3rd prior year	-	2001	0	0	0	N/A	0
4th prior year	-	0	0	0	0	N/A	0
5th prior year	-	0	0	0	0	N/A	0
6th prior year	-	0	0	0	0	N/A	0
7th prior year	-	0	0	0	0	0	0
		Total	0	0	0	0	0

Note: Include any surtax credits transferred on amalgamation or wind-up in the opening balance field(s) above. The total of such transferred credits 0

Canada Customs and Revenue Agency/Agence des douanes et du revenu du Canada

SHAREHOLDER INFORMATION

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business Number (note 1)	Social Insurance Number (note 2)	Percentage common shares	Percentage preferred shares
100	200	300	400	500
HALDIMAND COUNTY UTILITIES INC.	863917795RC0001		100.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00
			0.00	0.00

Note 1: If a corporate shareholder does not have a business number, NR must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, NA must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Schedule of Instalment Remittances

Name of Corporation Contact: . . . . . .
Telephone Number: . . . . . .

Effective Interest Date	Description (Instalment Remittance, Split Payment, Assessed Credit)		Amount of Credit
2005-02-28	Total installments for the year		805,416
2005-02-28	Estimate of 2004 balance owing pd 02/28/05		565,000
2005-03-22	Additional 2004 remittance		244,000
	Allocated to Provincial component		-689,958
			0
			0
			0
			0
			0
			0
			0
			0
			0
	Total amount of instalments claimed	(A)	924,458
	Total instalments credited to the taxation year per T9	(B)	924,458

— TRANSFER

Account Number	Taxation Year End	Amount	Effective Interest Date	Description
From:				
		0		
To:				

Ontario

Ministry of Finance

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

2003 CT23 Corporations Tax and Annual Return

For taxation years commencing after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)
(formerly Ministry of Consumer and Commercial Relations)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17, together with the applicable schedules on pages 18-21. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file the **CT23 Short-Form Return** (see page 2).

The Annual Return (common page 1 and MCBS Schedule A on pages 22 and 23, and Schedule K on page 24) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* [X] Yes [ ] No

Ministry Use

Corporation's Legal Name *(including punctuation)*

HALDIMAND COUNTY HYDRO INC.

THIS IS YOUR FILE COPY

Mailing Address

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Has the mailing address changed since last filed CT23 Return? [ ] Yes

Date of Change: year month day

Registered/Head Office Address

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Location of Books and Records

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W-2J3

Name of person to contact regarding this CT23 Return: LLOYD PAYNE

Telephone No.: 905-765-5211

Fax No.:

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

ON CA -

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MCBS)

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS).

No. of Schedule(s): 0

If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please [X] this box. Schedule(s) A and K are not required (MCBS).

[X] No Change

Ontario Corporations Tax Account No. (MOF): 1800101

This CT23 Return covers the Taxation Year

Start: year month day 2004-01-01

End: year month day 2004-12-31

Date of Incorporation or Amalgamation: year month day 2000-10-13

Ontario Corporation No. (MCBS): 1800101

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.

If applicable, enter: 890759814RC0001

Jurisdiction Incorporated: ONTARIO

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:

Commenced: year month day

Ceased: year month day

[X] *Not Applicable*

Preferred Language/*Langue de préférence*

[X] English *anglais* [ ] French *français*

Ministry use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

LLOYD PAYNE

Title: D [ ] Director O [X] Officer P [ ] Other individual having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2004-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please "X" box(es) if applicable in sections 1 & 2

1

1 [X] Canadian-controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent): 100%

2

1 [ ] Family Farm Corporation s.1 (2)
2 [ ] Family Fishing Corporation s.1 (2)
3 [ ] Mortgage Investment Corporation s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61 (4)
6 [ ] Bank s.1 (2)
7 [ ] Loan and Trust Corporation s.61 (4)
8 [ ] Non-resident Corporation s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned investment Corporation s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-resident s.63(1)
16 [ ] Financial institution prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [ ] Hydro successor, Municipal Electrical Utility or subsidiary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
If applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
If applicable, enter: 111292775

Specify major business activity

Please "X" box(es) if applicable:

[ ] First Year of Filing
[ ] Amended Return
[ ] Taxation Year End has changed - Canada Customs and Revenue Agency (formerly Revenue Canada) approval required
[ ] Final Taxation Year up to Dissolution (wind-up) (Note: For discontinued businesses, see Guide.)
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s.249(4)

Date Control was acquired (year month day)

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[X]	[ ]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[ ]	[X]

Income Tax

DOLLARS ONLY

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction, to that jurisdiction (s.39) (Int.B. 3008).

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	4,184,566.
Subtract: Charitable donations	–	1	0.
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–	2	0.
Subtract: Taxable dividends deductible, per federal T2 SCH 3	–	3	0.
Subtract: Ontario political contributions *(Attach schedule 2A)* (Int.B. 3002)	–	4	0.
Subtract: Federal Part VI.1 tax 0. X 9/3	–	5	0.
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	0.
Net capital losses From 715 (page 16) 0. X Inclusion rate 50.000000%	–	714	0.
Farm losses	–	From 724	0.
Restricted farm losses	–	From 734	0.
Limited partnership losses	–	From 754	0.
Taxable Income (Non-capital loss)	=	10	4,184,566.
Addition to taxable income for unused foreign tax deduction for federal purposes	+	11	0.
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=	20	4,184,566.

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable)	4,184,566.	x	30	100.0000% (Ontario Allocation)	x	12.5000%	x	Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 0	+	Total Days: 73 366	= +	29	0.
From 10 (or 20 if applicable)	4,184,566.	x	30	100.0000% (Ontario Allocation)	x	14.0000%	x	Days after Dec. 31, 2003: 34 366	+	Total Days: 73 366	= +	32	585,839.

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 **585,839.**

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [X] Yes [ ] No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))			50	4,175,586.
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51 4,184,566.		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52 0.		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	–	53 0.		
	=	4,184,566.	54	4,184,566.
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)		55 250,000.		

Ontario Business Limit Calculation

280,000 x	Days after Sept. 30, 2001 and before Jan. 1, 2003: 28 0	÷	** 366	= +	43	0.	
320,000 x	Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 0	÷	** 366	= +	46	0.	
400,000 x	Days after Dec. 31, 2003: 34 366	÷	** 366	= +	47	400,000.	
Business Limit for Ontario purposes	43 + 46 + 47			=	44	400,000.	

*** Percentage of Federal Business limit (from T2 Sch. 23). Enter 100% if not associated. 48 100.0000 %

45 = 400,000.

Income eligible for the IDSBC From 30 100.0000% (**** Ontario Allocation) x 56 400,000. = 60 **400,000.**

Least of 50, 54 or 45

* ***Note:*** *Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)*

** ***Note:*** *Adjust accordingly for a floating taxation year and use 366 for a leap year.*

*** ***Note:*** *For a taxation year ending before Jan. 1, 2003, use your proportion of the associated group business limit.*

**** ***Note:*** *Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

			Number of Days In Taxation Year					
			Days after Sept. 30, 2001 and before Jan. 1, 2003		Total Days			
.....	6.50 %	x	28 0	+	73 366	= +	79	.0000
			Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days			
.....	7.00 %	x	31 0	+	73 366	= +	89	.0000
			Days after Dec. 31, 2003		Total Days			
.....	8.50 %	x	34 366	+	73 366	= +	90	8.5000

IDSBC Rate for Taxation Year 79 + 89 + 90 ..... = 78 8.5000

Claim ..... From 60 400,000. x From 78 8.5000 % ..... = 70 34,000.

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

* ***Short Taxation Years*** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

* Taxable income of the corporation ..... From 10 (or 20 if applicable) + 80 4,184,566.

If you are a member of an associated group (X) 81 X (Yes)

Name of associated corporation (Canadian & foreign) *If insufficient space, attach schedule*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	** Taxable Income (if loss, enter nil)	
See attached			+ 82	0.
			+ 83	.
			+ 84	.

Aggregate Taxable Income 80 + 82 + 83 + 84, etc. ..... = 85 4,184,566.

			Number of Days In Taxation Year					
			Days after Sept. 30, 2001 and before Jan. 1, 2003		Total Days			
Subtract: 280,000	x	28 0	+	73 366	= +	113	0.
			Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days			
320,000	x	31 0	+	73 366	= +	115	0.
			Days after Dec. 31, 2003		Total Days			
400,000	x	34 366	+	73 366	= +	116	400,000.

113 + 115 + 116 = 400,000. ..... − 114 400,000.

If negative, enter nil) ..... = 86 3,784,566.

			Number of Days In Taxation Year					
			Days after Sept. 30, 2001 and before Jan. 1, 2003		Total Days			
Calculation of Specified Rate for Surtax	4.3330 %	x	28 0	+	73 366	= +	95	.0000
			Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days			
.....	4.6670 %	x	31 0	+	73 366	= +	96	.0000
			Days after Dec. 31, 2003		Total Days			
.....	4.6670 %	x	34 366	+	73 366	= +	97	4.6670

Specified rate of surtax for Taxation Year 95 + 96 + 97 ..... = 94 4.6670

From 86 3,784,566. x From 94 4.6670 % ..... = 87 176,626.
From 87 176,626. x From 60 400,000. + From 114 400,000. = 88 176,626.

Surtax Lesser of 70 or 88 ..... = 100 34,000

continued on Page 6

Income Tax *continued from Page 5*

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* ..... 110 0.

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: a) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and b) the total active business income is $250,000 or less.

Eligible Canadian Profits		+	120	0.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)		− From 56		400,000.
Add: Adjustment for Surtax on Canadian-controlled private corporations				
From 100 34,000. + From 30 100.0000 % * Ontario Allocation + From 78 8.5000 % = 121 400,000.				
Lesser of 56 or 121		+	122	400,000.
120 − 56 + 122		=	130	0.
Taxable Income		+ From	10	4,184,566.
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)		− From	56	400,000.
Add: Adjustments for Surtax on Canadian-controlled private corporations		+ From	122	400,000.
Subtract: Taxable Income 10 4,184,566. X Allocation % to jurisdictions outside Canada .0000 %		−	140	0.
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses		−	141	8,980.
10 − 56 + 122 − 140 − 141		=	142	4,175,586.

Claim

Number of Days in Taxation Year

143 Lesser of 130 or 142: 0.	X From 30 100.0000 % * Ontario Allocation	X 1.5000 % X	Days after Sept. 30, 2001 and before Jan. 1, 2004: 33 0 + Total Days 73 366	= +	154	0.
143 Lesser of 130 or 142: 0.	X From 30 100.0000 % * Ontario Allocation	X 2.0000 % X	Days after Dec. 31, 2003: 34 0 + Total Days 73 366	= +	156	0.
M&P claim for taxation year 154 + 156				=	160	0.

** **Note:** Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161 0.

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity ..... = 162 0.

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) *(Attach schedule).* ..... 170 0.

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 0. Credit Claimed 180 0.

Subtotal of Income Tax 40 − 70 + 100 − 110 − 160 − 161 − 162 − 170 − 180 ..... = 190 585,839.

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) *Applies* to research and development in Ontario.

Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* + 191 0.

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.

Eligible Credit From 5798 Summary Schedule F + 192 0.

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.

Eligible Credit From 5899 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) + 193 0.

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596 194 0

Applies to employment of eligible unemployed post secondary graduate.

Eligible Credit From 6598 Summary Schedule G + 195 0.

Ontario Book Publishing Tax Credit (OBPTC) (s 43.7)

Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.

Eligible Credit From 6900 OBPTC Claim Form *(Attach **both** the original Claim Form and the Certification Form)* + 196 0.

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)

Applies to labour relating to computer animation and special effects on an eligible production.

Eligible Credit From 6700 Claim Form Certified by Ontario Media Development Corporation

(Attach the original Claim/Certification Form with the CT23 Tax Return.) + 197 0.

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)

Applies to qualifying R&D expenditures under an eligible research institute contract.

Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198 0.

Ontario Production Services Tax Credit (OPSTC) (s.43.10)

Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.

Eligible Credit From 7300 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MOF) CT Schedule 193/199, as applicable.

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) + 199 0.

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)

Applies to qualifying labour expenditures of eligible products for the taxation year.

Eligible Credit From 7400 Claim Form certified by Ontario Media Development Corporation

(Attach original Claim/Certification Form.) + 200 0.

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)

Applies to qualifying expenditures in respect of eligible Canadian sound recordings.

Eligible Credit From 7500 OSRTC Claim Form *(Attach **both** the original Claim Form and the Certification Form)* + 201 0.

Other (specify) Apprenticeship Train + 201.1 2,659.

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 201.1 = 220 2,659.

Specified Tax Credits *Applied to reduce Income Tax* = 225 2,659.

Income Tax 190 − 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 583,180.

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see ***Determination of Applicability*** section for the CMT on ***Page 8***. If CMT is not applicable, transfer amount in 230 to Income Tax in ***Summary*** section on ***Page 17.***

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Credit Carryovers*** section part B, on ***Page 8.***

Corporate Minimum Tax (CMT)

Determination of Applicability

Applies if ***either*** Total Assets [249] exceeds $5,000,000 ***or*** Total Revenue [250] exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

* Total Assets of the corporation	+ [240]	45,006,618.	
* Total Revenue of the corporation			+ [241] 29,437,278.

If you are a member of an associated group (x) [242] X (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Total Assets	* Total Revenue
See attached			+ [243]	+ [244]
			+ [245]	+ [246]
			+ [247]	+ [248]

Aggregate Total Assets [240] + [243] + [245] + [247] , etc.	= [249]	45,006,618.
Aggregate Total Revenue [241] + [244] + [246] + [248] , etc.	= [250]	29,437,278.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 18, 19 and 20 of CT23.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 18.)*

Gross CMT Payable ..... CMT Base From [2135]	1,587,481. (If negative, enter zero)	X From [30]	100.0000 (Ontario Allocation) % X	4.0000% = [276]		63,499.
Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*				– [277]		0.
Subtract: Income Tax				– From [190]		585,839.
Net CMT Payable (If negative, enter Nil on Page 17.)				= [280]		0.

If [280] is less than zero and you do not have a CMT credit carryover, transfer [230] from ***Page 7*** to ***Income tax Summary, on Page 17.***

If [280] is less than zero and you have a CMT credit carryover, complete A & B below.

If [280] is greater than or equal to zero, transfer [230] to ***Page 17*** and transfer [280] to ***Page 17***, and to ***Schedule D: Continuity of CMT Credit Carryovers, on Page 20.***

CMT Credit Carryover available ..... From [2307] 0.

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits)			+ From [190]		585,839.
Gross CMT Payable	+ From [276]	63,499.			
Subtract: Foreign Tax Credit for CMT purposes	– From [277]	0.			
If [276] – [277] is negative, enter NIL in [290]	=	63,499.	– [290]		63,499.
Income Tax eligible for CMT Credit			= [300]		522,340.
B. Income Tax (after deduction of specified credits)			+ From [230]		583,180.
Subtract: CMT credit used to reduce income taxes			– [310]		0.
Income Tax			= [320]		583,180.

Transfer to page 17

If A & B apply, [310] ***cannot exceed the lesser of*** [230], [300] ***and your CMT credit carryover available*** [2307].

If only B applies, [310] ***cannot exceed the lesser of*** [230] ***and your CMT credit carryover available*** [2307].

apital Tax *(Refer to Guide and Int.B. 3011)*

your corporation is a Financial Institution (s.58(2)), complete lines 480 ***id*** 430 ***on page 10 then proceed to page 13.***
your corporation is not a member of an associated group and/or irtnership and (1) the Gross Revenue and Total Assets as calculated on ige 10 in 480 ***and*** 430 ***are both $1,500,000 or less and the taxation year ids on or after January 1, 2001, or (2) the Gross Revenue and Total Assets calculated on Page 10 in*** 480 ***and*** 430 ***are both $3,000,000 or less and e taxation year commences after September 30, 2001, your corporation is empt from Capital Tax for the taxation year. A corporation that meets these iteria should disregard all other Capital Tax items (including the lculation of Taxable Capital). Enter NIL in*** 550 ***on page 12 and complete e return from that point. All other corporations must compute their Taxable ipital in order to determine their Capital Tax payable.***

embers of a partnership (limited or general) or a joint venture, must attach all ancial statements of each partnership or joint venture of which they are a ember. The Paid-up Capital of each corporate partner must include its share of bilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

aid-up Capital

aid-up capital stock (Int.B. 3012 and 3015)	+ 350	17,144,796.
etained earnings (if deficit, deduct) (Int.B. 3012)	± 351	2,840,548.
apital and other surpluses, excluding appraisal surplus (Int.B. 3012)	+ 352	2,735,909.
oans and advances *(Attach schedule)* (Int.B. 3013)	+ 353	688,574.
ank loans (Int.B. 3013)	+ 354	0.
ankers acceptances (Int.B. 3013)	+ 355	0.
onds and debentures payable (Int.B. 3013)	+ 356	15,067,000.
ortgages payable (Int.B. 3013)	+ 357	0.
en notes payable (Int.B. 3013)	+ 358	0.
eferred credits (including income tax reserves, and deferred revenue where it would also included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	+ 359	0.
ontingent, investment, inventory and similar reserves (Int.B. 3012)	+ 360	0.
ther reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012)	+ 361	0.
hare of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017)	+ 362	0.
ubtotal	= 370	38,476,827.
ubtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012)	− 371	-1,177,134.
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	− 372	0.
otal Paid-up Capital	= 380	39,653,961.
ubtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	− 381	0.
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	− 382	0.
et Paid-up Capital	= 390	39,653,961.

ligible Investments *(Refer to Guide and Int.B. 3015)*

ttach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the lowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

onds, lien notes and similar obligations, (similar obligations, e.g. stripped terest coupons, applies to taxation years ending after October 30, 1998)	+ 402	0.
iortgages due from other corporations	+ 403	0.
hares in other corporations (certain restrictions apply) *(Refer to Guide)*	+ 404	0.
oans and advances to unrelated corporations	+ 405	0.
ligible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+ 406	0.
hare of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+ 407	0.
otal Eligible Investments	= 410	0.

ontinued on Page 10

Capital Tax *continued from Page 9*

Total Assets (Int.B. 3015)

Total Assets per balance sheet	+	420	45,006,618.
Mortgages or other liabilities deducted from assets	+	421	0.
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	0.
Subtract: Investment in partnership(s)/joint venture(s)	–	423	0.
Total Assets as adjusted	=	430	45,006,618.
Amounts in 360 and 361 (if deducted from assets)	+	440	0.
Subtract: Amounts in 371, 372 and 381	–	441	-1,177,134.
Subtract: Appraisal surplus if booked	–	442	0.
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	0.
Total Assets	=	450	46,183,752.

Investment Allowance ((410 + 450) x 390) ..... Not to exceed 410 = 460 0.

Taxable Capital 390 – 460 ..... = 470 39,653,961.

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 29,437,278.

Total Assets (as adjusted) ..... From 430 45,006,618.

Calculation of Capital Tax for all corporations except Financial Institutions

Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.

(Financial Institutions use calculations on page 13.)

Important: **If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.**

OR **If the corporation is NOT a member of an associated group and/or partnership, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.**

OR **If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11, and if applicable, complete Section D or Section E on page 12. Note: If the corporation is a member of a connected partnership, please refer to the 2003 CT23 guide for additional instructions before completing the capital tax section.**

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in 550 on page 12 and complete the return from that point.

SECTION B

This section applies if the corporation is NOT a member of an associated group and/or partnership.

B1. If the taxation year commences after September 30, 2001 and 430 and 460 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

B2. If taxable capital, 470 on page 10, is **$5,000,000 or less**, enter NIL in 550 on page 12 and complete the return from that point.

B3. If taxable capital, 470 on page 10 exceeds **$5,000,000**, complete the following calculation and transfer the amount From 523 to 543 on page 12, and complete the return from that point.

+ From 470	0.									
–	0.									
= 471	0.	X	From 30	100.0000%	X	.3000%	X	555 366 / ** 366	= + 523	0.
				Ontario Allocation				Days in taxation year (366 if leap year)		Transfer to 543 on page 12 and complete the return from that point

*** If floating taxation year, refer to Guide.***

continued on Page 11

Capital Tax Calculation *continued from Page 10*

SECTION C

his section applies ONLY to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from apital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation nder either Section D or Section E.

