

Entegrus Powerlines Inc.

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entegrus.com

March 30, 2012

Ms. Kirsten Walli Ontario Energy Board PO Box 2319 27th Floor, 2300 Yonge Street Toronto, Ontario M4P 1E4

Re: Final Disposition of Account 1562 Deferred Payments in Lieu of Taxes

Rate Zone: Strathroy, Mt. Brydges & Parkhill

Board File No.: EB-2012-0098

Dear Ms. Walli,

Please find enclosed the application of Entegrus – Strathroy, Mt. Brydges & Parkhill for the final disposition of the former Middlesex Power Distribution Corp – Main's Account 1562 Deferred Payments in Lieu of Taxes.

If you have any questions or concerns regarding this application, please do not hesitate to contact me at (519) 352-6300 ext. 243 or via email at: regulatory@entegrus.com.

Regards,

[Original Signed By]

Andrya Eagen Senior Regulatory Specialist Phone: (519) 352-6300 Ext. 243 Email: andrya.eagen@entegrus.com

cc: Dan Charron, President of Chatham-Kent Hydro
Chris Cowell, Chief Financial and Regulatory Officer
David Ferguson, Director of Regulatory Affairs and Administration





Application for Final Disposition of Account 1562 Deferred PILs

Rate Zone: Strathroy, Mt. Brydges & Parkhill

Board File No.: EB-2012-0098

Date Filed: March 30, 2012

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Corporate Background & Name Change

On March 24, 2005, Chatham-Kent Energy Inc. submitted MAAD application EB-2005-0255 seeking Board approval to acquire all the shares of the former Middlesex Power Distribution Corporation ("MPDC"). The Board approved this acquisition in its Decision and Order issued on June 24, 2005. The CKE acquisition of MPDC subsequently closed June 30, 2005.

On August 31, 2011, Chatham-Kent Hydro Inc. ("CKH") applied to the Ontario Energy Board ("Board") for leave to amalgamate MPDC with CKH in application EB-2011-0328/0329. On December 16, 2011, the Board approved the amalgamation, and on January 11, 2012, CKH notified the Board that this transaction was complete. On January 20, 2012, CKH received its amended licence and notification that the MPDC licence had been canceled.

Subsequently, on January 31, 2012, CKH applied to the Board to amend the company name on its Electricity Distribution Licence (ED-2002-0563) to Entegrus Powerlines Inc. The Board approved this change and issued an updated licence on February 24, 2012.

Basis for the Application

On June 24, 2011, the Board issued a Decision and Order in the EB-2008-0381 Account 1562 Deferred Payments in Lieu of Taxes ("PILs") Combined Proceeding (the "Combined Proceeding"). In that Decision and Order, the Board directed distributors subject to Section 93 of *The Electricity Act, 1998* to apply for final disposition of the balance in account 1562 in their next general rates application (either IRM or cost of service).

MPDC was scheduled to file its 2012 IRM rate application (EB-2011-0148) for November 25, 2011, inclusive of detailed evidence supporting the disposition of Account 1562 for Deferred PILs balances ("Account 1562"). On November 16, 2011, MPDC advised the Board that it was having difficulty locating the pre-acquisition accounting records of the predecessor utility necessary to support and verify the Account 1562 disposition. MPDC further indicated that, despite diligent effort, it would not be in a position to file for the disposition of Account 1562 at the time that the respective 2012 IRM application was filed. MPDC requested a filing extension until January 23, 2012.

On November 23, 2011, the Board denied MPDC's request, in order not to jeopardize a May 1, 2012, implementation date for the other aspects of the 2012 IRM application. The Board directed MPDC to file a stand-alone Account 1562 disposition application, by no later than April 1, 2012.

On November 25, 2011, MPDC proceeded to file its 2012 IRM application, exclusive of Account 1562, and as of March 30, 2012, is awaiting Board decision in EB-2011-0148.

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Application

Entegrus has successfully located the vast majority of the pre-acquisition accounting records and has compiled sufficient information to support its application. Entegrus submits herein a complete standalone application for the final disposition of Account 1562 Deferred PILs.

Entegrus has prepared its Application in accordance with the Combined Proceeding and the additional direction provided by the Board decision of December 22, 2011, in regard to Hydro One Brampton Networks (EB-2011-0174).

The balance for disposition in this Application differs from the amounts originally filed in the December 31, 2010 and December 31, 2011 RRR filings as a result of principal adjustments made during the course of preparation of this application and associated carry charge adjustments. Entegrus will not be requesting updates to the RRR filings since all associated adjustments will be captured in Entegrus' ledger in 2012. This ensures all RRR filings align with the audited financial statements.

Entegrus seeks approval to refund to customers the calculated balance of Account 1562 principal balance as at April 30, 2006 of a liability of \$218,377, and associated carrying charges to April 30, 2012 representing a liability \$57,400, by way of a volumetric rate rider.

Entegrus requests that this rate rider be included in its Tariff of Rates and Charges effective for a one year period commencing November 1, 2012. Please see **Attachment 1** for further details supporting the calculation of the proposed rate rider.

Entegrus further requests that its application of Account 1562 be disposed of expeditiously by way of written hearing.

Supporting Evidence

Below is a summary the detailed documentation supporting this Application and the respective location. Where possible, Entegrus has provided this information in its original editable electronic format. However, in some cases the historical records available internally to Entegrus exist only in hardcopy and have therefore been scanned into Abobe PDF format.

Attachment 2 provides a detailed continuity schedule calculating the balance in Account 1562, including the following inputs:

- a) Board Approved PILs Proxy Amounts: These amounts are based on the approved PILs amounts from the Board's decisions for 2001 to 2005 distribution rates and have been verified to the respective approved rate schedules and included as part of this application as follows:
 - The 2001 PILs Proxy Amount of \$42,838 was approved in EB-2002-0103 on March 8, 2002. Please see Attachment 3 for a copy of the original 2001 pre-acquisition SIMPIL model and Attachment 4 for a copy of the signed EB-2002-0103 Decision and Order.

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- ii. The 2002 PILs Proxy Amount of \$220,022 was also approved in EB-2002-0090 on March 8, 2002. MPDC was unable to locate a copy of the original 2002 pre-acquisition SIMPIL model for this period. However, MPDC was able to calculate the appropriate values, which agree to the signed Board decision, based on calculations in the 2001 original SIMPIL model. Please see Attachment 4 for a copy of the signed EB-2002-0103 Decision and Order.
- iii. The 2004 PILs Proxy Amount of \$220,022 was approved in EB-2004-0052 on March 11, 2004. MPDC was unable to locate a copy of the original 2004 pre-acquisition SIMPIL model for this period. However, MPDC was able to calculate the appropriate values, which agree to the signed Board decision, based on the 2001 original SIMPIL model. Please see **Attachment 5** for a copy of the signed EB-2004-0052 Decision and Order.
- iv. The 2005 PILs Proxy Amount of \$195,167 was approved in EB-2005-0048 on March 29, 2005. Please see **Attachment 6** for a copy of the original 2005 pre-acquisition SIMPIL model and **Attachment 7** for a copy of the signed EB-2004-0052 Decision and Order.
- b) True-Up Variance Account Adjustment: These adjustments are calculated utilizing the revised SIMPIL models (TAXCALC worksheet) for the taxation years 2001-2005. The revised SIMPIL models are based on the Halton Hills model methodology from the Combined Proceeding, as recommended by the Board. Entegrus believes that it has addressed any errors that have arisen from the SIMPIL models that were previously released.

The revised SIMPIL models have prepared with assistance from external consultants. The models have been balanced to source documents, including the final tax returns, reassessments where applicable, and audited financial statements. Supporting documentation for these models is as follows:

 Please see Attachment 8 for the 2001 Revised SIMPIL Model resulting in a true-up of a liability of \$13,697. Please see Attachment 9 for supporting 2001 Financial Statements. Attachment 10 contains the supporting 2001 Tax Returns and Assessment Notices.

Please note the 2001 tax returns represent the 3 month period from October 1, 2001 to December 31, 2001. However, the financial statements used to calculate taxable income and other tax items actually relate to the full 12 months ending December 31, 2001. To address this situation for tax purposes, the returns completed by the previous ownership of MPDC took a deduction on line 390 of the Federal T2 of \$114,535, entitled "Section 149(1)(d.6) adjustment" to deduct pre-October 1, 2001, activity from taxable income. The adjustment is not readily apparent per the review of the tax return because MPDC filed using the Federal T2 short form. However, this information can be seen from review of the Federal T2 keypunch summary.

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Since this adjustment relates to pre-market opening income (which was not part of the basis for post de-regulation rates), it has been be treated in the 2001 SIMPIL model as a non-true-up item (i.e. neither a positive or negative true-up).

- ii. Please see **Attachment 11** for the 2002 Revised SIMPIL Model resulting in a true-up of a liability of \$73,334. Please see **Attachment 12** for supporting 2002 Financial Statements and **Attachment 13** for supporting 2002 Tax Returns and Assessment Notices.
- iii. Please see Attachment 14 for the 2003 Revised SIMPIL Model resulting in a true-up of a liability of \$75,320. Please see Attachment 15 for supporting 2003 Financial Statements and Attachment 16 for supporting 2003 Tax Returns and Assessment Notices.
- iv. Please see Attachment 17 for the 2004 Revised SIMPIL Model resulting in a true-up of a liability of \$76,287. Please see Attachment 18 for supporting 2004 Financial Statements and Attachment 19 for supporting 2004 Tax Returns and Assessment Notices.
- v. As noted above under the Corporate Structure heading, MPDC was acquired by Chatham-Kent Energy on June 30, 2005. Accordingly, there are two taxation stub periods for calendar 2005. The first stub period reflects pre-acquisition period from January 1, 2005 to June 30, 2005. The second stub period reflects the taxation period post acquisition by Chatham-Kent Energy from July 1, 2005 to December 31, 2005. Please see **Attachment 20** for the Revised SIMPIL Model reflecting activity during the first period of 2005. Please see **Attachment 21** for the Revised SIMPIL Model reflecting the activity during the second period of 2005. The combined true-up result of an asset of \$19,782. Please see **Attachment 22** for supporting Financial Statements for the period of January 1, 2005 to June 30, 2005 and **Attachment 23** for supporting Financial Statements from July 1, 2005 to December 31, 2005. Please see **Attachment 24** for supporting Tax Returns for the period of January 1, 2005 to June 30, 2005 and **Attachment 25** for supporting Tax Returns for the balance of 2005.

Note that for the pre-acquisition period from 2001-2005, Ministry of Finance re-assessment notices and statements of adjustment were not available internally. Accordingly, Entegrus contacted the Ministry of Finance to obtain information on any re-assessments that may have occurred for 2001-2005. Please see **Attachment 26** for a summary of the adjustments provided by the Ministry of Finance.

In the SIMPIL models, items that should not true up to ratepayers under the methodology have been isolated onto sheet ,"TAXCALC3" from those items that are included in the true-up on sheet "TAXCALC" or "TAXCALC2" for each tax period.

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Entegrus has confirmed that all 2001 to 2005 tax periods of MPDC are statute-barred (i.e. no longer open for audit).

c) PILs Amounts Billed to Customers: Collections from customers have been defined as the amounts billed to customers up to April 2006. To comply with Board methodology in terms of unbilled revenue at April 2006, Entegrus followed an approach similar to that of EnWin in the Combined Proceeding. Specifically, Entegrus compiled customer counts, consumption and demand information for the period from January 1 to April 30, 2006 after April 30, and then multiplied these billing determinants by the appropriate rates.

The following attachments support the calculation of PILs amounts billed to customers:

- Please see Attachment 27 for a detailed calculation of revenue collected from i. customers.
- Please see Attachment 28 for the original RAM model for rates effective from March 1, ii. 2002 to March 31, 2004. These rates were originally approved in EB-2002-0103 (Attachment 4).
- Please see Attachment 29 for the original RAM model for rates effective from April 1, iii. 2004 to March 31, 2005 approved in EB-2004-0052 (Attachment 5).
- Please see Attachment 30 for the original RAM model for rates effective from April 1, iv. 2005 to April 30, 2006, approved in EB-2005-0048 (Attachment 7).

Interest Charges

On December 22, 2011, the Board issued its Decision and Order on Hydro One Brampton Networks Inc.'s ("HOBNI") 2012 Incentive Regulation Rate Application EB-2011-0174. The Board's Decision addressed the Review and Disposition of Account 1562 and provided further direction and clarification on the treatment of interest charges in the determination of the excess interest expense claw-back. Specifically, the Board findings on this matter state:

- the components which will comprise interest expense for purposes of the true-up calculations based on HOBNI's evidence in this case are interest on long-term debt, accounting amortization of deferred debt costs, foreign exchange and interest expense (other);
- the Board is not persuaded that interest income should be netted against interest expense in the SIMPIL true-up calculations since this treatment is not consistent with cost of service filing instructions;
- the impacts of regulatory assets and liabilities should be excluded from the determination of the balance in account 1562 deferred PILs;
- interest expense related to customer deposits is not recovered in cost of service applications and therefore should be excluded in the SIMPIL calculations; and

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• capitalized interest and its reversal in the tax calculations nets to zero, and this treatment is consistent with prior guidance issued by the Board.

For accounting classification purposes, MPDC has historically grouped long-term and short-term debt interest expense with customer deposit interest and other miscellaneous interest. This grouping is reflected as "Interest" on the face of the MPDC income statements for the periods 2001-2005.

A reconciliation of the interest ledger account for 2001-2005 by component is included as **Attachment 31**, which notes the Entegrus interest ledger account is inclusive of:

- Interest on long-term debt;
- Interest on short-term debt, including letter of credit fees;
- Interest on customer deposits; and;
- Other interest

Entegrus specifically confirms that its interest ledger account for 2001-2005 does not include:

- Any netting of interest income against interest expense (including interest income on regulatory assets)
- Any interest expense on IESO prudentials;
- Any amortization of debt issue costs, debt discounts or debt premiums; and;

Entegrus further confirms that no interest expense was capitalized for 2001-2005.

Based on the HOBNI decision referenced above, for the purpose of calculating the interest clawback in the models, MPDC has included only interest on debt. MPDC has specifically excluded interest on customer security deposits and other interest.

MPDC believes that this interest treatment is in accordance with the Board's EB-2011-0174 decision with respect to HOBNI.

Accordingly, the models submitted herein by MPDC include a line item (for instance, see "TAXCALC" line 202 of MPDC's 2005 model) to remove the interest on customer security deposits and the other interest from the balance used as a basis for comparison in the true-up calculation.

Tax Rates

For the pre-acquisition period from October 1, 2001 through to June 30, 2005, MPDC had access to the small business deduction. Accordingly, for the purposes of calculating the tax impact and gross-up on the TAXCALC sheet, CKH has utilized the minimum tax rate guidance shown on page 17 of the Board's Combined Proceeding decision for the purpose of true-up calculations.

For the post acquisition period from July 1, 2005 to December 31, 2005, MPDC did not have access to the small business deduction. Accordingly, for the purposes of calculating the tax impact and gross-up on the TAXCALC sheet, CKH has utilized the maximum tax rate guidance shown on page 17 of the Board's Combined Proceeding decision for the purpose of true-up calculations.

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MPDC notes that the gross-up rates utilized in the SIMPIL models exclude the surtax rate of 1.12%.

MPDC further notes that it has excluded variances associated with capital tax in the income tax true-up reconciliation. This is consistent with MPDC's understanding that under the SIMPIL methodology, capital tax does not true up for income tax purposes.

A chart summarizing the tax rates utilized by MPDC in the models is included as **Attachment 32**.

MPDC believes that the combined rates and gross-up rates described above, which were utilized to determine the true-up amounts under the SIMPIL methodology, are appropriate and in accordance with the Board's direction in the Combined Proceeding.

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
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Attachment 1
Proposed Rate Rider Calculation

Board File No.: EB-2012-0097

Proposed Rate Rider

Entegrus has allocated the April 30, 2012 Account 1562 balance to each customer class based on its Test Year distribution revenue that was approved in the Entegrus Chatham-Kent rate zone 2010 Cost of Service Electricity Distribution Rate Application (EB-2009-0261), as directed in the 2012 IRM Rate Generator Model – Tab 10. Table 1 below sets out the allocation of the April 30, 2012 Account 1562 balance by each customer class and calculates the proposed Rate Riders for disposition.

Entegrus requests that these rate riders be included in its Tariff of Rates and Charges effective for a one year period commencing November 1, 2012.

The following reasons support Entegrus' request for a one year disposition period commencing November 1, 2012:

- A November 1, 2012 date is proposed to allow sufficient time for the regulatory process for the current Application, since the new distribution rates approved in EB-2011-0163 are effective for May 1, 2012;
- In terms of the new May 1, 2012 distribution rates, customer rate communications (exclusive of the impact of the proposed PILs rate riders herein), including newspaper advertisements, brochures and letters are already currently in progress for the rate period commencing May 1, 2012;
- Entegrus plans on filing an application for smart meter cost recovery and prudence review in the second quarter of 2012, so the timing of any corresponding rate rider could coincide with a November 1, 2012 date;
- Combining both changes into a November 1, 2012 rate change may alleviate customer confusion by ensuring one coordinated rate change in a relatively short period of time.

Entegrus Powerlines Inc. - Chatham-Kent

Table 1: PILs Disposition Rate Rider Calculation

Effective November 1, 2012 to October 31, 2013

PII	s Disposition Amount	\$102	.287.45

Rate Class	Unit	Metered	Metered	Distribution	Allocate to	Rate Rider
Rate Class	Onit	kWh	kW	Revenue	Rate Class	Rate Ridei
Residential	\$/kWh	207,045,763	-	\$6,987,788.91	\$54,580.28	\$0.0003
GS<50	\$/kWh	90,210,202	-	\$1,904,385.17	\$14,874.79	\$0.0002
GS>50	\$/kW	189,939,282	494,092	\$1,458,956.13	\$11,395.63	\$0.0231
Intermediate	\$/kW	139,888,648	382,377	\$2,357,967.49	\$18,417.63	\$0.0482
Intermediate w/Self Gen	\$/kW	32,205,190	87,305	\$239,136.13	\$1,867.85	\$0.0214
Unmetered Scattered	\$/kWh	1,081,178	-	\$12,863.68	\$100.48	\$0.0001
Sentinel Lighting	\$/kW	347,118	1,079	\$18,247.24	\$142.53	\$0.1321
Street Lighting	\$/kW	5,757,195	18,365	\$116,284.10	\$908.27	\$0.0495
Standby Power		-				
Total		666,474,576	983,218	\$13,095,628.85	\$102,287.45	

	Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhil Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
	Attachment 2
Acco	unt 1562 Detailed Continuity Schedule
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Attachment 2
Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
Detailed Continuity Schedule: Account 1562 Deferred PILs

Description							2001						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,279	\$28,559	\$0
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,279	\$14,279	\$14,279	\$42,838
True-Up Variance Adjustment						\$0							\$0
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Clarity or Protoco										614.070	200 550	640.000	640.000
Closing Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,279	\$28,559	\$42,838	\$42,838
<u>Interest</u>													
Prescribed Rate										7.25%	7.25%	7.25%	
Days in Month										31	30	31	
Opening Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85	\$0
Carrying Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85	\$176	\$261
Closing Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$85	\$261	\$261

Description							2002						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	\$42,838	\$61,173	\$79,508	\$76,480	\$73,452	\$70,424	\$53,699	\$50,671	\$47,643	\$44,616	\$41,588	\$38,560	\$42,838
Board Approved PILs Proxy Amts	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$18,335	\$220,022
	\$10,000	\$10,333	\$10,555	\$10,333	\$10,333		\$10,333	\$10,333	\$10,000	\$10,333	\$10,333	\$10,333	
True-Up Variance Adjustment						-\$13,697							-\$13,697
Rate Recoveries	\$0	\$0	-\$21,363	-\$21,363	-\$21,363	-\$21,363	-\$21,363	-\$21,363	-\$21,363	-\$21,363	-\$21,363	-\$21,363	-\$213,631
Closing Balance	\$61,173	\$79,508	\$76,480	\$73,452	\$70,424	\$53,699	\$50,671	\$47,643	\$44,616	\$41,588	\$38,560	\$35,532	\$35,532
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
	****	4.5.5	40.15	4	4	40.040	40.400	40.010	*****	40.100	40.000		
Opening Balance	\$261	\$525	\$865	\$1,355	\$1,810	\$2,263	\$2,682	\$3,013		\$3,609	\$3,883	\$4,131	\$261
Carrying Charges	\$264	\$340	\$490	\$456	\$452	\$420	\$331	\$312	\$284	\$275	\$248	\$237	\$4,108
Closing Balance	\$525	\$865	\$1,355	\$1,810	\$2,263	\$2,682	\$3,013	\$3,325	\$3,609	\$3,883	\$4,131	\$4,369	\$4,369

Attachment 2
Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
Detailed Continuity Schedule: Account 1562 Deferred PILs

Description							2003						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	\$35,532	\$33,855	\$32,179	\$30,503	\$28,826	\$27,150	-\$47,861	-\$49,537	-\$51,214	-\$52,890	-\$54,566	-\$56,243	\$35,532
Board Approved PILs Proxy Amts	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$21,905	\$262,860
True-Up Variance Adjustment						-\$73,334							-\$73,334
Rate Recoveries	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$23,581	-\$282,976
Rate Recoveries	\$20,001	Ψ20,001	Ψ20,301	Ψ20,001	Ψ20,001	Ψ20,001	Ψ202,770						
Closing Balance	\$33,855	\$32,179	\$30,503	\$28,826	\$27,150	-\$47,861	-\$49,537	-\$51,214	-\$52,890	-\$54,566	-\$56,243	-\$57,919	-\$57,919
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	\$4,369	\$4,588	\$4,776	\$4,974	\$5,156	\$5,333	\$5,495	\$5,200	\$4,895	\$4,590	\$4,264	\$3,939	\$4,369
Carrying Charges	\$219	\$188	\$198	\$182	\$177	\$162	-\$295	-\$305		-\$326		-	-\$776
Closing Balance	\$4,588	\$4,776	\$4,974	\$5,156	\$5,333	\$5,495	\$5,200	\$4,895	\$4,590	\$4,264	\$3,939	\$3,593	\$3,593