21. ☐ 509 (X if applicable) **All corporations that you are associated with do not have a permanent establishment in Canada.**

If taxable capital 470 on page 10 is $5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

If taxable capital 470 on page 10 exceeds $5,000,000 proceed to **Section D**, enter $5,000,000 in 542 Section D, and complete Section D and the return from that point.

22. ☒ 524 (X if applicable) **One or more of the corporations that you are associated with maintains a permanent establishment in Canada.**

If the taxation year **ends before January 1, 2003**, you must complete the *Calculation* below.

If the taxation year **ends after December 31, 2002**, you and your associated group may continue to allocate the $5,000,000 taxable capital exemption by completing the *Calculation* below. Or, the associated group **may file an election** under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the $15,000 capital tax effect, relating to the $5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

***Calculation** Do NOT complete this calculation if ss.69(2.1) election is filed*

Taxable Capital From 470 on page 10 ..... + From 470 39,653,961.

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding financial institutions and corporations exempt from capital tax) or related partners having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End	Taxable Capital
See attached			+ 531 69,453.
			+ 532 .
			+ 533 .
Aggregate Taxable Capital 470 + 531 + 532 + 533, etc.			= 540 39,723,414.

If 540 above is $5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL.
Enter NIL in 523 in section D on page 12, as applicable.

If 540 above is greater than $5,000,000, the corporation must compute its share of the $5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under Section D on page 12.

From 470 39,653,961. ÷ From 540 39,723,414. x 5,000,000 ..... = 541 4,991,258.
Transfer to 542 *in Section D on page 12*

S.s.69(2.1) Election Filed

☐ 591 (X if applicable) **Election filed.** ***Attach a copy of the election with this CT23 Return.***
Proceed to **Section E** on page 12.

continued on Page 12

Capital Tax Calculation *continued from Page 11*

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, [540] *on page 11, exceeds $5,000,000.*

Complete the following calculation and transfer the amount From [523] to [543], and complete the return from that point.

+ From [470]	39,653,961.											
– [542]	4,991,258.											
= [471]	34,662,703.	x From [30]	100.0000%	x	.3000%	x	[555] 366 / ** 366 (366 if leap year)	.....	= + [523]	103,988.	Transfer to [543] and complete the return from that point

Ontario Allocation

Days in taxation year

Total Capital Tax for the taxation year

SECTION E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From [470]	0.	x From [30]	100.0000%	x	.3000%	.....	= + [561]	0.		
– Capital tax deduction From [995] relating to *your corporation's* capital tax deduction, on ss.69(2.1) election form							– From [995]	0.		
							= [582]	0.		
Capital Tax ..... [562]	0.	x	[555] 366 / ** 366 (366 if leap year)			.....	= [563]	0.	Transfer to [543] and complete the return from that point	

Ontario Allocation

Days in taxation year

*** If floating taxation year, refer to Guide.***

Capital Tax *before application of specified credits*	= [543]	103,988.
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	– [546]	0.
Capital Tax [543] – [546] *(amount cannot be negative)*	= [550]	103,988.

Transfer to Page 17

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

1. Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in [550] on page 12, and complete the return from that point.

2. Other than Credit Unions

Retain details of calculations for amounts in boxes [565] and [570]. Do not submit with this tax return.)

[565] 0. (Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1) X 0.6% X From [30] ____% (Ontario Allocation) X [555] 0 ÷ ** 0 (366 if leap year) = + [569] 0.

Days in taxation year

[570] 0. (Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount) X [571] 0.00% (Capital Tax Rate *(Refer to Guide)*) X From [30] ____% (Ontario Allocation) X [555] 0 ÷ ** 0 (366 if leap year) = + [574] 0.

Days in taxation year

Capital Tax for Financial Institutions – other than Credit Unions (before Section II) [569] + [574] ..... = [575] 0.

** If floating taxation year, refer to Guide.*

I. Small Business Investment Tax Credit

Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments ..... – [585] 0.

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (x) ☐ Yes

Capital Tax – Financial Institutions [575] – [585] ..... = [586] 0.
Transfer to [543] on Page12

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

1) Uninsured Benefits Arrangements ..... [587] 0. X 2% .... = [588] 0.
Applies to Ontario-related uninsured benefits arrangements.

2) Unlicensed Insurance (enter premium tax payable in [588] and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in [588].)
Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* ..... – [589] 0.

Premium Tax [588] – [589] ..... = [590] 0.
Transfer to page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 SCH 1 ± 600 **4,184,566.**
Transfer to Page 15

Add:

Federal capital cost allowance	+ 601	1,634,345.
Federal cumulative eligible capital deduction	+ 602	29,852.
Ontario taxable capital gain	+ 603	8,980.
Federal non-allowable reserves. Balance beginning of year	+ 604	0.
Federal allowable reserves. Balance end of year	+ 605	0.
Ontario non-allowable reserves. Balance end of year	+ 606	0.
Ontario allowable reserves. Balance beginning of year	+ 607	0.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	0.
Federal resource allowance	+ 609	0.
Federal depletion allowance	+ 610	0.
Federal foreign exploration and development expenses	+ 611	0.

Management fees, rents, royalties and similar payments to non-arms' length non-residents

Number of Days in Taxation Year

612	0.	x 5 ÷ 12.5000 x	Days after Sept. 30, 2001 and before Jan. 1, 2004	33	0	÷ 73	366	= + 633	0.
612	0.	x 5 ÷ 14.0000 x	Days after Dec. 31, 2003	34	366	÷ 73	366	= + 634	0.

Total add-back amount for Management fees, etc. 633 + 634 .... = 0. + 613 0.

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 schedule 161 + 615 0.

Add any negative amount in 473 from Ont. CT23 Schedule 161 + 616 0.

Federal allowable business investment loss + 620 0.

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 0.

Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 = 1,673,177. 640 **1,673,177.**
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	+ 650	1,634,345.
Ontario cumulative eligible capital deduction	+ 651	29,852.
Federal taxable capital gain	+ 652	8,980.
Ontario non-allowable reserves. Balance beginning of year	+ 653	0.
Ontario allowable reserves. Balance end of year	+ 654	0.
Federal non-allowable reserves. Balance end of year	+ 655	0.
Federal allowable reserves. Balance beginning of year	+ 656	0.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	0.
Ontario depletion allowance	+ 658	0.
Ontario resource allowance	+ 659	0.
Ontario current cost adjustment *(Attach schedule)*	+ 661	0.
Incentive for new electricity supply (section 13.6 deduction from income) *(Applies only to electrical generating corporations.)*	+ 674	0.
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	+ 675	0.

Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675 = 681 **1,673,177.**
Transfer to Page 15

continued on Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Continued from Page 14

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 ..... From ± 600 4,184,566.

Total of Additions ..... From = 640 1,673,177.

Sub Total of deductions on page 14 ..... From = 681 1,673,177.

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year ..... 662 0.

ONTTI Gross-up deduction calculation:

From 662 0. x (Gross-up of CCA 100 / From 30 Ontario Allocation 100.0000) – From 662 0. = 663 0.

Workplace Child Care Tax Incentive

Qualifying expenditures: 665 0. x 30.00% x (100 / From 30 Ontario Allocation 100.0000) = 666 0.

Workplace Accessibility Tax Incentive

Qualifying expenditures: 667 0. x 100.00% x (100 / From 30 Ontario Allocation 100.0000) = 668 0.

Number of Employees accommodated 669 0

Ontario School Bus Safety Tax Incentive (OSBSTI) (*Applies* to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: 670 0. x 30.00% x (100 / From 30 Ontario Allocation 100.0000) = 671 0.

Educational Technology Tax Incentive (*Applies* to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures: 672 0. x 15.00% x (100 / From 30 Ontario Allocation 100.0000) = 673 0.

Ontario allowable business investment loss ..... + 678 0.

Ontario Scientific Research Expenses claimed in year in from Ont. CT23 Schedule 161 (477) ..... + 679 0.

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) ..... + 677 0.

Total of other deductions allowed by Ontario *(Attach schedule)* ..... + 664 0.

Total of Deductions 681 + 683 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 .. = 1,673,177. 680 1,673,177.

Net income (loss) for Ontario Purposes 600 + 640 – 680 ..... = 690 4,184,566.

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 0	710 (2) 0	720 (2) 0	730 0	740 0	750 0
Add: Current year's losses (7)	701 0	711 0	721 0	731 0	741 0	751 0
Losses from predecessor corporations (3)	702 0	712 0	722 0	732 0		752 0
Subtotal	703 0	713 0	723 0	733 0	743 0	753 0
Subtract: Utilized during the year to reduce taxable income	704 (2) 0	715 (2) (4) 0	724 (2) 0	734 (2) (4) 0	744 (4) 0	754 (4) 0
Expired during the year	705 0		725 0	735 0	745 0	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17 0	716 (2) to Page 17 0	726 (2) to Page 17 0	736 (2) to Page 17 0	746 0	
Subtotal	707 0	717 0	727 0	737 0	747 0	757 0
Balance at End of Year	709 (8) 0	719 0	729 0	739 0	749 0	759 0

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount form 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800 9th preceding taxation year				850 0	870 0
801 8th preceding taxation year				851 0	871 0
802 7th preceding taxation year				852 0	872 0
803 6th preceding taxation year	820 0	830 0	840 0	853 0	873 0
804 5th preceding taxation year	821 0	831 0	841 0	854 0	874 0
805 4th preceding taxation year	822 0	832 0	842 0	855 0	875 0
806 3rd preceding taxation year 2001-12-31	823 0	833 0	843 0	856 0	876 0
807 2nd preceding taxation year 2002-12-31	824 0	834 0	844 0	857 0	877 0
808 1st preceding taxation year 2003-12-31	825 0	835 0	845 0	858 0	878 0
809 Current taxation year 2004-12-31	826 0	836 0	846 0	859 0	879 0
Total	829 0	839 0	849 0	869 0	889 0

Request for Loss Carry-Back (s.80(16))

applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.

Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.

Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Predecessor Ontario Corporation's Tax Account No. (MOF)	Taxation Year Ending year month day	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss			910 0	920 0	930 0	940 0
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income						
c) 3rd preceding	901	911 0	921 0	931 0	941 0	
d) 2nd preceding	902	912 0	922 0	932 0	942 0	
e) 1st preceding	903	913 0	923 0	933 0	943 0	
Total loss to be carried back			From 706 0	From 716 0	From 726 0	From 736 0
Balance of loss available for carry-forward			919 0	929 0	939 0	949 0

Summary

Income tax	+ From 230 or 320		583,180.
Corporate Minimum Tax	+ From 280		0.
Capital Tax	+ From 550		103,988.
Premium Tax	+ From 590		0.
Total Tax Payable	= 950		687,168.
Subtract: Payments	– 960		689,958.
Capital Gains Refund (s.48)	– 965		0.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985		0.
Specified Tax Credits *(Refer to Guide)*	– 955		0.
Other (specify) _____	–		0.
Balance	= 970		-2,790.
If payment due	Enclosed * 990		0.
If overpayment: Refund *(Refer to Guide)*	= 975		2,790.
Apply to (year month day)	980		0.

(Includes credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the Minister of Finance*** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

LLOYD PAYNE

Title

PRESIDENT

Full Residence Address

Signature | Date: June 6, 2005

Note: Section 76 of the Corporations Tax Act provides penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2004-12-31

DOLLARS ONLY

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 **154,131.**

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes	+ 2101	0.	
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102	0.	
Equity income from corporations	+ 2103	0.	
Share of partnership(s)/joint venture(s) income	+ 2104	0.	
Dividends received/receivable deductible under fed.s.112	+ 2105	0.	
Dividends received/receivable deductible under fed.s.113	+ 2106	0.	
Dividends received/receivable deductible under fed.s.83(2)	+ 2107	0.	
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) 0. X 9/3	+ 2108	0.	
Subtotal	=	0.	- 2109 0.

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes	+ 2110	1,433,350.	
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2111	0.	
Equity losses from corporations	+ 2112	0.	
Share of partnership(s)/joint venture(s) losses	+ 2113	0.	
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2114	0.	
Subtotal	=	1,433,350.	+ 2115 1,433,350.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85	+ 2116	0.	or - 2117	0.
** Fed.s.85.1	+ 2118	0.	or - 2119	0.
** Fed.s.97	+ 2120	0.	or - 2121	0.
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2122	0.	or - 2123	0.
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2124	0.	or - 2125	0.
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	+ 2126	0.	or - 2127	0.
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	- 2150	0.		

Subtotal (Additions)	= 0.	+ 2128	0.
Subtotal (Subtractions)	= 0.	- 2129	0.
** Other adjustments		± 2130	0.
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130		= 2131	1,587,481.
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss		± 2132	0.
Adjusted net income (loss) (if loss, transfer to 2202 in *Schedule B: Continuity of CMT Losses Carried Forward, Page 19.*)		= 2133	1,587,481.

Deduct: * CMT losses: pre-1994 Loss + From 2210 0.
* CMT losses: other eligible losses + 2211 0.
= 0. - 2134 0.

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this tax return.*

CMT Base = 2135 **1,587,481.**
Transfer to CMT Base on Page 8

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1), (2)			+ 2201 0.
Add: Current year's losses	+ 2202	0.	
Losses from predecessor corporations on amalgamation (3)	+ 2203	0.	
Losses from predecessor corporations on wind-up (3)	+ 2204	0.	
Amalgamation (x) 2205 ☐ Yes Wind-up (x) 2206 ☐ Yes			
Subtotal	=	0.	+ 2207 0.
Adjustments (attach schedule)			± 2208 0.
CMT losses available 2201 + 2207 ± 2208			= 2209 0.
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210	0.	
Other eligible losses utilized during the year to reduce adjusted net income (4)	+ 2211	0.	
Losses expired during the year	+ 2212	0.	
Subtotal	=	0.	- 2213 0.
Balances at End of Year (5) 2209 - 2213			= 2214 0.

Notes:

1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year	2260 0	2280 0
2241	8th preceding taxation year	2261 0	2281 0
2242	7th preceding taxation year	2262 0	2282 0
2243	6th preceding taxation year	2263 0	2283 0
2244	5th preceding taxation year	2264 0	2284 0
2245	4th preceding taxation year	2265 0	2285 0
2246	3rd preceding taxation year 2001-12-31	2266 0	2286 0
2247	2nd preceding taxation year 2002-12-31	2267 0	2287 0
2248	1st preceding taxation year 2003-12-31	2268 0	2288 0
2249	Current taxation year 2004-12-31	2269 0	2289 0
	Totals	2270 0	2290 0

The sum of amounts 2270 + 2290 *must equal amount in* 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year (1)				+ 2301	0.
Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL)		+ From 280	0.		
CMT Credit Carryovers from predecessor corporations (2)		+ 2302	0.		
Amalgamation (x) 2303 ☐ Yes Wind-up (x) 2304 ☐ Yes					
Subtotal		=	0.	+ 2305	0.
Adjustments *(Attach schedule)*				± 2306	0.
CMT credit carryover available 2301 + 2305 ± 2306				= 2307	0.
					Transfer to Page 8
Subtract: CMT Credit utilized during the year to reduce income tax (Page 8)		+ From 310	0.		
CMT Credit expired during the year		+ 2308	0.		
Subtotal		=	0.	− 2309	0.
Balance at End of Year (3) 2307 − 2309				= 2310	0.

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(3) Amount in 2310 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year	2360 0	2380 0
2341	8th preceding taxation year	2361 0	2381 0
2342	7th preceding taxation year	2362 0	2382 0
2343	6th preceding taxation year	2363 0	2383 0
2344	5th preceding taxation year	2364 0	2384 0
2345	4th preceding taxation year	2365 0	2385 0
2346	3rd preceding taxation year 2001-12-31	2366 0	2386 0
2347	2nd preceding taxation year 2002-12-31	2367 0	2387 0
2348	1st preceding taxation year 2003-12-31	2368 0	2388 0
2349	Current taxation year 2004-12-31	2369 0	2389 0
	Totals	2370 0	2390 0

The sum of amounts 2370 + 2390 *must equal amount in* 2310.

alculation of Tax Rates for the

Incentive Deduction for Small Business Corporations (IDSBC)
(Small Business Tax Credit) (S.41)
Surtax on Canadian-controlled Private Corporations (s.41.1)

1. Calculation of IDSBC Rate

Number of Days In Taxation Year

		Days after December 31, 1998 and before January 1, 2000		Total Days		
7.00%	x	0	/	366	=	.0000%
		Days after Dec 31, 1999 and before Jan 1, 2001		Total Days		
7.50%	x	0	/	366	=	.0000%
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days		
7.50%	x	0	/	366	=	.0000%
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days		
6.50%	x	0	/	366	=	.0000%
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
7.00%	x	0	/	366	=	.0000%
		Days after Dec 31, 2003		Total Days		
8.50%	x	366	/	366	=	8.5000%
DSBC Rate for the Taxation Year					=	8.5000%

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2. Calculation of Specified Rate for Surtax

		Number of Days In Taxation Year			
		Days after Dec 31, 1998 and before Jan 1, 2000		Total Days	
4.67%	x	0	/	366	= .0000%
		Days after Dec 31, 1999 and before Jan 1, 2001		Total Days	
5.00%	x	0	/	366	= .0000%
		Days after Dec 31, 2000 and before Oct 1, 2001		Total Days	
5.00%	x	0	/	366	= .0000%
		Days after Sept 30, 2001 and before Jan 1, 2003		Total Days	
4.3330%	x	0	/	366	= .0000%
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days	
4.6670%	x	0	/	366	= .0000%
		Days after Dec 31, 2003		Total Days	
4.6670%	x	366	/	366	= 4.6670%
Specified Rate of Surtax for the Taxation Year					= 4.6670%

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

Surtax on Canadian-Controlled Private Corporations

orporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
ALDIMAND COUNTY HYDRO INC.	1800101	2004-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Taxable Income (if loss, enter nil)
ALDIMAND COUNTY ENERGY INC.	1800099	2004-12-31	+
ALDIMAND COUNTY GENERATION INC.	1800100	2004-12-31	+
ALDIMAND COUNTY UTILITIES INC.	1800102	2004-12-31	+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
			+
		Total	
		Transfer to 85 *of the CT23*	=

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33 King Street West
Oshawa ON L1H 8E9

Corporate Minimum Tax - Associated Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2004-12-31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
HALDIMAND COUNTY ENERGY INC.	1800099	2004-12-31	+	+
HALDIMAND COUNTY GENERATION INC.	1800100	2004-12-31	+	+
HALDIMAND COUNTY UTILITIES INC.	1800102	2004-12-31	+	+
			+	+
			+	+

ntario Summary of Dispositions of Capital Property
chedule 6

For a corporation that has disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
This schedule may be used to make a designation under section 34(10) of the "Corporations Tax Act" provided the corporation has made a designation under paragraph 111(4)(e) of the "Income Tax Act" (Canada), if control of the corporation has been acquired by a person or group of persons.

eriod 1: Dispositions before February 28, 2000
eriod 2: Dispositions after February 27, 2000 and before October 18, 2000
eriod 3: Dispositions after October 17, 2000

art A: Designation under section 34(10) of the "Corporations Tax Act"

omplete part A if there are any dispositions shown on this schedule related to deemed dispositions esignated under paragraph 111(4)(e) of the "Income Tax Act" (Canada) or section 34(10) of ie "Corporations Tax Act"?..... Yes/No [N]
Yes, complete the following:

Property	Class number	Date of disposition YYYY/MM/DD	Proceeds of disposition	Adjusted cost base	Other adjustments	Designated amount	Gain or loss
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0
			0	0	0	0	0

Part B: Inter-provincial asset transfers

Complete part B if there was any disposition shown on the schedule as a result of a federal election under section 85 of the "Income Tax Act" (Canada) that transferred assets to a non-arm's length corporation with a permanent establishment in another Canadian jurisdiction?..... Yes/No [N]
If Yes, complete the following:

Property	Class number	Corporation name of transferee/or	Date of disposition YYYY/MM/DD	Cost of asset in other jurisdiction
				0
				0
				0
				0
				0

Name of other jurisdiction	Allocation ratio to other jurisdictions	Ontario elected amount	Gain or loss
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0
	.0000%	0	0

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1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.	
					Gain (loss)		
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0		
	Totals	0	0	0	0	A	
		Gain (loss) on dispositions in period 1			0	A1	
		Gain (loss) on dispositions in period 2			0	A2	
		Gain (loss) on dispositions in period 3			0	A3	

Part 1 - Shares

No.of shares	Name of corporation	Class of shares
0		
0		
0		
0		
0		
0		
0		

Part 2 - Real estate ("Do not include losses on depreciable property")

Municipal address
1 = Address 1
2 = Address 2
3 = City
4 = Province, Country, Postal Code, Zip Code or Foreign Postal Code

1 Municipal address	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.	
					Gain (loss)		
Nairne St Service Centre Bldg	2004-11-24	21,521	4,294	0	17,227	3	
Nairne St Service Centre Land	2004-11-24	897	165	0	732	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0		
	Totals	22,418	4,459	0	17,959	B	
		Gain (loss) on dispositions in period 1			0	B1	
		Gain (loss) on dispositions in period 2			0	B2	
		Gain (loss) on dispositions in period 3			17,959	B3	

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1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Proceeds of disposition	4 Ontario adjusted cost base	5 Outlays and expenses	6 Ontario gains or (loss) (col. 3 less cols. 4 & 5)	Date of disp.	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0	3	
		0	0	0	0		
	Totals	0	0	0	0		C

Part 3 - Bonds

Face value	Maturity date YYYY/MM/DD	Name of issuer	Gain (loss)		
0					
0					
0					
0					
		Gain (loss) on dispositions in period 1		0	C1
		Gain (loss) on dispositions in period 2		0	C2
		Gain (loss) on dispositions in period 3		0	C3

Part 4 - Other properties - ("Do not include losses on depreciable property")

Description	Gain (loss)				
	0	0	0	0	3
	0	0	0	0	3
	0	0	0	0	3
	0	0	0	0	
Gain or loss from a partnership	0	0	0	0	
Totals	0	0	0	0	D
	Gain (loss) on dispositions in period 1			0	D1
	Gain (loss) on dispositions in period 2			0	D2
	Gain (loss) on dispositions in period 3			0	D3

Part 5 - Personal- use property

Description of capital property	Gain only				
	0	0	0	0	3
	0	0	0	0	3
	0	0	0	0	3
	0	0	0	0	3
Totals	0	0	0	0	E
	Gain on dispositions in period 1			0	E1
	Gain on dispositions in period 2			0	E2
	Gain on dispositions in period 3			0	E3

Note: Losses are not deductible.

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1	2	3	4	5	6	
Types of capital property	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Ontario adjusted cost base	Outlays and expenses	Ontario gain or (loss) (col. 3 less cols. 4 & 5)	Date of disp.
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
		0	0	0	0	3
Totals		0	0	0	0	

Part 6 - Listed personal property

Description				Gain (loss)	
	0	0	0	0	3
	0	0	0	0	3
	0	0	0	0	3
	0	0	0	0	3
Totals	0	0	0	0	

	Period 1	Period 2	Period 3		
Gain (or loss) on dispositions	0	0	0	0	
Subtract: Unapplied LPP losses from other years applicable to gain on dispositions	0	0	0	0	
Net gain (loss) on dispositions	0	0	0	0	F

Note: Net listed personal property losses may only be applied against personal property gains.

Part 7 - Property qualifying for and resulting in an allowable business investment loss

Name of small business corporation	Shares enter 1 Debt enter 2	Date of acquisition YYYY/MM/DD	Proceeds of disposition	Ontario adjusted cost base	Outlays and expenses	Ontario loss (col. 3 less (cols 4 & 5)	Date of disp.	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
	0		0	0	0	0	3	
		Totals	0	0	0	0		G
				Loss on dispositions in period 1		0		G1
				Loss on dispositions in period 2		0		G2
				Loss on dispositions in period 3		0		G3

Note: Properties listed in Part 7 should not be included in any other Part of Schedule 6.

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etermining capital gains and capital losses

	Period 1	Period 2	Period 3	
ains or losses on dispositions				
otal of amounts A to F,				
amount F is a loss, do not include it)	0	0	17,959	17,959
lowable business investment losses				
31, G2, G3)	0	0	0	
ains or losses on dispositions				
ncluding ABIL)	0	0	17,959	
dd:				
ain or loss from a partnership				0
apital gains dividends received in the year	0	0	0	0
apital gains reserve				
Opening balance) Schedule 13	0	0	0	0
ubtotal	0	0	17,959	17,959
ess:				
apital gains reserve				
Closing balance) from Schedule 13 (note 1)	0	0	0	0
eductible portion of gain on donations				
ncluding ecologically sensitive land)	0	0	0	
ains (or losses)	0 H	0 I	17,959 J	17,959 Z

lote 1: Applicable to dispositions made in the period. Closing balance reserves from dispositions made in a previous taxation year need to be deducted in the period during which the taxation year begins.

nclusion rate

	Gains or losses		Inclusion Rate		Net capital gain/capital loss	
Amount from line I, **period 1**	0 H	x	75.0000%	=	0	K
Amount from line I, **period 2**	0 I	x	66.6667%	=	0	L
Subtotal (note 2)	0 M	x	.0000%	=	0	AA
Amount from line I, **period 3**	17,959 J	x	50.0000%	=	8,980	N
Total (note 3)	17,959 O				8,980	P
Inclusion rate for the year expressed as a decimal fraction (P divided by O)					50.000000%	Q

Note 2

If one of either line H or line I is positive, and the other is negative, enter the difference (gain or loss) on the **subtotal** line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line AA based on that rate. In this case, it would not be necessary to calculate an amount at K and L. Otherwise, add lines H and I, and lines K and L for the subtotals. At the **inclusion rate** line between M and AA, enter the result of M divided by AA. This rate may be required in further calculations.

Note 3

If one of either line M or line J is positive, and the other is negative, enter the difference (gain or loss) on the total line. On the **inclusion rate** line, enter the inclusion rate applicable to the period from which the larger amount originates, and calculate the net gain or net loss at line P based on that rate. This could be the rate referred to at the end of note 2 above. In this case, it would not be necessary to calculate an amount at line N. Otherwise, add lines M and J, and lines AA and N for the totals.

Time Weighted Method for investment corporation or mutual fund corporation

Is the corporation a mutual fund corporation that wishes to use the time weighted method? ..... [Y/N] N

Number of days in period 1	0	x	75.0000%	=	.0000%
Number of days in period 2	0	x	66.6667%	=	.0000%
Number of days in period 3	0	x	50.0000%	=	.0000%
Number of days in the taxaton year	0				.000000%

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Determination of taxable capital gains and allowable business investment losses

Amount from line Z					17,959	Z
Deduct:						
Gain on donations of a share, debt obligation, or right (included in amounts A to F) (note 4)						
Before February 28, 2000	0					
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	=	0	
Subtotal					17,959	
Deduct:						
Amount of gain on donations of ecologically sensitive land after February 27, 2000						
After February 27, 2000 and before October 18, 2000	0					
After October 17, 2000	0					
	0	x	1/2	=	0	
Gains or Loss Include 100% of the losses in box 711 of the CT23					17,959	R
Taxable capital gains (amount R x Inclusion rate) Transfer to 603 of the CT23					8,980	S
Allowable business investment loss (line G x Inclusion rate) Transfer to 678 of the CT23					0	G4

Note 4:
Gain on donations of a share, debt obligation, or right listed on a prescribe stock exchange and amounts under paragraph 38(a.1) of the Act on (for donations made after February 18, 1997, and before the year 2002 to charities other than private foundations).

Portion of Gain or Loss from Foreign sources (100%)	0	

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ALCULATION OF AGGREGATE INVESTMENT INCOME AND ACTIVE BUSINESS INCOME

– Part 1 - Aggregate and foreign investment income calculation

	Canadian investment income	Foreign investment income	Aggregate investment income	
ne eligible portion of taxable capital gains included in come for the year	8,980	0	8,980	A
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	0	0	0	B
Net capital losses of other years claimed at line 332 on the T2 return	0		0	C
otal of amounts B and C	0	0	0	D
mount A **minus** amount D (if negative, enter "0")	8,980	0	8,980	E
otal income from property (include only income from specified investment business carried on in Canada ther than income from a source outside Canada)				
Taxable dividends	0	0	0	
Other property income	0	0	0	
otal income from property	0	0	0	F
Exempt income	0	0	0	G
Amounts received from NISA Fund No.2 (CAIS) that were included in computing the corporation's income for the year	0	0	0	H
Taxable dividends deductible from Schedule 3, and taxable dividends deductible under paragraph 113(1)(d) and subsection 113(2)	0	0	0	I
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	0	0	0	J
otal of amounts G, H, I, and J	0	0	0	K
mount F **minus** amount K	0	0	0	L
otal of amount E **plus** amount L	8,980	0	8,980	M
otal losses from property (include only losses from a specified vestment business carried on in Canada other than a loss from source outside Canada)	0	0	0	N
mount M **minus** amount N (if negative, enter "0")	8,980	0 O	8,980	P

lote: The aggregate investment income is the aggregate world source income.
:nter amount O, foreign investment income, on line 445 of the T2 return.
:nter amount P, aggregate investment income, on line 440 of the T2 return.

NET TAXABLE DIVIDENDS	Canadian	Foreign	Total
axable dividends deducted per schedule 3	0	0	0
ess: Expenses related to such dividends			
Total expenses	0	0	0
Net taxable dividends	0	0	0

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Part 2 - Specified partnership income

A	B	C	D	E	F	G	H	
Partnership name	Total income (loss) of partnership from an active business	Corp's share of amount in column B	Adjustments (add prior-year reserves added back to current-year income, under subsection 34.2(5), and deduct expenses incurred to earn partnership income)	Corp's income (loss) of the partnership (column C plus column D)	Number of days in the part-ner-ship's fiscal period	Prorated business limit (columns C / B) x [200,000 x (column F / 365)] (if column C is negative, enter "0")	Lesser of columns E and G (if column E is nega-tive, enter "0")	
	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
	0	0	0	0	0	0	0	
			Total	0		Total	0	H.1

Add to the total of Line H, the lesser of:

i) the corporation's losses for the year from an active business carried on in Canada (other than as a member of a partnership) - enter as a positive amount 0

plus:

the specified partnership loss of the corporation for the year - enter as a positive amount (total of all negative amounts in column E) 0 H.2

0

ii) Column E **minus** column G - if negative, enter "0" (if a member of more than one partnership, calculate separately for each partnership and enter total) 0 0 H.3

Specified partnership income (line H.1 **plus** line H.3) 0 H.4

* When a partnership carries on more than one business, one of which generates income and another realizes a loss, the partnership loss is not netted against the partnership's income.

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Part 3 - Determination of partnership income

orporation's share of partnership income from active businesses carried on in Canada			
ter deducting related expenses - from the total of line E above (if the net amount			
negative, enter "0" on line M)		0	I
dd: Specified partnership loss (from line H.2 above)		0	J
	Subtotal	0	K
educt: Specified partnership income (from line H.4 above)		0	L
artnership income (enter on line P below)		0	M

Part 4 - Income from active business carried on in Canada

et income for Ontario income tax purposes			4,184,566	N
educt: Foreign business income after deducting related expenses *	0			
Taxable capital gains **minus** allowable capital loss - amount A **minus** amount B (page 1) *	8,980			
Net property income - amount F **minus** amounts G, H and N (page 1) *	0	O		
Personal services business income after deducting related expenses *	0			
	8,980		8,980	
	Net amount		4,175,586	
educt: Partnership income (line M above)			0	P
ncome from active business carried on in Canada (if negative, enter "0")			4,175,586	Q

If negative, enter in brackets, and add instead of subtracting.

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HALDIMAND COUNTY HYDRO INC. Ont. Sch. 008
Corp. Tax Acct. No. : 1800101 Year Ended: 2004-12-31

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

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
8	305,723	147,897	0	0	453,620	73,948	379,672	20	0	0	75,934	377,686
10	750,518	171,405	0	2,000	919,923	84,702	835,221	30	0	0	250,566	669,357
12	48,520	100,551	0	0	149,071	50,275	98,796	100	0	0	98,796	50,275
1	29,069,488	1,659,696	-11,300	4,294	30,713,590	827,701	29,885,889	4	0	0	1,195,436	29,518,154
17	38,509	0	0	0	38,509	0	38,509	8	0	0	3,081	35,428
45	0	45,497	0	0	45,497	22,748	22,749	45	0	0	10,237	35,260
46	0	1,965	0	0	1,965	982	983	30	0	0	295	1,670
stotal	30,212,758	2,127,011	-11,300	6,294	32,322,175	1,060,356	31,261,819		0	0	1,634,345	30,687,830

Corp. Tax Acct. No. : 1800101 Year Ended: 2004-12-31

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

Summary of Capital Cost Allowance

Is the corporation electing under regulation 1101(5g)? [Y/N] N

1 Class number	2 Ontario unde-preciated capital cost at the beginning of the year (unde-preciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario unde-preciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced unde-preciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario unde-preciated capital cost at the end of the year (column 6 minus column 12)
Total	30,212,758	2,127,011	-11,300	6,294	32,322,175	1,060,356	31,261,819		0	0	1,634,345	30,687,830
							Enter in boxes		[650]	[650]	[650] on the CT23	

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the "Income Tax Act" (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Ontario

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Corporations Tax Branch
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33 King Street West
Oshawa ON L1H 8E9

Ontario Cumulative Eligible Capital Deduction
Schedule 10

(For taxation years 2000 and later)

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2004-12-31

- **For use by a corporation that has eligible capital property.**
- **A separate cumulative eligible capital account must be kept for each business.**

Part 1 - Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital – balance at end of preceding taxation year (*if negative, enter zero*)						426,457 A
Add:	Cost of eligible capital property acquired during the taxation year	+	0 B			
	Amount transferred on amalgamation or wind-up of subsidiary	+	0 C			
	Other adjustments	+	0 D			
Total of B + C + D		=	0	X 0.75	=	0 E
Subtotal A + E					=	426,457 F
Deduct:	Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	+	0 G			
	The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada)	+	0 H			
	Other adjustments	+	0 I			
Total of G + H + I		=	0	X 0.75	=	0 J
Ontario cumulative eligible capital balance F – J					=	426,457 K

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction 426,457 K X 7.00%* = 29,852 L

* *The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.*

Enter amount in box 651 *of the CT23*

Ontario cumulative eligible capital - closing balance K – L *(if negative, enter zero)* = 396,605 M

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 - Amount to be included in income arising from disposition

Only complete this part if the amount at line K is negative

Amount from line K above (*show as a positive amount*)				0 N
Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988		0 1		
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA		0 2		
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988	0 3			
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988	0 4			
Line 3 deduct line 4	0	0 5		
Total lines 1 + 2 + 5		0 6		
Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000		0 7		
Deduct line 7 from line 6		0		0 O
N - O (*cannot be negative*)				0 P
Amount on line 5	0	X 1/2		0 Q
P - Q				0 R
Amount on line R	0	X 2/3 *		0 S
Lesser of line N or line O				0 T
Amount to be included in income S + T				0

* Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

Ontario

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

Taxable Capital of Associated Corporations

(Applicable to an associated group that has a permanent establishment in Canada)

Schedule CT21

orporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
ALDIMAND COUNTY HYDRO INC.	1800101	2004-12-31

his schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
ALDIMAND COUNTY ENERGY INC.	1800099	2004-12-31	+ 69,450
ALDIMAND COUNTY GENERATION INC.	1800100	2004-12-31	+ 2
ALDIMAND COUNTY UTILITIES INC.	1800102	2004-12-31	+ 1
			+
			+
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			+
		Aggregate of taxable capital	= 69,453

Transfer to box 540 *of the CT23*

DISPOSITION OF ACCOUNT 1562 DEFERRED PAYMENTS IN LIEU OF TAXES ("PILs")

ATTACHMENT 14

2005 Tax Returns

- Federal T2
- Provincial CT23
- Notice of Assessment

Ontario

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

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2005/01/01 to 2005/12/31

	Account No.	Assessment Date (year, month, day)	Page
HALDIMAND COUNTY HYDRO INC.	1800101	2006/05/29	1 of 1

ASSESSMENT NO. 74

Tax: Federal and Provincial PIL		838,078.00
Assessment Interest		16,845.60CR
Total Assessment Liability		821,232.40

SUMMARY OF 2005/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers	1,614,024.00CR	
Sub-Total		1,614,024.00CR
CREDIT BALANCE AVAILABLE IN THIS TAXATION YEAR		792,791.60CR

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

RECEIVED BY: DM DATE: June 1/06
APPROVED BY:
- Supervisor _____ DATE: _____
- Manager _____ DATE: _____

GL / JOB NUMBER: _____

COPY

VOUCHER NO.

Tax (Re)Assessment Enquiries:
- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:
- Oshawa and Local (905) 433-6708
- Toronto (416) 920-9048 ext. 3036
- Toll-Free 1-800-262-0784 ext. 3036
- FAX (905) 433-5197

002 PX5003

0000010

200

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

055 Do not use this area

CLIENT'S COPY

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

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

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

Identification

Business Number (BN) 001 89075 9814 RC0001

Corporation's name

002 HALDIMAND COUNTY HYDRO INC.

Has the corporation changed its name since the last time we were notified? 003 1 Yes ☐ 2 No ☒

If *Yes*, do you have a copy of the articles of amendment? . . . 004 1 Yes ☐ 2 No ☐

Address of head office

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

011 1 GREENDALE DRIVE R. R. #2

012

City	Province, territory, or state
015 CALEDONIA	016 ON
Country (other than Canada)	**Postal code/ZIP code**
017	018 N3W 2J3

Mailing address (if different from head office address)

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

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal code/ZIP code**
027	028

Location of books and records

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

031 1 GREENDALE DRIVE R. R. #2

032

City	Province,territory, or state
035 CALEDONIA	036 ON
Country (other than Canada)	**Postal code/ZIP code**
037	038 N3W 2J3

040 Type of corporation at the end of the taxation year

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

If the type of corporation changed during the taxation year, provide the effective date of the change . . . . . 043 YYYY MM DD

To which taxation year does this return apply?

Taxation year start	Taxation year end
060 2005-01-01 YYYY MM DD	061 2005-12-31 YYYY MM DD

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

If *Yes*, provide the date control was acquired . . . . . 065 YYYY MM DD

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

Is this the first year of filing after:

Incorporation? . . . . . 070 1 Yes ☐ 2 No ☒

Amalgamation? . . . . . 071 1 Yes ☐ 2 No ☒

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

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

If *Yes*, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? . . . . . 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? . . . . . 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If *No*, give the country of residence on line 081 and complete and attach Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? . . . . . 082 1 Yes ☐ 2 No ☒

If *Yes*, complete and attach Schedule 91.

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

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

Do not use this area

091	092	093	094	095	096

Attachments

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

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

*** We do not print this schedule.**

Attachments – continued from page 2

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

Additional information

Is the corporation inactive?	280	1 Yes	2 No X
Has the major business activity changed since the last return was filed? (enter *Yes* for first-time filers)	281	1 Yes	2 No X

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

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

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

284	UTILITY	285	100.000 %
286		287	%
288		289	%

Did the corporation immigrate to Canada during the taxation year?	291	1 Yes	2 No X
Did the corporation emigrate from Canada during the taxation year?	292	1 Yes	2 No X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI.	300	2,065,056	A
Deduct: Charitable donations from Schedule 2	311		
Gifts to Canada, a province, or a territory from Schedule 2	312		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction from Schedule 43 *	325		
Non-capital losses of preceding taxation years from Schedule 4	331		
Net capital losses of preceding taxation years from Schedule 4	332		
Restricted farm losses of preceding taxation years from Schedule 4	333		
Farm losses of preceding taxation years from Schedule 4	334		
Limited partnership losses of preceding taxation years from Schedule 4	335		
Taxable capital gains or taxable dividends allocated from a central credit union	340		
Prospector's and grubstaker's shares	350		
Subtotal			B
Subtotal (amount A **minus** amount B) (if negative, enter "0")		2,065,056	C
Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C **plus** amount D)	360	2,065,056	
Income exempt under paragraph 149(1)(t)	370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370)		2,065,056	Z

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

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7	400	2,065,056	A
Taxable income from line 360 on page 3, **minus** 10/3 of the amount on line 632* on page 7, **minus** 3 times the amount on line 636** on page 7, and **minus** any amount that, because of federal law, is exempt form Part I tax	405	2,065,056	B

Calculation of the business limit:

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

225,000	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	365	=		1
250,000	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	365	=		2
300,000	x	Number of days in the taxation year after 2004 / Number of days in the taxation year	365 / 365	=	300,000	3
				Add amounts at lines 1, 2, and 3	300,000	4

Business limit (see notes 1 and 2 below)	410	300,000	C

Notes:
1. For CCPCs that are not associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line 410.