Description		2004												
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total	
<u>Principal</u>														
Opening Balance	-\$57,919	-\$63,823	-\$69,728	-\$75,632	-\$74,631	-\$73,629	-\$147,947	-\$146,945	-\$145,944	-\$144,942	-\$143,940	-\$142,938	-\$57,919	
Board Approved PILs Proxy Amts	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$19,228	\$230,732	
True-Up Variance Adjustment	ψ17,220	ψ17,220	Ψ17,220	Ψ17,220	Ψ17,220	-\$75,320	Ψ17,220	ψ17,220	ψ17,220	Ψ17,220	ψ17,220	Ψ17,220	-\$75,320	
Rate Recoveries	-\$25,132	-\$25,132	-\$25,132	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$18,226	-\$239,430	
Closing Balance	-\$63,823	-\$69,728	-\$75,632	-\$74,631	-\$73,629	-\$147,947	-\$146,945	-\$145,944	-\$144,942	-\$143,940	-\$142,938	-\$141,937	-\$141,937	
Interest														
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%		
Days in Month	31	29	31	30	31	30	31	31	30	31	30	31		
Opening Balance	\$3,593	\$3,236	\$2,869	\$2,439	\$1,989	\$1,529	\$1,090	\$179	-\$725	-\$1,595	-\$2,488	-\$3,345	\$3,593	
Carrying Charges	-\$357	-\$368	-\$429	-\$451	-\$460	-\$439	-\$911	-\$905	-\$870	-\$892	-	·	-\$7,818	
Closing Balance	\$3,236	\$2,869	\$2,439	\$1,989	\$1,529	\$1,090	\$179	-\$725	-\$1,595	-\$2,488	-\$3,345	-\$4,225	-\$4,225	

Attachment 2
Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
Detailed Continuity Schedule: Account 1562 Deferred PILs

Description							2005						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	-\$141,937	-\$145,348	-\$148,759	-\$152,170	-\$153,097	-\$154,025	-\$231,240	-\$232,167	-\$233,095	-\$234,023	-\$234,951	-\$235,878	-\$141,937
Board Approved PILs Proxy Amts	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$16,782	\$201,381
True-Up Variance Adjustment						-\$76,287							-\$76,287
Rate Recoveries	-\$20,193	-\$20,193	-\$20,193	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$17,709	-\$219,963
	, ., .,	, ,, ,,	, ,, ,,		1	1 .,		1 .,			1	1 . ,	1 .,
Closing Balance	-\$145,348	-\$148,759	-\$152,170	-\$153,097	-\$154,025	-\$231,240	-\$232,167	-\$233,095	-\$234,023	-\$234,951	-\$235,878	-\$236,806	-\$236,806
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	7.25%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	-\$4,225	-\$5,099	-\$5,908	-\$6,824	-\$7,731	-\$8,673	-\$9,591	-\$11,015	-\$12,445	-\$13,834	-\$15,275	-\$16,675	-\$4,225
Carrying Charges	-\$874	-\$808	-\$916	-\$907	-\$943	-\$918	-\$1,424	-\$1,430	-\$1,389	-\$1,441	-\$1,400	-\$1,452	-\$13,902
Closing Balance	-\$5,099	-\$5,908	-\$6,824	-\$7,731	-\$8,673	-\$9,591	-\$11,015	-\$12,445	-\$13,834	-\$15,275	-\$16,675	-\$18,127	-\$18,127

Description							2006						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	-\$236,806	-\$237,144	-\$237,482	-\$237,821	-\$238,159	-\$238,159	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$236,806
Board Approved PILs Proxy Amts	\$16,264	\$16,264	\$16,264	\$16,264	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$65,056
True-Up Variance Adjustment	7.0,20	411,21	¥ : 0,20 :	¥ : 0,20 :	**	\$19,782		**	7.	**	7.	7-	\$19,782
	*1 / /00	#17.700	#1 / /00	#17.700	**	40	40	**	40	**	**	40	* // 100
Rate Recoveries	-\$16,602	-\$16,602	-\$16,602	-\$16,602	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$66,408
Closing Balance	-\$237,144	-\$237,482	-\$237,821	-\$238,159	-\$238,159	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
Interest													
Prescribed Rate	7.25%	7.25%	7.25%	4.14%	4.14%	4.14%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	-\$18,127	-\$19,585	-\$20,904	-\$22,366	-\$23,176	-\$24,013	-\$24,823	-\$25,675	-\$26,526	-\$27,350	-\$28,201	-\$29,025	-\$18,127
Carrying Charges	-\$1,458	-\$1,319	-\$1,462	-\$809	-\$837	-\$810	-\$851	-\$851	-\$824	-\$851	-\$824	-\$851	-\$11,749
Closing Balance	-\$19,585	-\$20,904	-\$22,366	-\$23,176	-\$24,013	-\$24,823	-\$25,675	-\$26,526	-\$27,350	-\$28,201	-\$29,025	-\$29,876	-\$29,876

Attachment 2
Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
Detailed Continuity Schedule: Account 1562 Deferred PILs

Description	2007												
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment	·					\$0							·
Data Danasain	#0	¢0	# 0	40	to.	# 0	¢0	# 0	to.		40	40	#0
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
<u>Interest</u>													
Prescribed Rate	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%	5.14%	5.14%	5.14%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	-\$29,876	-\$30,728	-\$31,497	-\$32,348	-\$33,172	-\$34,023	-\$34,847	-\$35,698	-\$36,550	-\$37,373	-\$38,327	-\$39,249	-\$29,876
Carrying Charges	-\$851	-\$769	-\$851	-\$824	-\$851	-\$824	-\$851	-\$851	-\$824	-\$953	-\$923	-\$953	
Closing Balance	-\$30,728	-\$31,497	-\$32,348	-\$33,172	-\$34,023	-\$34,847	-\$35,698	-\$36,550	-\$37,373	-\$38,327	-\$39,249	-\$40,203	-\$40,203

Description							2008						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
Board Approved PILs Proxy Amts	\$0	40	\$0	40	40	\$0	\$0	40	40	\$0	\$0	40	40
	φU	\$0	φU	\$0	\$0	-	ΦU	\$0	\$0	φ0	φ0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
closing balance	Ψ210,077	ψ <u>210,077</u>	\$2.10,077	Ψ2.0,077	Ψ210,077	Ψ210,077	ψ2.10,077	ŲZ.10,077	Ψ2.0,077	Q210,077	4210,077	4210,077	Q210,077
Interest													
Prescribed Rate	5.14%	5.14%	5.14%	4.08%	4.08%	4.08%	3.35%	3.35%	3.35%	3.35%	3.35%	3.35%	
Days in Month	31	29	31	30	31	30	31	31	30	31	30	31	
										• :=			
Opening Balance	-\$40,203	-\$41,156	-\$42,048	-\$43,001	-\$43,733	-\$44,490	-\$45,222	-\$45,844	-\$46,465	-\$47,066	-\$47,688	-\$48,289	
Carrying Charges	-\$953	-\$892	-\$953	-\$732	-\$757	-\$732	-\$621	-\$621	-\$601	-\$621	-\$601	-\$621	-\$8,708
Closing Balance	-\$41,156	-\$42,048	-\$43,001	-\$43,733	-\$44,490	-\$45,222	-\$45,844	-\$46,465	-\$47,066	-\$47,688	-\$48,289	-\$48,910	-\$48,910

Attachment 2
Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
Detailed Continuity Schedule: Account 1562 Deferred PILs

Description							2009						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	\$0	ΨΟ	ΨΟ	ΨΟ	φυ	ΨΟ	ΨΟ	Ψ
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
<u>Interest</u>													
Prescribed Rate	2.45%	2.45%	2.45%	1.00%	1.00%	1.00%	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	-\$48,910	-\$49,365	-\$49,775	-\$50,230	-\$50,409	-\$50,595	-\$50,774	-\$50,876	-\$50,978	-\$51,077	-\$51,179	-\$51,277	-\$48,910
Carrying Charges	-\$454	-\$410	-\$454	-\$179	-\$185	-\$179	-\$102	-\$102		-\$102		-\$102	-\$2,469
Closing Balance	-\$49,365	-\$49,775	-\$50,230	-\$50,409	-\$50,595	-\$50,774	-\$50,876	-\$50,978	-\$51,077	-\$51,179	-\$51,277	-\$51,379	-\$51,379

Description							2010						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
189 8	40	40	40	40	40	40	40	40	**	***	**	**	**
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Kale Recoveries	ΨΟ	φο	φο	ΨΟ									
Closing Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
<u>Interest</u>													
Prescribed Rate	0.55%	0.55%	0.55%	0.55%	0.55%	0.55%	0.89%	0.89%	0.89%	1.20%	1.20%	1.20%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	-\$51,379	-\$51,481	-\$51,574	-\$51,676	-\$51,774	-\$51,876	-\$51,975	-\$52,140	-\$52,305	-\$52,465	-\$52,688	-\$52,903	-\$51,379
Carrying Charges	-\$102	-\$92	-\$102	-\$99	-\$102	-\$99	-\$165	-\$165	-\$160	-\$223	-\$215	-\$223	-\$1,746
Closing Balance	-\$51,481	-\$51,574	-\$51,676	-\$51,774	-\$51,876	-\$51,975	-\$52,140	-\$52,305	-\$52,465	-\$52,688	-\$52,903	-\$53,125	-\$53,125

Attachment 2
Entegrus Powerlines Inc. - Strathroy, Mt Brydges & Parkhill
Detailed Continuity Schedule: Account 1562 Deferred PILs

Danadakan							2011						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment	ΨΟ	ΨΟ	ΨΟ	ΨΟ	ΨΟ	\$0	ΨΟ						
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
Interest													
Prescribed Rate	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	1.47%	
Days in Month	31	28	31	30	31	30	31	31	30	31	30	31	
Opening Balance	-\$53,125	-\$53,398	-\$53,644	-\$53,917	-\$54,181	-\$54,454	-\$54,717	-\$54,990	-\$55,263	-\$55,527	-\$55,799	-\$56,063	-\$53,125
Carrying Charges	-\$273	-\$246	-\$273	-\$264	-\$273	-\$264	-\$273	-\$273		-\$273	-\$264	-\$273	-\$3,210
Closing Balance	-\$53,398	-\$53,644	-\$53,917	-\$54,181	-\$54,454	-\$54,717	-\$54,990	-\$55,263	-\$55,527	-\$55,799	-\$56,063	-\$56,336	-\$56,336

Description							2012						
Description	January	February	March	April	May	June	July	August	September	October	November	December	Annual Total
<u>Principal</u>													
Opening Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
Board Approved PILs Proxy Amts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
True-Up Variance Adjustment						\$0							
Rate Recoveries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Closing Balance	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377	-\$218,377
Interest													
Prescribed Rate	1.47%	1.47%	1.47%	1.47%									
Days in Month	31	29	31	30									
	45.00	4= / /00	4=1010		4== .00		4==				4==	4.55 .00	* =
Opening Balance	-\$56,336	-\$56,608	-\$56,863	-\$57,136	-\$57,400	-\$57,400	-\$57,400	-\$57,400	-\$57,400	-\$57,400		-\$57,400	-\$56,336
Carrying Charges	-\$273	-\$255	-\$273	-\$264	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	-\$1,064
Closing Balance	-\$56,608	-\$56,863	-\$57,136	-\$57,400	-\$57,400	-\$57,400	-\$57,400	-\$57,400	-\$57,400	-\$57,400	-\$57,400	-\$57,400	-\$57,400

GRAND TOTAL -\$275,777.17



Attachment 3 2001 Original SIMPIL Model
2001 Original SIMPIL Model
2001 Original SIMPIL Model

	l A	В	С	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			Version 2 - 2001
2	REGULATORY INFORMATION (REGINFO)			
3	, , ,			
4	Utility Name Middlesex Power Corp			Amount
5	Reporting period - January 25, 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	
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		N	
14				
15	Accounting Year End		31-Dec-01	
16				
	MARR NO TAX CALCULATIONS			
	SHEET #7 FINAL RUD MODEL DATA			
	(FROM 1999 FINANCIAL STATEMENTS)			
20	USE BOARD-APPROVED AMOUNTS			
21				
	Rate base (wires-only)			10,288,429
23				
24	Common Equity Ratio (CER)			50.00%
25	4.050			50.000 /
26	1-CER			50.00%
	Toward Datum On Fauits			0.000/
29	Target Return On Equity			9.88%
	Debt rate			7.25%
31	Debt fale			7.23%
32	Market Adjusted Revenue Requirement			881,204
33	Imarket Adjusted Neveride Nequirement			001,204
	1999 return from RUD Sheet #7			18,430
35				10,430
36				862,774
37	Input Board-approved dollar amounts phased-in			002,114
38	Impar Board approved deliar amounte phaeed in			
39	Amount allowed in 2001, Year 1			287,591
40	Amount allowed in 2002, Year 2			287,591
41	Amount allowed in 2003, Year 3			287,591
42				
	Equity			5,144,215
44	• •			
45	Return at target ROE			508,248
46				
47	Debt			5,144,215
48				
49	Deemed interest amount in EBIT			372,956
50				
51	Phase-in of interest - Year 1			129,519
52	((D34+D39)/D32)*D49			
53	Phase-in of interest - Year 2			251,237
54	((D34+D39+D40)/D32)*D49			

	A	В	С	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			Version 2 - 2001
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Utility Name Middlesex Power Corp			Amount
5	Reporting period - January 25, 2002			
6				
55	Phase-in of interest - Year 3 (D49)			372,956
56				

	A	В	С	D	Е	F	G	Н	1	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
	DEFERRAL/VARIANCE ACCOUNTS		Estimate	004.00	Account	Account	Account	000.00	Filing	Filing	Filing	000.00
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	Version 2 - 2001		\$	#	\$		\$	#	\$		\$	#
6			•		·		*		Ť			
7	Utility Name Middlesex Power Corp										Column	
8	Reporting period - January 25, 2002										Brought	
9	responding ported trained y 20, 2002										Forward	
10											From	
11											TAXREC	
	I) CORPORATE INCOME TAXES											
13	,											
14	ACCOUNTING INCOME											
15	Regulatory Net Income	1		1A	76,505		76,505	1B	-76,505		0	1C
16							Í		<i>'</i>			
17	BOOK TO TAX ADJUSTMENTS											
18												
19	Additions: To Accounting Income											
	Depreciation & Amortization	2		2A	114,288		114,288	2B	-114,288		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
	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	0		0	7C
29	Deductions: From Accounting Income											
	Capital Cost Allowance	8		8A	-50,384		-50,384	8B	50,384		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		11A	0			11B	0		0	11C
34	Interest Expense Deemed/ Incurred	12		12A	-65,354		-65,354	12B	65,354		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		0		75,055		75,055		-75,055		0	
41	(sum of above)											
42												
43	CORPORATE INCOME TAX RATE											
	Deemed %	14	19.1200%	14A	15.0000%		34.1200%	14B	4.5000%		38.6200%	14C
45												
46	REGULATORY INCOME TAX											
47	Taxable Income x Rate		0		25,609		25,609		-25,609		0	
48		L.										
49	Miscellaneous Tax Credits	15		15A	0			15B	0			15C
50												
51	Total Regulatory Income Tax		0		25,609		25,609		-25,609		0	
52												
53												
54												

	А	В	С	D	Е	F	G	Н	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
	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	Version 2 - 2001		\$	#	\$	•	\$	#	\$	•	\$	#
55												
56	II) CAPITAL TAXES											
57												
58	Ontario											
59	Base	16		16A	10,288,430		10,288,430	16B	-10,288,430		0	16C
60	Less: Exemption	17		17A	-5,000,000		-5,000,000	17B	5,000,000		0	
61	Deemed Taxable Capital		0		5,288,430		5,288,430		-5,288,430		0	
62	•											
	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		3,966		3,966		-3,966		0	
66												
67	Federal (LCT)											
	Base	19		19A	10,288,430		10,288,430	19B	-10,288,430		0	19C
69	Less: Exemption	20		20A	-10,000,000		-10,000,000	20B	10,000,000		0	20C
70	Deemed Taxable Capital		0		288,430		288,430		-288,430		0	
71												
72	Rate (.225%)	21	0.2250%	21A	0.0000%		0.2250%	21B	0.0000%		0.2250%	21C
73												
	Gross Amount (Taxable Capital x Rate)		0		649		649		-649		0	
	Less: Federal Surtax	22	0	22A	-841		-841	22B	841		0	22C
76												
	Net LCT		0		0		0		192		0	
78												
79												
	III) INCLUSION IN RATES MARCH 2002											
81												
	IncomeTax (grossed-up)	23	0	23A	38,872		38,872		-38,872			n/a
83	LCT (grossed-up)	24	0	24A	0		0	24B	0			n/a
84	Ontario Capital Tax	25	0	25A	3,966		3,966	25B	-3,966			n/a
85												
86												
87	Total S. 93 PILs Rate Adjustment		0		42,838		42,838		-42,838			
88												
89												
90												
		•			L. Carlotte and Car							

Topic Section Sectio		А	В	С	D	Е	F	G	Н	1	J	K	
2 DEFERRAL/VARIANCE ACCOUNTS	1		LINE	Initial	Source	Deferral	Deferral	Deferral	Source	M of F	M of F	M of F	Source
3 TAX CALCULATIONS (TAXCALC)													100000
A (Virise-only business - see Tab TAXREC)					Foot-				Foot-				Foot-
S Version 2 - 2001							Explanation		note			(June)	note
193 IV FUTURE TRUE-UPS (post June 2002)				\$				\$					#
93 Amount in M of F Filing Variance (Column I) that				·		·				·		•	
93 Amount in M of F Filing Variance (Column I) that	92	IV) FUTURE TRUE-UPS (post June 2002)								DR / (CR)			
94 the Board orders added/subtracted from rates	93	Amount in M of F Filing Variance (Column I) that											
1													
197 Federal Large Corporation Tax 3 8			1								No true-up		
97 Faderal Large Corporation Tax 3	96	Depreciation &Amortization	2								No true-up		
18			3										
199 Change in Tax Reserves 5			4							0			
101 Other additions "Material" Item #1	99	Change in Tax Reserves	5										
102 Other additions (not "Material" Item #2 7	100	Regulatory Adjustments	6							0	True-up		
103 Other additions (not "Material") 7	101	Other additions "Material" Item #1	7							0	True-up		
103 Other additions (not "Material") 7			7										
10.4 Capital Cost Allowance	103	Other additions (not "Material")	7										
106 Items Capitalized for Regulatory Purposes 10	104	Capital Cost Allowance	8								No true-up		
107 Regulatory Adjustments 11 108 Interest Adjustment for Tax Purposes (Cell I135) 12 12 13 15 16 17 19 17 19 19 19 19 19	105	Employee Benefit Plans - Paid Amounts	9							0	True-up		
108 Interest Adjustment for Tax Purposes (Cell I135) 12 13 13 15 16 17 17 17 17 18 17 18 18			10							0	True-up		
109 Other deductions "Material" Item #1	107	Regulatory Adjustments	11							0	True-up		
110 Other deductions "Material" Item #2 13 13 15 15 15 17 19 19 19 19 19 19 19	108	Interest Adjustment for Tax Purposes (Cell I135)	12							0	True-up-See Below		
111 Other deductions (not "Material") 13	109	Other deductions "Material" Item #1	13							0	True-up		
112 Miscellaneous Tax Credits 15 0 True-up	110	Other deductions "Material" Item #2	13							0	True-up		
113	111	Other deductions (not "Material")	13								No true-up		
114 Deferral Account Entry (Positive Entry=Debit) 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) 122 Interest phased-in - (Deferral Account Cell G34) 124 Variance due to phase-in of debt stucture 125 according to Rate Handbook 126 127 Other Interest Variances (ie Borrowing Levels 128 Above Deemed Debt per Rate Handbook) 129	112	Miscellaneous Tax Credits	15							0	True-up		
115	_												
116	114	Deferral Account Entry (Positive Entry=Debit)								0	True-up		
116	115												
118 119 Variance Caused By Phase-in of Deemed Debt 120 121 Total deemed interest (REGINFO CELL D49) 122 Interest phased-in - (Deferral Account Cell G34) 123 124 Variance due to phase-in of debt stucture 125 according to Rate Handbook 126 127 Other Interest Variances (ie Borrowing Levels 128 Above Deemed Debt per Rate Handbook) 129	-												
118 119 Variance Caused By Phase-in of Deemed Debt 120 121 Total deemed interest (REGINFO CELL D49) 122 Interest phased-in - (Deferral Account Cell G34) 123 124 Variance due to phase-in of debt stucture 125 according to Rate Handbook 126 127 Other Interest Variances (ie Borrowing Levels 128 Above Deemed Debt per Rate Handbook) 129		V) INTEREST PORTION OF TRUE-UP											+
120 121 Total deemed interest (REGINFO CELL D49) 122 Interest phased-in - (Deferral Account Cell G34) 123 124 Variance due to phase-in of debt stucture 125 according to Rate Handbook 126 127 Other Interest Variances (ie Borrowing Levels 128 Above Deemed Debt per Rate Handbook) 129 120 121 122 123 124 125 126 127 127 128 129 129 129 129 120 120 120 120 121 121 122 123 124 125 125 126 127 127 128 128 129 129 129 120 120 120 120 121 121 122 123 124 125 126 127 127 128 128 128 128 128 128 128 128 128 128													
120 121 Total deemed interest (REGINFO CELL D49) 122 Interest phased-in - (Deferral Account Cell G34) 123 124 Variance due to phase-in of debt stucture 125 according to Rate Handbook 126 127 Other Interest Variances (ie Borrowing Levels 128 Above Deemed Debt per Rate Handbook) 129 120 121 122 123 124 125 126 127 127 128 129 129 129 129 120 120 120 120 121 121 122 123 124 125 125 126 127 127 128 128 129 129 129 120 120 120 120 121 121 122 123 124 125 126 127 127 128 128 128 128 128 128 128 128 128 128	119	Variance Caused By Phase-in of Deemed Debt											
122 Interest phased-in - (Deferral Account Cell G34) 65,354 123	120												
122 Interest phased-in - (Deferral Account Cell G34) 65,354 123	121	Total deemed interest (REGINFO CELL D49)								-372.956			
123													
124 Variance due to phase-in of debt stucture -307,602		,											
125 according to Rate Handbook 126 127 Other Interest Variances (ie Borrowing Levels 128 Above Deemed Debt per Rate Handbook) 129		Variance due to phase-in of debt stucture								-307,602	!		\top
126 127 Other Interest Variances (ie Borrowing Levels 128 Above Deemed Debt per Rate Handbook) 129													
128 Above Deemed Debt per Rate Handbook) 129		<u> </u>											
128 Above Deemed Debt per Rate Handbook) 129	127	Other Interest Variances (ie Borrowing Levels											
129													
130 Interest deducted on MoF filing (Cell K34)	130	Interest deducted on MoF filing (Cell K34)								0)		
131 Total deemed interest (REGINFO CELL D49)	131	Total deemed interest (REGINFO CELL D49)								372,956	·		
132	132												
133 Variance caused by excess debt	133	Variance caused by excess debt								372,956	<u>;</u>		
134													
135 Interest Adjustment for Tax Purposes Cell I108 0 True-up Amount- Used above	135	Interest Adjustment for Tax Purposes Cell I108								0	True-up Amount- Used	above	
136													
Total Interest Variance (Cell 134)	137	Total Interest Variance (Cell 134)								65,354			
138	138												