Business limit reduction:

Amount C 300,000 x 415 *** 11,250 / 11,250 D = 300,000 E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0")	425		F
Small business deduction – 16.00 % of whichever amount is the least: A, B, C, or F enter amount G on line 9 of page 7)	430		G

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

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

*** **Large corporation tax**

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

Accelerated tax reduction

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425)		x 300,000 / line 4 above	=		A
Net active business income (amount from line 400) *				2,065,056	B
Taxable income from line 360 on page 3 **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I Tax	2,065,056	C			
Deduct:					
Aggregate investment income (amount from line 440 of page 6)		D			
Amount C **minus** amount D (if negative, enter "0")	2,065,056	▶		2,065,056	E
Amount A, B, or E above, whichever is less					F
Amount Z from Part 9 of Schedule 27		x 100 / 7 =			G
Amount QQ from Part 13 of Schedule 27					H
Taxable resource income from line 435 above					I
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)					J
Amount on line 400, 405, 410, or 425 of the small business deduction, whichever is less					K
Total of amounts G, H, I, J, and K		▶			L
Amount F **minus** amount L (if negative, enter "0")					M
Accelerated tax reduction – 7.00 % of amount M (enter amount N on line 637 of page 7)					N

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

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

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)] ..... 435 _____ A

Amount A _____ x Number of days in the taxation year in 2004 _____ / Number of days in the taxation year 365 x 2 % = _____ B

Amount A _____ x Number of days in the taxation year in 2005 365 / Number of days in the taxation year 365 x 3 % = _____ C

Amount A _____ x Number of days in the taxation year in 2006 _____ / Number of days in the taxation year 365 x 5 % = _____ D

Amount A _____ x Number of days in the taxation year after 2006 _____ / Number of days in the taxation year 365 x 7 % = _____ E

Resource deduction – total of amounts B, C, D, and E ..... 438 _____ F
(enter amount F on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

Taxable income from line 360 on page 3 ..... 2,065,056 A

Amount Z from Part 9 of Schedule 27 ..... _____ x 100 / 7 = _____ B
Amount QQ from Part 13 of Schedule 27 ..... _____ C
Taxable resource income from line 435 above ..... _____ D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) _____ E
Amount on line 400, 405, 410, or 425 on page 4, whichever is the least ..... _____ F
Aggregate investment income from line 440 of page 6 ..... _____ G
Amount used to calculate the accelerated tax reduction (amount M of page 4) ..... _____ H
Total of amounts B, C, D, E, F, G, and H ..... _____ ▶ _____ I

Amount A **minus** amount I (if negative, enter "0") ..... 2,065,056 J

Amount J 2,065,056 x Number of days in the taxation year after 2003 365 / Number of days in the taxation year 365 x 7 % = 144,554 K

General tax reduction for Canadian-controlled private corporations – amount K ..... 144,554 L
(enter amount L on line 638 of page 7)

General tax reduction

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

Taxable income from line 360 on page 3 ..... _____ M

Amount Z from Part 9 of Schedule 27 ..... _____ x 100 / 7 = _____ N
Amount QQ from Part 13 of Schedule 27 ..... _____ O
Taxable resource income from line 435 above ..... _____ P
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) _____ Q
Total of amounts N, O, P, and Q ..... _____ ▶ _____ R

Amount M **minus** amount R (if negative, enter "0") ..... _____ S

Amount S _____ x Number of days in the taxation year after 2003 365 / Number of days in the taxation year 365 x 7 % = _____ T

General tax reduction – amount T ..... _____ U
(enter amount U on line 639 of page 7)

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

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

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

Deduct:

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

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

Taxable income from line 360 on page 3 2,065,056

Deduct:

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

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

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

2,065,056

x 26 2/3 % = 550,682 D

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 of page 8) 456,790

Deduct: Corporate surtax from line 600 of page 7 23,129

Net amount ..... 433,661 ▶ 433,661 E

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

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year 460 2,395

Deduct: Dividend refund for the previous taxation year ..... 465 2,395 ▶ _____ G

Add the total of:

Refundable portion of Part I tax from line 450 above ..... _____

Total Part IV tax payable from line 360 of Schedule 3 ..... _____

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation ... 480 _____ ▶ _____ H

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

Dividend refund

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

Taxable dividends paid in the taxation year from line 460 of Schedule 3 ..... 160,041 x 1/3 = 53,347 I

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

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

Part I tax

Base amount of Part I tax – 38.00 % of taxable income (line 360 or amount Z, whichever applies) from page 3 ..... 550 784,721 A

Corporate surtax calculation

Base amount from line A above	784,721	1
Deduct:		
10 % of taxable income (line 360 or amount Z, whichever applies) from page 3	206,506	2
Investment corporation deduction from line 620 below		3
Federal logging tax credit from line 640 below		4
Federal qualifying environmental trust tax credit from line 648 below		5
For a mutual fund corporation or an investment corporation throughout the taxation year, enter amount a, b, or c below on line 6, whichever is the least:		
28.00 % of taxable income from line 360 of page 3 — a		
28.00 % of taxed capital gains — b		6
Part I tax otherwise payable (line A **plus** lines C and D **minus** line F) — c		
Total of lines 2 to 6	206,506	7
Net amount (line 1 **minus** line 7)	578,215	8

Corporate surtax – 4.00 % of the amount on line 8 ..... 600 23,129 B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 ..... 602 C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the taxation year)

Aggregate investment income from line 440 on page 6			i
Taxable income from line 360 on page 3	2,065,056		
Deduct:			
Amount on line 400, 405, 410, or 425 of page 4, whichever is the least			
Net amount	2,065,056 ▶	2,065,056	ii

Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii .... 604 D

Subtotal (add lines A, B, C, and D) 807,850 E

Deduct:

Small business deduction from line 430 of page 4			9
Federal tax abatement	608	206,506	
Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27	616		
Investment corporation deduction	620		
(taxed capital gains 624)			
Additional deduction – credit unions from Schedule 17	628		
Federal foreign non-business income tax credit from Schedule 21	632		
Federal foreign business income tax credit from Schedule 21	636		
Accelerated tax reduction from amount N on page 4	637		
Resource deduction from line 438 on page 5			10
General tax reduction for CCPCs from amount R on page 5	638	144,554	
General tax reduction from amount U on page 5	639		
Federal logging tax credit from Schedule 21	640		
Federal political contribution tax credit	644		
Federal political contributions 646			
Federal qualifying environmental trust tax credit	648		
Investment tax credit from Schedule 31	652		
Subtotal		351,060 ▶	351,060 F

Part I tax payable – Line E **minus** line F (enter amount G on line 700 of page 8) ..... 456,790 G

Summary of tax and credits

ederal tax

Part I tax payable from page 7	700	456,790
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax payable from Schedule 46	708	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		456,790

dd provincial or territorial tax:

Provincial or territorial jurisdiction 750 Ontario
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec, Ontario, and Alberta)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	
Total tax payable	770	456,790 A

educt other credits:

Investment tax credit refund from Schedule 31	780		
Dividend refund from page 6	784		
Federal capital gains refund from Schedule 18	788		
Federal qualifying environmental trust tax credit refund	792		
Canadian film or video production tax credit refund (Form T1131)	796		
Film or video production services tax credit refund (Form T1177)	797		
Tax withheld at source	800		
Total payments on which tax has been withheld	801		
Allowable refund for non-resident-owned investment corporations from Schedule 26	804		
Provincial and territorial capital gains refund from Schedule 18	808		
Provincial and territorial refundable tax credits from Schedule 5	812		
Royalties deductible under Syncrude Remission Order	815		
Tax remitted under Syncrude Remission Order	816		
Tax instalments paid	840	456,790	
Total credits	890	456,790	456,790 B
Balance (line A **minus** line B)			

efund code 894 1 Overpayment

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

Balance unpaid

Enclosed payment 898

Direct deposit request

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

☐ Start ☐ Change information 910 Branch number

914 Institution number 918 Account number

the corporation is a Canadian-controlled private corporation throughout the taxation year, oes it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

950 PAYNE (Last name) 951 LLOYD (First name) 954 PRESIDENT (Position, office, or rank)

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

955 2006-04-05 (Date (yyyy/mm/dd)) Signature of the authorized signing officer of the corporation 956 (905) 765-5211 (Telephone number)

s the contact person the same as the authorized signing officer? If *No*, complete the information below 957 1 Yes ☒ 2 No ☐

958 Name 959 Telephone number

Language of correspondence – Langue de correspondance

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

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GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 100

Name of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

Identification of the imported corporation from the GIFI file

Name of the corporation . . . _____

Balance Sheet

Account	Description	GIFI		Amount	Prior year
Assets					
	Total current assets	1599	+	14,521,855	14,219,778
	Total tangible capital assets	2008	+	30,405,892	30,439,501
	Total accumulated amortization of tangible capital assets	2009	–		
	Total intangible capital assets	2178	+		
	Total accumulated amortization of intangible capital assets	2179	–		
	Total long-term assets	2589	+	42,059	347,339
	*Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	44,969,806	45,006,618
Liabilities					
	Total current liabilities	3139	+	7,050,020	6,704,231
	Total long-term liabilities	3450	+	15,201,652	15,581,134
	*Subordinated debt	3460	+		
	*Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	22,251,672	22,285,365
Shareholder equity					
	Total shareholder equity (mandatory field)	3620	+	22,718,134	22,721,253
	Total liabilities and shareholder equity	3640	=	44,969,806	45,006,618
Retained earnings					
	Retained earnings/deficit – end (mandatory field)	3849	=	2,837,429	2,840,548

* Generic item

UNAUDITED
SEE NOTICE TO READER

Shareholder Equity

Form identifier 3620

Account	Description	GIFI		Amount	Prior year
	* Common shares	3500	+	17,144,796	17,144,796
	* Preferred shares	3520	+		
Contributed and other surplus					
	* Contributed and other surplus	3540			
	Contributed surplus	3541		2,735,909	2,735,909
	Appraisal surplus	3542			
	General reserve	3543			
	Contributed and other surplus		+	2,735,909	2,735,909
	* Head office account	3570	+		
	* Retained earnings/deficit	3600	+	2,837,429	2,840,548
	Total shareholder equity	3620	=	22,718,134	22,721,253

Generic item

UNAUDITED
SEE NOTICE TO READER

Retained Earnings/Deficit

Form identifier 3849

Account	Description	GIFI		Amount	Prior year
	* Retained earnings/deficit – start	3660	+	2,840,547	2,706,071
	* Net income/loss	3680	+	156,923	154,131
Dividends declared					
	* Dividends declared	3700		160,041	19,654
	Cash dividends	3701			
	Patronage dividends	3702			
	Dividends declared		–	160,041	19,654
	* Prior period adjustments	3720	+		
Other items affecting retained earnings					
	* Other items affecting retained earnings	3740			
	Share redemptions	3741			
	Special reserves	3742			
	Currency adjustments	3743			
	Unusual revenue items	3744			
	Interfund transfer	3745			
	Other items affecting retained earnings		+		
	Retained earnings/deficit – end	3849	=	2,837,429	2,840,548

* Generic item

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GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

ame of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

ıcome Statement

escription GIFI

perating name 0001
escription of the operation . . 0002
equence Number 0003 01

ccount	Description	GIFI		Amount	Prior year
Income statement information					
	Total sales of goods and services	8089	+		
	Cost of sales	8518	–		
	Gross profit/loss	8519	=		
	Cost of sales	8518	+		
	Total operating expenses	9367	+	31,177,646	27,849,797
	Total expenses (mandatory field)	9368	=	31,177,646	27,849,797
	Total revenue (mandatory field)	8299	+	32,081,618	29,437,278
	Total expenses (mandatory field)	9368	–	31,177,646	27,849,797
	Net non-farming income	9369	=	903,972	1,587,481
Farming income statement information					
	Total farm revenue (mandatory field)	9659	+		
	Total farm expenses (mandatory field)	9898	–		
	Net farm income	9899	=		
	Net income/loss before taxes and extraordinary items	9970	=	903,972	1,587,481
Extraordinary items and income (linked to Schedule 140)					
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–		
	Current income taxes	9990	–	747,049	1,433,350
	Deferred income tax provision	9995	–		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	156,923	154,131

UNAUDITED
SEE NOTICE TO READER

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SCHEDULE 141

NOTES CHECKLIST

Corporation's name	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

- This schedule should be completed from the perspective of the person who prepared or reported on the **financial statements**. This person is referred to as the "accounting practitioner", in this schedule.
- For more information, see RC4088, *Guide to the General Index of Financial Information (GIFI) for Corporations* and T4012, *T2 Corporation – Income Tax Guide*.
- Attach a copy of this schedule, along with any Notes to the financial statements, to the GIFI.

Part 1 – Accounting practitioner information

Does the accounting practitioner have a professional designation?	095	1 Yes	X	2 No	
Is the accounting practitioner connected* with the corporation?	097	1 Yes		2 No	X

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note
If the accounting practitioner does not have a professional designation **or** is connected with the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4.

Part 2 – Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner: 198

Completed an auditor's report	1	X
Completed a review engagement report	2	
Conducted a compilation engagement	3	

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation?	099	1 Yes		2 No	X

Part 4 – Other information

Were notes to the financial statements prepared?	101	1 Yes	X	2 No	
If *Yes*, complete lines 102 to 107 below:					
Are any values presented at other than cost?	102	1 Yes		2 No	X
Has there been a change in accounting policies since the last return?	103	1 Yes		2 No	X
Are subsequent events mentioned in the notes?	104	1 Yes	X	2 No	
Is re-evaluation of asset information mentioned in the notes?	105	1 Yes		2 No	X
Is contingent liability information mentioned in the notes?	106	1 Yes		2 No	X
Is information regarding commitments mentioned in the notes?	107	1 Yes	X	2 No	
Does the corporation have investments in joint venture(s) or partnership(s)?	108	1 Yes		2 No	X
If *Yes*, complete line 109 below:					
Are you filing financial statements of the joint venture(s) or partnership(s)?	109	1 Yes		2 No	

NOTICE TO READER

WE HAVE COMPILED THE G.I.F.I FROM INFORMATION PROVIDED BY THE COMPANY. WE HAVE NOT AUDITED, REVIEWED OR OTHERWISE ATTEMPTED TO VERIFY THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. READERS ARE CAUTIONED THAT THIS INFORMATION MAY NOT BE APPROPRIATE FOR THEIR PURPOSES.

MILLARD, ROUSE & ROSEBRUGH LLP
BRANTFORD, ONTARIO

1. NATURE OF ACTIVITIES

The company was incorporated under the Ontario Business Corporations Act on October 13, 2000 to provide regulated electricity distribution services to residents of Haldimand County.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) General

These financial statements have been prepared in accordance with accounting principles for electrical utilities in Ontario as required by the Ontario Energy Board under the authority of Section 70(2) of the OEB Act, 1998, of The Energy Competition Act, 1998, and reflect the following policies as set forth in the Ontario Energy Board Accounting Procedures Handbook. All principles employed are in accordance with Canadian generally accepted accounting principles.

(b) Measurement

Financial statements are based on representations that may require estimates to be made in anticipation of future transactions and events and include measurement that may, by their nature, be approximations.

(c) Inventory

Inventory is stated at the lower of cost or net realizable value. Cost is determined on a weighted average basis.

(d) Property, Plant and Equipment and Amortization

Property, plant and equipment are recorded at their historical cost. Amortization is calculated on a straight-line basis over the estimated useful service life as follows:

Buildings	50 years
Distribution stations	30 years
Distribution lines - overhead	25 years
Distribution lines - underground	25 years
Distribution transformers	25 years
Distribution meters	25 years
Rolling stock	8 years
Other capital assets	5 - 50 years

(e) Contributions in Aid of Construction

Contributions in aid of construction are reported as deferred credits and amortized over the useful life of the related property, plant and equipment. Contributions prior to 2000 are included in equity as contributed capital.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Payments in Lieu of Corporate Income Taxes

The Company provides for payments in lieu of corporate income taxes using the taxes payable method. Under the taxes payable method, no provisions are made for future income taxes as a result of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. When unrecorded future income taxes become payable, it is expected that they will be included in the rates approved by the OEB and recovered from the customers of Haldimand County Hydro Inc. at that time. As at December 31, 2005, future income tax assets of $1,025,000, based on substantively enacted tax rates, have not been recorded.

(g) Regulatory Policies

The Company has adopted the following policies, as prescribed by the Ontario Energy Board (OEB) for rate-regulated enterprises. The policies have resulted in accounting treatments differing from Canadian generally accepted accounting principles for enterprises operating in a non-rate-regulated environment:

1. Various regulatory costs have been deferred in accordance with criteria set out in the OEB's Accounting Procedures handbook. In the absence of such regulation, these costs would have been expensed when incurred under Canadian GAAP.

2. The Company has deferred certain retail settlement variance amounts under the provisions of Article 490 in the OEB's Accounting Procedures handbook.

3. The Company provides for payments in lieu of corporate income taxes relating to its regulated business using the taxes payable method.

3. RATE SETTING

The rates of the Company's electricity distribution business is subject to regulation by the OEB.

With the commencement of the open market, the Company purchases electricity from the Independent Electricity System Operator (IESO), at spot market rates and charges its customers unbundled rates. The unbundled rates include the actual cost of generation and transmission of electricity and an approved rate for electricity distribution. The cost of generation, transmission and other charges such as connection and debt retirement are collected by Haldimand County Hydro Inc. and remitted to the IESO. The Company retains the distribution charge on the customer hydro invoices. The OEB has the general power to include or exclude costs, revenues, losses or gains in the rates of a specific period, resulting in a change in the timing of accounting recognition from that which would have applied in an unregulated company. Such change in timing gives rise to the recognition of regulatory assets and liabilities. The Company's regulatory assets represent certain amounts receivable from future customers and costs that have been deferred for accounting purposes because it is probable that they will be recovered in future rates. In addition, the Company has recorded regulatory liabilities which represent amounts for expenses incurred in different periods than would be the case had the Company been unregulated. Specific regulatory assets and liabilities are disclosed in Note 5.

3. RATE SETTING (continued)

Haldimand County Hydro Inc.'s approved rate for distribution includes components for the recovery of regulatory assets. The approved rates for 2005 were calculated on a 1999 rate base and included a rate of return on equity of 9.88%. The approved return of 9.88% required the Company to invest in conservation and demand management projects. The company has applied for a rate adjustment to be effective May 1, 2006. The new rates include a rate of return on equity of 9.0% based on a 2004 rate base.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated Amortization	2005	2004
Land	160,824	-	160,824	260,824
Buildings	1,241,844	148,319	1,093,525	1,025,367
Distribution stations	399,499	172,330	227,169	257,069
Distribution lines - overhead	18,588,329	5,163,366	13,424,963	13,726,317
Distribution lines - underground	6,159,293	1,563,757	4,595,536	4,540,246
Distribution transformers	9,371,077	2,067,985	7,303,092	7,073,940
Distribution meters	2,293,245	543,256	1,749,989	1,727,808
Rolling stock	1,029,638	592,847	436,791	528,327
Other capital assets	2,334,615	920,612	1,414,003	1,299,604
	41,578,364	11,172,472	30,405,892	30,439,502

5. REGULATORY ASSETS (LIABILITIES)

	2005	2004
Qualifying transition costs	297,622	642,431
Pre-market opening energy variance	426,646	576,125
Deferred payments in lieu of taxes	599,593	318,696
Retail settlement variance accounts	(1,675,953)	(1,241,677)
Deferred pension costs	136,990	-
	(215,102)	295,575

Qualifying transition costs represent the incremental recoverable costs of preparing for the open electricity market.

The pre-market opening energy variance and the retail settlement variance accounts represent differences between charges billed to customers using the Ontario Energy Board approved fixed reference price and the actual costs billed to Haldimand County Hydro Inc. by the IESO.

The deferred payments in lieu of taxes represents the accumulated difference in the approved estimate of taxes to be paid and the actual taxes paid. The estimates were approved by the OEB and are now being recovered as part of the Company's rate base. The estimated PILs true up for 2005 is a recovery of $222,356, (2004 - $1,015,000). The true up has been recorded as part of deferred payments in lieu of taxes and charged to income in 2005.

5. REGULATORY ASSETS (LIABILITIES) (continued)

On December 9, 2004, the OEB issued its decision on the Phase II recovery of various regulatory deferral accounts incurred prior to December 31, 2003, plus related interest. As a result of the OEB's decision, the proportion of our regulatory assets subject to potential OEB disallowance has been significantly reduced. The Company elected to file a minimum review application for regulatory assets. This minimum review required a 10% write down of transition costs and consequently $104,816 of transition costs were charged as an expense during the year. The Company continually assesses the likelihood of recovery of each of its regulatory assets and continues to believe that it is probable that the OEB will factor its regulatory assets and liabilities into the setting of future rates. If, at some future date, the Company judges that it is no longer probable that the OEB will include a regulatory asset or liability in future rates, the appropriate carrying amount will be reflected in results of operations in the period that the assessment is made. In its 2006 rate application, the Company has applied to recover/settle its 2004 regulatory assets over a two year period effective May 1, 2006.

6. LONG TERM LIABILITIES

	2005	2004
Non-callable debenture, with graduated interest rates starting at 6% in 2000, up to 6.5% in 2010. Interest is payable semi-annually, principal is payable annually. Due May 1, 2010	9,530,000	9,930,000
Non-callable debenture, with graduated interest rates starting at 5.25% in 1999, up to 6.125% in 2009. Interest is payable semi-annually, principal is payable annually. Due July 2, 2009	3,449,000	3,737,000
Prime minus 0.6% CIBC demand loan repayable in monthly instalments of $16,667 plus interest. Due December 2011	1,200,000	1,400,000
Customer Deposits	696,471	688,574
	14,875,471	15,755,574
Current portion	2,367,679	1,138,000
	12,507,792	14,617,574

Estimated annual principal repayments and return of customer deposits are as follows:

2006 - 2,367,679 2007 - 786,025 2008 - 860,305 2009 - 3,053,410 2010 - 7,719,505

The CIBC demand instalment loan is secured by a general security agreement on all property owned by the Company. The debentures are payable to The Corporation of Haldimand County on behalf of the former Region of Haldimand-Norfolk.

7. CAPITAL	2005	2004
Capital Stock		
Authorized - an unlimited number of common shares		
Issued - 1,001 common shares	17,144,796	17,144,796
Miscellaneous Paid-in Capital	2,735,909	2,735,909
	19,880,705	19,880,705

8. OTHER OPERATING REVENUE	2005	2004
Rural rate adjustments	-	83,799
Late payment charges	64,923	60,061
Retail service charges	26,645	27,007
Interest earned	(11,218)	29,929
Pole rentals	(39,377)	68,016
Change of occupancy charges	22,510	23,998
Collection charges	104,553	93,564
Reconnection charges	19,000	19,902
Profit on sale of material services	18,222	21,219
Water and sewer billings	297,849	283,812
Gain (loss) on disposal of property, plant and equipment	(36,727)	23,474
Miscellaneous	180,165	(5,299)
	646,545	729,482

9. DISTRIBUTION OPERATION AND MAINTENANCE	2005	2004
Distribution station equipment	35,315	111,730
Overhead distribution lines	1,560,056	1,583,260
Underground distribution lines	136,485	95,434
Distribution transformers	328,015	242,924
Distribution meters	163,017	211,087
Distribution supervision and engineering	462,449	395,054
	2,685,337	2,639,489

10. INCOME TAXES - CURRENT

	2005	2004
The income tax provision was calculated based on taxable income.		
Taxable income is calculated as follows:		
Income before income taxes	903,972	1,587,481
Amortization in excess of Capital Cost Allowance	606,056	575,173
Net change in regulatory assets	510,677	2,030,597
Loss on disposal of assets	36,727	(23,474)
Other additions and deductions	5,870	14,789
Taxable income	2,063,302	4,184,566
Tax at 36.21%	747,049	1,433,350

11. RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Haldimand County Utilities Inc. and Haldimand County Utilities Inc. is wholly owned by The Corporation of Haldimand County. Haldimand County Utilities Inc. also owns Haldimand County Energy Inc. and Haldimand County Generation Inc. Transactions between Haldimand County Hydro Inc., Haldimand County Energy Inc., Haldimand County Generation Inc., and Haldimand County Utilities Inc. occur in the normal course of operations and consideration paid is on similar terms as transactions with unrelated parties.

12. PRUDENTIAL SUPPORT

Haldimand County Hydro Inc. is required, through the IESO, to provide security to mitigate the Company's risk of default based on its expected activity in the electricity market. The IESO could draw on this guarantee if Haldimand County Hydro Inc. fails to make a payment required by a default notice issued by the IESO. The maximum potential payment is the face value of the bank letters of credit. As at December 31, 2005 the Company provided prudential support in the form of bank letters of credit of $3,362,596. The letters of credit are secured by a general security agreement on all property owned by the Company.

13. FINANCIAL INSTRUMENTS

Fair Value

The fair value of financial instruments such as cash and bank, accounts receivable, unbilled revenue and accounts payables and accrued liabilities are determined to approximate their recorded value due to their short term maturity.

Interest Rate Risk

The company's exposure to interest rate risk relates to its floating bank rate indebtedness (see Note 6).

Credit Risk

The company's exposure to credit risk relates to its accounts receivable and unbilled revenue. The risk of significant credit loss is considered remote.

14. LATE PAYMENT PENALTIES

A class action claiming $500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against The Toronto Hydro-Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged late payment charges on overdue utility bills at any time after April 1, 1981.

This claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code.

The Municipal Electric Association is undertaking the defence of this class action. At this time it is not possible to quantify the effect, if any, of this claim on the financial statements of the company, consequently no provision for a loss, if any, has been recorded in these financial statements.

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SCHEDULE 1

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Corporation's name	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

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

Net income (loss) after taxes and extraordinary items per financial statements				156,923 A
Add:				
Provision for income taxes – current		101	747,049	
Amortization of tangible assets		104	2,355,023	
Income or loss for tax purposes – joint ventures or partnerships		109	-869	
Loss on disposal of assets		111	36,727	
	Subtotal of additions		3,137,930 ▶	3,137,930
Other additions:				
Financing fees deducted in books		216	9,705	
Miscellaneous other additions:				
600 CAPITAL TRANSITION COSTS + NON-CAP TRANSITION COSTS- 2004		290	642,431	
601 DR PILS BALANCE - 2004		291	318,697	
602 RCVA - 2004		292	262,503	
603a POEV DR BALANCE - 2004	576,124			
603b Ontario Specified Tax Credits	5,870			
	Total 581,994	293	581,994	
604a RSVA - 2005	1,675,953			
	Total 1,675,953	294	1,675,953	
	Subtotal of other additions	199	3,491,283 ▶	3,491,283
	Total additions	500	6,629,213 ▶	6,629,213
Deduct:				
Capital cost allowance from Schedule 8		403	1,721,254	
Cumulative eligible capital deduction from Schedule 10		405	27,762	
	Subtotal of deductions		1,749,016 ▶	1,749,016
Other deductions:				
Miscellaneous other deductions:				
700 NON-CAP TRANSITION COSTS		390	197,147	
701 REGULATORY ASSETS - 2005 SEE ATTACHED SCHEDULE FOR BREAKDOWN		391	664,111	
702 FINANCING COSTS		392	7,033	
703 DR PILS BALANCE - 2005		393	599,593	
704 RSVA 2004 OPENING BALANCE		394	1,504,180	
	Subtotal of other deductions	499	2,972,064 ▶	2,972,064
	Total deductions	510	4,721,080 ▶	4,721,080
Net income (loss) for income tax purposes – enter on line 300 of the T2 return				2,065,056

T2 SCH 1 E (01)

Canada

Attached Schedule with Total

Line 391 – Amount for line 701

itle ADDITIONAL DEDUCTIONS

escription	Amount
DEFERRED PENSION COSTS - 2005	136,990 00
CAPITAL TRANSITION COSTS - 2005	100,475 00
PRE-MARKET OPENING ENERGY VARIANCE - 2005	426,646 00
Total	664,111 00

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DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND PART IV TAX CALCULATION

SCHEDULE 3

Name of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

- This schedule is for the use of any corporation to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
  - taxable dividends paid for purposes of a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a taxation year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the sections about Schedule 3 in the *T2 Corporation Income Tax Guide*.
- "X" under column A if dividend received from a foreign source (connected corporation only).
- "X" under column B if the payer corporation is connected.

Part 1 – Dividends received during the taxation year

Do not include dividends received from foreign non-affiliates.

	Name of payer corporation (Use only one line per corporation, abreviating its name if necessary) 200	A	Complete if payer corporation is connected: B 205	C Business Number 210	D Taxation year end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends were paid YYYY/MM/DD 220
1					

Note: If your corporation's taxation year end is different than that of the connected payer corporation, your corporation could have received dividends from more than one taxation year of the payer corporation. If so, use a separate line to provide the information for each taxation year of the payer corporation.

	E Non-taxable dividend under section 83 230	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d) 240	If payer corporation is not connected, leave these columns blank. G Total taxable dividends paid by connected payer corporation 250	H Dividend refund of the connected payer corporation 260	I Part IV tax before deductions F x 1 / 3 * 270
1					
Total (enter amount of column F on line 320 of the T2 return)					J

For dividends received from connected corporations: Part IV tax equals: $\frac{\text{Column F x Column H}}{\text{Column G}}$

* Life insurers are not subject to Part IV tax on subsection 138(6) dividends.
Public corporations (other than subject corporations) do not need to calculate Part IV tax.

Part 2 – Calculation of Part IV tax payable

art IV tax before deductions (amount J in Part 1) . . . . . .

educt:

Part IV.I tax payable on dividends subject to Part IV tax 320

Subtotal

educt:

Current-year non-capital loss claimed to reduce Part IV tax 330

Non-capital losses from previous years claimed to reduce Part IV tax 335

Current-year farm loss claimed to reduce Part IV tax 340

Farm losses from previous years claimed to reduce Part IV tax 345

Total losses applied against Part IV tax x 1 / 3 =

art IV tax payable (enter amount on line 712 of the T2 return) 360

Part 3 – Taxable dividends paid in the taxation year for purposes of a dividend refund

	A	B	C	D
	Name of connected recipient corporation 400	Business Number 410	Taxation year end of connected recipient corporation in which the dividends in column D were received YYYY/MM/DD 420	Taxable dividends paid to connected corporations 430
1	Haldimand County Utilities	86391 7795 RC0001	2005-12-31	160,041
2				

lote

your corporation's taxation year end is different than that of the connected recipient corporation, your orporation could have paid dividends in more than one taxation year of the recipient corporation. If so, se a separate line to provide the information for each taxation year of the recipient corporation.

Total 160,041

otal taxable dividends paid in the taxation year to other than connected corporations 450

otal taxable dividends paid in the taxation year for the purposes of a dividend refund otal of column D above plus line 450) 460 160,041

Part 4 – Total dividends paid in the taxation year

omplete this part if the total taxable dividends paid in the taxation year for purposes of a dividend refund (line 460 above) is different om the total dividends paid in the taxation year.

otal taxable dividends paid in the taxation year for the purposes of a dividend refund (from above) 460 160,041

)ther dividends paid in the taxation year (total of 510 to 540) . . . . . .

otal dividends paid in the taxation year 500 160,041

)educt:

Dividends paid out of capital dividend account 510

Capital gains dividends 520

Dividends paid on shares described in subsection 129(1.2) 530

Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year 540

Subtotal ▶

otal taxable dividends paid in the taxation year for purposes of a dividend refund 160,041

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SCHEDULE 4

CORPORATION LOSS CONTINUITY AND APPLICATION

Name of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to previous years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For information on these losses, see the *T2 Corporation Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		2,065,056
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)		
Taxable dividends deductible under sections 112, 113, or subsection 138(6)		
Amount of Part VI.1 tax deductible		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)		
Subtotal (if positive, enter "0")		
Deduct: (increase a loss)		
Section 110.5 and/or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions		
Subtotal		
Add: (decrease a loss)		
Current-year farm loss		
Current-year non-capital loss (if positive, enter "0")		

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year			
Deduct: Non-capital loss expired *	100		
Non-capital losses at beginning of taxation year	102		
Add: Non-capital losses transferred on an amalgamation or the windup of a subsidiary corporation	105		
Current-year non-capital loss (from calculation above)	110		
Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130		
Amount applied against taxable dividends subject to Part IV tax	135		
Section 80 – Adjustments for forgiven amounts	140		
Subsection 111(10) – Adjustments for fuel tax rebate			
Other adjustments	150		
Subtotal			
Deduct – Request to carry back non-capital loss to:			
First preceding taxation year to reduce taxable income	901		
Second preceding taxation year to reduce taxable income	902		
Third preceding taxation year to reduce taxable income	903		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913		
Non-capital losses – Closing balance		180	

* A non-capital loss expires as follows:

- After **7** taxation years if it arose in a taxation year ending before March 23, 2004; or
- After **10** taxation years if it arose in a taxation year ending after March 22, 2004.

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator 190 Yes ☐

Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

art 2 – Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200		
Capital losses transferred on an amalgamation or the windup of a subsidiary corporation	205		
Current-year capital loss (from Schedule 6 calculation)	210	33,061	33,061
Add:			
Allowable business investment loss expired as non-capital loss _____ x 4/3	220		
		Subtotal	33,061
Deduct:			
Amount applied against current-year capital gain (see Note 1)	225		
Section 80 – Adjustments for forgiven amounts	240		
Other adjustments	250		
		Subtotal	33,061

Deduct – Request to carry back capital loss to: (see Note 2)

	Capital gain (100%)		Amount carried back (100%)	
First preceding taxation year	17,959	951		
Second preceding taxation year	40,205	952	33,061	
Third preceding taxation year		953		33,061
Capital losses – Closing balance			280	

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by 50%.

Note 2

Enter on lines 225, 951, 952, or 953, whichever applies, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

art 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year			
Deduct: Farm loss expired after 10 taxation years	300		
Farm losses at beginning of taxation year	302		
Add: Farm losses transferred on an amalgamation or the windup of a subsidiary corporation	305		
Current-year farm loss	310		
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
Section 80 – Adjustments for forgiven amounts	340		
Other adjustments	350		
		Subtotal	

Deduct – Request to carry back farm loss to:

First preceding taxation year to reduce taxable income	921	
Second preceding taxation year to reduce taxable income	922	
Third preceding taxation year to reduce taxable income	923	
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931	
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932	
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933	
Farm losses – Closing balance	380	

art 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485		A
Minus the deductible farm loss:			
$2,500 plus B or C, whichever is less		$ 2,500	
(Amount A above _____ – $2,500) divided by 2 =		_____ B	
		$ 6,250 C	2,500
Current-year restricted farm loss (enter this amount on line 410 of page 3)			

Part 4 – Restricted farm losses (continued)

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year			
Deduct: Restricted farm loss expired after 10 taxation years	400		
Restricted farm losses at beginning of taxation year	402		
Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation	405		
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410		
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430		
Section 80 – Adjustments for forgiven amounts	440		
Other adjustments	450		
		Subtotal	
Deduct – Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941		
Second preceding taxation year to reduce farming income	942		
Third preceding taxation year to reduce farming income	943		
Restricted farm losses – Closing balance		480	

Note

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

Part 5 – Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			
Deduct: Listed personal property loss expired after seven taxation years		500	
Listed personal property losses at beginning of taxation year		502	
Add: Current-year listed personal property loss (from Schedule 6)		510	
		Subtotal	
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530		
Other adjustments	550		
		Subtotal	
Deduct – Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961		
Second preceding taxation year to reduce listed personal property gains	962		
Third preceding taxation year to reduce listed personal property gains	963		
Listed personal property losses – Closing balance		580	

Part 7 – Limited partnership losses

Current-year limited partnership losses

1	2	3	4	5	6	7
Partnership identifier 600	Fiscal period ending 602	Corporation's share of limited partnership loss 604	Corporation's at-risk amount 606	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses 608	Column 4 **minus** column 5 If negative, enter "0".	Current-year limited partnership losses Column 3 - 6 620

Total (enter this amount on line 222 of Schedule 1)

Limited partnership losses from prior taxation years that may be applied in the current year

1	2	3	4	5	6	7
Partnership identifier 630	Fiscal period ending 632	Limited partnership losses at end of preceding taxation year 634	Corporation's at-risk amount 636	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses 638	Column 4 **minus** column 5 If negative, enter "0".	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6 650

Continuity of limited partnership losses that can be carried forward to future taxation years

Partnership identifier 660	Limited partnership losses at end of preceding taxation year 662	Limited partnership losses transferred on an amalgamation or the windup of a subsidiary 664	Current-year limited partnership losses (from column 620) 670	Limited partnership losses applied (cannot exceed column 650) 675	Limited partnership losses closing balance (662 + 664 + 670 - 675) 680

Total (enter this amount on line 335 of the T2 return)

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SCHEDULE 6

SUMMARY OF DISPOSITIONS OF CAPITAL PROPERTY

Name of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

- For use by corporations that have disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.
- Use this schedule to make a designation under paragraph 111(4)(e) of the federal *Income Tax Act*, if the control of the corporation has been acquired by a person or group of persons.

For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the *T2 Corporation Income Tax Guide*.

Designation under paragraph 111(4)(e) of the *Income Tax Act*

Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)?

050 1 Yes ☐ 2 No ☒ If *Yes*, attach a statement specifying which properties are subject to such a designation.

Part 1 – Shares

	No. of shares 100	Name of corporation 105	Class of shares 106	Date of acquisition YYYY/MM/DD 110	Proceeds of disposition 120	Adjusted cost base 130	Outlays and expenses (dispositions) 140	Gain (or loss) (column 120 less cols. 130 and 140) 150	Foreign source
1									
				Totals					A

Part 2 – Real estate – Do not include losses on depreciable property

	Municipal address 1 = Address 1 2 = Address 2 3 = City 4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code 200	Date of acquisition YYYY/MM/DD 210	Proceeds of disposition 220	Adjusted cost base 230	Outlays and expenses (dispositions) 240	Gain (or loss) (column 220 less cols. 230 and 240) 250	Foreign source
1	GEORGE STREET, DUNVILLE		67,500	100,000	561	-33,061	
2							
	Totals		67,500	100,000	561	-33,061	B

Part 3 – Bonds

	Face value 300	Maturity date 305	Name of issuer 307	Date of acquisition YYYY/MM/DD 310	Proceeds of disposition 320	Adjusted cost base 330	Outlays and expenses (dispositions) 340	Gain (or loss) (column 320 less cols. 330 and 340) 350	Foreign source
1									
				Totals					C

Part 4 – Other properties – Do not include losses on depreciable property

	Description 400	Date of acquisition YYYY/MM/DD 410	Proceeds of disposition 420	Adjusted cost base 430	Outlays and expenses (dispositions) 440	Gain (or loss) (column 420 less cols. 430 and 440) 450	Foreign source
1							
	Totals						D

Part 5 – Personal-use property

	Description 500	Date of acquisition YYYY/MM/DD 510	Proceeds of disposition 520	Adjusted cost base 530	Outlays and expenses (dispositions) 540	Gain only (column 520 less cols. 530 and 540) 550	Foreign source
1							
	Totals						E

Note: Losses are not deductible.

Part 6 – Listed personal property

	Description 600	Date of acquisition YYYY/MM/DD 610	Proceeds of disposition 620	Adjusted cost base 630	Outlays and expenses (dispositions) 640	Gain (or loss) (column 620 less cols. 630 and 640) 650	Foreign source
1							
	Totals						

Note: Net listed personal property losses may only be applied against listed personal property gains.

Subtract: Unapplied listed personal property losses from other years 655

Amount from line 655 is from line 530 in Part 5 of Schedule 4.

Net gains (or losses) F

Part 7 – Determining allowable business investment losses

Property qualifying for and resulting in an allowable business investment loss

	Name of small business corporation 900	Shares, enter 1; debt, enter 2 905	Date of acquisition YYYY/MM/DD 910	Proceeds of disposition 920	Adjusted cost base 930	Outlays and expenses (dispositions) 940	(Loss)(column 920 less cols. 930 and 940) 950	Foreign source
1								
			Totals					G

Note: Properties listed in Part 7 should not be included in any other parts of Schedule 6.