	A A	В	С	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	Version 2 - 2001					#
6						
7	Utility Name Middlesex Power Corp					
8	Reporting period - January 25, 2002					
9						
10	Note: Carry forward Wires-only Data to Tab "TAXCALC"					
11	Column K					
	I) CORPORATE INCOME TAXES					
	(Input unconsolidated financial statement data					
14	submitted with tax returns as applicable)					
15		1			0	
	Other Income	2			0	
17						
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 25	Federal LCT	9			0	
	Not become Defere Interest 9 Income Toyon FDIT	10	0	0	^	1C
27	Net Income Before Interest & Income Taxes EBIT	10	0	0	0	10
	BOOK TO TAX ADDITIONS:					
	Depreciation & Amortization		0	0	0	2C
	Federal Large Corporation Tax		0	0	0	3C
	Employee benefit plans-accrued, not paid				0	4C
	Change in tax reserves				0	5C
	Regulatory adjustments				0	6C
34					0	7C
35	Other additions "Material" Item #2				0	7C
36			0	0	0	
37	Other Additions: (From T2 S1)					
	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					0	
44	1 - 7				0	
45	Advertising				0	
46					0	_
47					0	
	Debt issue expenses				0	
	Capital items expensed				0	
	All crown charges, royalties, rentals				0	7C
	Deemed dividend income				0	
52	Deemed interest on loans to non-residents Deemed interest received				0	
					0	7C
	Development expenses claimed				0	7C 7C
	Dividend stop-loss adjustments Dividends credited to investment account				0	
30	ביייום הואם היים ווואבאווופווג מטטטטווג				0	70

	A	В	С	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	Version 2 - 2001					#
6						
57	Investment tax credit				0	7C
58	Financing fees deducted in books				0	7C
59	Foreign accrual property income				0	
60	Foreign affiliate property income				0	7C
61						
	Federal reassessment amounts				0	
	Gain on settlement of debt				0	
	Interest paid on income debentures				0	
	Gain on sale of eligible capital property				0	
	Loss on disposal of assets				0	
	Reserves from financial statements- end of year				0	
	Holdbacks				0	
	Taxable capital gains				0	
	Political donations- book				0	
	Charitable donations- book				0	
	Capitalized interest				0	
	Deferred and prepaid- beginning of year				0	
	Tax reserves deducted in prior year				0	
	Loss from joint ventures				0	
	Loss from subsidiaries				0	
	Limited partnership losses				0	_
-	Sales tax assessments				0	
79	Share issue expenses				0	
	Write-down of capital property				0	
81					0	
82	Other Additions:				0	7C
83				_		
84	Total Other Additions		0	0	0	7C
85	Total Additions				0	
86	Total Additions		0	0	0	
87	BOOK TO TAX DEDUCTIONS:					
					0	°C
	Capital cost allowance				0	
	Employee benefit plans-paid amounts				0	
	Items capitalized for regulatory purposes				0	
	Regulatory adjustments Interest expense incurred				_	100
					0	
	Other deductions "Material" Item #1				0	
96	Other deductions "Material" Item #2		0	0	<u>0</u> 0	-
	Other deductions: (From T2 S1)			<u></u>	0	
	Grossed up Part VI.1 tax (preferred shares)				0	13C
	Amortization of eligible capital expenditures				0	
	Amortization of debt and equity issue cost				0	
	Loss carryback to prior period				0	
	Contributions to deferred income plans				0	
	Contributions to deferred income plans Contributions to pension plans				0	
	Income from subsidiaries				0	
	Income from joint ventures				0	
	Gain on disposal of assets				0	
	Terminal loss				0	
	Cumulative eligible capital deduction				0	
	Allowable business investment loss				0	
	Holdbacks				0	
	Deferred and prepaids- end of year				0	
	Tax reserves claimed in current year				0	
	Reserves from F/S- beginning of year				0	
	Patronage dividends				0	
	Accrued dividends- current year				0	
	Bad debts				0	
				I.	U	

	A	В	С	D	Е	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	Version 2 - 2001					#
6						
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
	Cultural gifts				0	13C
	Ecological gifts				0	13C
	Taxable dividends s. 112, 113 or ss. 138(6)				0	13C
	Non-capital losses-preceding years				0	13C
	Net-capital losses- preceding years				0	13C
	Limited partnership losses- preceding years				0	13C
130	Other deductions:				0	13C
131					0	
132					0	
133	Total Other Deductions		0	0	0	13C
134						
135	Total Deductions		0	0	0	
136						
137						
138	TAXABLE INCOME		0	0	0	
139						
140						
141						

	A	В	С	D	Е	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	Version 2 - 2001					#
6						
142						
143						
_	ONTARIO CAPITAL TAX					
145						
	PAID-UP CAPITAL					
147						
	Paid-up capital stock				0	
	Retained earnings (if deficit, deduct)				0	
	Capital and other surplus excluding				0	
151	appraisal surplus				0	
	Loans and advances				0	
	Bank loans				0	
	Bankers acceptances				0	
	Bonds and debentures payable				0	
	Mortgages payeable				0	
	Lien notes payable				0	
	Deferred credits				0	
	Contingent, investment, inventory and				0	
160					0	
161	Other reserves not allowed as deductions				0	
162	Share of partnership(s), joint venture(s)				0	
163					0	
164			0	0	0	
165	Subtract:					
166	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked				0	
168	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	Total (Net) Paid-up Capital		0	0	0	
172						
173	ELIGIBLE INVESTMENTS					
174						
175	Bonds, lien notes, interest coupons				0	
176	Mortgages due from other corporations				0	
177	Shares in other corporations				0	
	Loans and advances to unrelated corporations				0	
179	Eligible loans and advances to related				0	
180					0	
181	Share of partnership(s) or joint venture(s)				0	
182	eligible investments				0	
183						
184			0	0	0	
185						
186						

	A	В	С	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	Course
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4	.,		Return			note
5	Version 2 - 2001					#
6						
187						
188	TOTAL ASSETS					
189						
	Total assets per balance sheet				0	
	Mortgages or other liabilities deducted from				0	
192	assets				0	
	Share of partnership(s)/ joint venture(s) total				0	
194					0	
	Subtract: Investment in partnership(s)/joint				0	
196	venture(s)				0	
197	Total accets as adjusted		0	0	0	
198	Total assets as adjusted		0	0	0	
	Add: (if deducted from assets)					
201					0	
202	similar reserves				0	
	Other reserves not allowed as deductions				0	
	Subtract:				0	
205	Amounts deducted for income tax				0	
206	purposes in excess of amounts booked				0	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
209	Subtract: Appraisal surplus if booked				0	
	Add or subtract: Other adjustments		1	1	2	
211						
212	Total Assets		1	1	2	
213						
	Investment Allowance					
215						
	(Total Eligible Investments / Total Assets) x			_	_	
217	Net paid-up capital		0	0	0	
218						
	Taxable Capital					
220	Not a status a souther		0		0	
	Net paid-up capital Subtract: Investment Allowance		0	0	0	
	Subtract: Investment Allowance		0	0	0	
223 224	Taxable Capital	1 1	0	0	0	
225	l axable Capital		U	0	U	
226	Capital Tax Calculation					
227	<u>ouplied Tun OutoutedOff</u>					
228	Taxable capital		0	0	0	16C
229						.55
230	Deduction from taxable capital up to \$5,000,000				0	17C
231						
232	Net Taxable Capital		0	0	0	
233	•					
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235						
236	Days in taxation year		365	365	365	
237	Divide days by 365		1.0000	1.0000	1.0000	
238						
239	Ontario Capital Tax		0	0	0	
240						

	A	В	С	D	E	F
1	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
	TAX RETURN RECONCILIATION (TAXREC)	LIIVE	Corporate	Eliminations	Tax	Course
3	(for "wires-only" business - see s. 72 OEB Act)		Tax	Ziiiiiiiationo	Return	Foot-
4	(ioi whoe only backhood coo of 12 ozb /tot)		Return		Rotain	note
5	Version 2 - 2001		rtotarri			#
6	101010112 2001					,,
241						
242						
	LARGE CORPORATION TAX					
244	THE COM CHANGE THE					
	CAPITAL					
246	5711 1171 <u>2</u>					
	ADD:					
	Reserves that have not been deducted in				0	
	computing income for the year under Part I				0	
	Capital stock				0	
	Retained earnings				0	
	Contributed surplus				0	
	Any other surpluses				0	
	Deferred unrealized foreign exchange gains				0	
	All loans and advances to the corporation				0	
	All indebtedness- bonds, debentures, notes,				0	
257	mortgages, bankers acceptances, or similar				0	
	obligations				0	
259	Any dividends declared but not paid				0	
	All other indebtedness outstanding for more				0	
261	than 365 days				0	
262	•			1		
202						
263	Subtotal		0	0	0	
	Subtotal		0	0	0	
263 264	Subtotal DEDUCT:		0	0	0	
263 264 265			0	0	0	
263 264 265 266	DEDUCT:		0	0		
263 264 265 266 267	DEDUCT: Deferred tax debit balance		0	0	0	
263 264 265 266 267 268 269	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in		0	0	0	
263 264 265 266 267 268 269	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity		0	0	0 0 0	
263 264 265 266 267 268 269 270	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above		0	0	0 0 0 0	
263 264 265 266 267 268 269 270 271 272	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in		0	0	0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses		0	0	0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above		0	0	0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal				0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses				0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 279 280 281 282	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 280 281 282 283	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or similar obligation of another corporation		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 280 281 282 283 284	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or similar obligation of another corporation Long term debt of financial institution		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 280 281 282 283 284 285	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or similar obligation of another corporation Long term debt of financial institution Dividend receivable from another corporation		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 280 281 282 283 284 285 286	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or similar obligation of another corporation Long term debt of financial institution Dividend receivable from another corporation Debts of corporate partnerships that were not		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 280 281 282 283 284 285 286	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or similar obligation of another corporation Long term debt of financial institution Dividend receivable from another corporation Debts of corporate partnerships that were not exempt from tax under Part I.3		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 288 289 280 281 282 283 284 285 286 287 288	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or similar obligation of another corporation Long term debt of financial institution Dividend receivable from another corporation Debts of corporate partnerships that were not		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 288 289 280 281 282 283 284 285 288 289	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or similar obligation of another corporation Long term debt of financial institution Dividend receivable from another corporation Debts of corporate partnerships that were not exempt from tax under Part I.3 Interest in a partnership		0	0	0 0 0 0 0 0 0	
263 264 265 266 267 268 269 270 271 272 273 274 275 276 277 278 280 281 282 283 284 285 286 287 288	DEDUCT: Deferred tax debit balance Any deficit deducted in computing shareholders' equity Any patronage dividends 135(1) deducted in computing income under Part I included in amounts above Deferred unrealized foreign exchange losses Subtotal Capital for the year INVESTMENT ALLOWANCE Shares in another corporation Loan or advance to another corporation Bond, debenture, note, mortgage, or similar obligation of another corporation Long term debt of financial institution Dividend receivable from another corporation Debts of corporate partnerships that were not exempt from tax under Part I.3		0	0	0 0 0 0 0 0 0	

	A	В	С	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	Version 2 - 2001					#
6						
292						
293	TAXABLE CAPITAL					
294						
295	Capital for the year		0	0	0	
296						
	Deduct: Investment allowance		0	0	0	
298						
299	Taxable Capital for taxation year		0	0	0	19C
300						
	Deduct: Capital Deduction \$10,000,000				0	20C
302						
303	Taxable Capital		0	0	0	
304						
305	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
	Days in year		365	365	365	
	Divide days by 365		1.0000	1.0000	1.0000	
309						
	Gross Part I.3 Tax LCT		0	0	0	
311						
	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
	Federal Surtax = Taxable Income x Surtax Rate		0	0	0	
315						
	Net Part I.3 Tax LCT Payable		0	0	0	
	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						



Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
Attachment 4
Decision and Order EB-2002-0103
Rates Effective March 1, 2002



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 Middlesex Power Corporation 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

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.

Middlesex Power Corporation ("the Applicant") filed an Application ("the Application"), dated January 25, 2002, for an order or orders under section 78 of the *Ontario Energy Board Act, 1998* approving or fixing just and reasonable rates for the distribution of electricity, effective March 1, 2002.

The Applicant filed a revised application ("the Revised Application") dated March 2, 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), \$287,591.

- the 2001 deferred Payments in Lieu of Taxes (PILs), \$21,709.
- the 2002 Payments in Lieu of Taxes (PILs), \$216,000.
- an interim transition cost recovery of \$39,500.
- a change in the Applicant's late payment penalty and a provision for the revenue losses incurred by this change, \$48,000, and a Z factor recovery of \$28,000 associated with that change for the period August 1, 2001 to February 28, 2002.

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 adjusts the Applicant's proposals for the following reasons.

For 2001, as the Regulatory Taxable Income was between \$50,000 and \$175,000, the deemed corporate tax rate should be 34.12% instead of 19.12%.

While the Board accepts the recovery of \$48,000 in rates on a prospective basis related to the Applicant's late payment policy change, the Board does not approve the claimed Z factor amount of the \$28,000. 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 Applicant had not applied for such revenue adjustment in its initial filing for unbundled rates, which became effective July 1, 2001. 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. Regulatory efficiency requires that there be finality to the rate setting process. The Board therefore denies the Applicant's request.

With respect to transition costs claimed, the Applicant did not provide sufficient evidence to justify the deviation from the guidelines issued by the Board on November 9, 2001 and January 18, 2002 ("the Guidelines"). Hence, the Board has corrected the Applicant's proposals for transition costs to conform with the Guidelines as follows:

- the costs incurred in fiscal 2001 (\$15,700) are disallowed as the Applicant did not substantiate the amount claimed with a focussed external audit.
- Only one-third of the non-capital expenditures are recoverable in rates on an interim basis, not 100% as filed by the Applicant.

As a result,

the Z factor recovery claimed of \$28,000 is disallowed.

- the interim transition costs recovery is adjusted to \$7,767.
- the 2001 deferred Payments in Lieu of Taxes (PILs) amount is adjusted to correct for an understatement of \$21,129.
- the 2002 Payments in Lieu of Taxes (PILs) amount is adjusted to correct for an understatement of \$4,022.

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

THE BOARD ORDERS THAT:

- 1) The rates set out in Appendix "A" of this Order are approved effective March 1, 2002.
- 2) The Applicant shall notify its customers of the rate changes coincident with the first bill reflecting the new rates.

DATED at Toronto, March 8, 2002.

ONTARIO ENERGY BOARD

Peter H. O'Dell

Assistant Board Secretary

Appendix "A"

RP-2002-0094 EB-2002-0103

March 8, 2002

ONTARIO ENERGY BOARD

Peter H. O'Dell Assistant Board Secretary

\$10.8540

\$8.1180

\$0.0689 \$0.0412 \$0.0582 \$0.0306

Middlesex Power Corporation Schedule of Rates and Charges Effective March 1, 2002

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31 Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays

including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto)

Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

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

RESIDENTIAL			
	Monthly Service Charge Distribution Volumetric Rate Cost of Power Rate	(per month) (per kWh) (per kWh)	\$13.20 \$0.0110 \$0.0768
GENERAL SERVICE < 50 K	<u>cw</u>		
	Monthly Service Charge Distribution Volumetric Rate Cost of Power Rate	(per month) (per kWh) (per kWh)	\$17.17 \$0.0035 \$0.0756
GENERAL SERVICE > 50 K	(W (Non Time of Use)		
	Monthly Service Charge Distribution Volumetric Rate Cost of Power Demand Rate Cost of Power Energy Rate	(per month) (per kW) (per kW) (per kWh)	\$42.06 \$1.2573 \$6.7650 \$0.0531
LARGE USE			
	Monthly Service Charge Distribution Volumetric Rate	(per month) (per kW)	\$1,876.09 \$0.2683

Cost of Power - Winter Off Peak	(per kWh)
Cost of Power - Summer Peak	(per kWh)
Cost of Power - Summer Off Peal	(per kWh)

(per kW) (per kW)

(per kWh)

Cost of Power - Winter Peak

Cost of Power - Winter Peak

Cost of Power - Summer Peak

SENTINEL LIGHTS (Non Time of Use)

SENTINEL LIGITIS (NOIL I	ine or oser		
	Monthly Service Charge Distribution Volumetric Rate Cost of Power Demand Rate	(per connection) (per kW) (per kW)	\$0.89 \$4.2766 \$23.4388
STREET LIGHTING (Non 1	ime of Use)		
	Monthly Service Charge Distribution Volumetric Rate Cost of Power Demand Rate	(per connection) (per kW) (per kW)	\$0.71 \$2.3318 \$23.5282
Un-metered scattered loads will be billed at General Ser	ED LOADS a, such as traffic signals, telepholorice < 50 kW rate based on es Monthly Service Charge Distribution Volumetric Rate Cost of Power Rate	one booths, and cable ⁻ timated loads, per conn (per month) (per kWh) (per kWh)	TV amplifiers, ection. \$17.17 \$0.0035 \$0.0756
SPECIFIC SERVICE CHAP	RGES		
New Account Setup Change of Occupancy		\$	32.00 8.80
Arrear's Certificate Late Payment Charge	(per month) (per annum)	\$	10.70 1.50% 19.56%
Returned Cheque Collection of Account Charg	"		8.55 8.80
	rges (non payment of account) ng Regular Hours r Hours		17.60 27.80
Temporary Pole Service		;	\$ 425.00
Diversity Credit (Diversity Credits will be dis S.O. 1998, c.15 (Schedule A.)	(per KW) Winter (per KW) Summer continued on the date upon wh A) comes into force)	;	\$ 0.70 \$ 0.89 htricity Act, 1998,
Dispute Involvement charge Non utility step down facility		; ;	\$ 5.00 \$ 0.60

Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
Attachment 5
Decision and Order EB-2004-0052
Rates Effective March 1, 2004

Ontario Energy Board P.O. Box 2319 2300 Yonge Street 26th. Floor Toronto ON M4P 1E4

Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

Commission de l'Énergie de l'Ontario C.P. 2319 2300, rue Yonge 26e étage Toronto ON M4P 1E4 Téléphone; (416) 481-1967 Télécopieur: (416) 440-7656



March 11, 2004

Thomas Enright
President & Chair
Middlesex Power Distribution Corporation
351 Frances Street
Strathroy ON
N7G 2L7

Dear Mr. Enright:

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

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

Yours truly,

Peter H. O'Dell Assistant Secretary

cc. Intervenors of record



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 Middlesex Power Distribution Corporation 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:

- 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 11, 2004

ONTARIO ENERGY BOARD

Peter H. O'Dell Assistant Secretary

Interim Rates

Middlesex Power Distribution Corporation Schedule of Changed Distribution Rates and Charges

RP-2004-0066 EB-2004-0052

Effective Date: March 1, 2004 Implementation Date: April 1, 2004

RFS	DENTIAL	_

RESIDENTIAL			
	Monthly Service Charge Distribution Volumetric Rate	(per month) (per kWh)	\$13.20 \$0.0117
GENERAL SERV	/ICE < 50 KW		
	Monthly Service Charge Distribution Volumetric Rate	(per month) (per kWh)	\$17.17 \$0.0048
GENERAL SERV	ICE > 50 KW (Non Time of Use	<u>)</u>	
	Monthly Service Charge Distribution Volumetric Rate	(per month) (per kW)	\$42.06 \$1.9628
LARGE USE			
·	Monthly Service Charge Distribution Volumetric Rate	(per month) (per kW)	\$1,876.09 \$0.3234
SENTINEL LIGH	TS (Non Time of Use)	,	
	Monthly Service Charge Distribution Volumetric Rate	(per connection) (per kW)	\$0.89 \$4.3114
STREET LIGHTI	NG (Non Time of Use)		
	Monthly Service Charge Distribution Volumetric Rate	(per connection) (per kW)	\$0.71 \$3.2011

UNMETERED SCATTERED LOAD

Billed at General Service < 50kW



	Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
	Attachment 6
200	5 Original SIMPIL Model
	U

SECTION 93 PILs TAX GROSS-UP	PROXY CALCULATION	FOR 2005	PILS2005.V1.1
REGULATORY INFORMATION (REGINFO)			
Utility Name:	Middlesex Power Distribu	tion Corporation - El	2003 0059
File Number:	RP-2005-0013 EB-2005-0048		
Reporting period:	January 1, 2005 - Decemb	er 31, 2005	
Days in reporting period:	365		
Total days in the calendar year:	365		
BACKGROUND			
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.			
3. Please explain the basis of the allocation if the percentage is other than 100%.			
4. Accounting Year End	Dec-31		
FROM SHEET #7 FI	TAX CALCULATIONS INAL 2001 RUD MODEL DATA NANCIAL STATEMENTS)		
Rate base (wires-only)	\$10,288,429.00		
Common Equity Ratio (CER)	50.00%		
1-CER	50.00%		
Target Return On Equity (%)	9.88%		
Debt rate	7.25%		
Market Adjusted Revenue Requirement	\$881,204		Regulatory Income
1999 return from RUD Sheet #7	\$18,430		\$18,430
Total Incremental revenue	\$862,774 Based on Board's Decision	Doord Source	
	(RP-2000-0069)	Board-Approved Amounts	
Amount allowed in 2001, Year 1	\$287,591	\$287,591	\$287,591
Amount allowed in 2002, Year 2	\$287,591	\$287,591	\$287,591
Amount allowed in 2003, Year 3	\$287,591	\$287,591	\$287,591
Permanent Changes to Base Rate (e.g. LPP 5% to 1.5%)	\$48,000		\$0
C&DM Capital Portion from "C&DM TAX FORECAST" worksheet	42%		
Total Regulatory Income			\$881,203
Equity	\$5,144,215		
Return at target ROE	\$508,248		
Debt	\$5,144,215		
Deemed interest amount in EBIT	\$372,956		

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Itility Name: Middlesex Power Distribution Corporation - 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	\$881,203	
BOOK TO TAX ADJUSTMENTS			
Additions:			
Depreciation & Amortization	2	\$457,151	
Employee Benefit Plans - Accrued, Not Paid	3	\$0	
Tax reserves deducted in prior year	4	\$0	
Reserves from financial statements-end of year	4	\$0	
Regulatory Adjustments	5	\$0	
Other Additions			
"Material" Items	6	\$0	
Other Additions	6	\$0	
"Material Items	6	\$0	
Other Additions	6	\$0	
Deductions:			
Capital Cost Allowance and CEC	7	\$402,922	
Employee Benefit Plans - Paid Amounts	8	\$402,922	
ems Capitalized for Regulatory Purposes	9	\$0	
Regulatory Adjustments	10	\$0	
Interest Expense Deemed	11	\$372,956	
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	\$70,000	
Material Items	12	\$0	
Other Deductions	12	\$0	
REGULATORY TAXABLE INCOME		\$492,476	
CORPORATE INCOME TAX RATE			
Deemed %	13	27 500/	
	'3	27.50%	
REGULATORY INCOME TAX		\$135,431	
Taxable Income x Rate		ψ100, 4 01	
Miscellaneous Tax Credits	14	\$0	
Total Regulatory Income Tax		\$135,431	

SECTION 93 PILs TAX GROSS-UP PROXY CALCULATION FOR 2005 TAX CALCULATIONS (TAXCALC) Itility Name: Middlesex Power Distribution Corporation - E 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		0%	
tax and large corporations tax			p.
II) CAPITAL TAXES			1
Ontario			
Rate Base	15	\$10,288,429	
Less: Exemption	16	\$7,500,000	į.
Deemed Taxable Capital		\$2,788,429	
Rate (.3%)	17	0.20000/	
(.376)	''	0.3000%	
Net Amount (Taxable Capital x Rate)		\$8,365	
Federal (LCT) Base Less: Exemption Deemed Taxable Capital Rate (.175%) ross Amount (Taxable Capital x Rate) Less: Federal Surtax Net LCT	18 19 20 21	\$10,288,429 \$50,000,000 \$0 0.1750% \$0	
Net LC1		\$0	
III) INCLUSION IN RATES			-
Income Tax Rate used for gross- up		27.50%	
Income Tax (grossed-up)	22	\$186,801	
LCT (grossed-up)	23	\$0	
Ontario Capital Tax	24	\$8,365	
Total S. 93 PILs Rate Adjustment			
(Enter this amount in the 2005 RAM, Sheet #4, cell G14)	25	\$195,167	

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: Middlesex Power Distribution Corporation - ED 2003 0059

File Number: RP-2005-0013 EB-2005-0048

	Jan - Dec 2005		Jan - Dec 2006		Jan - Sept 30 th 2007		8-000		Total		2004 Expe	nditures	Total CDM	Plan Filed
	s	%	\$	%	\$	%	\$	%	\$	%	\$	%		
Capital	\$50,000	42%	\$50,000	48%	\$50,000	100%	\$150,000	55%	\$0	0%	\$150,000	54%		
Tax Deductible Expense	\$70,000	58%	\$55,000	52%	\$0	0%	\$125,000	45%	\$5,000	100%	\$130,000	46%		
Total	\$120,000	100%	\$105,000	100%	\$50,000	100%	\$275,000	100%	\$5,000	100%	\$280,000	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.

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
 Bould File No.: EB 2012 0030
Attachment 7
Decision and Order EB-2005-0048
Rates Effective April 1, 2005



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 **Middlesex Power Distribution Corporation** for an order or orders approving or fixing just and reasonable rates.

BEFORE: Gordon Kaiser

Vice Chair and Presiding Member

Paul Vlahos Member

Pamela Nowina

Member

DECISION AND ORDER

Background and Application

In November 2003 the Ontario government announced that it would permit local distribution companies to apply to the Board for the next installment of their allowable return on equity beginning March 1, 2005. The Government also indicated that the Board's approval would be conditional on a financial commitment to reinvest in conservation and demand management initiatives, an amount equal to one year's incremental returns.

Also in November 2003, the Government announced, in conjunction with the introduction of Bill 4, the *Ontario Energy Board Amendment Act, (Electricity Pricing), 2003*, that electricity distributors could start recovering Regulatory Assets in their rates, beginning March 1, 2004, over a four year period.

In February and March, 2004, the Board approved the applications of distributors to recover 25% of their December 31, 2002 Regulatory Asset balances (or additional amounts for rate stability) in their distribution rates on an interim basis effective March 1, 2004 and implemented on April 1, 2004.

On December 20, 2004 the Board issued filing guidelines to all electricity distribution utilities for the April 1, 2005 distribution rate adjustments. The guidelines allowed the applicants to recover three types of costs. These costs concern (i) the rate recovery of the third tranche of the allowable return on equity (Market Adjusted Revenue Requirement or "MARR"), (ii) the 2005 proxy allowance for payments in lieu of taxes ("PILs") and (iii) a second installment of the recovery of Regulatory Assets.

A generic Notice of the proceeding was published on January 25, 2005 in major newspapers in the province, which provided a 14 day period for submissions from interested parties. On February 4, 2005, the Board issued Procedural Order No. 1, providing for an extension for submissions until February 16, 2005 and also providing for reply submissions from applicants and other parties.

The Applicant filed an application on January 14, 2005. On March 8, 2005, the Applicant filed a revised application for adjustments to their rates for the following amounts:

3

MARR: \$ 280,000

2005 PILs Proxy: \$ 195,167

Regulatory Assets Second Tranche: \$ 227,616

The Applicant also applied for items outside of the guidelines. Specifically, the Applicant requested that it be allowed to allocate the PILs proxy and the non-RSVAs by 1999 distribution revenue shares. The original rate application in 2001 (RP-2000-0204/EB-2001-0503) did not provide for the reduction in transformer allowance thus creating a negative distribution share anomaly in the large user class. Consequently, this method was approved by the Board in 2002 (RP-2002-0094/EB-2002-0103) and 2004 (RP-2004-0066/EB-2004-0052) in order to avoid using negative distribution shares as an allocator.

In addition, the Applicant requested that it be allowed to allocate the RSVAs in a two-step process so as to avoid allocating account 1580 - Wholesale Market Service Charge to a large user who is a wholesale market participant. This method was also approved by the Board in 2004 (RP-2004-0066/EB-2004-0052).

The Applicant also requested the Board's permission to not provide the transformer allowance to its eligible customers effective, April 1, 2005.

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 will approve the requested allocation methodologies as these will result in a more accurate allocation of costs but does not approve the request to not provide the transformer allowance to eligible customers.

5

Subject to these adjustments, 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:

The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.

2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 29, 2005 ONTARIO ENERGY BOARD

Original signed by

Peter H. O'Dell Assistant Board Secretary Appendix "A"

RP-2005-0013 EB-2005-0048

March 29, 2005

ONTARIO ENERGY BOARD

Middlesex Power Distribution Corporation Schedule of Changed Distribution Rates and Charges

RP-2005-0013 EB-2005-0048

Effective Date: March 1, 2005 Implementation Date: April 1, 2005

RESIDENTIAL

Monthly Service Charge	(per month)	\$13.40
Distribution Volumetric Rate	(per kWh)	\$0.0160

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$17.44
Distribution Volumetric Rate	(per kWh)	\$0.0061

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$42.71
Distribution Volumetric Rate	(per kW)	\$1.7482

LARGE USE

Monthly Service Charge	(per month)	\$1,904.93
Distribution Volumetric Rate	(per kW)	\$0.3543

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.90
Distribution Volumetric Rate	(per kW)	\$5.4365

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.72
Distribution Volumetric Rate	(per kW)	\$3.5531

Unmetered Scattered Loads

Billed at General Service < 50 kW rates

The rates on this schedule include an interim recovery of Regulatory Assets.

 Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
Attachment 8
2001 Revised SIMPIL Model
2001 Revised Shair It lalodel

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp Middlesex

OEB File Number EB-2012-0098

Filing Year 2001

_		T 5		-	_
1	A PILS TAXES	В	С	D	E Version 2009.1
	REGULATORY INFORMATION (REGINFO)				version 2009.1
3	Utility Name: Middlesex Power Distribution Corp Middlesex			Colour Code	
4	Reporting period: 2001			Input Cell	
5				Formula in Cell	
	Days in reporting period:		days		
	Total days in the calendar year:	365	days		
9	BACKGROUND				
	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	Υ	
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
Ю	,				
17	Is the utility a non-profit corporation?		Y/N	N	
18	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	OCT	Y/N	Y	
20	Diagon identify the 0/ yeard to allocate the OCT and I CT events from its C-III OCT 0.074 in the TAVOALC	LCT	Y/N	Y	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		98%	
22 23		LUI		0%	
24	Accounting Year End		Date	31-Dec-01	
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29	USE BOARD-APPROVED AMOUNTS	ļ			
30	Petr Petr (visco et)			40.000.400	
52	Rate Base (wires-only)			10,288,429	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
	Market Adjusted Revenue Requirement			881,204	
43	1999 return from RUD Sheet #7			18,430	18,430
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in 2001			287,591	287,591
48	Amount allowed in 2002				0
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210	1			0
50 51	unless authorized by the Minister and the Board) Amount allowed in 2005 - Third tranche of MARR re: CDM	-			0
52	Other Board-approved changes to MARR or incremental revenue				0
53	The state of the s				0
54	Total Regulatory Income				306,021
55					
	Equity			5,144,215	
57 58	Return at target ROE			508,248	
59	Notain at target NOE			500,240	
	Debt			5,144,215	
61					
	Deemed interest amount in 100% of MARR			372,956	
63 64	Phase-in of interest - Year 1 (2001)	-		129,519	
65	((D43+D47)/D41)*D61			123,313	
	Phase-in of interest - Year 2 (2002)			129,519	
67	((D43+D47+D48)/D41)*D61				
	Phase-in of interest - Year 3 (2003) and forward			129,519	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
	Phase-in of interest - 2005			372,956	
71 72					
14					

	A	В	С	D	F	F	G	н
	PILs TAXES	ITEM	Initial		M of F	M of F	Tax	
3	PILS DEFERRAL AND VARIANCE ACCOUNTS TAX CALCULATIONS (TAXCALC)		Estimate	Н	Filing Variance	Filing Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5 6	0 Utility Name: Middlesex Power Distribution Corp Middlesex			Н			Version 2009.1	
7	Reporting period: 2001							
9	Days in reporting period:	92	days	Н			Column Brought	
10 11	Total days in the calendar year:	365	days				From	
12			\$		\$		TAXREC \$	
13								
15	I) CORPORATE INCOME TAXES			Н				
16 17	Regulatory Net Income REGINFO E53	1	76,505		-69,116		7,389	
18	BOOK TO TAX ADJUSTMENTS							
19 20	Additions:	2	114,288		360,951		475,239	
21	Depreciation & Amortization Employee Benefit Plans - Accrued, Not Paid	3	114,200		0 0		475,239	
22	Tax reserves - beginning of year Reserves from financial statements - end of year	4		Н	0		0	
24	Regulatory Adjustments - increase in income	5			0		0	
25 26	Other Additions (See Tab entitled "TAXREC") "Material" Items from "TAXREC" worksheet	6		Н	0		0	
27	"Material Items from "TAXREC 2" worksheet	6			0		0	
28	"Material Items from "TAXREC 2" worksheet Other Additions (not "Material") "TAXREC 2"	6		Н	0		0	
30	Items on which true-up does not apply "TAXREC 3"	Ů		П	0		0	
31								
32 33	Deductions: Input positive numbers Capital Cost Allowance and CEC	7	50,384	Н	-25,860		24,524	
	Employee Benefit Plans - Paid Amounts	8		Д	0		0	
36	Items Capitalized for Regulatory Purposes Regulatory Adjustments - deduction for tax purposes in Item 5	10		Н	0		0	
	Interest Expense Deemed/ Incurred	11 4	65,354	H	302,739		368,093 0	
39	Reserves from financial statements - beginning of year	4		Н	0		0	
40		3		Н	0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43 44	Other Deductions (See Tab entitled "TAXREC") "Material" Items from "TAXREC" worksheet	12		H	0		0	
45	Other Deductions (not "Material") "TAXREC"	12		Ħ	0		0	
46 47	Material Items from "TAXREC 2" worksheet Other Deductions (not "Material") "TAXREC 2"	12		Н	0		0	
48	Items on which true-up does not apply "TAXREC 3"				114,535		114,535	
49 50	TAXABLE INCOME/ (LOSS)		75,055	П	(00.570)	Before loss C/F	(24,524)	
51			75,055		(99,579)	Delote loss C/F	(24,524)	
52 53	BLENDED INCOME TAX RATE Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%	Н	-15.0000%		19.12%	
54		13					19.12/8	
55 56	REGULATORY INCOME TAX		25,609	Н	-25,609	Actual	0	
57								
58 59	Miscellaneous Tax Credits	14		Н	0	Actual	0	
60	Total Regulatory Income Tax		25,609		-25,609	Actual	0	
61 62								
63	II) CAPITAL TAXES							
64 65	Ontario			Н				
66	Base		10,288,429		-1,263,263		9,025,166	
67 68	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	16	5,000,000	Н	-81,282 -1,344,545		4,918,718 4,106,448	
69		47	0.3000%		0.0000%		0.3000%	
70 71	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		0.0000%		0.3000%	
72 73	Ontario Capital Tax		3,966	Н	-861	Overpaid	3,105	
	Federal Large Corporations Tax							
75 76	Base Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3		10,288,429	Н	-10,288,429 0		10,000,000	
77	Taxable Capital	.,	288,429	Ħ	-10,288,429		0,000,000	
78 79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	Н	0.0000%		0.2250%	
80				П				
	Gross Amount of LCT before surtax offset (Taxable Capital x Rate) Less: Federal Surtax 1.12% x Taxable Income	21	649 841	Н	-649 -841		0	
83				Ц				
84 85			0	Ħ	192		0	
86 87	III) INCLUSION IN RATES			Ц				
88	Income Tax Rate used for gross- up (exclude surtax)		34.12%	Н			_	
89 90		22	38,872	Н		Actual 2001	0	
91	LCT (proxy tax is grossed-up)	23	0	П		Actual 2001	0	
92 93	Ontario Capital Tax (no gross-up since it is deductible)	24	3,966	Н		Actual 2001	3,105	
94				Ц				
95 96	Total PILs for Rate Adjustment MUST AGREE WITH 2002 RAM DECISION	25	42,838	Н		Actual 2002	3,105	
97	10 to 22,000			Ц				
98 99	IV) FUTURE TRUE-UPS	-		Н				
100	IV a) Calculation of the True-up Variance				DR/(CR)			
101 102	In Additions: Employee Benefit Plans - Accrued, Not Paid	3		H	0			
103	Tax reserves deducted in prior year	4		Ħ	0			
	Reserves from financial statements-end of year Regulatory Adjustments	4 5		H	0			
106	Other additions "Material" Items TAXREC	6		Н	0			
107	Other additions "Material" Items TAXREC 2 In Deductions - positive numbers	6		H	0			
109	Employee Benefit Plans - Paid Amounts	8		Ħ	0			
110	Items Capitalized for Regulatory Purposes Regulatory Adjustments	9		Н	0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
	Tax reserves claimed in current year Reserves from F/S beginning of year	4		Н	0			
115	Contributions to deferred income plans	3			0			
116 117	Contributions to pension plans Other deductions "Material" Items TAXREC	3 12		Н	0			
118	Other deductions "Material" Item TAXREC 2	12			0			

_				-	-			
1	PILS TAXES	B ITEM	C	D	E M of F	F M of F	G	Н
2	PILS DEFERRAL AND VARIANCE ACCOUNTS	IIEW	Initial Estimate		Filing	Filing	Tax Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	V! 0000 4	
6	0 Utility Name: Middlesex Power Distribution Corp Middlesex						Version 2009.1	1
7	Reporting period: 2001							
9	Days in reporting period:	92	days				Column Brought	
	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$	Н	\$		\$	
119								
120	Total TRUE-UPS before tax effect	26		=	0			
121 122	Income Tay Rate (including curtay) from 2004 Hillity's tay return			v	19.12%			
123	Income Tax Rate (including surtax) from 2001 Utility's tax return			^	13.12/0			
124	Income Tax Effect on True-up adjustments			=	0			
125 126	Less: Miscellaneous Tax Credits	14		Н	0			1
127	Edde: Mildeonandodo Pax Gredite				Ŭ			
128 129	Total Income Tax on True-ups				0			
130	Income Tax Rate used for gross-up (exclude surtax)				18.00%			1
131								
132	TRUE-UP VARIANCE ADJUSTMENT				0			
	IV b) Calculation of the Deferral Account Variance caused by changes			П				
	in legislation	<u></u>						
135	DECLII ATODV TAVADI E INICOME (II 000E0) (\vdash		Ц				
136	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column)	l		_	75,055			Ì
137				₫				
138	REVISED CORPORATE INCOME TAX RATE (including Surtax)			Х	19.12%			
139 140	REVISED REGULATORY INCOME TAX	 			14,351			
141								
142 143	Less: Revised Miscellaneous Tax Credits			\perp	0			
144	Total Revised Regulatory Income Tax			Ξ	14,351			
145				Ц				
146 147	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)			-	25,609			
148	Regulatory Income Tax Variance			=	(11,258)			
149								
150 151	Ontario Capital Tax Base			=	10,288,429			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153 154	Revised deemed taxable capital			=	5,288,429			
155	Rate - Tab Tax Rates cell C54			x	0.3000%			
156								
157 158	Revised Ontario Capital Tax Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			=	3,999 3,966			
159	Regulatory Ontario Capital Tax Variance			=	3,900			
160								
161 162	Federal LCT Base			Н	10,288,429			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
164 165	Revised Federal LCT			=	288,429			
166	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167	O A				404			
168 169	Gross Amount Less: Federal surtax			-	164 841			
170	Revised Net LCT			=	0			
171 172	Loss: Fortard LCT reported in the initial actimate column. (Call C92)				0			
173				=	0			
174				П				-
175 176	Actual Income Tax Rate used for gross-up (exclude surtax)	-		Н	18.00%			
177	Income Tax (grossed-up)			+	(13,730)			
178	LCT (grossed-up)			+	0			
179 180	Ontario Capital Tax			+	33			
181	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(13,697)			
182 183	TRUE-UP VARIANCE (from cell I130)	-		-	0			
184				Í	J			
185	Total Deferral Account Entry (Positive Entry = Debit)			=	(13,697)			
186 187	(Deferral Account Variance + True-up Variance)	<u> </u>		Н				
188		L		H				
189								
190 191	V) INTEREST PORTION OF TRUE-UP	<u> </u>		Н				
191	Variance Caused By Phase-in of Deemed Debt	L		H				
193	Total deemed interest (REGINFO)			Ц	372,956			
194 195	Interest phased-in (Cell C36)	 		Н	129,519			
196	Variance due to phase-in of debt component of MARR in rates				243,437			
197				Ц				
198 199	Other Interest Variances (i.e. Borrowing Levels	l l		Н				
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)			Ц	368,093 372,956			
202	Total deemed interest (REGINFO CELL D61)	 		Н	372,956			
204	Variance caused by excess debt				0			
205 206	Interset Adjustment for Tay Burnesse (assert forward to Call 1440)	-		Н	0			
207	Interest Adjustment for Tax Purposes (carry forward to Cell I110)			Ħ				
208	Total Interest Variance			Д	243,437			
209				Н				
211								

	A	В	С	D	Е	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	ı
	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	
	Section A: Identification:					
7	Utility Name: Middlesex Power Distribution Corp Middlesex Reporting period: 2001					
	Taxation Year's start date:					
	Taxation Year's end date:					
11	Number of days in taxation year:		92	days		
12						
	Please enter the Materiality Level :		0	< - enter materiality	level	
14	(0.25% x Rate Base x CER)	Y/N	Y			
15 16	(0.25% x Net Assets) Or other measure (please provide the basis of the amount)	Y/N Y/N	N N			
	Does the utility carry on non-wires related operation?	Y/N	N			
	(Please complete the questionnaire in the Background questionnaire v					
19			,			
	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21	Ocation D. Electrical states (1.1.1)					
22	Section B: Financial statements data: Input unconsolidated financial statement data submitted with Tax returns.					
	The actual categories of the income statements should be used.					
25	If required please change the descriptions except for amortization, interest	expen	se and provision for	income tax		
26						
	Please enter the non-wire operation's amount as a positive number, the pro-			all amounts		
	in the "non-wires elimination column" as negative values in TAXREC and T	AXRE	C2.			
29	Income.					
30	Income: Energy Sales	+	13,115,102		13,115,102	
32	Distribution Revenue	+	1,397,408		1,397,408	
33	Other Income	+	249,903		249,903	
34	Miscellaneous income	+	0		0	
35		+			0	
	Revenue should be entered above this line					
37	Ocata and European					
38	Costs and Expenses: Cost of energy purchased	-	13,115,102		13,115,102	
40	Administration	-	504,406		504,406	
41	Customer billing and collecting	-	289,414		289,414	
42	Operations and maintenance	-	370,863		370,863	
43	Amortization	-	475,239		475,239	
44 45	Ontario Capital Tax	H	0		0	
46					0	
47		_			0	
48		-			0	
49						
	Net Income Before Interest & Income Taxes EBIT	=	7,389	0	7,389	
51	Less: Interest expense for accounting purposes	-	368,093		368,093	
52 53	Provision for payments in lieu of income taxes Net Income (loss)	-	-360,704	0	-360,704	
33	(The Net Income (loss) on the MoF column should equal to the net income (loss)	 -	-300,704		-300,704	
54	per financial statements on Schedule 1 of the tax return.)					
55						
	Section C: Reconciliation of accounting income to taxable income					
	From T2 Schedule 1 BOOK TO TAX ADDITIONS:					
	Provision for income tax	+	0	0	0	
	Federal large corporation tax	+	0		0	
	Depreciation & Amortization	+	475,239	0	475,239	
	Employee benefit plans-accrued, not paid	+		0	0	
	Tax reserves - beginning of year	+	0		0	
	Reserves from financial statements- end of year	+	0	0	0	
	Regulatory adjustments on which true-up may apply (see A66) Items on which true-up does not apply "TAXREC 3"	+	0	0	0	
	Material addition items from TAXREC 2	+	0		0	
	Other addition items (not Material) from TAXREC 2	+	0		0	
69		L				
70	Subtotal		475,239	0	475,239	
71						
	Other Additions: (Please explain the nature of the additions)	.				
73	Recapture of CCA	+			0	

	A	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
5	0		Return	Version 2009.1		
	Non-deductible meals and entertainment expense	+			0	
	Capital items expensed	+			0	
76		+			0	
77		+			0	
78 79		+			0	
80	Total Other Additions	=	0	0	0	
81						
82	Total Additions	=	475,239	0	475,239	
83	Recap Material Additions:					
85	Recap Material Additions.		0	0	0	
86			0	0		
87			0	0		
88			0	0		
89 90			0	0	0	
91			0	0		
	Total Other additions >materiality level		0	0	0	
	Other additions (less than materiality level)		0	0	0	
94	Total Other Additions		0	0	0	
	BOOK TO TAX DEDUCTIONS:					
	Capital cost allowance	-	24,524		24,524	
	Cumulative eligible capital deduction	-			0	
	Employee benefit plans-paid amounts	-			0	
	Items capitalized for regulatory purposes Regulatory adjustments:	-			0	
102		-			0	
103		-			0	
	Tax reserves - end of year	-	0	0	0	
	Reserves from financial statements- beginning of year Contributions to deferred income plans	-	0	0	0	
	Contributions to deferred income plans Contributions to pension plans	-			0	
	Items on which true-up does not apply "TAXREC 3"		114,535	0	114,535	
	Interest capitalized for accounting deducted for tax	-			0	
	Material deduction items from TAXREC 2	-	0	0	0	
	Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112 113	Subtotal	=	139,059	0	139,059	
	Other deductions (Please explain the nature of the deductions)		100,000	· ·	100,000	
115	Charitable donations - tax basis	-			0	
116	Gain on disposal of assets	-			0	
117 118		-			0	
119		-			0	
120	Total Other Deductions	=	0	0	0	
121						
122 123	Total Deductions	=	139,059	0	139,059	
	Recap Material Deductions:					
125			0	0	0	
126			0	0	0	
127			0	0	0	
128 129			0	0	0	
	Total Other Deductions exceed materiality level		0	0	0	
131	Other Deductions less than materiality level		0	0	0	
	Total Other Deductions		0	0	0	
133	TAXABLE INCOME	=	-24,524	0	-24,524	
135	DEDUCT:	_	-24,524	U	-24,324	
	Non-capital loss applied positive number	-			0	
137		-			0	
138	NET TAYADI E INCOME		(0.4.50.4)		(24.524)	
139	NET TAXABLE INCOME	=	(24,524)	0	(24,524)	
	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax (Must agree with tax return)	+			0	
-						