Allowable business investment losses . . . . . Amount G _____ x 50 % = _____ H

Enter amount H on line 406 of Schedule 1.

Part 8 – Determining capital gains or losses

Total of amounts A to F (do not include F, if the amount is a loss) . . . . . -33,061 I

Add: Foreign source

Capital gains dividend received in the year . . . . . 875 _____ J ☐

Capital gains reserve opening balance (from Schedule 13) . . . . . 880 _____ K

Subtotal (add amounts I, J, and K) -33,061 L

Deduct: Capital gains reserve closing balance (from Schedule 13) . . . . . 885 _____ M

Capital gains or losses (amount L minus amount M) . . . . . 890 -33,061

Part 9 – Determining taxable capital gains and total capital losses

Capital gains or losses (amount from line 890 above) ..... -33,061 N

Deduct the following gains that are included in the amount N:

Gain on donation of a share, debt obligation, or right listed on a prescribed stock exchange and other amounts under paragraph 38(a.1) of the *Income Tax Act* ..... _____ x 50 % = 895 _____ Foreign source ☐

Gain on donation of ecologically sensitive land _____ x 50 % = 896 _____ Foreign source ☐

Subtotal (line 895 plus line 896) _____ ▶ _____ O

Amount N minus amount O ..... -33,061 P

Total capital losses: If amount P is a loss, enter it on line 210 of Schedule 4.

Taxable capital gains: If amount P is a gain, enter it on this line ..... _____ x 50 % = _____ Q

Enter amount Q on line 113 of Schedule 1.

Portion of gain or loss from foreign sources (100%) (excluding business investment losses) .....

T2 SCH 6 E (07-05)

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SCHEDULE 8

CAPITAL COST ALLOWANCE (CCA)

Name of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

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

	1 Class number 200	2 Undepreciated capital cost at the beginning of the year 201	3 Cost of acquisitions during the year* 203	4 Net adjustments 205	5 Proceeds of dispositions during the year (amount not to exceed the capital cost) 207	6 Undepreciated capital cost (column 2 **plus** column 3 **plus** or **minus** column 4 **minus** column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)** 211	8 Reduced undepreciated capital cost (column 6 **minus** column 7)	9 CCA rate % 212	10 Recapture of capital cost allowance (amount on line 107 of Schedule 1) 213	11 Terminal loss (amount on line 404 of Schedule 1) 215	12 Capital cost allowance (column 8 **multiplied** by column 9; or a lower amount) (amount on line 403 of Schedule 1)*** 217	13 Undepreciated capital cost at the end of the year (column 6 **minus** column 12) 220
1	8	377,686	149,420		629	526,477	74,396	452,081	20	0	0	90,416	436,061
2	10	669,357	40,638		3,925	706,070	18,357	687,713	30	0	0	206,314	499,756
3	12	50,276	234,727		0	285,003	117,364	167,639	100	0	0	167,639	117,364
4	1	29,518,154	215,513		0	29,733,667	107,757	29,625,910	4	0	0	1,185,036	28,548,631
5	17	35,428			0	35,428		35,428	8	0	0	2,834	32,594
6	45	35,260			0	35,260		35,260	45	0	0	15,867	19,393
7	46	1,670			0	1,670		1,670	30	0	0	501	1,169
8	47		1,316,754		590	1,316,164	658,082	658,082	8	0	0	52,647	1,263,517
	Total	30,687,831	1,957,052		5,144	32,639,739	975,956	31,663,783				1,721,254	30,918,485

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

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

*** If the taxation year is shorter than 365 days, prorate the CCA claim.
See the *T2 Corporation Income Tax Guide* for more information.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

This schedule is to be completed by a corporation having one or more of the following:
- related corporation(s)
- associated corporations(s)

	Name 100	Country of residence (if other than Canada) 200	Business Number (Canadian corporation only) (see note 1) 300	Relationship code (see note 2) 400	Number of common shares owned 500	% of common shares owned 550	Number of preferred shares owned 600	% of preferred shares owned 650	Book value of capital stock 700
1.	HALDIMAND COUNTY ENERGY INC.		89076 2412 RC0001	3					
2.	HALDIMAND COUNTY GENERATION		89075 7412 RC0001	3					
3.	HALDIMAND COUNTY UTILITIES IN		86391 7795 RC0001	1	1,001	100.000			18,739,941

Note 1: Enter "NR" if a corporation is not registered.
Note 2: Enter the code number of the relationship that applies from the following order: 1 – Parent 2 – Subsidiary 3 – Associated 4 – Related, but not associated.

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SCHEDULE 10

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 – Calculation of current year deduction and carry-forward

Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0") 200 396,605 A

Add:

Cost of eligible capital property acquired during the taxation year ..... 222 _____

Other adjustments ..... 226 _____

Subtotal (line 222 plus line 226) _____ x 3 / 4 = _____ B

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002 .. 228 _____ x 1 / 2 = _____ C

amount B minus amount C (if negative, enter "0") _____ ▶ _____ D

Amount transferred on amalgamation or wind-up of subsidiary ..... 224 _____ E

Subtotal (add amounts A, D, and E) 230 396,605 F

Deduct:

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year ..... 242 _____ G

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) ..... 244 _____ H

Other adjustments ..... 246 _____ I

(add amounts G,H, and I) _____ x 3 / 4 = 248 _____ J

Cumulative eligible capital balance (amount F minus amount J) ..... 396,605 K

If amount K is negative, enter "0" at line M and proceed to Part 2)

Cumulative eligible capital for a property no longer owned after ceasing to carry on that business ..... 249 _____

amount K 396,605

less amount from line 249 _____

Current year deduction ..... 396,605 x 7.00 % = 250 27,762 *

(line 249 plus line 250) (enter this amount at line 405 of Schedule 1) 27,762 ▶ 27,762 L

Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0") ..... 300 368,843 M

* You can claim any amount up to the maximum deduction of 7%. The deduction may not exceed the maximum amount prorated by the number of days in the taxation year divided by 365.

Part 2 – Amount to be included in income arising from disposition

(complete this part only if the amount at line K is negative)

Amount from line K (show as positive amount)				N
Total of cumulative eligible capital (CEC) deductions from income for taxation years beginning after June 30, 1988	400		1	
Total of all amounts which reduced CEC in the current or prior years under subsection 80(7)	401		2	
Total of CEC deductions claimed for taxation years beginning before July 1, 1988	402		3	
Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	408		4	
Line 3 minus line 4 (if negative, enter "0")		▶	5	
Total of lines 1, 2 and 5			6	
Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after June 30, 1988 and before February 28, 2000, to the extent that it is for an amount described at line 400			7	
Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000			8	
Subtotal (line 7 plus line 8)	409	▶	9	
Line 6 minus line 9 (if negative, enter "0")			▶	O
Line N minus line O (if negative, enter "0")				P
Line 5 _____ x 1 / 2 =				Q
Line P minus line Q (if negative, enter "0")				R
Amount R _____ x 2 / 3 =				S
Amount N or amount O, whichever is less				T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)	410			

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SCHEDULE 23

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT

For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.

An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the *Income Tax Act*, not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

1 - associated for purposes of allocating the business limit (unless association code 5 applies)
2 - CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 - non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 - associated non-CCPC
5 - associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the business limit for the year of each corporation in the associated group that is computed at line 4 on page 4 of each respective corporation's T2 return.

Column 5: Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 times the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A is equal to an amount in one of the following ranges, whichever applies:

– from $200,001 to $225,000, if the calendar year to which this agreement applies is 2003;
– from $225,001 to $250,000, if the calendar year to which this agreement applies is 2004; or
– from $250,001 to $300,000, if the calendar year to which this agreement applies is 2005.

If the calendar year to which this agreement applies is after 2005, ensure that the total at line A does not exceed $300,000.

Allocation of the business limit

)ate filed (do not use this area) . . . . . 025 Year Month Day

:nter the calendar year to which the agreement applies . . . . . 050 Year 2005

; this an amended agreement for the above-noted calendar year that is intended to replace n agreement previously filed by any of the associated corporations listed below? . . . . . 075 1 Yes ☐ 2 No ☒

	1 Names of associated corporations 100	2 Business Number of associated corporations 200	3 Asso-ciation code 300	4 Business limit for the year (before the allocation) $	5 Percentage of the business limit % 350	6 Business limit allocated* $ 400	
	HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	1	300,000	100.0000	300,000	
1	HALDIMAND COUNTY ENERGY INC.	89076 2412 RC0001	1	300,000			
2	HALDIMAND COUNTY GENERATION INC.	89075 7412 RC0001	1	300,000			
3	HALDIMAND COUNTY UTILITIES INC.	86391 7795 RC0001	1	300,000			
				Total	100.0000	300,000	A

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Taxation year end Year Month Day
HALDIMAND COUNTY HYDRO INC.	89075 9814 RC0001	2005-12-31

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

	Name of shareholder 100	Business Number **(Notes 1 & 3)** 200	Social Insurance Number **(Note 2 & 3)** 300	Percentage common shares 400	Percentage preferred shares 500
1	HALDIMAND COUNTY UTILITIES INC.	86391 7795 RC0001		100.000	
2					
3					
4					
5					
6					
7					
8					
9					
10					

Note 1: If a corporate shareholder does not have a business number, "NR" must be entered to indicate the corporation is not registered.

Note 2: If an individual shareholder does not have a social insurance number, "NA" must be entered to indicate the SIN is not available.

Note 3: If a trust holds 10% or more of the corporation's common or preferred shares, enter "NR" for the business number and, if space permits, enter the trust's name and account number. Do not enter anything in the "SIN" column.

Ontario

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

2004/
2005

CT23 Corporations Tax and Annual Return

For taxation years commencing after December 31, 2002

Corporations Tax Act – Ministry of Finance (MOF)
Corporations Information Act – Ministry of Consumer and Business Services (MCBS)

This form is a combination of the Ministry of Finance (MOF) **CT23 Corporations Tax Return** and the Ministry of Consumer and Business Services (MCBS) **Annual Return**. Page 1 is a common page required for both Returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17. Corporations that **do not** meet the EFF criteria but **do** meet the Short-Form criteria, may request and file the **CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedule A on pages 18 and 19, and Schedule K on page 20) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

Ministry Use

CLIENT'S COPY

MCBS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* [X] Yes [ ] No

Corporation's Legal Name *(including punctuation)*

HALDIMAND COUNTY HYDRO INC.

Ontario Corporations Tax Account No. (MOF)

1800101

Mailing Address

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W 2J3

This Return covers the Taxation Year

Start: year month day — 2005-01-01

End: year month day — 2005-12-31

Has the mailing address changed since last filed CT23 Return? [ ] Yes

Date of Change: year month day

Date of Incorporation or Amalgamation

year month day — 2000-10-13

Registered/Head Office Address

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W 2J3

Ontario Corporation No. (MCBS): 1800101

Location of Books and Records

1 GREENDALE DRIVE R. R. #2

CALEDONIA
ON CA N3W 2J3

Canada Customs and Revenue Agency Business No.

If applicable, enter: 89075 9814 RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
LLOYD PAYNE	(905) 765-5211	

Jurisdiction Incorporated: ONTARIO

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MCBS)

Ontario Canada

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:

Commenced: year month day

Ceased: year month day

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MCBS)

[X] *Not Applicable*

Preferred Language / *Langue de préférence*

[X] English / *anglais* [ ] French / *français*

Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). ▶

No. of Schedule(s): 3

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check (X) this box. Schedule(s) A and K are not required (MCBS). ▶ [ ] No Change

Ministry Use

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person *(Print clearly or type in full)*

LLOYD PAYNE

Title: D [ ] Director O [X] Officer P [ ] Other individuals having knowledge of the Corporation's business activities

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Type of Corporation – Please check (X) box(es) if applicable in sections 1 & 2

1

1 [X] Canadian–controlled Private (CCPC) all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other (specify) ▼

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100 %

2

1 [ ] Family Farm Corporation s.1 (2)
2 [ ] Family Fishing Corporation s.1 (2)
3 [ ] Mortgage Investment Corporation s.47
4 [ ] Credit Union s.51
5 [ ] Bank Mortgage Subsidiary s.61 (4)
6 [ ] Bank s.1 (2)
7 [ ] Loan and Trust Corporation s.61 (4)
8 [ ] Non-resident Corporation s.2(2)(a) or (b)
9 [ ] Non-resident Corporation s.2(2)(c)
10 [ ] Mutual Fund Corporation s.48
11 [ ] Non-resident owned investment Corporation s.49
12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
14 [ ] Bare Trustee Corporation
15 [ ] Branch of Non-resident s.63(1)
16 [ ] Financial institution prescribed by Regulation only
17 [ ] Investment Dealer
18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
19 [ ] Hydro successor, Municipal Electrical Utility or subsidiary of either
20 [ ] Producer and seller of steam for uses other than for the generation of electricity
21 [ ] Insurance Exchange s.74.4
22 [ ] Farm Feeder Finance Co-operative Corporation
23 [ ] Professional Corporation (incorporated professionals only)

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)
If applicable, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)
If applicable, enter 111292775

Specify major business activity

Please check (X) box(es) if applicable

[ ] First Year of Filing
[ ] Amended Return
[ ] Taxation Year End has changed – Canada Customs and Revenue Agency approval required
[ ] Final Taxation Year up to Dissolution (wind-up) *(Note: For discontinued businesses, see Guide.)*
[ ] Final Taxation Year before Amalgamation
[ ] Floating Fiscal Year End
[ ] Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
[ ] Acquisition of Control fed s. 249(4)

Date Control was acquired (year month day)

	Yes	No
Was the corporation inactive throughout the taxation year?	[ ]	[X]
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	[X]	[ ]
Are you requesting a refund due to: the Carry-back of a Loss?	[ ]	[X]
an Overpayment?	[X]	[ ]
a Specified Refundable Tax Credit?	[ ]	[X]
Are you a Member of a Partnership or Joint Venture?	[X]	[ ]

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction to that jurisdiction (s.39) (Int.B. 3008).

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From	690	2,065,056
Subtract: Charitable donations	–		1	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–		2	
Subtract: Taxable dividends deductible, per federal Schedule 3	–		3	
Subtract: Ontario political contributions *(Attach Schedule 2A)* (Int.B. 3002R)	–		4	
Subtract: Federal Part VI.1 tax _____ x 3	–		5	
Subtract: Prior years' losses applied – Non-capital losses (From 715)	–	From	704	
Net capital losses (page 16) _____ x inclusion rate 50.000000%	–		714	
Farm losses	–	From	724	
Restricted farm losses	–	From	734	
Limited partnership losses	–	From	754	
Taxable Income (Non-capital loss)	=		10	2,065,056
Addition to taxable income for unused foreign tax deduction for federal purposes	+		11	
Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11)	=		20	2,065,056

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable) 2,065,056 x 30 100.0000% (Ontario Allocation) x 12.5% x (Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 ____ ÷ 73 365 (Total Days)) = + 29 ____

From 10 (or 20 if applicable) 2,065,056 x 30 100.0000% (Ontario Allocation) x 14% x (Days after Dec. 31, 2003: 34 365 ÷ 73 365 (Total Days)) = + 32 289,108

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 289,108

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

If this section is not completed, the IDSBC will be denied.

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X) [X] Yes [ ] No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	2,065,056
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51	2,065,056	
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	– 53		
	= 2,065,056	54	2,065,056
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)		55	300,000

Ontario Business Limit Calculation

320,000 x (Days after Dec. 31, 2002 and before Jan 1, 2004: 31 ____ ÷ ** 365) = + 46 ____

400,000 x (Days after Dec 31, 2003: 34 365 ÷ ** 365) = + 47 400,000

Business Limit for Ontario purposes 46 + 47 = 44 400,000 x (Percentage of federal Business limit (from T2 Schedule 23). Enter 100% if not associated. 48 100.0000%) = 45 400,000

Income eligible for the IDSBC From 30 100.0000% (***Ontario Allocation) x 56 400,000 = 60 400,000 (Least of 50, 54 or 45)

* *Note: Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)*

** *Note: Adjust accordingly for a floating taxation year and use 366 for a leap year.*

*** *Note: Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 5

ıcome Tax *continued from Page 4*

ılculation of IDSBC Rate — 7 % × (Number of Days in Taxation Year: Days after Dec 31, 2002 and before Jan 1, 2004 [31] ÷ Total Days [73] 365) = + [89]

8.5 % × (Days after Dec 31, 2003 [34] 365 ÷ Total Days [73] 365) = + [90] 8.5000

SBC Rate for Taxation Year [89] + [90] = [78] 8.5000

aim — From [60] 400,000 • × From [78] 8.5000 % = [70] 34,000 •

›rporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income · if associated, the associated group's taxable income) is greater than the amount 400,000 in [114] below.

urtax on Canadian-controlled Private Corporations (s.41.1)

›plies if you have claimed the Incentive Deduction for Small Business Corporations.

ssociated Corporation - The Taxable Income of associated corporations is the taxable income · the taxation year ending on or before the date of this corporation's taxation year end.

axable Income of the corporation — From [10] (or [20] if applicable) + [80] 2,065,056 •

you are a member of an associated group (X) [81] [X] (Yes)

ıme of associated corporation (Canadian & foreign) *Insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (If applicable)	Taxation Year End		* Taxable Income (if loss, enter nil)
HALDIMAND COUNTY ENERGY INC.	1800099	2005-12-31	+ [82]	70,104 •
HALDIMAND COUNTY GENERATION INC.	1800100	2005-12-31	+ [83]	•
HALDIMAND COUNTY UTILITIES INC.	1800102	2005-12-31	+ [84]	23,166 •
ıgregate Taxable Income [80] + [82] + [83] + [84], etc.			= [85]	2,158,326 •

320,000 × (Number of Days in Taxation Year: Days after Dec 31, 2002 and before Jan 1, 2004 [31] ÷ Total Days [73] 365) = + [115]

400,000 × (Days after Dec. 31, 2003 [34] 365 ÷ Total Days [73] 365) = + [116] 400,000 •

[115] + [116] = 400,000 • — [114] 400,000 •

f negative, enter nil) = [86] 1,758,326 •

ılculation of Specified Rate for Surtax — 4.6670 % × (Number of Days in Taxation Year: Days after Dec 31, 2002 [38] 365 ÷ Total Days [73] 365) = + [97] 4.6670

From [86] 1,758,326 • × From [97] 4.6670 % = [87] 82,061 •

From [87] 82,061 • × From [60] 400,000 • ÷ From [114] 400,000 • = [88] 82,061 •

ırtax Lesser of [70] or [88] = [100] 34,000

Note: Short Taxation Years – Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

›ntinued on Page 6

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* - - - - - - - - - - - 110

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is $250,000 or less.