	A	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5					Version 2009.1	
143	Net Ontario Income Tax (Must agree with tax return)	+			0	
144	Subtotal	=	0	0	0	
	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0		0	
	Total Income Tax	=	0	0	0	
147						
148	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	
151			0.00%	******	0.00%	
152						
153	Section F: Income and Capital Taxes					
154						
	RECAP					
	Total Income Taxes	+	0	0	0	
	Ontario Capital Tax	+	3,105		3,105	
	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	3,105	0	3,105	
161						
162						

	A	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	,
	Tax and Accounting Reserves			Eliminations	Tax	
	For MoF Column of TAXCALC		Tax		Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
	Utility Name: Middlesex Power Distribution Corp Middlesex					
	Reporting period: 2001					
9	TAV DECEDVES					
11	TAX RESERVES					
	Beginning of Year:					
13	beginning or rear.				0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
16	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
20					0	
21	Total (carry forward to the TAXREC worksheet)		0	0	0	
23	I OLAI (CAITY IOIWAIU IO LITE TAAREC WORKSTIEEL)		U	U	U	
	End of Year:					
25	End of Tour				0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
27	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32 33					0	
	Insert line above this line				U	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
36	Total (carry lorward to the TAXINEO WORKSheet)		U	U	U	
37						
38	FINANCIAL STATEMENT RESERVES					
39						
	Beginning of Year:					
41					0	
42	Fundamental				0	
	Environmental Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	OPEB				0	
	Other - Please describe				0	
49					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
51						
	End of Year:					
53 54					0	
-	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
59	OPEB				0	
60	Regulatory Reserves				0	
61					0	
	Insert line above this line					
	Total (carry forward to the TAXREC worksheet)		0	0	0	
64 65						
ბე						

	A	В	С	D	Е
1	Λ		0	Ь	
-	PILs TAXES	LINIE	N4 -4 F	Naminam	Minas and
		LINE		Non-wires	Wires-only
	TAX RETURN RECONCILIATION (TAXREC 2)			Eliminations	Tax
	(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: Middlesex Power Distribution Corp Middlesex				
	Reporting period: 2001				
			02		
	Number of days in taxation year:		92		
	Materiality Level:		0		
12					
13					
14					
15	Section C: Reconciliation of accounting income to taxable income				
	Add:				
17	, 1441	+			0
	Gain on sale of eligible capital property	+			0
	Loss on disposal of assets	+			0
	Charitable donations (Only if it benefits ratepayers)	+			0
	Taxable capital gains	+			0
22		+			0
23	Scientific research expenditures deducted	+			0
24	per financial statements	+			0
	Capitalized interest	+			0
	Soft costs on construction and renovation of buildings	+			0
	Capital items expensed	+			0
	Debt issue expense	+			0
	Financing fees deducted in books	+			0
30	Gain on settlement of debt	+			0
31	Interest paid on income debentures	+			0
32	Recapture of SR&ED expenditures	+			0
	Share issue expense	+			0
	Write down of capital property	-			0
		+			0
	Amounts received in respect of qualifying environment trust	+			
	Provision for bad debts	+			0
37		+			0
38		+			0
39		+			0
40	Other Additions: (please explain in detail the nature of the item)	+			0
41	,	+			0
42					0
43		+			0
		+			
44		+			0
45		+			
46	Total Additions	=	0	0	0
47		•			
48	Recap of Material Additions:				
49	·		0	0	0
50			0	0	0
51			0	0	0
52					
			0	0	0
53			0	0	0
54			0	0	0
55			0	0	0
56			0	0	0
57			0	0	0
58			0	0	0
59			0	0	0
60			0	0	0
61			0	0	0
62			0	0	0
63			0	0	0
64			0	0	0
65			0	0	0
66			0	0	0
67			0	0	0
68			0	0	0
69			0	0	0
70			0	0	0
71			0	0	0
72			0	0	0
73			0	0	0
. 5			U	U	U

	A	В	С	D	Е
2	DII - TAVES	LINIT	M of F	Nan wines	Mines enly
	PILS TAXES TAX RETURN RECONCILIATION (TAXREC 2)	LINE		Non-wires Eliminations	Wires-only Tax
	(for "wires-only" business - see s. 72 OEB Act)		Tax	Liiiiiiiations	Return
	RATEPAYERS ONLY		Return		Retuin
	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1
7					
	Utility Name: Middlesex Power Distribution Corp Middlesex				
9	Reporting period: 2001			1	
	Number of days in taxation year: Materiality Level:		92		
12	Materiality Level:		U		
13					
74			0	0	0
75			0	0	0
76			0	0	0
	Total Material additions		0	0	0
	Other additions less than materiality level		0	0	0
-	Total Additions		0	0	0
80	Deduct:				
	Gain on disposal of assets per f/s	_			0
	Dividends not taxable under section 83	_			0
	Terminal loss from Schedule 8	-			0
	Depreciation in inventory, end of prior year	-			0
	Scientific research expenses claimed in year from Form T661	-			0
	Bad debts	-			0
	Book income of joint venture or partnership	-			0
	Equity in income from subsidiary or affiliates Contributions to a qualifying environment trust	-			0
	Other income from financial statements				0
92	Other moonie nom imanolal statements				Ü
93		-			0
94		-			0
	Other deductions: (Please explain in detail the nature of the item)				0
96		-			0
97 98		-			0
	Total Deductions	_	0	0	0
100	Total Deductions	_	0	U	U
-	Recap of Material Deductions:				
102			0	0	0
103			0	0	0
104			0	0	0
105			0	0	0
106 107			0	0	0
107			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
116 117			0	0	0
118			0	0	0
	Total Deductions exceed materiality level		0	0	0
	Other deductions less than materiality level		0	0	0
	Total Deductions		0	0	0

	A	В	CD	T E	l F
1	Α				'
2	PILs TAXES				
3	TAX RETURN RECONCILIATION (TAXREC 3)				
4	Shareholder-only Items should be shown on TAXREC 3	LINE		Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate Eliminations	S Tax	
6	(for "wires-only" business - see s. 72 OEB Act)	_	Tax	Return	
8	Haility Name, Middlesey Beyon Distribution Com. Middlesey	0	Return	Version 2009.1	
9	Utility Name: Middlesex Power Distribution Corp Middlesex			version 2009. i	
10					
	Reporting period: 2001				
	Number of days in taxation year:		92		
13					•
14 15					
	Section C: Reconciliation of accounting income to taxable income				
17	Add:				
18	December of control control				1
	Recapture of capital cost allowance CCA adjustments	+ +		0	
	CEC adjustments	+		0	
22	Gain on sale of non-utility eligible capital property	+		0	
	Gain on sale of utility eligible capital property	+		0	
	Loss from joint ventures or partnerships Deemed dividend income	+		0	
	Loss in equity of subsidiaries and affiliates	+ +		0	
	Loss on disposal of utility assets	+		0	
	Loss on disposal of non-utility assets	+		0	
	Depreciation in inventory -end of year	+		0	
	Depreciation and amortization adjustments Dividends credited to investment account	+ +		0	
	Non-deductible meals	+		0	
	Non-deductible club dues	+		0	
	Non-deductible automobile costs	+		0	
	Donations - amount per books			0	
	Interest and penalties on unpaid taxes Management bonuses unpaid after 180 days of year end			0	
	Imputed interest expense on Regulatory Assets			0	
39		+		0	
	Ontario capital tax adjustments	+		0	
41	Changes in Regulatory Asset balances	+		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	Total Additions on which true-up does not apply	=	U	U U	J
49	Deduct:				
50					1
	CCA adjustments CEC adjustments	-		0	
	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	
	Imputed interest income on Regulatory Assets	-		0	
	Donations - amount deductible for tax purposes Income from joint ventures or partnerships	-		0	
59	moome nom joint ventures or partiferstilps			0	
60		-		0	
61		-		0	
62 63		-		0	
64	Ontario capital tax adjustments to current or prior year	-		0	
65	Since to Suprial tax adjustificities to Sufferit Of prior year	-		0	
66	Changes in Regulatory Asset balances	-		0	
67	Other de Landaux (Disease et la	-		0	
68	Other deductions: (Please explain in detail the nature of the item)	-		0	<u> </u>

	A	В	С	D	E	F
1						
2	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LIN	E 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)	Return			
	Utility Name: Middlesex Power Distribution Corp Middlesex				Version 2009.1	
9						
10						
	Reporting period: 2001			7		
	Number of days in taxation year:		92	1		
13						
14	Costion 110/1/d C) adjustment relating to financial statement income relating		444.505		444.505	1
	Section 149(1)(d.6) adjustment relating to financial statement income relating to the period prior to Oct 1, 2001 when the entity was a commission	-	114,535		114,535	
69	to the period prior to Oct 1, 2001 when the entity was a commission					
70		_			0	
71					0	
72					0	
73	Total Deductions on which true-up does not apply	=	114,535	0	114,535	
74			, , , , , , , , , , , , , , , , , , , ,	•	, , , , , , , , , , , , , , , , , , , ,	1
75						

_			_				_
\perp	A	В	С	D	E	F	G
1	PILs TAXES						
2	Corporate Tax Rates					Version 2009.1	
3	Exemptions, Deductions, or Thresholds						
4	Utility Name: Middlesex Power Distribution Corp Middlesex						
5	Reporting period: 2001						
6							
7						Table 1	
	Detection in 2004 DAM Bit a Application of a 2002					Table T	
							7
	Income Range		0		200,001		1
	RAM 2002		to		to	>700,000	1
11		Year	200,000		700,000		
12	Income Tax Rate						1
	Proxy Tax Year	2002					1
	Federal (Includes surtax)		13.12%		26.12%	26.12%	1
	and Ontario blended	1	6.00%		6.00%	12.50%	1
16		1					•
	Blended rate	.	19.12%		34.12%	38.62%	-
17							
18	Capital Tax Rate		0.300%				
19	LCT rate		0.225%				1
	Surtax		1.12%				1
	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000				1
			, ,				
22	Federal Large Corporations Tax Exemption **	MAX \$10MM					1
	**Exemption amounts must agree with the Board-appro	ved 2002 R	M PILs fil	ing			
23							
24							
25						Table 2	
	Expected Income Tax Rates for 2001 and Capital Tax Exemptions f	or 2002				Table 2	
		01 2002			000 001		
	Income Range		0		200,001		1
	Expected Rates		to		to	>700,000	1
29		Year	200,000		700,000		
	Income Tax Rate]
	Current year	2001					1
	Federal (Includes surtax)	2001	13.12%		26.12%	26.12%	1
	Ontario		6.00%		6.00%	12.50%	1
		2001					1
34	Blended rate	2001	19.12%		32.12%	38.62%	
35							
36	Capital Tax Rate	2001	0.300%				1
	LCT rate	2001	0.225%				1
38	Surtax	2001	1.12%				1
							1
39	Ontario Capital Tax Exemption *** 2001	MAX \$5MM					1
	Federal Large Corporations Tax Exemption *** 2001	MAX \$10MM	, ,				1
41	***Allocation of exemptions must comply with the Board	d's instruction	ons regard	ling regulated a	activities	5.	
			•				
42							
43						Table 3	
44	Input Information from Utility's Actual 2001 Tax Returns						
45	Income Range		0		200,001		
46			to		to	>700,000	1
47		Year	200,000		700,000	2.00,000	1
	Income Tax Rate	ı cai	200,000		, 00,000		1
				 	 		1
	Current year	2001					1
	Federal (Includes surtax)		13.12%		22.12%	28.12%	
51	Ontario		6.00%		9.75%	13.10%	1
52	Blended rate		19.12%		31.87%	41.22%	1
53	***	1					1
	Capital Tax Rate	†	0.3000/				1
		 	0.300%				1
	LCT rate		0.225%				
	Surtax		1.12%				
57	Ontario Capital Tax Exemption *	MAX \$5MM	4,918,718				1
	Federal Large Corporations Tax Exemption *	MAX \$10MM	, ,				1
				ooloni Ontorio	CT22 ===	ao 11.	1
Ja	* Include copies of the actual tax return allocation calcu	nations in ye	our submi	ssion: Untario (pi∠3 pa	ge 11;	
	federal T2 Schedule 36						
60							
61 62							

	A	В	С	D	E F	G H	l J	K L	M N	0 P
1	PILS TAXES									
	Analysis of PILs Tax Account 1562: Utility Name: Middlesex Power Distribution Corp Middlesex									Version 2009.1
4	Reporting period: 2001			Sign	Convention: + fo	r increase; - for decre	ease			0
5										
7										
	Year start: Year end:		10/1/2001 12/31/2001		1/1/2002 12/31/2002	1/1/2003 12/31/2003	1/1/2004 12/31/2004	1/1/2005 12/31/2005	1/1/2006 4/30/2006	Total
10		_								Total
11	Opening balance:	=	()	-13,697	-13,697	-13,697	-13,697	-13,697	0
	Board-approved PILs tax proxy from Decisions (1) True-up Variance Adjustment Q4, 2001 (2)	+/-	()						0
16	True-up Variance Adjustment (3)	+/-	40.00							0
	Deferral Account Variance Adjustment Q4, 2001 (4) Deferral Account Variance Adjustment (5)	+/-	-13,697	1						-13,697 0
22	Adjustments to reported prior years' variances (6)	+/-								0
	Carrying charges (7) PILs billed to (collected from) customers (8)	+/-	(1						0
26										
27	Ending balance: # 1562	_	-13,697	7	-13,697	-13,697	-13,697	-13,697	-13,697	-13,697
28 29										
30										
32	Uncollected PILs									
33 34	NOTE: The purpose of this worksheet is to show the movement in Accoun									
35	For explanation of Account 1562 please refer to Accounting Procedures Ha				iles and FAQ April	2003.				
36 37	Please identify if Method 1, 2 or 3 was used to account for the PILs pr	oxy and	recovery. ANS	WER:						
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TA				nd 2002.					
39 40	Please insert the Q4, 2001 proxy in column C even though it was a If the Board gave more than one decision in the year, calculate a w			1, 2002.						
41	(ii) If the Board approved different amounts, input the Board-approved a	amounts	in cells C13 and I							
42	(iii) Column G - In 2003, the initial estimate should include the Q4 2001 I(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on									
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 3					to December 31, 2005	5.			
42 43 44 45 46 47	(vi) Column M - The 2005 PILs tax proxy will used for the period from Ja	nuary 1	to April 30, 2006.							
47	(2) From the Ministry of Finance Variance Column, under Future True-ups,					Q4, 2001 proxy has to	be be			
48 49 50	trued up in 2002, 2003 and for the period January 1- March 31, 2004.	Input th	e variance in the	whole yea	ar reconcilation.					
50	(3) From the Ministry of Finance Variance Column, under Future True-ups,				Spreadsheet.					
51 52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and									
53	(4) From the Ministry of Finance Variance Column, under Future True-ups, trued up in 2002, 2003 and for the period January 1- March 31, 2004.						o be			
54 55					-	auvil.				
56 57	(5) From the Ministry of Finance Variance Column, under Future True-ups, The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and				spreadsheet.					
57 58 59					will have to be re-	owod				
60	(6) The correcting entry should be shown in the year the entry was made.	rie true-	up or the carrying	ucnarges \	wiii nave to be revi	eweu.				
61 62	(7) Carrying charges are calculated on a simple interest basis.									
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004									
65	components for Q4, 2001 and 2002 were calculated in the 2002 appro 2002 PILs tax proxy recovered by the volumetric rate by class as calc					ILs recovery was based	d on the			
64 65 66 67 68	The 2005 PILs tax proxy is being recovered on a volumetric basis by									
68	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, k	(va) for t	he period (includi	ng net unb	illed at period end), multiplied				
69	by the PILs volumetric proxy rates by class (from the Q4, 2001and 20	002 RAN	I worksheets) for	2002, 200	3 and January 1 to	March 31, 2004;				
70	plus, (b) customer counts by class in the same period multiplied by the					4				
73	In 2004, use the Board-approved 2002 PILs proxy, recovered on a vifor the period April 1 to December 31, 2004, and add this total to the									
75	In 2005, use the Board-approved 2005 PILs proxy, recovered on a v									
76	for the period April 1 to December 31, 2005. To this total, the 2004 vo									
69 70 72 73 75 76 77 78 79 80 81	to calculate the recovery for the period January 1 to March 31, 2005.									
79	(9) Any interim PILs recovery from Board Decisions will be recorded in API- will have to include amounts from 1562 and from 1590.	l Accoun	t # 1590. Final re	econciliatio	on of PILs proxy ta	kes				
	wiii nave to include amounts nom 1302 and nom 1390.									
82										



Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
Attachment 9
2001 Financial Statements

MIDDLESEX POWER DISTRIBUTION CORPORATION FINANCIAL STATEMENTS DECEMBER 31, 2001



AUDITOR'S REPORT

To the Shareholder and Board of Directors:

I have audited the balance sheet of the Middlesex Power Distribution Corporation as at December 31, 2001 and the statements of operations, equity and changes in financial position for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Middlesex Power Distribution Corporation as at December 31, 2001 and the results of its operations and changes in financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

November 29, 2002 London, Canada

Christene Scrimgkour CHARTERED ACCOUNTANT

MIDDLESEX POWER DISTRIBUTION CORPORATION BALANCE SHEET DECEMBER 31, 2001 (with comparative figures as at December 31, 2000)

	2001	2000
ASSETS		
Current Cash and short term investments Accounts receivable Due from Township of Strathroy Caradoc - Water Department Unbilled revenue Inventory Prepaid expenses	\$ 1,652,013 345,426 688,989 358,852 707 3,045,987	\$ 72,866 384,869 255,868 1,506,039 703,908 39,271 2,962,821
Capital - at cost Distribution plant General plant Less accumulated amortization	7,199,852 <u>2,076,145</u> 9,275,997 <u>555,464</u>	6,633,287 2,069,122 8,702,409 80,239
Other assets Investment in ENERconnect (note 3) Transition costs (note 2)	8,720,533 78,928 78,928	24,000 24,000
Total assets	\$ <u>11,845,448</u>	\$ <u>11,608,991</u>
Current Bank overdraft Bank loan (note 6) Accounts payable and accrued liabilities Due to Middlesex Energy Services Corporation Customers' deposits Long term Long-term debt (note 7) Promissory notes payable (note 8) Employee future benefits	\$ 271,297 382,408 2,273,226 23,686 60,000 3,010,617 527,875 4,356,925 135,229 64,708	\$ 421,000 1,863,431 1,704 115,595 2,401,730 615,000 4,356,925
Customers' deposits Total liabilities	5,084,737 8,095,354	4,971,925 7,373,655
Shareholder's Equity Common shares (note 9) Accumulated net earnings (deficit) - Statement 2	4,631,198 (881,104) 3,750,094	4,631,198 (395,862) 4,235,336
Total liabilities and shareholder's equity	\$ <u>11,845,448</u>	\$ <u>11,608,991</u>

The accompanying notes are an integral part of this financial statement.

MIDDLESEX POWER DISTRIBUTION CORPORATION STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2001 (with comparative figures for the two months ended December 31, 2000)

	2001	2000
Service revenue Residential General Commercial and industrial Street lighting	\$ 5,098,906 6,794,901 2,508,914 109,789	\$ 788,048 1,022,242 400,145 15,717 2,226,152
Cost of power	13,115,102	2,243,125
Gross margin on service revenue	1,397,408	(16,973)
Expenditures Administration and general Customers' billing and collecting Distribution expenses - operations Distribution expenses - maintenance Amortization (note 1) Interest	504,406 289,414 91,226 279,637 475,239 368,093	157,526 42,101 22,267 34,753 76,068 65,854
Net operating revenue (loss)	(610,607)	(415,542)
Other revenue (expenditures) Interest, late payment and miscellaneous charges	249,903	19,680
Net earnings (loss) for the period	\$ <u>(360,704</u>)	\$(395,862)

The accompanying notes are an integral part of this financial statement.

MIDDLESEX POWER DISTRIBUTION CORPORATION NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2001

Middlesex Power Distribution Corporation was incorporated in Ontario on April 11, 2000 to distribute electrical power in accordance with Section 144 of the Electricity Act, 1998.

The Corporations of the Town of Strathroy, the Township of Caradoc and the Town of Parkhill passed bylaws transferring the assets and liabilities of their respective Hydro Electric Commissions effective November 1, 2000 to Middlesex Power Distribution Corporation Middlesex.

Significant accounting policies

The Corporation's financial statements have been prepared in accordance with accounting principles for Electric Utilities as prescribed by the Ontario Energy Board. All principles employed are in accordance with the generally accepted accounting principles.

Short term investments

The short term investments are recorded at cost which approximates market value.

Accounts receivable

Accounts receivable are shown net of an allowance for doubtful accounts of \$41,533 (2000 - \$ 31,533).

<u>Inventories</u>

Inventories consist of material and supplies purchased for future use and are valued at cost using the average cost method.

Capital assets and amortization

Capital assets are amortized on a straight line basis over their anticipated useful lives as determined by the Ontario Energy Board. Capital assets include transformers which are in inventory as prescribed by the Ontario Energy Board.

Revenue Recognition

Revenue is recorded using the accrual basis of accounting and is based on regular meter readings and estimates of customer usage since the last meter reading date to the end of the year.

MIDDLESEX POWER DISTRIBUTION CORPORATION NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2001

2. Transition Costs

Transition costs are recorded as a current asset. These costs were incurred in order to prepare the Corporation for the deregulated electricity industry, which opened May 1, 2002. These costs are not currently recoverable from rates and will be recovered from customers in future periods after approval from the Ontario Energy Board.

3. Investment in ENERconnect

The former Strathroy Hydro Commission signed an Agreement in March, 1998 to invest \$24,000 (\$8,000 per year from 1998 to 2000 inclusive) in a company called ENERconnect. This investment has been written off against expenditures in the current year as there does not appear to be a future benefit to this investment.

Pension agreements

The Corporation makes contributions to the Ontario Municipal Employees Retirement Savings Pension Fund (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a contributory defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Effective August 1, 1998, the Pension Fund started a premium holiday for the members which results in a savings for both the employer and employees. The amount contributed to OMERS for 2001 is \$NIL (2000 \$NIL).