Eligible Canadian Profits - + 120

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - - - - - From 56 400,000

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 34,000 ÷ From 30 100.0000 % ÷ From 78 8.5000 % = 121 400,000

*Ontario Allocation

Lesser of 56 or 121 - + 122 400,000

120 – 56 + 122 - = 130

Taxable Income - + From 10 2,065,056

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - - - - - From 56 400,000

Add: Adjustments for Surtax on Canadian-controlled private corporations - - - - - - - - - - - - - + From 122 400,000

Subtract: Taxable Income 10 2,065,056 X Allocation % to jurisdictions outside Canada _____ % - - - 140

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - - - - - - - - 141

10 – 56 + 122 – 140 – 141 - = 142 2,065,056

Claim

Number of Days in Taxation Year

143 _____ (Lesser of 130 or 142) X From 30 100.0000 % (Ontario Allocation) X 1.5 % X (Days after Dec. 31, 2002 and before Jan 1, 2004 33 ÷ Total Days 73 365) = + 154

143 _____ (Lesser of 130 or 142) X From 30 100.0000 % (Ontario Allocation) X 2 % X (Days after Dec. 31, 2003 34 365 ÷ Total Days 73 365) = + 156

M&P claim for taxation year 154 + 156 - = 160

* ***Note:*** *Ontario Allocation for M&P Credit purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))*

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity - - - - - - - - - - = 162

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). *(Attach schedule).* - 170

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former *Small Business Development Corporations Act*)

Eligible Credit 175 _____ Credit Claimed 180

Subtotal of Income Tax 40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 - - - - = 190 289,108

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) *Applies* to scientific research and experimental development in Ontario.
Eligible Credit From 5620 OITC Claim Form *(Attach original Claim Form)* + 191

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.
Eligible Credit From 5798 CT23 Schedule 113 *(Attach Schedule 113)* + 192 870

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Name of Production 204
Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
Attach the original Certificate of Eligibility) + 193

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596
Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005. 194
Eligible Credit From 6598 CT23 Schedule 115 *(Attach Schedule 115)* + 195

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach both the original Claim Form and the Certificate of Eligibility)* + 196

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
Attach the original Certificate of Eligibility) + 197

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit From 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
Attach the original Certificate of Eligibility) + 199

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
Attach the original Certificate of Eligibility) + 200

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach both the original Claim Form and the Certificate of Eligibility)* + 201

Apprenticeship Training Tax Credit (ATTC) (s.43.13) No. of Apprentices From 5896
Applies to employment of eligible apprentices 202 1
Eligible Credit From 5898 CT23 Schedule 114 *(Attach Schedule 114)* + 203 5,000

Other (specify) _____ + 203.1

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 + 203.1 = 220 5,870

Specified Tax Credits *Applied to reduce Income Tax* = 225 5,870

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 283,238

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8.** If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17.**

R

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8.**

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Total Assets of the corporation	+ 240	44,969,806	
Total Revenue of the corporation			+ 241 32,081,618

The above amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

If you are a member of an associated group (X) 242 [X] (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Total Assets	Total Revenue
HALDIMAND COUNTY ENERGY INC.	1800099	2005-12-31	+ 243 366,352	+ 244 465,872
HALDIMAND COUNTY UTILITIES INC.	1800102	2005-12-31	+ 245 19,179,049	+ 246 220,041
			+ 247	+ 248
Aggregate Total Assets 240 + 243 + 245 + 247, etc.			= 249 64,515,207	
Aggregate Total Revenue 241 + 244 + 246 + 248, etc.				= 250 32,767,531

Determination of Applicability

Applies if *either* Total Assets 249 exceeds $5,000,000 *or* Total Revenue 250 exceeds $10,000,000.

Short Taxation Years – Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation – The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedule 101.**

Calculation: CMT *(Attach Schedule 101.)*

Gross CMT Payable – CMT Base From Schedule 101 2136 904,841 (If negative, enter zero) x From 30 100.0000 % (Ontario Allocation) X 4 % = 276 36,194

Subtract: Foreign Tax Credit for CMT purposes *(Attach Schedule)* – 277

Subtract: Income Tax – From 190 289,108

Net CMT Payable (If negative, enter Nil on Page 17.) = 280 -252,914

If 280 is less than zero and you do not have a CMT credit carryover, transfer 230 from **Page 7 to Income Tax Summary, on Page 17.**

If 280 is less than zero and you have a CMT credit carryover A & B below.

If 280 is greater than or equal to zero, transfer 230 to **Page 17** and transfer 280 to **Page 17, and to Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.**

CMT Credit Carryover available From Schedule 101 From 2333

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) + From 190 289,108

Gross CMT Payable + From 276 36,194

Subtract: Foreign Tax Credit for CMT purposes – From 277

If 276 – 277 is negative, enter NIL in 290 = 36,194 – 290 36,194

Income Tax eligible for CMT Credit = 300 252,914

B. Income Tax (after deduction of specified credits) + From 230 283,238

Subtract: CMT credit used to reduce income taxes – 310

Income Tax = 320 283,238

Transfer to page 17

If A & B apply, 310 ***cannot exceed the lesser of*** 230, 300 ***and your CMT credit carryover available*** 2333.

If only B applies, 310 ***cannot exceed the lesser of*** 230 ***and your CMT credit carryover available*** 2333.

apital Tax *(Refer to Guide and Int.B. 3011R)*

/our corporation is a Financial Institution (s.58(2)), complete lines 480 *and* 30 *on page 10 then proceed to page 13.*

/our corporation is not a member of an associated group and/or partnership d the Gross Revenue and Total Assets as calculated on page 10 in 480 *d* 430 *are both $3,000,000 or less, your corporation is exempt from Capital x for the taxation year, except for a branch of a non-resident corporation. corporation that meets these criteria should disregard all other Capital x items (including the calculation of Taxable Capital). Enter NIL in* 550 *page 12 and complete the return from that point. All other corporations must mpute their Taxable Capital in order to determine their Capital Tax payable.*

embers of a partnership (limited or general) or a joint venture, must attach financial statements of each partnership or joint venture of which they are nember. The Paid-up Capital of each corporate partner must include its are of liabilities that would otherwise be included if the partnership were corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

aid-up Capital

iid-up capital stock (Int.B. 3012R and 3015R)	+	350	17,144,796
etained earnings (if deficit, deduct) (Int.B. 3012R)	±	351	2,837,429
apital and other surpluses, excluding appraisal surplus (Int.B.3012R)	+	352	2,735,909
ans and advances *(Attach schedule)* (Int.B. 3013R)	+	353	948,896
ank loans (Int.B. 3013R)	+	354	
ankers acceptances (Int.B. 3013R)	+	355	
onds and debentures payable (Int.B. 3013R)	+	356	14,179,000
ortgages payable (Int.B. 3013R)	+	357	
en notes payable (Int.B. 3013R)	+	358	
eferred credits (including income tax reserves, and deferred revenue where it would also included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	+	359	
ontingent, investment, inventory and similar reserves (Int.B. 3012R)	+	360	
ther reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012R)	+	361	2,324,339
are of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017R)	+	362	
ubtotal	=	370	40,170,369
ubtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012R)	–	371	
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	–	372	
otal Paid-up Capital	=	380	40,170,369
ubtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R)	–	381	
Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the *Corporations Tax Act*, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	–	382	
et Paid-up Capital	=	390	40,170,369

ligible Investment *(Refer to Guide and Int.B. 3015R)*

tach computations and list of corporation names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) e eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

onds, lien notes and similar obligations, (similar obligations, e.g. stripped terest coupons, applies to taxation years ending after October 30, 1998)	+	402	
ortgages due from other corporations	+	403	
ares in other corporations (certain restrictions apply) *(Refer to Guide)*	+	404	
ans and advances to unrelated corporations	+	405	
igible loans and advances to related corporations (certain restrictions apply) *(Refer to Guide)*	+	406	
are of partnership(s) or joint venture(s) eligible investments *(Attach schedule)*	+	407	
otal Eligible Investments	=	410	

ontinued on Page 10

Capital Tax *continued from Page 9*

DOLLARS ONLY

Total Assets (Int.B. 3015R)

Total Assets per balance sheet	+	420	44,969,806
Mortgages or other liabilities deducted from assets	+	421	
Share of partnership(s)/joint venture(s) total assets *(Attach schedule)*	+	422	
Subtract: Investment in partnership(s)/joint venture(s)	–	423	
Total Assets as adjusted	=	430	44,969,806
Amounts in 360 and 361 (if deducted from assets)	+	440	
Subtract: Amounts in 371, 372 and 381	–	441	
Subtract: Appraisal surplus if booked	–	442	
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	
Total Assets	=	450	44,969,806

Investment Allowance (410 ÷ 450) x 390 — Not to exceed 410 = 460

Taxable Capital 390 – 460 = 470 40,170,369

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 32,081,618

Total Assets (as adjusted) From 430 44,969,806

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: *This version (2004/2005) of the CT23 may only be used for a taxation year that commenced after December 31, 2002.*

Financial Institutions use calculations on page 13.

Important: If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.

OR If the corporation is **not** a member of an associated group and/or partnership, complete Section B below, then review only the Capital Tax calculations in Section C below, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.

OR If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 2004/2005 CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in 550 on page 12 and complete the return from that point.

SECTION B

Calculation of Taxable Capital Deduction (TCD)

Number of Days In Taxation Year

5,000,000 x	Days before Jan. 1, 2005 35	÷	Total Days 73 365	= +	500			
7,500,000 x	Days after Dec. 31, 2004 and before Jan. 1, 2006 36 365	÷	Total Days 73 365	= +	501	7,500,000		
10,000,000 x	Days after Dec. 31, 2005 and before Jan. 1, 2007 37	÷	Total Days 73 365	= +	502			
Taxable Capital Deduction (TCD)	500 + 501 + 502			=	503	7,500,000		

SECTION C

This section applies if the corporation is **not** a member of an associated group and/or partnership.

C1 If 430 and 480 on page 10 are both $3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

C2 If Taxable Capital in 470 is **equal to or less than the TCD** in 503, enter NIL in 550 on page 12 and complete the return from that point.

C3 If Taxable Capital in 470 **exceeds the TCD** in 503, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

+ From 470 _____
– From 503 _____
= 471 _____ x From 30 100.0000 % (Ontario Allocation) x 0.3 % x 555 365/365 (366 if leap year) (Days in taxation year — *If floating taxation year, refer to Guide.*) = + 523 _____

Transfer to 543 *on page 12 and complete the return from that point*

continued on Page 11

apital Tax Calculation *continued from Page 10*

ECTION D

his section applies ONLY to a corporation that is a member of an associated group (excluding Financial Institutions and corporations exempt from Capital Tax) d/or partnership. You must check either 509 or 524 and complete this section before you can calculate your Capital Tax Calculation under either Section E Section F.

1. ☐ 509 (X if applicable) All corporations that you are associated with do **not** have a permanent establishment in Canada.

If Taxable Capital 470 on page 10 is equal to or less than the TCD 503 on page 10, enter NIL in 550 on page 12 and complete the return from that point.

If Taxable Capital 470 on page 10 exceeds the TCD 503 on page 10, proceed to **Section E**, enter the TCD amount in 542 in Section E, and complete Section E and the return from that point.

2. ☒ 524 (X if applicable) One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

You and your associated group may continue to allocate the TCD by completing the Calculation below. Or, the associated group **may file an election** under subsection 69(2.1) of the *Corporations Tax Act*, whereby total assets are used to allocate the TCD among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the capital tax effect relating to the TCD to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do **not** complete this calculation if ss.69(2.1) election is filed

Taxable Capital From 470 on page 10 - + From 470 40,170,369 •

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
HALDIMAND COUNTY ENERGY INC.	1800099	2005-12-31	+ 531 69,001 •
HALDIMAND COUNTY GENERATION INC.	1800100	2005-12-31	+ 532 •
HALDIMAND COUNTY UTILITIES INC.	1800102	2005-12-31	+ 533 1 •
Aggregate Taxable Capital 470 + 531 + 532 + 533, etc.			= 540 40,239,371 •

If 540 above is equal to or less than the TCD 503 on page 10, the corporation's Capital Tax for the taxation year, is NIL.

Enter NIL in 523 in section E on page 12, as applicable.

If 540 above is greater than the TCD 503 on page 10, the corporation must compute its share of the TCD below in order to calculate its Capital Tax for the taxation year under Section E on page 12.

From 470 40,170,369 • ÷ From 540 40,239,371 • x From 503 7,500,000 • = 541 7,487,139 •

Transfer to 542 *in Section E on page 12*

Ss.69(2.1) Election Filed

☐ 591 (X if applicable) **Election filed.** *Attach a copy of Schedule 591 with this CT23 Return.*
Proceed to **Section F** on page 12.

ontinued on Page 12

Capital Tax Calculation *continued from Page 11*

SECTION E

This section applies if the corporation is a member of an associated group and/or partnership whose total **aggregate** Taxable Capital [540] on page 11 exceeds the TCD [503] on page 10.

Complete the following calculation and transfer the amount from [523] to [543], and complete the return from that point.

+	From [470]	40,170,369										
–	[542]	7,487,139										
=	[471]	32,683,230	x	From [30]	100.0000 %	x	0.3 %	x	Days in taxation year [555] 365 * 365 (366 if leap year)	= +	[523]	98,050

Ontario Allocation

Total Capital Tax for the taxation year

Transfer to [543] *and complete the return from that point*

SECTION F

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+	From [470]		x	From [30]	100.0000 %	x	0.3 %	= +	[561]

Ontario Allocation

– Capital tax deduction from [995] relating to **your corporation's** Capital Tax deduction, on Schedule 591		– From [995]	
		= [562]	

Total Capital Tax for the taxation year

Capital Tax	[562]	x	Days in taxation year [555] 365 * 365 (366 if leap year)	=	[563]		

Transfer to [543] *and complete the return from that point*

** If floating taxation year, refer to Guide.*

Capital Tax before application of specified credits	= [543]	98,050
Subtract: Specified Tax Credits applied to reduce capital tax payable *(Refer to Guide)*	– [546]	
Capital Tax [543] – [546] *(amount cannot be negative)*	= [550]	98,050

Transfer to page 17

continued on Page 13

apital Tax *continued from Page 12*

alculation of Capital Tax for Financial Institutions

1 Credit Unions only

r taxation years commencing **after May 4, 1999** enter NIL in [550] on page 12, and complete the return from that point.

2 Other than Credit Unions

etain details of calculations for amounts in boxes [565] *and* [570]. *Do not submit with this tax return.)*

[565] _____ x 0.6 % x From [30] 100.0000 % x [555] 365 ÷ * 365 (366 if leap year) = + [569] _____

Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1

Ontario Allocation

Days in taxation year

[570] _____ x [571] _____ x From [30] 100.0000 % x [555] 365 ÷ * 365 (366 if leap year) = + [574] _____

Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount

Capital Tax Rate *(Refer to Guide)*

Ontario Allocation

Days in taxation year

apital Tax for Financial Institutions – other than Credit Unions (before Section 2) [569] + [574] - - = [575] _____

If floating taxation year, refer to Guide.

. Small Business Investment Tax Credit

Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving e credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

llowable Credit for Eligible Investments - - -

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 Schedule 1 ± 600 2,065,056 •
Transfer to page 15

Add:

Federal capital cost allowance	+ 601	1,721,254 •
Federal cumulative eligible capital deduction	+ 602	27,762 •
Ontario taxable capital gain	+ 603	•
Federal non-allowable reserves. Balance beginning of year	+ 604	•
Federal allowable reserves. Balance end of year	+ 605	•
Ontario non-allowable reserves. Balance end of year	+ 606	•
Ontario allowable reserves. Balance beginning of year	+ 607	•
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	•
Federal resource allowance *(Refer to Guide)*	+ 609	•
Federal depletion allowance	+ 610	•
Federal foreign exploration and development expenses	+ 611	•
Crown charges, royalties, rentals, etc. deducted for Federal purposes *(Refer to Guide)*	+ 617	•

Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼

Number of Days in Taxation Year

612 _____ • x 5 / 12.5 x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ Total Days: 73 365] =+ 633 _____ •

612 _____ • x 5 / 14 x [Days after Dec. 31, 2003: 34 365 ÷ Total Days: 73 365] =+ 634 _____ •

Total add-back amount for Management fees, etc. 633 + 634 = _____ • + 613

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 Schedule 161 + 615

Add any negative amount in 473 from Ont. CT23 Schedule 161 + 616

Federal allowable business investment loss + 620 _____ •

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* + 614 _____ •

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 = 1,749,016 • ▶ 640 1,749,016 •
Transfer to page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	+ 650	1,721,254 •
Ontario cumulative eligible capital deduction	+ 651	27,762 •
Federal taxable capital gain	+ 652	•
Ontario non-allowable reserves. Balance beginning of year	+ 653	•
Ontario allowable reserves. Balance end of year	+ 654	•
Federal non-allowable reserves. Balance end of year	+ 655	•
Federal allowable reserves. Balance beginning of year	+ 656	•
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	•
Ontario depletion allowance	+ 658	•
Ontario resource allowance *(Refer to Guide)*	+ 659	•
Ontario current cost adjustment *(Attach schedule)*	+ 661	•
CCA on assets used to generate electricity from natural gas, alternative or renewable resources.	+ 675	•

Subtotal of deductions for this page 650 to 659 + 661 + 675 681 1,749,016 •
Transfer to page 15

continued on Page 15

econcile net income (loss) for federal income tax purposes with net income (loss) r Ontario purposes if amounts differ

ntinued from Page 14

et Income (loss) for federal income tax purposes, per federal Schedule 1 - - - - - - - - - - - - - - - - From ± 600 2,065,056 •

otal of Additions on page 14 - From = 640 1,749,016 •

ub Total of deductions on page 14 - From = 681 1,749,016 •

educt:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(*Applies* only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - 662 •

ONTTI Gross-up deduction calculation:

Gross-up of CCA

From 662 • x 100 / From 30 100.0000 Ontario Allocation — From 662 • = 663 •

Workplace Child Care Tax Incentive (WCCT)
(*Applies* to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: 665 • x 30 % x 100 / From 30 100.0000 Ontario allocation = 666 •

Workplace Accessibility Tax Incentive (WATI)
(*Applies* to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: 667 • x 100 % x 100 / From 30 100.0000 Ontario allocation = 668 •

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI)
(*Applies* to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) *(Refer to Guide)*

Qualifying expenditures: 670 • x 30 % x 100 / From 30 100.0000 Ontario allocation = 671 •

Educational Technology Tax Incentive (ETTI)
(*Applies* to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: 672 • x 15 % x 100 / From 30 100.0000 Ontario allocation = 673 •

Ontario allowable business investment loss - - - - - - - - - - - - - - + 678 •

Ontario Scientific Research Expenses claimed in year in 477 **from Ont. CT23 Schedule 161** + 679 •

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - - - - + 677 •

Total of other deductions allowed by Ontario *(Attach schedule)* - - - - - - - - + 664 •

otal of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 = 1,749,016 • ▶ 680 1,749,016 •

Net income (loss) for Ontario Purposes 600 + 640 − 680 - - - - - - - - - - - - - - - - - - = 690 2,065,056 •
Transfer to page 4

DOLLARS ONLY

Continuity of Losses Carried Forward

		Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year		700 (2)	710 (2)	720 (2)	730	740	750
Add:	Current year's losses (7)	701	711 33,061	721	731	741	751
	Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal		703	713 33,061	723	733	743	753
Subtract:	Utilized during the year to reduce taxable income	704 (2)	715 (2) (4)	724 (2)	734 (2) (4)	744 (4)	754 (4)
	Expired during the year	705		725	735	745	
	Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746	
Subtotal		707	717	727	737	747	757
Balance at End of Year		709 (8)	719 33,061	729	739	749	759

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800 9th preceding taxation year 1997-12-31	817 (9)	860 (9)		850	870
801 8th preceding taxation year 1998-12-31	818 (9)	861 (9)		851	871
802 7th preceding taxation year 1999-12-31	819 (9)	862 (9)		852	872
803 6th preceding taxation year 2000-12-31	820	830	840	853	873
804 5th preceding taxation year 2001-09-30	821	831	841	854	874
805 4th preceding taxation year 2001-12-31	822	832	842	855	875
806 3rd preceding taxation year 2002-12-31	823	833	843	856	876
807 2nd preceding taxation year 2003-12-31	824	834	844	857	877
808 1st preceding taxation year 2004-12-31	825	835	845	858	878
809 Current taxation year 2005-12-31	826	836	846	859	879
Total	829	839	849	869	889

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

equest for Loss Carry-Back (s.80(16))

pplies to corporations requesting a reassessment of the return of one or more evious taxation years under s.80(16) with respect to one or more types of losses rried back.

If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.

Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.

Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance.**

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

pplication of Losses

	Predecessor Ontario Corporation's Tax Account No. (MOF)	Taxation Year Ending year month day	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
otal amount of loss			910	920 33,061	930	940
educt: Loss to be carried back to preceding taxation years d applied to reduce taxable income						
3rd preceding	901	2002-12-31	911	921	931	941
2nd preceding	902	2003-12-31	912	922	932	942
1st preceding	903	2004-12-31	913	923	933	943
otal loss to be carried back			From 706	From 716	From 726	From 736
alance of loss available for carry-forward			919	929 33,061	939	949

ummary

come Tax +	From 230 or 320	283,238	.
orporate Minimum Tax +	From 280		.
apital Tax +	From 550	98,050	.
emium Tax +	From 590		.
otal Tax Payable =	950	381,288	.
ubtract: Payments –	960	1,157,234	.
Capital Gains Refund (s.48) –	965		.
Qualifying Environmental Trust Tax Credit *(Refer to Guide)* –	985		.
Specified Tax Credits *(Refer to Guide)* –	955		.
Other, specify _____ –			.
alance =	970	-775,946	.
payment due Enclosed *	990		.
overpayment: Refund *(Refer to Guide)* =	975	775,946	.
Apply to (year month day) 2006-01-01	980		.

(Includes credit interest)

Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the **Minister of Finance** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name *(please print)*

LLOYD PAYNE

Title

PRESIDENT

Full Residence Address

Signature

Date 2006-04-05

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

Attached Schedule with Total

Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012R)

Title AMOUNTS DEDUCTED IN EXCESS OF AMOUNTS BOOKED

Description	Amount
AMOUNTS DEDUCTED FOR ACCTING IN EXCESS OF AMOUNTS BOOKED FOR TAX:	
UCC	30,918,485 00
NBV - PER F/S LESS CONTRIBUTIONS IN AID OF CONSTRUCTION, LAND	-28,809,248 00
LESS CAPITAL TRANSITION COST BALANCE	-100,475 00
REGULATORY ASSETS - ENDING BALANCE	315,577 00
Total	2,324,339 00

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

Part 1: Calculation of CMT Base

Banks – Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Life insurance corporations – Net income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d)

Net Income/Loss (unconsolidated, determined in accordance with GAAP)			±	2100	156,923
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	+	2101			
Provision for deferred income taxes (credits) / benefit of future income taxes	+	2102			
Equity income from corporations	+	2103			
Share of partnership(s)/joint venture(s) income	+	2104			
Dividends received/receivable deductible under fed.s.112	+	2105			
Dividends received/receivable deductible under fed.s.113	+	2106			
Dividends received/receivable deductible under fed.s.83(2)	+	2107			
Dividends received/receivable deductible under fed.s.138(6)	+	2108			
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) ____ x 3	+	2109			
Subtotal	=		–	2110	
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	+	2111			747,049
Provision for deferred income taxes (debits) / cost of future income taxes	+	2112			
Equity losses from corporations	+	2113			
Share of partnership(s)/joint venture(s) losses	+	2114			869
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+	2115			
Subtotal	=		747,918	+ 2116	747,918
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85	+	2117	or –	2118	
** Fed.s.85.1	+	2119	or –	2120	
** Fed.s.97	+	2121	or –	2122	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+	2123	or –	2124	
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+	2125	or –	2126	
** Amounts relating to s.57.10 election/ regulations for replacement re fed.s13(4), 14(6) and 44 for current/prior years	+	2127	or –	2128	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income			–	2150	
Subtotal (Additions)	=			+ 2129	
Subtotal (Subtractions)	=			– 2130	
** Other adjustments				± 2131	
Subtotal ± 2100 – 2110 + 2116 + 2129 – 2130 ± 2131				= 2132	904,841
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss				± 2133	
Adjusted net income (loss) (if loss, transfer to 2202 in *Part 2: Continuity of CMT Losses Carried Forward.*)				= 2134	904,841
Deduct: * CMT losses: pre-1994 Loss	+ From	2210			
* CMT losses: other eligible losses	+	2211			
	=			– 2135	

* CMT losses applied cannot exceed adjusted net income or increase a loss

** *Retain calculations. Do not submit with this schedule.*

CMT Base	=	2136	904,841

Transfer to CMT Base on Page 8 of the CT23 or Page 6 of the CT8

orporate Minimum Tax (CMT)

T23 Schedule 101

orporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

art 2: Continuity of CMT Losses Carried Forward

alance at Beginning of year NOTES (1), (2)			+ 2201	
dd: Current year's losses		+ 2202		
Losses from predecessor corporations on amalgamation NOTE (3)		+ 2203		
Losses from predecessor corporations on wind-up NOTE (3)		+ 2204		
Amalgamation (X) 2205 ☐ Yes Wind-up (X) 2206 ☐ Yes				
ubtotal	=		+ 2207	
djustments (attach schedule)			± 2208	
MT losses available 2201 + 2207 ± 2208			= 2209	
ubtract: Pre-1994 loss utilized during the year to reduce adjusted net income		+ 2210		
Other eligible losses utilized during the year to reduce adjusted net income NOTE (4)		+ 2211		
Losses expired during the year		+ 2212		
ubtotal	=		– 2213	
alances at End of Year NOTE (5) 2209 – 2213			= 2214	

otes:

) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

:) Where acquisition of control of the corporation has occured, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

art 3: Analysis of CMT Losses Year End Balance by Year of Origin

or a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
240	9th preceding taxation year 1997-12-31	2260	2280
241	8th preceding taxation year 1998-12-31	2261	2281
242	7th preceding taxation year 1999-12-31	2262	2282
243	6th preceding taxation year 2000-12-31	2263	2283
244	5th preceding taxation year 2001-09-30	2264	2284
245	4th preceding taxation year 2001-12-31	2265	2285
246	3rd preceding taxation year 2002-12-31	2266	2286
247	2nd preceding taxation year 2003-12-31	2267	2287
248	1st preceding taxation year 2004-12-31	2268	2288
249	Current taxation year 2005-12-31	2269	2289
otals		2270	2290

The sum of amounts 2270 + 2290 ***must equal amount in*** 2214.

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) . . . . . + 2301

Add: Current year's CMT Credit (280 on page 8 of the CT23 or 347 on page 6 of the CT8. If negative, enter NIL) + From 280 or 347

Gross Special Additional Tax NOTE (2) 312 on page 5 of CT8. (Life Insurance corporations only. Others enter NIL.) . . . . . + From 312

Subtract Income Tax (190 on page 6 of the CT23 or page 4 of the CT8) . . . . . – From 190

Subtotal (If negative, enter NIL) . . . = – 2305

Current year's CMT credit (If negative, enter NIL) 280 or 347 – 2305 . . . = + 2310

CMT Credit Carryovers from predecessor corporations NOTE (3) . . . . . + 2325

Amalgamation (X) 2315 ☐ Yes Wind-up (X) 2320 ☐ Yes

Subtotal 2301 + 2310 + 2325 . . . . . = 2330

Adjustments *(Attach schedule)* . . . . . ± 2332

CMT Credit Carryover available 2330 ± 2332 . . . . . = 2333

Transfer to Page 8 of the CT23 or Page 6 of the CT8

Subtract: CMT Credit utilized during the year to reduce income tax (310 on page 8 of the CT23 or 351 on page 6 of the CT8.) + From 310 or 351

CMT Credit expired during the year . . . . . + 2334

Subtotal . . . . . = – 2335

Balances at End of Year NOTE (4) 2333 – 2335 . . . . . = 2336

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(4) Amount in 2336 must equal sum of 2370 + 2390.

Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1997-12-31	2360	2380
2341	8th preceding taxation year 1998-12-31	2361	2381
2342	7th preceding taxation year 1999-12-31	2362	2382
2343	6th preceding taxation year 2000-12-31	2363	2383
2344	5th preceding taxation year 2001-09-30	2364	2384
2345	4th preceding taxation year 2001-12-31	2365	2385
2346	3rd preceding taxation year 2002-12-31	2366	2386
2347	2nd preceding taxation year 2003-12-31	2367	2387
2348	1st preceding taxation year 2004-12-31	2368	2388
2349	Current taxation year 2005-12-31	2369	2389
Totals		2370	2390

The sum of amounts 2370 + 2390 *must equal amount in* 2336.

orporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

MT Losses Carried Forward Workchart

(i) Continuity of Pre-1994 CMT Losses

	Corporation's Pre-1994 Loss	Predecessors' Pre-1994 Loss Amalgamation	Predecessors' Pre-1994 Loss Wind-Up
Date of the last tax year end before the corp's 1st tax year commencing after 1993			
Pre-1994 Loss (per schedule)			
Less: Claimed in prior taxation years commencing after 1993			
Pre-1994 Loss available for the current year			
Less: Deducted in the current year (max. = adj. net income for the year)			
Expired after 10 years			
Pre-1994 Loss Carryforward			

(ii) Continuity of Other Eligible CMT Losses – Filing Corporation (for losses occurring in tax years commencing after 1993)

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
0th Prior Year	1996-12-31					
9th Prior Year	1997-12-31					
8th Prior Year	1998-12-31					
7th Prior Year	1999-12-31					
6th Prior Year	2000-12-31					
5th Prior Year	2001-09-30					
4th Prior Year	2001-12-31					
3rd Prior Year	2002-12-31					
2nd Prior Year	2003-12-31					
st Prior Year	2004-12-31					
	Total					

Predecessor Corporations Only – Amalgamation

ndicate the amounts of eligible CMT losses from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

ear of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

CMT Losses Carried Forward Workchart (continued)

Predecessor Corporations Only – Wind-Up

Indicate the amounts of eligible CMT losses from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule

orporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

MT Credit Carryovers Workchart

Filing Corporation

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
0th Prior Year	1996-12-31					
h Prior Year	1997-12-31					
h Prior Year	1998-12-31					
h Prior Year	1999-12-31					
h Prior Year	2000-12-31					
h Prior Year	2001-09-30					
h Prior Year	2001-12-31					
d Prior Year	2002-12-31					
nd Prior Year	2003-12-31					
st Prior Year	2004-12-31					
	Total					

Predecessor Corporations Only – Amalgamation

ndicate the amounts of CMT credit carryovers from predecessor corporations. **Do not include** these amounts in the 'opening balance' f the Filing Corporation.

ear of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

Predecessor Corporations Only – Wind-Up

ndicate the amounts of CMT credit carryovers from predecessor corporations. **Do not include** these amounts in the 'opening balance' f the Filing Corporation.

'ear of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-09-30						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

Ontario

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Oshawa ON L1H 8E9

Paid-Up Capital: Loans and Advances

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

Loans or Advances Credited or Advanced to Corporation
(includes accounts payable to related parties outstanding at the taxation year end for 120 days or more, and accounts payable to non-related parties outstanding for 365 days or more at the taxation year end)

Customer Deposits	+	696,471
DUE TO HALDIMAND COUNTY UTILITIES INC	+	252,425
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
	+	
Total *Transfer to* 353 *of the CT23*	=	948,896

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Ontario Summary of Dispositions of Capital Property

Schedule 6

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

For a corporation that has disposed of capital property or claimed an allowable business investment loss, or both, in the taxation year.

This schedule may be used to make a designation under section 34(10) of the *Corporations Tax Act* provided the corporation has made a designation under paragraph 111(4) (e) of the *Income Tax Act* (Canada), if control of the corporation has been acquired by a person or group of persons.

Part A: Designation under section 34(10) of the *Corporations Tax Act*

Complete part A if there are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e) of the *Income Tax Act* (Canada) or section 34(10) of the *Corporations Tax Act*.

Property	Class #	Date of disposition YYYY/MM/DD	Proceeds of disposition	Adjusted cost base	Other adjustments	Designated amount	Gain or loss

Part B: Inter-provincial asset transfers

Complete part B if there was any disposition shown on the schedule as a result of a federal election under section 85 of the *Income Tax Act* (Canada) that transferred assets to a non-arm's length corporation with a permanent establishment in another Canadian jurisdiction.

Property	Class #	Corporation name of transferee/or	Date of disposition YYYY/MM/DD	Cost of asset in other jurisd.	Name of other jurisdiction	Allocation ratio to other jurisdictions	Ontario elected amount	Gain or loss
						%		
						%		
						%		
						%		

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Date of disposition YYYY/MM/DD	4 Proceeds of disposition	5 Ontario adjusted cost base	6 Outlays and expenses	7 Ontario gain or (loss) (col. 4 less cols. 5 & 6)

Part 1 – Shares

No. of shares	Name of corporation	Class of shares	2	3	4	5	6	7

Totals	A
Before February 28, 2000	A1
After February 27, 2000 and before October 18, 2000	A2
After October 17, 2000	A3

Ontario Summary of Dispositions of Capital Property

Schedule 6

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

1 Types of capital property	2 Date of acquisition YYYY/MM/DD	3 Date of disposition YYYY/MM/DD	4 Proceeds of disposition	5 Ontario adjusted cost base	6 Outlays and expenses	7 Ontario gain or (loss) (col. 4 less cols. 5 & 6)

Part 6 – Listed personal property

	Description	2	3	4	5	6	7
1							

Deduct: Unapplied listed personal property losses from other years ..... −

Note: *Net listed personal property losses may only be applied against personal property gains.*

Net gain or (loss) **F**

LPP gains or losses realized before February 28, 2000

Gain or loss on dispositions before February 28, 2000 ..... ±

Less: Portion of unapplied LPP losses from other years applicable to gain before February 28, 2000 ..... −

Net gain (loss) on dispositions before February 28, 2000 ..... = **F1**

LPP gains or losses realized after February 27, 2000 and before October 18, 2000

Gain or loss on dispositions after February 27, 2000 and before October 18, 2000 ..... ±

Less: Portion of unapplied LPP losses from other years applicable to gain after February 27, 2000 and before October 18, 2000 −

Net gain (loss) on dispositions after February 27, 2000 and before October 18, 2000 ..... = **F2**

LPP gains or losses realized after October 17, 2000

Gain or loss on dispositions after October 17, 2000 ..... ±

Less: Portion of unapplied LPP losses from other years applicable to gain after October 17, 2000 ..... −

Net gain (loss) on dispositions after October 17, 2000 ..... = **F3**

Part 7 – Property qualifying for and resulting in an allowable business investment loss

	1 Name of small business corporation	Shares – enter 1 Debt – enter 2	2 Date of acquisition YYYY/MM/DD	3 Date of disposition YYYY/MM/DD	4 Proceeds of disposition	5 Ontario adjusted cost base	6 Outlays and expenses	7 Ontario loss (col. 4 less cols. 5 & 6)
1								
			Totals					

Note: Properties listed in Part 7 should not be included in any other Part of Schedule 6.

Net Loss	G
Before February 28, 2000	G1
After February 27, 2000 and before October 18, 2000	G2
After October 17, 2000	G3

Ontario Summary of Dispositions of Capital Property

Schedule 6

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

Determining capital gains and capital losses

Total of A to F (Do not include F if it is a loss)		-33,061
Add: Amount (if any) of capital gain reserve opening balance from Schedule 13	+	
Capital gain dividend received in the year	+	
Subtotal	=	-33,061
Deduct: Amount (if any) of capital gain reserve closing balance from Schedule 13	−	
Gain or Loss (excluding Allowable Business Investment Losses)	=	-33,061 Z

Determining the inclusion rate

Gains or losses realized before February 28, 2000

Total of A1 to G1		
Add: Capital gains dividend attributable to period before February 28, 2000	+	
Capital gain reserve opening balance (only if taxation year commenced before February 28, 2000)	+	
Subtotal	=	
Deduct: Portion of capital gains reserve closing balance applicable to dispositions before February 28, 2000	−	
Gains or Losses	=	H

Gains or losses realized after February 27, 2000 and before October 18, 2000

Total of A2 to G2		
Add: Capital gains dividend attributable to period after February 27, 2000 and before October 18, 2000	+	
Capital gain reserve opening balance (only if taxation year commenced after February 27, 2000 and before October 18, 2000)	+	
Subtotal	=	
Deduct: Portion of capital gains reserve closing balance applicable to dispositions after February 27, 2000 and before October 18, 2000	−	
Gains or Losses	=	I

Gains or losses realized after October 17, 2000

Total of A3 to G3		-33,061
Add: Capital gains dividend attributable to period after October 17, 2000	+	
Capital gain reserve opening balance (only if taxation year commenced after October 17, 2000)	+	
Subtotal	=	-33,061
Deduct: Portion of capital gains reserve closing balance applicable to dispositions after October 17, 2000	−	
Gains or Losses	=	-33,061 J

Calculate Inclusion Rate

	Gains or losses		Inclusion Rate		Net capital gain / capital loss
	H	x	75%	=	K
	I	x	66 2/3%	=	L
Subtotal	M	x	%	=	AA
	-33,061 J	x	50%	=	-16,531 N
Total	-33,061 O	x	50.000000 %	=	-16,531 P

Inclusion rate P ÷ O (expressed as a percentage) ..... 50.000000 Q %

Note: (1) Mutual fund corporations may treat their capital gains and losses as if they were earned on an equal basis throughout the year for the purposes of determining net capital gains or losses attributable to a particular period within the year.

(2) If either lines H or I are positive and the other one is negative, enter the difference on the subtotal line M. Use the inclusion rate from which the larger amount originates and calculate the net gain or net loss based on that rate. If either line J or M are positive and the other is negative enter the difference on line O and use the inclusion rate where the higher amount originated.

Allowable business investment loss . . (G1+ G2+ G3) X Inclusion Rate 50.000000 Q % = G4

Transfer to 678 *of the CT23*

Determining taxable capital gains

Gain or Loss (excluding Allowable Business Investment Losses)				-33,061 Z
Deduct: Gain on donations (made to charities other than private foundations) securities listed on a prescribed stock exchange divided by 2 or donations made after February 18, 1997 and before the year 2002.)		x	50 %	−
Gain on donation of ecologically sensitive land after February 27, 2000		x	50 %	−
Gains or Loss				-33,061 R

Include 100% of the losses in box 711 *of the CT23*

Taxable capital gains -33,061 R x Inclusion Rate 50.000000 Q % = S

Transfer to 603 *of the CT23*

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Ontario Capital Cost Allowance

Schedule 8

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

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

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
8	377,686	149,420		629	526,477	74,396	452,081	20	0	0	90,416	436,061
10	669,357	40,638		3,925	706,070	18,357	687,713	30	0	0	206,314	499,756
12	50,276	234,727		0	285,003	117,364	167,639	100	0	0	167,639	117,364
1	29,518,154	215,513		0	29,733,667	107,757	29,625,910	4	0	0	1,185,036	28,548,631
17	35,428			0	35,428		35,428	8	0	0	2,834	32,594
45	35,260			0	35,260		35,260	45	0	0	15,867	19,393
46	1,670			0	1,670		1,670	30	0	0	501	1,169
47		1,316,754		590	1,316,164	658,082	658,082	8	0	0	52,647	1,263,517
Totals	30,687,831	1,957,052		5,144	32,639,739	975,956	31,663,783				1,721,254	30,918,485

Enter in boxes 650 . . . . 650 . . . . 650 on the CT23.

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

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Ontario Cumulative Eligible Capital Deduction
Schedule 10

orporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
HALDIMAND COUNTY HYDRO INC.	1800101	2005-12-31

For use by a corporation that has eligible capital property.
A separate cumulative eligible capital account must be kept for each business.

art 1 – Calculation of current year deduction and carry-forward

ntario Cumulative eligible capital – balance at end of preceding taxation year *(if negative, enter zero)* ..... 396,605 A

dd: Cost of eligible capital property acquired during the taxation year .. + B
Amount transferred on amalgamation or wind-up of subsidiary .... + C
Other adjustments ..... + D

otal of B + C + D ..... = ____ x 3 / 4 = E

ubtotal A + E ..... = 396,605 F

educt: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year ..... + G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the *Income Tax Act* (Canada) ..... + H
Other adjustments ..... + I

otal of G + H + I ..... = ____ x 3 / 4 = J

ntario cumulative eligible capital balance F - J ..... = 396,605 K

K is negative, enter zero at line M and proceed to Part 2

urrent year deduction 396,605 K x 7 % * ..... = 27,762 L

The maximum current year deduction is 7%. However, you can claim any amount up to the maximum. *Enter amount in box* 651 *of the CT23*

ntario cumulative eligible capital – closing balance K - L *(if negative, enter zero)* ..... = 368,843 M

ote: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may **not** exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

art 2 – Amount to be included in income arising from disposition

Only complete this part only if the amount at line K is negative

mount from line K above *show as a positive amount* ..... N

otal cumulative eligible capital deductions from income for taxation ears beginning after June 30, 1988 1

otal of all amounts which reduced cumulative eligible capital in the urrent or prior years under subsection 80(7) of the ITA 2

otal of cumulative eligible capital deductions aimed for taxation years beginning before uly 1, 1988 3

egative balances in the cumulative eligible capital ccount that were included in income for taxation ears beginning before July 1, 1988 4

ne 3 deduct line 4 5

otal lines 1 + 2 + 5 6

ne T from previous Ontario Schedule 10 for taxation years ending after ebruary 27, 2000 7

educt line 7 from line 6 ..... O

- O *(cannot be negative)* ..... P

mount on line 5 ____ x 1 / 2 ..... Q

- Q ..... R

mount on line R ____ x 2 / 3 ..... S

esser of line N or line O ..... T

mount to be included in income S + T .....

ote: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S