Class action lawsuit

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged Late Payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code. The Electricity Distributors Association is undertaking the defense of this class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the Corporation.

6. Bank loan

The Corporation has a demand instalment loan of \$382,408 (2000 - \$421,000) which is repayable over the next nine years at monthly payments of \$3,508 plus interest which is 1% over prime.

MIDDLESEX POWER DISTRIBUTION CORPORATION NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2001

11. Post employment benefit

The Corporation is liable for providing certain life insurance benefits for its retirees until their date of death. In accordance with the requirements of the Canadian Institute of Chartered Accountants, the present value of these benefits are to be accrued in these financial statements. The corporation received an actuarial evaluation of this liability in 2001 and has accrued the opening accrual of for this benefit \$124,538 against retained earnings as the benefit arose in prior periods.

12. Pre-market Power Purchase Variance Account

In 2001, the Ontario Energy Board approved the electricity rates for the first time. As part of this rate approval, Middlesex Power Distribution Corporation was required to unbundle the rates charged between distribution revenue and cost of power revenue.

The Corporation may be able to recover any variance in the cost of power. The Ontario Energy Board may treat the cost of power as a pass through which will allow the Corporation to recover the variance from customers in future periods. However, due to recent announcements by the Ontario Government, this recovery is undeterminable at this time.

As well, the Ontario Government has announced they will cap the amount charged to customers for cost of power. The Corporation has not exceeded this capped amount during 2001, but the implications of this announcement on the cost of power the Corporation paid has not yet been disclosed. Therefore, the amount, if any, of a rebate of the cost of power is undeterminable at this time.

Board File No.: EB-201	
Attachment 10	
2001 Tax Returns	



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)

This return is a combination of the Ministry of Finance (MOF) CT23
^orporations 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 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.

the Short-Form criteria, may request	and file th CT	T23 Short-Fori	m	-		Ministry Use
Return (see page 2). MCBS Annual Return Required? (Not re	quired if already fi I Return exempt. F	filed or Refer to Guide)	⊠ Yes	. ∏ No	Page 1 of 24	
Corporation's Legal Name (including p Middlesex Power Distribution Corp	unctuation)	10.00 10 00.000	M		1 490 1 0	Ontario Corporations Tax Account No. (MOF) 1800268
Mailing address Tomas Enright 351 Frances Street						This CT23 Return covers the Taxation Year Start 2001/10/01
City Strathroy	Pro ON	ovince N	Countr	У	Postal code N7G 2C7	End 2001/12/31
Has the mailing address changed since last filed CT23 Return?	Yes	Date of ch	nange			Date of Incorporation or Amalgamation
Registered/Head Office Address 351 Frances Street						2000/04/11
City Strathroy	Pro ON	ovince N	Country CA	у	Postal code N7G 2C7	Ontario Corporation No. 1800268 (MCBS)
Location of Books and Records 51 Frances Street						Canada Customs and Revenue Agency Business No.
City Strathroy	ON	ovince N	Country CA	/	Postal code N7G 2C7	865701635RC0001
Name of person to contact regarding this CT2 Thomas Enright	(5	elephone No. 519) 245-201		Fax No. (519) 24	5-5384	Jurisdiction Incorporated Ontario
Address of Principal Office in Ontario (I	extra-Provincial	I Corporations	only)		(MCBS)	If not incorporated in Ontario, indicate the date Ontario business activity commenced and
City	Prov	vince	Country	/	Postal code	ceased: Commenced
Former Corporation Name (Extra-Provincial C	orporations only)	☐ Not a	applicabl	le	(MCBS)	Ceased
Information on Directors/Officers/Admin Schedule A or K as appropriate. If addit only this schedule may be photocopied.	istrators must to ional space is restate number	be completed or Sc	on MCBS		f Schedule(s)	Preferred Language / Langue de préférence English French Français Français
If there is no change to the Directors'/C submitted to MCBS, please check / thi	Officers'/Adminis	strators' inform	nation pre	eviously		Ministry Use
I certify that all information set out me of Authorized Person nomas Enright	in the Annual	Ceri I Return is tr	tificati ue, corr	ion (MC rect and c	BS) omplete.	
D O Title: Director Officer Note: Sections 13 and 14 of the Corporation	of the	r individual having ne affairs of the Act provide pen	Corpora	ation	e or misleading stater	ments or omissions.

Taxation Year End



Exempt From Filing (EFF) Corporations Tax Return Declaration

				Page 2 of 24
Corporation's Legal Name			Ontario Corp	orations Tax Account No. (MOF)
,		declare that:		
The above corporation satisfies all o prporations Tax Act as exempt from Criteria for exempt from filing stat	filing an Ontario Corporations Tax		the taxation yea	r and therefore qualifies under the
 has filed a federal income tax retand Revenue Agency for the taxe) had no Ontario taxable income for provisions in NOTE 2 below); had no Ontario Corporations Tax 	urn (T2) with Canada Customs ation year; or the taxation year (subject to the payable for the taxation year;	taxation year (i.e shares owned by Tax Act (Canada e) had provided its number to the M f) is NOT subject to of an associated	. generally a priv canadian residency; Canada Customs inistry of Finance the Corporate Nagroup whose total	e corporation throughout the ate corporation with 50% or more ents as defined by the <i>Income</i> is and Revenue Agency business in Corporations Tax Branch; and Minimum Tax (i.e. alone or as partial assets exceed \$5 million or imillion for the taxation year).
Signature T	itle/Relationship to Corporation	Telephone nur	nber	Date
Please note that making a false statem	ent to avoid compliance with the Co	orporations Tax Act is	an offence which	can result in a penalty and/or fine.
be carried back and applied regardless of whether the log purposes or not, a CT23 tax taxation year. The corporation indicating that the loss is to and the amount of loss to be the following 3 items MUST be completed also being filed, completion of these file	orations Tax Return under as Tax Act. Il require otherwise EFF return complete with all related ents: a the current taxation year that is to to a previous taxation year(s), ss is the same as for federal return is required for the current on must also provide information be carried back and specify the year e carried back to each taxation year. d if the EFF declaration only is being s	federal and C loss carryforv tax return is r previously file which the loss for the loss ye applied, the C return for a lo 3. If a corporatio federal and C corporation is the loss amou corporation is taxation year	entario purposes an vard from the prior y equired for the curry ed, a CT23 tax returns was incurred is all ear is not required v corporations Tax Br ss year at the time en has a prior year I intario purposes, bu applying a differen ant being applied fo required to file a C only.	loss, that is not the same for both d the corporation is applying a year to the current year, a CT23 ent taxation year, and if not in for the prior taxation year in so required. Although a tax return where the loss is not being ranch will accept the filing of a tax the loss is incurred. loss, that is the same for both at in the current taxation year the it amount of loss for Ontario than in federal income tax purposes, the itax return for the current taxation year the itax purposes, the itax return for the current taxation year the itax purposes, the itax return for the current taxation year the itax purposes, the itax return for the current taxation year the itax purposes, the itax purposes, the itax purposes, the itax purposes itax return for the current taxation year tax purposes.
Corporation's Mailing Address				
City Province	Country Postal code	2. Ontario Corporation No. (MCBS)	Business I	ustoms and Revenue Agency No. RC
A corporation must file an Exempt exempt from filing, with	From Filing Corporations Tax R			
f you check "Yes" to ALL of the fo o obtain a copy, contact the Mini-		umbers listed on pa		
corporation (CCPC	• ,	Yes No (d)	January 1, 2001, a are each \$1,500,0 a financial institution	- 1
is \$200,000 or less	anadian Residents 100 % axable income for the taxation year . For a taxation year with less than income must be grossed-up. (<i>Refer</i>	 (e)	September 30, 200 assets are each \$3 is not a financial in	taxation year commences after 01, and its gross revenue and total 3,000,000 or less and the corporation stitution. NOT claiming a tax credit other than
(c) The corporation is	NOT a member of a partnership/joint er of an associated group of the taxation year.		the Incentive Dedu Corporations (IDS) Credit (CETC) or C (GTTC).	uction for Small Business BC), Co-operative Education Tax Graduate Transitions Tax Credit
OTE: Family Farm or Fishing corpora	tions that have a taxation year ending		•	Ontario allocation factor is 100%.
Minimum Tax, may also use the CT23	Short-Form Corporations Tax Retur	n if the corporation che	cks "Yes" to (a), (b)), (c), (e) and (f) above.

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CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Ту <u>г</u>	oe of Co	orporation - Please check (✔) box(e <u>C</u> anadian-controlled private (CCPC 50% or more shares are owned by) all year (0	Senerally a private corporation o	of which		Ontario Retail Sales Tax Vendor Permit No. (Use Head Office No.)
	2	Other Private					Ontario Employer Health Tax Account No.
	3 📳	<u>P</u> ublic		Share Capital with full			(Use Head Office No.)
	4 🙋	Non-share Capital		voting rights owned by Canadian residents.	(neare 100		Specify major business activity
	5	Other (specify)				=	Distribution of electricity
2	1 📓	Eamily Farm Corporation s.1(2)	14	Bare <u>T</u> rustee Corporation			-
	2	Family Fishing Corporation s.1(2)	15	Branch of Non-resident s.63	(1)		
	3 🔝	Mortgage Investment Corp s.47	16	Financial institutions prescrib Regulation only	ed by		
	4	Credit Union s.51	17	Investment Dealer			
	5	Bank Mortgage Subsidiary s.61(4)	18	Generator of electrical energ		e or	
	6 💹	Ban <u>k</u> s.1(2)		producer of steam for use in generation of electrical energ		le	1
	7 🔠	Loan and Trust Corporation s.61(4)	19 🔀	Hydro successor, Municipal I Utility or subsidary of either	-		
	8	Non-resident Corp s.2(2)(a) or (b)	20 🚰	Producer and seller of steam			
	9 📳	Non-resident Corporation s.2(2)(c)	21	other than for the generation	of electr	icity	
	10 🌃	Mutual Fund Corporation s.48	22	Insurance Exchange s.74.4 Farm Feeder Finance Co-ope	erative		
	11 📳	Non-resident owned investment Corp s.49	23	Corporation Professional Corporation (inc		ed	
	12 📳	Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)		professionals only)			
	se che	ck (✔) box(es) if applicable:					
X	<u>F</u> irst	Year of Filing	to Diss	axation Year up olution(wind-up) For discontinued businesses, iide.)		corpor	er or Receipt of Asset(s) involving a ation having a Canadian permanent shment outside Ontario
	<u>A</u> meı	nded Return		axation Year Amalgamation	_		sition of Control fed s.249(4)
	chan; Custo	tion Year End has ged - Canada oms and Revenue Agency oval required	F <u>l</u> oatin	g Fiscal Year End	į.	Date c	ontrol was acquired:
Was	the cor	poration inactive throughout the taxati	on year?		Yes		<u>N</u> o X
Has	the corp	oration's Federal T2 Return been file	d with	9.9	100		~
		Customs and Revenue Agency (CCR sesting a refund due to: the Carry-b	1275 (2011)	2002	Yes Yes		No 🖫
	ou rode	an Overpa		J00 (Yes Yes		<u>N</u> o ⊠ <u>N</u> o ⊠
				le Tax Credit?	Yes	- Name of the last	No ⊠
Aro	VOLL O M	lambar of a Dartharabin or a Jaint Var				Cital	. 53

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Income Tax

Allocation – If you carry on a busine taxable income deemed earned in the				you may allocate that portion of
Net income (loss) for Ontario purpos	es (per reconciliation sche	dule, page 15)		From 690±
Subtract: Charitable donations				1 -
Subtract: Gifts to Her Majesty in righ	of Canada or a province	and gifts of cultural prop	erty (Attach schedule	2) 2 -
Subtract: Taxable dividends deductil				3 -
Subtract: Ontario political contributio		Int.B. 3002)		4
Subtract: Federal Part VI.1 tax	15 15 mach contament 25 ty (X 9/3		5 -
Subtract: Prior years' losses applied	- Non-capital losses			From 704
Cabildon i Hol yours losses applied	Tion capital located	From 715	inclusion	The state of the s
Ne	t capital losses (page 16)			0 % = 714
	rm losses			From 724 -
	stricted farm losses			From 734-
	nited partnership losses			From 754-
Taxable income (Non-capital loss)	mod parateromp todage			10
Addition to taxable income for unuse	d foreign tax deduction for	federal nurnoses	11 # 1000	
Adjusted taxable income 10 + 11 (i		icaciai parposes	20	
Taxable Income		Number of Days after Sep and before Ja	of days in Taxation Yot 30, 2001 Total days	
From 10 (or 20)	X30 100.0000	% X 12.5 % X 33	92 + 73 9	92 = 29+
From 10 (or 20)	Ontario Allocation	Days after De % X 14.0 % X 34		92 = 32 <u>+</u>
Income Tax Payable (before deduct	Ontario Allocation ion of tax credits) 29 + 32			40
Incentive Deduction for Sma	II Business Corpora	tions (IDSBC)(s.4	1) (If this section is not co	ompleted, the IDSBC will be denied.)
Did you claim the federal Small Bu				
Business Deduction had the provis				
* Income from active business carried		it boom apphoable in a	10 your (4 / Est 100	<u> </u>
for federal purposes (fed.s.125(1)(a))			EO HERVINESTONIO	CAMPAT
deral taxable income, less adjustm			50	
or foreign tax credit (fed.s.125(1)(b))		_		
Add: Losses of other years deducted	- 31			
for federal purposes (fed.s.111)	52	14		
Subtract: Losses of other years	32			
deducted for Ontario purposes (s.34)	53	_		
acadeted for Childrie purposes (6.04)			54 WWW 150 PM 1	
ederal Business limit (line 410 of the	T2 return) for the year		VI MARCHE GOTOMAN	NATION SALES
pefore application of fed.s.125(5.1)		37.808		
		T		
Ontario Business Limit Calculation Days after Sept. 30, 2001 and before Jan. 1, 2003				
280,000 X 28 92 +** 365	=+ 43 70,575			
Days after Dec. 31, 2002 and before Jan. 1, 2004	***************************************			
320,000 X 31 +** <u>365</u>	=+ 46			
Days after Dec. 31, 2003		***		
100,000 X 34 +** <u>365</u>	=+ 47	*** Percentage of Federa Business limit (from 7 Sch. 23). Enter 100%	Γ2	

= 44

Business limit

for Ontario purposes 43 + 46 + 47

Income eligible for the IDSBC

70,575 X 48

if not associated

From 30 100.0000 % X 56

75.0000 % = 45

60 =

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)).

Income Tax continued from Page 4

Number of Days in Taxation

Claim	From 60	V 1	From 78	6.5000	%			Mari Page
IDSBC Rate for Taxation Year 79 + 89 + 90						7	8 = 6.50	000
	8.5 % X 34		+ 73		92 :	= 9	0 +	
***************************************		Days after Dec 31, 2003		Total Days		_		
	7.0 % X 31		+ 73	_	92 :	= 8	9 +	
		Days after Dec 31, 2002 and before Jan 1, 2004		Total Days				
Salculation of IDSBC Rate	6.5 % X 28	and before Jan 1, 2003	+ 73	Total Days	92	- 7	9 + 6.5	000
rear		Days after Sept 30, 2001		Total Days				

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	of the corporation	n				Fro	m 10 (d	or 20 if applicable	e) 8	30 -	+
If you are a member	r of an associate	ed group	(1)	81 🔀 (Yes)							
Taxable income of as	ssociated corpora	ations (A	ttach s	chedule)					8	32 -	+
Aggregate Taxable In	ncome								_ 8	35	
	Number o	f days in	Taxa	tion Year			_				
	Days after Sept 3 and before Jan 1	, 2003		Total Days							
Subtract: 280,000 X		92 +	73	92 =	113 <u>+</u>	28	0,000	es			
	Days after Dec 3 and before Jan 1			Total Days							
320,000 X		+	73		115+						
·	Days after Dec 3	1, 2003	-	Total Days	0)			0			
400,000 X	34	-+	73		116+						
				113 + 115 + 11	6 =	28	0,000		11	4 -	280,000
(If negative, enter nil)									8	36 =	
								xation Year			
						Sept 30, 2001 e Jan 1, 2003		Total Days			
Calculation of Speci	ified Rate for Su	ırtax		4.333% X 28	and belon	92 +	73	92	= 9	15 4	4.3330
•		-				Dec 31, 2002 Jan 1, 2004	. •	Total Days	K •	3	4.0000
				4.667% X 31		+	73	92	= 9	6 +	-
		-			•	Dec 31, 2003	-	Total Days		-	
0 10 1		-		4.667% X 34		+	73	92		_	
Specified rate of surta									_)4 <u>=</u>	110000
From 86		From	_	4.3330 %					_	7 =	
From 87	>	From	60_		+ Fror	n 114		280,000	8	8 =	
Surtax: Lesser of 70	or 88								_10	00	

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Income Tax continued from Page 5

Additional	Deduction	for Credit L	Injons (s. 51(4)) (Attach schedule 17.
Audilioliai	Deduction	TOI OF GUIL C	ハルマロラ いろ・ひ ロマル	I IAHAUII SUITUUTE II.

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule 17)	110	
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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	
Add: Adjustment for Surtax on Canadian-controlled private corporations From 100 + From 30100.0000 % + From 786.5000 % = 121 *Ontario Allocation	-
	122+
120 - 56 + 122	130=
Taxable income From	10 +
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) From	56 -
Add: Adjustments for Surtax on Canadian-controlled private corporations From	122+
	140-
	141
10 - 56 + 122 - 140 - 141	142
Claim Number of Days in Taxation Year Days after Sept 30, 2001 and before Jan 1, 2004 Total Days	
143 X From 30 100.0000 % X 1.5% X 33 92 + 73 92 = Ontario Allocation	154+
	,,,
Days after Dec 31, 2003 Total Days 143 X From	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)).	100 parameters at the real
Manufacturing and Processing Profits Credit for Electrical Generating Corporations	161
Manufacturing and Processing Profits Credit for Corporations that Produce	
	162=
Credit for Foreign Taxes Paid (s.40)	
Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) (Attach schedule).	170
Credit for Investment in Small Business Development Corporations (SBDC)	
Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity someone Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent (Refer to the former Small Business Development Corporations Act)	shares in Small Business ent years' income taxes.
Eligible credit 175 Credit claimed	180
Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 -170 - 180	190=

Income Tax continued from Page 6

Sı	pecified Tax Credits (Refer to Guide)	
	ntario Innovation Tax Credit (OITC) (s.43.3) Applies to research and development in Ontario. gible credit from 5620 OITC claim form (Attach original Claim Form)	191+
	o-operative Education Tax Credit (CETC) (s.43.4) Applies to employment of eligible students. gible credit from 5798 Summary Schedule F	_192
Ap Eli or (Ai	ntario Film and Television Tax Credit (OFTTC) (s.43.5) In plies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. In gible credit from 5899 either Claim Form from Ontario Media Development Corporation (OMDC) Ministry of Finance (MFO) CT Schedule 193/199, as applicable. It is contained the original Certification/Claim Form received from the OMDC or the original Certification Form received In the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)	193
	aduate Transitions Tax Credit (GTTC) (s.43.6) plies to employment of eligible unemployed post secondary graduate. No. of Graduates from 6596 194	
Eli	gible Credit from 6598 Summary Schedule G	195
Ap	tario Book Publishing Tax Credit (OBPTC) (s.43.7) plies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors. gible Credit from 6900 OBPTC Claim Form (Attach both the original Claim Form and the Certification Form)	196+
<i>Ap</i> Elig	tario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8) plies to labour relating to computer animation and special effects on an eligible production. gible Credit from 6700 Claim Form Certified by Ontario Media Development Corporation tach the original Claim/Certification Form with the CT23 Tax Return.)	197 Page 197
Аp	tario Business-Research Institute Tax Credit (OBRITC) (s.43.9) plies to qualifying R&D expenditures under an eligible research institute contract. pible Credit from 7100 OBRITC Claim Form (Attach original Claim Form)	198 +
ت ابن or ا (At	tario Production Services Tax credit (OPSTC) (s.43.10) plies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed. gible Credit from 7300 either Claim Form from Ontario Media Development Corporation (OMDC) Ministry of Finance (MFO) CT Schedule 193/199, as applicable tach the original Certification/Claim Form received from the OMDC or the original Certification Form eived from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)	199 +
Ap, Elig	tario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11) plies to qualifying labour expenditures of eligible products for the taxation year. gible Credit from 7400 Claim Form certified by Ontario Media Development Corporation fach original Claim/Certification Form.)	200⊬
Ap	tario Sound Recording Tax Credit (OSRTC) (s.43.12) blies to qualifying expenditures in respect of eligible Canadian sound recordings. lible Credit from 7500 OSRTC Claim Form (Attach both the original Claim Form and the Certification Form)	201
Tot	al Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201	220
Spe	ecified Tax Credits Applied to reduce Income Tax	225
Inc	come Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative)	230
OR	To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see Determination of A the CMT on Page 8 . If CMT is not applicable, transfer amount in 230 to Income Tax in Summary section on F	
	If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you income tax otherwise payable, then proceed to and complete the <i>Application of CMT Credit Carryovers</i> see	

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 evenue.

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+	11,845,448		
* Total Revenue of the corporation			241+	15,951,591
If you are a member of an associated group (✔) 242 🗵 (Yes)				
Total Assets of associated corporations (Attach schedule)	243+	4,878,327		
Total Revenue of associated corporations (Attach schedule)			244+	18,937
Aggregate Total Assets	249	16,723,775	_	
Aggregate Total Revenue			250	15,970,528
If CMT is applicable to current taxation year, complete section Calculation:	CMT below and Co	rporate Minimur	n Tax Sche	dules A through

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	From 30 100.0000 % X 4%	276=
	If negative, enter zero	Ontario Allocation	
Subtract: Foreign Tax Credi	t for CMT purposes (Attach schedule)		277
Subtract: Income Tax		Fror	n 190-
Net CMT Payable (if negation	ve, enter Nil on page 17.)		280

If 280 is less than zero and you do not have a CMT credit carryover, transfer 230 from Page 7 to Income Tax Summary, on Page 17. If 280 is less than zero and you have a CMT credit carryover, complete A & B below.

If 180 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 ryovers, on Page 20.

CMT Credit Carryover available

٨.	Income Tax (before deduction of specified credits	3)		From 190+
	Gross CMT payable	From 276+		
	Subtract: Foreign Tax Credit for CMT purposes	From 277-		
	If 276 - 277 is negative, enter NIL in 290	====		290-
	Income Tax eligible for CMT Credit			300
	Income Tax (after deduction of specified credits)			From 230+
	Subtract: CMT credit used to reduce income taxes	S		310
	Income Tax			320

Transfer to Page 17

From 2307

If A & B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 2307. If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 2307.

Capital Tax (Refer to Guide and Int.B. 3011)

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets 's calculated on Page 10 in 480 and 430 are both \$1,500,000 or .ess 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.

CT23 Page 9 of 24 d, Total Assets must be adjusted by

If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital. Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose business is not carried on solely in Canada is deemed to be the greater of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital		
Paid-up capital stock (Int.B. 3012 and 3015)	350+	4,631,198
Retained earnings (if deficit, deduct) (Int.B. 3012)	351±	(881,104)
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352+	
Loans and advances (Attach schedule)(Int.B. 3013)	353+	
Bank loans (Int.B. 3013)	354+	1,173,635
Bankers acceptances (Int.B. 3013)	355+	
Bonds and debentures payable (Int.B. 3013)	356+	
Mortgages payable (Int.B. 3013)	357+	
Lien notes payable (Int.B. 3013)	358+	4,011,499
Deferred credits (including income tax reserves, and deferred revenue where it would		
be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	359 <u>+</u>	
ntingent, investment, inventory and similar reserves (Int.B. 3012)	360+	
Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012)	361 <u>+</u>	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017)	362+	
Subtotal	370=	8,935,228
Subtract: Amounts deducted for income tax purposes in excess of amounts booked		
(Retain calculations. Do not submit.) (Int.B. 3012)	371	(89,938)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not		
already deducted for book purposes (Int.B. 3015)	372	
Total Paid-up Capital	380=	9,025,166
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	381-	
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	382	
Net Paid-up Capital	390=	9,025,166

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.

Total Eligible Investments	410
are of partnership(s) or joint venture(s) eligible investments (Attach schedule)	407+
"rible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	406+
Loans and advances to unrelated corporations	405 +
Shares in other corporations (certain restrictions apply) (Refer to Guide)	404+
Mortgages due from other corporations	403+
years ending after October 30, 1998)	402+
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to ta	axation

Ontario Allocation

** If floating taxation year, refer to Guide.

ontinued on Page 11

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Transfer to 543 on page 12 and complete the return from that point

**365/366

Capital Tax Calculation continued from page 10

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (excluding financial Institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you an calculate your capital tax calculation under either Section D or Section E.

C1. 509 (✓ if applicable)

All corporations that you are associated with do not have a permanent establishment in Canada. If taxable capital 470 on page 10 is \$5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

If taxable capital 470 on page 10 exceeds \$5,000,000 proceed to Section D, enter \$5,000,000 in 542 Section D. and complete Section D and the return from that point

C2. S 524 (✓ if applicable)

One or more of the corporations that you are associated with maintains a permanent establishment in Canada

If the taxation year ends before January 1, 2003, you must complete the Calculation below. If the taxation year ends after December 31, 2002, you and your associated group may continue to allocate the \$5,000,000 taxable capital exemption by completing the Calculation below. Or, the associated group may file an election under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as Net Deduction) of the \$15,000 capital tax effect, relating to the \$5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do NOT complete this calculation if ss.69(2.1) election is filed

vable Capital form 470 on page 10

From 470+

9.025,166

vetermine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations (Attach schedule) Total Aggregate Taxable Capital 470 + 531

531 +149,142

540 = 9,174,308

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

9,025,166 + From **540**

9,174,308 X 5,000,000

541 = 4,918,718

Transfer to Section 542 in D on page 12

Ss.69(2.1) Election Filed

§ 591 (✓ if applicable)

Election filed. Attach a copy of the election with this CT23 Return.

Proceed to Section E on page 12.

Transfer to page 17

Capital Tax Calculation continued from page 11

	101	

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.

Complete the following calcu	lation and transfer the amount From 523	to 543 , and com	plete the return from the	at point.
- 542 4,9	025,166 018,718 106,448 x From 30 0000000000000000000000000000000000		Days in the taxation your 555 92 ** (365/366)	Total Capital Tax for the taxation year 2 = 523 + 3,105 Transfer to 543 and complete the return from that point
SECTION E				
This section applies if a co	rporation is a member of an associate	ed group and the	associated group ha	s filed a ss.69(2.1) election
+ From 470	X From 30 100.000	00 x 0.3%		= 561 +
- Capital tax deduction relati	ng to your corporation's capital tax dedu	ction, on ss.69(2.	1) election form F	From 995 562 =
Capital Tax	562	X	Days in taxation year 555 92	. = 563+
			** (365/366)	Transfer to 543 and complete the return from that pole
** If floating taxation year, r	refer to Guide			*
Capital Tax before applicat				543 3,105
	its applied to reduce capital tax payable	(Refer to Guide)		546
Capital Tax 543 - 546 (am	nount cannot be negative)			550 = 3,105

Calculation of Capital Tax for Financial Institutions

1. Credit Unions Only or taxation years commencing after May 4, 1999 enter NIL in 550 on page 12, and complete the return from that	ıt 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.)	
Days in taxation year **365/366 Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1 **365/366	= 569+
570 x From Adjusted TPUC Capital Tax Rate in accordance with (Refer to Guide) Division B.1 in excess of Basic Capital Amount	= 574 <u>+</u>
Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574	575
** If floating taxation year, refer to Guide.	
II. Small Business Investment Tax Credit	
(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)	
Allowable Credit for Eligible Investments	585
Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF	:)?(√)
oital Tax - Financial Institutions 575 - 585	586 = Transfer to 543 on Page 12
Premium Tax (s.74.2 & 74.3) (refer to Guide)	
	TO A WINE SHEET REPORT OF SHEET
(1) Uninsured Benefits Arrangements	588
(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 Ontario with unlicensed insurers.	
Deduct: Specified Tax Credits applied to reduce premium tax (Refer to guide)	589
Premium Tax 588 - 589	590 = Transfer to Page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

600± Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 Transfer to Page 15 Add: 601 +24,524 Federal capital cost allowance Federal cumulative eligible capital deduction 602 +603+ Ontario taxable capital gain 604+ Federal non-allowable reserves. Balance beginning of year 605 +Federal allowable reserves. Balance end of year 606+ Ontario non-allowable reserves. Balance end of year Ontario allowable reserves. Balance beginning of year 607 +Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) 608 +609 +Federal resource allowance Federal depletion allowance 610 +Federal foreign exploration and development expenses 611 +Management fees, rents, royalties and similar payments to non-arms' length nonresidents Number of days in Taxation Year Days after Sept. 30, 2001 Total days and before Jan. 1, 2004 X 5/12.5 X33 $92 + 73 ___ 92 = 633 +__$ Days after Dec. 31, 2003 Total days $X \frac{5}{14.0} \times 34 + 73 = 634 +$ 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 615 excluding any negative amount in 473 from Ont. CT23 schedule 161 616H Add any negative amount in 473 from Ont. CT23 Schedule 161 Federal allowable business investment loss 620 +614 +al of other items not allowed by Ontario but allowed federally (Attach schedule) Sub Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 24.524 640 24,524 Transfer to Page 15 Deduct: 650 + 24,524 Ontario capital cost allowance (excludes amounts deducted under 675) 651 ±45 125 40 5 15 15 Ontario cumulative eligible capital deduction 652+ Federal taxable capital gain Ontario non-allowable reserves. Balance beginning of year 653 +Ontario allowable reserves. Balance end of year 654 +Federal non-allowable reserves. Balance end of year 655+ Federal allowable reserves. Balance beginning of year 656 +Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.) 657 +Ontario depletion allowance 658 +Ontario resource allowance 659 +Ontario current cost adjustment (Attach schedule) 661 🞚 Incentive for new electricity supply (section 13.6 deduction from income) (Applies only to electrical generating corporations.) 674 CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources. 675 Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675 681 24,524 Transfer to Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ Continued from page 14

Sub Total of Additions on page 14 From 681 = 24,524 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 of CCA (Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year. ONTTI Gross-up deduction calculation: From 662 662 0NTI Gross-up deduction calculation: From Gross-up of CCA (682 x 100/30 100.0000 -From 662 663 0NTI Gross-up deduction calculation: From 670 0NTI Gro		From 600 ±		SCH 1	tax purposes, per federal ⁻	et income (loss) for federal income
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 ONTTI Gross-up deduction calculation: From Gross-up of CCA 662 x 100/ 30 100.0000 - From 662 663 Workplace Child Care Tax Incentive Qualifying expenditures: 665 x 30% x 100/ 30 100.0000 666 Workplace Accessibility Tax Incentive Qualifying expenditures: 667 x 100% x 100/ 30 100.0000 668 Ontario Allocation Workplace Accessibility Tax Incentive Qualifying expenditures: 667 x 100% x 100/ 30 100.0000 668 Ontario Allocation Ontario Allocation Ontario Allocation Ontario Allocation Cualifying expenditures 667 x 30% x 100/ 30 100.0000 671 Employees accommodated 669 Qualifying expenditures 670 x 30% x 100/ 30 100.0000 671 Educational Technology Tax Incentive (Applies to qualifying amounts incurred after May 2, 2000.) Qualifying expenditures 672 x 15% x 100/ 30 100.0000 Ontario Allocation	24,524	From 640 =				Sub Total of Additions
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 ONTTI Gross-up deduction calculation: From Gross-up of CCA 662		4,524	_681 =2	From 68		Sub Total of deductions on page 14
qualifying intellectual property deducted in the current taxation year ONTTI Gross-up deduction calculation: From Gross-up of CCA 662				than 100% in		Ontario New Technology Tax Incen (Applies only to those corporations w
From Gross-up of CCA x 100/ 30 100.0000 - From 662 663 Ontario allocation Workplace Child Care Tax Incentive Qualifying expenditures: 665 x 30% x 100/ 30 100.0000 666 Ontario Allocation Workplace Accessibility Tax Incentive Qualifying expenditures: 667 x 100% x 100/ 30 100.0000 668 Ontario Allocation Number of Employees accommodated 669 Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition is school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide) Qualifying expenditures 670 x 30% x 100/ 30 100.0000 671 Ontario Allocation Educational Technology Tax Incentive (Applies to qualifying amounts incurred after May 2, 2000.) Qualifying expenditures 672 x 15% x 100/ 30 100.0000 673 Ontario Allocation Ontario allowable business investment loss 678 + Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 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 +			_:		ed in the current	qualifying intellectual property deducte
Workplace Child Care Tax Incentive Qualifying expenditures: 665			_663=	66:	CA	From Gross-up of CC
Qualifying expenditures: 665					ntario allocation	0
Workplace Accessibility Tax Incentive Qualifying expenditures: 667					}	Workplace Child Care Tax Incentive
Qualifying expenditures: 667					x 30% x 100/3	Qualifying expenditures: 665
Number of Employees accommodated 669 Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition is school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide) Qualifying expenditures 670					ive	Workplace Accessibility Tax Incent
Number of Employees accommodated 669 Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition is school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide) Qualifying expenditures 670					x 100% x 100/	Qualifying expenditures: 667
Qualifying expenditures 670 x 30% x 100/ 30 100.0000 671						Technology (Control of Control of
Educational Technology Tax Incentive (Applies to qualifying amounts incurred after May 2, 2000.) Qualifying expenditures 672 x 15% x 100/ 30 100.0000 Ontario Allocation 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 +			tion Guide)	ne eligible acquisition 2006.) (Refer to Guid	ntive (OSBSTI): (Applies to 1, 1999 and before January	Ontario School Bus Safety Tax Ince
Qualifying expenditures 672 x 15% x 100/ 30 100.0000 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+		2051	671		x 30% x 100/ 30	Qualifying expenditures 670
Ontario Allocation Ontario allowable business investment loss Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161 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) Total of other deductions allowed by Ontario (Attach schedule) 664+		,	r May 2, 2000.)	unts incurred after Ma	i ve (Applies to qualifying an	Educational Technology Tax Incent
Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161 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) Total of other deductions allowed by Ontario (Attach schedule) 664+			673		x 15% x 100/ 36	Qualifying expenditures 672
			679 +	m Ont. CT23 679 live on	es claimed in year in 477 for an amount that was neg	Ontario Scientific Research Expense Schedule 161 Amount added to income federally f
		-	664+	664	Ontario (Attach schedule)	Total of other deductions allowed by
	24,524	 4,524_ 680				
Net income (loss) for Ontario purposes 600 + 640 - 680 690=		690=			urposes 600 + 640 - 680	let income (loss) for Ontario p
	fer to Page 4					

File: Middlesex Power Distribution Corporation Ontario Account # 1800268 Year-end: 2001/12/31 Printed: 2005/04/22 15:38

Continuity of Losses Carried Forward

CT23 Page 16 of 24

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Losses	Listed Personal Property Losses	Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add: Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract: Utilized during the year to	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
reduce taxable income Expired during the year	705	STREET CONTROL OF STREET	725	735	745	
Carried back to prior years	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
to reduce income (5) Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8)	719	729	739	749	759

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by s.34.
- (3) Include losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.
- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

- (7) Include amounts from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839.
- (9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)		Restricted Farm Losses
800	是是是是他们的		The proof in the forestern the factor of the property of the p	850	870
801				851	871
802	以作为 企业企业会			852	872
803	820	830	840	853	873
804	821	831	841	854	874
805	822	832	842	855	875
806	823	833	843	856	876
807 2000/09/30	824	834	844	857	877
808 2001/09/30	825	835	845	858	878
809 2001/12/31	826	836	846	859	879
otal	829	839	849	869	889

CT23 Page 17 of 24

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carryback adjustment may be applied by the Minister of Finance to amounts owing under any Act administered by the Minister of Finance.

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
 - 1) the first day of the taxation year after the loss year,
 - the day on which the corporation's return for the loss year is delivered to the Minister, or
 - 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	920	930	940
Deduct: Loss to be carried be applied to reduce taxable incorpredecess Accountility and preceding	911	921	931	941	
ii) 2nd preceding	902 2000/09/30	912	922	932	942
iii) 1st preceding	903 2001/09/30	913	923	933	943
Total loss to be carried bac	k	From 706	From 716	From 726	From 736
lance of loss available fo	or carryforward	919	929	939	949

Summary

Income Tax		From 230 or	320	起,数据规则的
Corporate N	Minimum Tax	From	280 +	
Capital Tax		From	550	3,105
Premium Ta	ex	From	590	建
Total Tax Pa	ayable		950	3,105
Subtract:	Payments		960	
	Capital Gains R	Refund (s.48)	965	全国 新加州西 斯斯斯
	Qualifying Envi	ronmental		
	Trust Tax Credi	it		
	(Refer to Guide)		985	
	Specified Tax C	redits		
	(Refer to Guide)		955	可加州深間道 建固
Balance			970=	3,105
If payment of	due	Enclosed *	990	THE PROPERTY AND ADDRESS OF THE PARTY AND ADDR
	ent: Refund (Refe	er to Guide)	975=	
	Apply to	原制型 印度建	980	建一种文字图书写 型
			(Includ	les credit interest)

Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, *payable to the Minister of Finance* and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order. (Refer to guide for other payment methods.)

Certification

Name

Thomas Enright

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 corporations 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.

City Strathroy Province Country	Postal Code
City	
Full Residence Address 351 Frances Street	

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

CT23 Schedule A
Page 18 of 24

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act anada), adjusted so consolidation/equity methods are not used.

wet income/(loss) (unconsolidated, determined in accordance with GAAP) 2100± (94,296)Subtract (to the extent reflected in net income/loss): Provision for recovery of income taxes / benefit of current income taxes 2101 +Provision for deferred income taxes (credits) / benefit of future income taxes 2102+ Equity income from corporations 2103+ Share of partnership(s)/joint venture(s) income 2104+ Dividends received/receivable deductible under fed.s.112 2105+ Dividends received/receivable deductible under fed.s.113 2106+ Dividends received/receivable deductible under fed.s.83(2) 2107+ Federal Part VI.1 tax on dividends declared and paid, under fed.s.191.1(1) x 9/3 =2108 +Subtotal ▶ 2109-Add (to extent reflected in net income/loss): Provision for current taxes / cost of current income taxes 2110+ Provision for deferred income taxes (debits) / cost of future income taxes 2111+ Equity losses from corporations 2112+ Share of partnership(s)/joint venture(s) losses 2113+ Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) 2114+ Subtotal ▶ 2115+ Add/Subtract: Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years ** Fed.s.85 2116+ or 2117-** Fed.s.85.1 2118+ or 2119-** Fed.s.97 2120+ or 2121-** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years 2122+ or 2123-** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years 2124+ or 2125-** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years 2126+ or 2127-Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income 2150-Subtotal (Additions) 2128+ Subtotal (Subtractions) ▶ 2129-** Other adjustments 2130± Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130 2131= (94, 296)** Share of partnership(s)/joint venture(s) adjusted net income/loss 2132± Adjusted net income (loss) (if loss, transfer to 2202 in Schedule B) 2133= (94.296)Deduct: CMT losses: pre-1994 Loss * From 2210+ CMT losses: other eligible losses * 2211+ ▶ 2134-* CMT losses applied cannot exceed adjusted net income or increase a loss ** Retain calculations. Do not submit with this tax return. CMT Base 2135=

Corporate Minimum Tax (CMT)

CT23 Schedule B & C

Schedule B: Continuity of CMT Losses Carried Forward



Page 19 of 24

^MT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
							Expired
					-		
					1 -		
					4 F		-
000/09/30							
001/09/30					1 – –		
001/12/31					94,296		94,296
Totals					94,296		94,296

Balance	e at Beginning of year (1), (2)			2201 <u>+</u>	
Add:	Current year's losses	2202+	94,296		
	Losses from predecessor corporations on amalgamation (3)	2203+			
	Losses from predecessor corporations on wind-up (3)	2204+			
	Amalgamation (✓) 2205 Yes Wind-up (✓) 2206 Yes				
Subtota			94,296	▶ 2207+	94,296
Adjustm	ents (attach schedule)			_2208±	
CMT los	sses available 2201 + 2207 ± 2208			2209=	94,296
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income		2210+			
	Other eligible losses utilized during the year to reduce adjusted				
	net income (4)	2211 +			
	Losses expired during the year	2212+			
Subtotal				2213	
Balance	s at End of Year (5) 2209 - 2213			_2214=	94,296

Notes:

- Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.
- (2) Where acquisitions of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))
- (3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))
- (4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.
- (5) Amount in 2214 must equal sum of 2270 and 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first)			CMT Losses of Predecessor Corporations 2280	
2240				
2241	2261		2281	
2242	2262		2282	
2243	2263		2283	
2244	2264		2284	
2245	2265		2285	
2246	2266		2286	
2247 2000/09/30	2267		2287	
2248 2001/09/30	2268		2288	
~249 2001/12/31	2269	94,296	2289	
als	2270	94,296	2290	

The sum of amounts 2270 + 2290 must equal amount in 2214.

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
2001/09/30							
2001/12/31							
Totals							

Balance	at Beginning of year (1)		2301
Add:	Current year's CMT Credit (280 on page 8. If negative, enter NIL) From CMT Credit Carryovers from predecessor corporations (2)	n 280+ 2302+	
	Amalgamation (✓) 2303 Yes Wind-up (✓) 2304 Yes		
Subtotal		_ =	▶ 2305±
Adjustme	nts (Attach schedule)		2306±
CMT cred	dit carryover available 2301 + 2305 ± 2306		2307=
			Transfer to Page 8
otract	: CMT credit utilized during the year to reduce income tax (Page 8) From	n 310+	
	CMT credit expired during the year	2308	
Subtotal			2309
Balance	at End of Year (3) 2307 - 2309		2310

Notes:

- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (3) Amount in 2310 must equal the sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Origin (oldest year first)		t Carryovers of poration	Prede	Carryovers of cessor rations
2340	2360	ALL CANADA	2380	
2341	2361	建筑型板 美国国际	2281	
2342	2362		2382	
2343	2363		2383	
2344	2364	新教教员际 第	2384	便到他的理论
2345	2365	SA PER SALES	2385	
2346	2366		2386	11.0.9
2347	2367		2387	CHRISTIAN CONTRACTOR
2348 2001/09/30	2368		2388	
2349 2001/12/31	2369		2389	
Totals	2370		2390	

The sum of amounts 2370 and 2390 must equal the amount in 2310.

MCBS

(Corporations that are incorporated, continued or amalgamated under the Ontario Business Corporations Act)



Schedule A Page 22 of 24

To submit additional director or Officer Information, please photocopy this page and attach the completed schedules with you return.

		TAKE TO BE	Identif	ication			
Corporation's Legal Name (inc	luding punctu	ation)	LONG TO THE COUNTY		ario Corporation No. ((MCBS) Date of	of Incorporation or Amalgamation
Middlesex Power Distributi	on Corporati	on		18	00268	200	00/04/11
	THE TAX STORY	第四百万 次百	Director/Offic	or Informa	llon		
Full Name and Address for	Service:		Director/Offic	or illioitha	HOIL		
Last Name			First Name		Middle Name((s)	
Weetering			Gerrit		0.44		
Street Number and Name 310 Oak Ave.					Suite		
City/Town/Village Strathroy			Province/State ON		Country CA		Postal/Zip Code N7G 3J1
Director					Officer		
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate t		tment period for eac late Appointed month day		llowing: te Ceased month day	Chair	Chief Info. Officer
Date Elected	Secretary					Vice-Cha	H ' '
2000/08/17	Treasurer					Vice-Pres	
Date Ceased	General Manager					Assistant	Secretary Comptroller Treasurer Authorized Signing
	Other (specify)					Chief Man	•
10-2714-32-32-32-32-32-32-32-32-32-32-32-32-32-						Managing	g Director Other (untitled)
			Director/Office	er Informa	tion		· · · · · · · · · · · · · · · · · · ·
Full Name and Address for	Service:				MAY TO SHARE THE SAME		
Last Name Taylor			First Name Larry		Middle Name(s)	
Street Number and Name 141 Timber Drive					Suite		
City/Town/Village London			Province/State ON		Country CA		Postal/Zip Code N6K 4A6
Director					Officer		
Are you a resident Canadian?	Indicate t	he appoint	ment period for eac	h of the fol	lowing:	Ot	her Titles (please specify)
(Applies to directors of business corporations only)		D	ate Appointed	Dat	e Ceased	Chair	Chief Executive Officer
X Yes No	President	year	month day	year	month day	Chair Per Chairman	Chief Info, Officer
Date Elected	Secretary					X Vice-Chai	
2000/08/17	Treasurer					0.000-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0	sident Officer Secretary Comptroller
	General	-				_ =	Treasurer Authorized Signing
uate Ceased	Manager Other	/				Chief Mar	
tea	(specify)	2000/10/1	10			■ Executive	Director Other (untitled)

MCBS

(Corporations that are incorporated, continued or amalgamated under the Ontario Business Corporations Act)



Schedule A Page 22 of 24

fo submit additional director or Officer Information, please photocopy this page and attach the completed schedules with you return.

Corporation's Legal Name (inc	eludina punetuoti	CONTRACTOR OF THE PROPERTY OF	Ification	ario Corporation No. (MCB	SS) Date o	of Incorporation or Amalga	mation
,	• •	Ĺ					
Middlesex Power Distributi	on Corporation	1	180	00268		00/04/11	
· 不知识的描述		Director/Offic	cer Informat	tion			元公司
Full Name and Address for	Service:						
Last Name King		First Name John		Middle Name(s)			
Street Number and Name 24244 Saxton Road				Suite			
City/Town/Village Strathroy		Province/State ON		Country CA		Postal/Zip Code N7G 3H3	
Director				Officer			
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate the	e appointment period for ea		llowing: e Ceased	Otl	ther Titles (please specify)	e Officer
X Yes No	President	year month day	year	month day	Chair Per	Chief Info. Office	er
Date Elected	Secretary 2	2000/10/10			Chairworr Vice-Chai	ir Chief Administra	
2000/08/17	Treasurer				∐ Vice-Pres □ Δesistant	sident Officer Secretary Comptroller	
In 1- 0	General Manager				=	Treasurer Authorized Sign	ning
Date Ceased	Other		1		Chief Mar	-	
	(specify)		JL		Executive Managing		
						, , , , , , , , , , , , , , , , , , , ,	
		Director/Office	er Informat	ion			
Full Name and Address for	Service:						
Last Name Callaghan		First Name Walter		Middle Name(s)			
Street Number and Name 225 Riverview Drive				Suite			
City/Town/Village Strathroy		Province/State ON		Country CA		Postal/Zip Code N7G 2G4	
Director				Officer			
Are you a resident Canadlan? (Applies to directors of	Indicate the	e appointment period for ea	ch of the foll	lowing:	Oth Chair	her Titles (please specify)	Officer
business corporations only)	-	Date Appointed	7/	e Ceased	Chair Pers	=	
∑ Yes	President	year month day	year	month day	Chairman Chairwom	. =	
Date Elected	Secretary				Vice-Chair		ative
2001/10/03	Treasurer				☐ Vice-Presi☐ Assistant 5	ident Officer Secretary Comptroller	
o Conned	General				=	Treasurer Authorized Signi	ing
Luie Ceased	Manager Other		-		Chief Man	-	
	(specify)]		Managing	_	

MCBS

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act*)



Schedule A Page 22 of 24

, o submit additional director or Officer Information, please photocopy this page and attach the completed schedules with you return.

Corporation's Legal Name (inc	luding punctuation			AT YOUR PROPERTY OF THE PARTY O	rio Corporation No	. (MCBS)	ate of	Incorporation or Amalgamation
Middlesex Power Distribution	on Corporation	1		180	00268		200	0/04/11
BICKESS AND STATE OF THE STATE	TO THE RESERVE OF THE PARTY OF		Director/Office					
Full Name and Address for	Service:		Director/Onic	ei miormat				
Last Name Enright			First Name Thomas		Middle Name	e(s)		
Street Number and Name 6 Kittridge Ave.		_=	momas		Suite			<u> </u>
City/Town/Village Strathroy			Province/State ON		Country CA			Postal/Zip Code N7G 1A6
Director					Officer			
Are you a resident Canadian? (Applies to directors of business corporations only)	F		ment period for eac ate Appointed month day		lowing: e Ceased month da			Chief Info. Officer an Chief Operating Officer Chief Administrative
2001/10/03	1 ==	000/10/1	0	<u></u>				Secretary Comptroller
Date Ceased	General Manager Other (specify) 2	:000/10/1	0			Chi	ief Man	Treasurer Authorized Signing ager Officer Director Other (untitled)
			Director/Office	er Informat	ion			
Full Name and Address for	Service:							
Last Name Ledingham			First Name William		Middle Name	e(s)		
Street Number and Name 535 Metcalfe Street East					Suite			
City/Town/Village Strathroy			Province/State ON		Country CA			Postal/Zip Code N7G 1R1
Director					Officer			
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate the		ment period for each		e Ceased month da	Chi		Chief Info. Officer
Date Elected 2001/10/03 Date Ceased	Secretary Treasurer General Manager Other					Vic	sistant T ief Mana	dent Officer Secretary Comptroller Freasurer Authorized Signing
	(specify)			L		— ⊓ Ma	naging	Director Other (untitled)

MCBS

(Corporations that are incorporated, continued or amalgamated under the Ontario Business Corporations Act)



Schedule A Page 22 of 24

Fo submit additional director or Officer Information, please photocopy this page and attach the completed schedules with you return.

Comparation to Long I Name (in		ldentif	ication		
Corporation's Legal Name (inc Middlesex Power Distribution				ario Corporation No. (MO	
Wilddiesex Fower Distribut	on Corporation		18	00268	2000/04/11
		Director/Office	er Informa	tion	
Full Name and Address for	r Service:				
Last Name Veale		First Name Mel		Middle Name(s)	
Street Number and Name 52 Frank Street				Suite	
City/Town/Village Strathroy		Province/State ON		Country CA	Postal/Zip Code N7G 2R4
Director		1		Officer	
Are you a resident Canadian?	Indicate the appoir	tment period for eac	ch of the fol	llowing:	Other Titles (please specify)
(Applies to directors of business corporations only)		Date Appointed	Dat	e Ceased	Chair Chief Executive Officer
X Yes No	year	month day	year	month day	Chair Person Chief Financial Officer Chairman Chief Info. Officer
	President				Chairwoman Chief Operating Officer
Date Elected	Secretary				Uvice-Chair ☐ Chief Administrative Vice-President Officer
2001/10/03	Treasurer				Assistant Secretary Comptroller
Date Ceased	General Manager				Assistant Treasurer Authorized Signing
	Other (specify)				Chief Manager Officer Executive Director
					Managing Director Other (untitled)
		Director/Office	r Informat	lon	
Full Name and Address for	Service:				
Last Name		First Name		Middle Name(s)	
Street Number and Name	(Suite	
City/Town/Village		Province/State		Country	Postal/Zip Code
Director				Officer	
Are you a resident Canadian?	Indicate the appoint	mant natical for each			Other Titles (please specify)
(Applies to directors of business corporations only)				· ·	Chair Chief Executive Officer
	D year	ate Appointed month day	Date year	Ceased month day	Chair Person Chief Financial Officer
Yes <u>N</u> o	President				Chairman Chief Info. Officer Chairwoman Chief Operating Officer
Date Elected	Secretary				Vice-Chair Chief Administrative
Date Elected					Vice-President Officer
	Treasurer General				Assistant Secretary Comptroller Assistant Treasurer Authorized Signing
Late Ceased	Manager				Chief Manager Officer
	(specify)				Executive Director Managing Director Other (untitled)

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

ONTARIO CAPITAL COST ALLOWANCE

Corporat	Corporation's Legal Name Middlesex Power Distri	Corporation's Legal Name Middlesex Power Distribution Corporation	5					0.4	Ontario Corporations Tax Account No. (MOF)	s Tax Account No.		Taxation Year End
									007000		12/21/1002	12/31
ls the c	orporation electi	Is the corporation electing under regulation 1101(5q)? 101 1 Yes	ion 1101(5q)?	101 1 <u>Y</u> es □	2 <u>N</u> o []							
Class number	2 Ontario undepreciated	Cost of acquisitions Net adjustments during the the year	4 Net adjustments	5 Proceeds of	6 Ontario	7 50% rule	8 Reduced	9 CCA rate	10 Recapture of	11 Teminal loss	12 Ontario capital cost	13 Ontario
	capital cost at the beginning of the			the year	capital cost		capital cost	%	capital cost allowance		allowance (col 8 x 9 or a lowe	allowance undepreciated (col 8 x 9 or a lower capital cost at the
	year	See note 1 below			col 2 - 4 - 5)	See note 2 below	() - a lm)				amonnt)	end of the year
-	4,846,614	297,903			5.144.517	148 952	4 995 565	-			702.70	(71 -0 000)
2	3,062,304				3.062.304	200101	3 062 304	۲ (۵			470'47	5,119,993
8	83,995	1,072			85.067	536	84 534	200				3,062,304
10	171,350	5,278			176,628	2.639	173,989	30				476 620
												170,020
Totals	8,164,263	304,253				152,127	8,316,389				24 524	8 443 992
											- 1	

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).

Enter in box 650 on the CT23

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.

Page 1 of 1



Ministry of Finance

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

Ontario Cumulative Eligible Capital Deduction Schedule 10

Corporation's Legal Name Middlesex Power Distribution Corporation	Ontario Corporations Tax Account No. (MOF) 1800268	Taxation Year End 2001/12/31
 For use by a corporation that has eligible capital property. A separate cumulative eligible capital account must be kept for each busin 	ess.	
Part 1 - Calculation of current year deduction and carry-forward		
Ontario Cumulative eligible capital - balance at beginning of taxation year (if negativ	e. enter zero)	Α
Add: Cost of eligible capital property acquired during the taxation year +	517,119 B	*
Amount transferred on amalgamation or wind-up of subsidiary +	С	
Other adjustments +	D	
Total of B + C + D =	517,119 x 3/4=	387,839 E
Subtotal A + E		387,839 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 + The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the <i>Income Tax Act</i> (Canada) +	G	
Other adjustments +		
Total of G + H + I	x 3/4=	J
Ontario cumulative eligible capital balance F - J	=	387,839 K
f K is negative, enter zero at line M and proceed to Part 2		
Current year deduction 387,839 K x 7%*	~	1
*The maximum current year deduction is 7%. However, you can claim any amount up to the m	aximum Enter am	ount in box 651 of the CT23
Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero		387,839 M
Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation y 2000, the deduction may not exceed the maximum amount prorated for the n divided by 365 or 366 days.		ar
Amount to be included in income arising from dispositio Complete this part only if the amount at line K is negative Amount from line K above show as a positive amount Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988 Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80 (7) Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988 Line 3 deduct line 4 Total lines 1 + 2 + 5 Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000	n11235555	N
Deduct line 7 from line 6 N - O (cannot be negative) Amount on line 5 P - Q X 1/2		O Q R
Amount on line R x 66.6667 Lesser of line N or line O		S
Amount to be included in income S + T		XIII

Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

Details of Associated Ontario Corporations

Names of associated corporations (Canadian and foreign)	Permanent establishment in Canada?	Ontario Account Number	Taxation Year End
Middlesex Energy Services Corporation	Yes	1800293	2001/12/31
Middlesex Power Corporation	Yes	1800267	2001/12/31

Names of appointed corrections	Surtax on CCPCs	Corporate Mi	nimum Tax	Capital Tax
Names of associated corporations	Taxable income	Total Assets	Total Revenue	Taxable Capital
Middlesex Energy Services Corporation		125,278	18,937	149,142
Middlesex Power Corporation		4,753,049		'
Totals	0	4,878,327	18,937	149,142

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2001/12/31 Printed: 2005/04/22 15:36



Ministry of Finance

Taxable Capital of Associated Corporations
(Applicable to an associated group that

Corporations Tax Branch PO Box 620 33 King Street West Oshawa, ON L1H 8E9 (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
viiddlesex Power Distribution Corporation	1800268	2001/12/31

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
Middlesex Energy Services Corporation	1800293	2001/12/31	149,142
Middlesex Power Corporation	1800267	2001/12/31	
	Ą	gregate of taxable capital	149,142

Transfer to 540 of the CT23



Corporate Minimum Tax - Associated Corporation

Corporation's Legal Name Ontario Corporations	Tax Account No. (MOF) Taxation Yes	or End
	Tax Toodant Tax (mor)	ai cilu
Middlesex Power Distribution Corporation 1800268	2001/12/3	31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
Middlesex Energy Services Corporation	1800293	2001/12/31	125,278	18,937
Middlesex Power Corporation	1800267	2001/12/31	4,753,049	
		Totals	4,878,327	18,937

Transfer to 249 of the CT23

Transfer to 250 of the CT23

File: Middlesex Power Distribution Corporation Ontario Account # 1800268 Year-end: 2001/12/31 Printed: 2005/04/22 15:36

OConsent

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. Note: This authorization is valid until the client or authorized signing person cancels it in --iting. Please complete a separate form for each representative.

The purpose of this form is: X To authorize a third party representative or To cancel a thi	rd party representative	
1. Client identification Name		
Middlesex Power Distribution Corporation Ontario Corporations Tax Account Number		1800268
2. Authorized third party identification		
Authorized individuals' name		
Address		Phone number
Authorized firm's name Scrimgeour & Company, CGA		
Address 1502-148 Fullarton Street London, Ontario N6A 5P3		Phone number (519) 672-6811
3. Details of authorization Indicate the period for which authorization or cancellation applies:		
All years OR Specific years		
OR All years prior to		
4. Authorized signature (client or authorized signing offi	icer)	
Thomas Enright Name	(519) 245-2010 Telephone number	2005/04/22 Date signed
Signature of client or authorized signing officer	Chairman Position, office or	rank

Schedule 200

T2 CORPORATION INCOME TAX RETURN

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* ¬orporation - 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.

| O55 | Do not use this area

		Idonti	fication ———			
Business number (E	, ,	86570 1635 RC 0001				
Corporation's name	(item 12)					
002 Middlesov Power	Distribution Corporatio	n				
**						
	hanged its name since		If yes, do you ha	ave a copy of	□	П.,
the last time we were		003	the articles of a		0 04 <u>Y</u> es	<u>N</u> o
Address of head offi				ar does this return ap		
Has the address chan	ged since the last	M0□V □N-	From 060 2001/10		61 <u>2001/12</u>	
time we were notified? 011 351 Frances Stre	rot ()10		quisition of control to wh		
011 331 Frances Site	et.		applies since the previ	ous taxation year? 0	63	X <u>N</u> o
City	Pro	vince, territory, or state	If yes, provide date co	ntrol was acquired(65	
015 Strathroy	016 ON	rinoo, torritory, or otato	ii yes, provide date ee	nii or was asqairsa — e		
Country (other th		tal code/Zip code	Is the corneration ar	professional corporati	on that is a	mambar of
	018 <u>N70</u>		a partnership? (item	18)	67∏ <u>Y</u> es	X No
		14 14 43	a partifership r (non	10)	<u> </u>	Nigo
	fferent from head office ged since the last time v		Is this the first year o	f filing after:		_
020 Yes No X	ged since the last time t	we were notified?	Incorporation? (item		70 ⊠ <u>Y</u> es	□ <u>N</u> o
020 Tomas Enri	aht		Amalgamation? (ite	•	71 <u>Y</u> es	<u>X</u> <u>N</u> o
022 351 Frances Stre			If yes, complete Sched	lule 24		
023						00 1
City	Prov	ince, territory, or state		d-up of a subsidiary u	nder section	on 88 during
?5 Strathroy	026 ON		If yes, complete Scheo	rear r(iterii 21)	72 <u>Y</u> es	X <u>N</u> o
Country (other that		tal code/Zip code	III yes, complete sollec	Jule 24	7 Z	<u> </u>
027	028 <u>N70</u>	3 2C7	Is this the final taxati	on vear		
Location of books an	d records (item 15)		before amalgamation		76 <u>Y</u> es	X <u>N</u> o
031 351 Frances Stre						
032			Is this the final return	up to	70 □V	₩.
City	Prov	vince, territory, or state	dissolution? (item 23))	78 <u>Y</u> es	⊠ <u>N</u> o
035 Strathroy	036 ON		Is the corporation a r	osidont		
Country (other that	an Canada) Pos	al code/Zip code	of Canada? (item 24)	0	80⊠ <u>Y</u> es	<u>N</u> o
037	038 N7G	3 2C7	If no, give the country		81	
040 Tuno of payment	ion of our of tour tion	('1 40')	1		· —	
1 X Canadian control	ion at end of taxation	oration controlled by	Is the non-resident co			
_ private corpora	tion (CCPC) a n	ublic corporation	an exemption under a		oo∏∨oo	⊠ Na
2 Other private	5 ∏ Othei	corporation	treaty? (item 24) If yes, complete Sched		82 <u>Y</u> es	<u> </u>
corporation	(ple	ease specify, below)			-	
3 Public corporation	ı			xempt from tax under	section 14	9, tick
If the type of corporation	n changed		one of the following to 085 1 Exemp	t under 149(1)(e) or (l)		
during the taxation year				t under 149(1)(j)		
the effective date of the	e change 043			t under 149(1)(t)		
				t under other paragraph	s of section	149
		Do not us	e this area			
091	092	093	094	095	096	
097						

Guid	le item Attachments	Vac	Schedule
27	Is the corporation related to any other corporations?	150 🛛	
28	Does the corporation have any non-resident shareholders?		9
29	le the corporation are easiered Conding as to the corporation (CODO)	151	19
30	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160 🛛	23
	Is the corporation an associated CCPC that is claiming the expenditure limit?	161	49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or		
	employees, other than transactions in the ordinary course of business? Exclude non-arm's length		
	transactions with non-residents	162	11
33	If you answered yes to the above question, and the transaction was between corporations not dealing at	_	
24	arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of		
-	Canada?	164	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167	T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did		10010
	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)	—₁09□	25
75	of the federal Income Tax Regulations?	470	00
43		170	29
47	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		
- 10	arrangement?	172	
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the	_	
	corporation's common and/or preferred shares?	173×	50
55	Is the net income/loss shown on financial statements different from the net income for income tax		
	purposes?	201 🗙	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of		
	cultural or ecological property?	202	2
82,10	4Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203	3
69-76	Is the corporation claiming any type of losses?	204	4
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in	204	4
	more than one jurisdiction?	205	5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?		5
103	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other	206	6
100	than dividended. (b) a portnership (a) foreign business deduction and reporting income from (a) property (other		
	than dividends), (b) a partnership, (c) a foreign business, or (d) a personal services business; or		_
57	(ii) is the corporation claiming the refundable portion of Part I tax?	207	7
58	Does the corporation have any property that is eligible for capital cost allowance?	208×	8
	Does the corporation have any property that is eligible capital property?	210×	10
_59	Does the corporation have any resource-related deductions?	212	12
_60	Is the corporation claiming reserves of any kind?	213	13
61	Is the corporation claiming a patronage dividend deduction?	216	16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an		
	additional deduction?	217	17
150	is the corporation an investment corporation or a mutual fund corporation?	218	18
131	Was the corporation carrying on business in Canada as a non-resident corporation?	220	20
118	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221	21
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	26 *
111	Does the corporation have any Canadian manufacturing and processing profits?		
121	Is the corporation claiming an investment tax credit?	227	27
63	Is the corporation claiming an investment tax credit?	231	31
	Is the corporation claiming any scientific research and experimental development expenditures?		T661/T665
124	Is the corporation subject to Part 1.3 tax?	233	33/34/35
124	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	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
	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
	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	-244 244	45
	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249	
	For financial institutions: Is the corporation a member of a related group of financial institutions with one or		46
.20	more members subject to gross Part VI tax?	050	
		250 [39
	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

File: Middlesex P	ower Distribution Corporation CRA Business # 865701635 Year-end: 2001/12/31 Printed: 2005/04/22 15:36			
Guide item	Attachments - Continued from page 2		١	es Schedul
128 For de	posit-taking institutions: Is the corporation a member of a related group of financial institutions			
	than life insurance corporations) with one or more members subject to the additional Part VI tax	?	252	7 41
	corporation claiming a Canadian film or video production tax credit refund?		253	
	corporation subject to Part XIII.1 tax?			92 *
	corporation claiming a film or video production services tax credit refund?			T1177
	corporation have any foreign affiliates that are not controlled foreign affiliates?	1577		T1134-A
	corporation have any controlled foreign affiliates?			T1134-B
	corporation own specified foreign property in the year with a cost amount over \$100,000?			T1135 T1141
	corporation transfer or loan property to a non-resident trust? corporation receive a distribution from or was it indebted to a non-resident trust in the year?			T1142
	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 ED contracts?			☐ T1146
	corporation entered into an agreement with other associated corporations for salary or			
	of specified employees for SR&ED?			
	Additional information			
	ration inactive? (item 48)	280	1 Yes	2 No 🛚
	or business activity changed since the last return was filed? or first time filers) (item 49)	281	1 Yes 🛚	2 No 🗌
What is the	corporation's major business activity? (item 50) 282 Distribution of electricity			
	ete if yes was entered at line 281.)			
If the major	activity involves the resale of goods, indicate whether it is wholesale or retail (item 51) 283	1 Who	lesale 🗌	2 Retail X
Specify the	principal product(s) mined, manufactured, 284 Electricity		285 100	.000 %
	ucted, or service provided, giving the 286		287	%
	percentage of the total revenue that each 288		289	—— %
product or s	ervice represents. (item 52)		(653)	_
	oration immigrate to Canada during the taxation year? (item 53)	291	1 Yes	2 No 🛛
Did the corp	oration emigrate from Canada during the taxation year? (item 54)	292	1 Yes	2 No 🛛
	Taxable income			
Net income	or (loss) for income tax purposes from Schedule 1, financial statements or GIFI (item 77)	300)	0_A
	paritable donations from Schedule 2 (item 78)			
	fts to Canada or a province, or a territory from Schedule 2 (item 79) 312			
	Iltural gifts from Schedule 2 (item 80) 313			
	ological gifts from Schedule 2 (item 81) 314			
	xable dividends deductible under section 112 or 113, or subsection			
13 De	8(6) from Schedule 3 (item 82) 320			
	rt VI.1 tax deduction from Schedule 43 (item 83)* 325	_		
	n-capital losses of preceding taxation years from Schedule 4 (item 84) 331 t capital losses of preceding taxation years from Schedule 4 (item 85) 332			
	stricted farm losses of prior taxation years from Schedule 4 (item 86) 7 m losses of prior taxation years from Schedule 4 (item 87) 7 334			
	nited partnership losses of prior years from Schedule 4 (item 88) 335	-		
	xable capital gains or taxable dividends allocated from a central			
	edit union (item 89)			
	ospector's and grubstaker's shares (item 90) 350			
	Subtotal	-31		В
	Subtotal (amount A minus amount B) (if negative, enter "	0")		c
Add: Se	ction 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91)	355		D
2	ome (amount C plus amount D) (item 92)	360		0
	npt under paragraph 149(1)(t) (item 93)	370		
	ome for a corporation with exempt income under paragraph 149(1)(t)		***************************************	

* If the taxation year ends after December 31, 2002, use "3" Instead of "9/4" in the calculation of the Part VI.1 tax deduction indicated in item 83 of the T2 Corporation Income Tax Guide.

(line 360 minus line 370) (item 94)

Odiludian CO	ntrolled private corporations throughout the taxation ye	deduction ar			
Income from a	active business carried on in Canada from Schedule 7 (item	95)		400	
	ne from line 360 or amount Z on page 3, whichever applies				
	uctible at line 632*, and 10/4 of line 636** on page 7, and m	Inus any amou	ınt that, because		
	is exempt from Part I tax (item 96)			405	
	f the business limit: (item 97)				
\$200,000 x	calculate the amount at line 4 below Number of days in the taxation year before 2003	92 =	200.0	000_1	
φ200,000 X	Number of days in the taxation year	92	200,	1	
	·	92		_	
\$225,000 x	Number of days in the taxation year in 2003	=		2	
	Number of days in the taxation year	92			
\$250,000 x	Number of days in the taxation year in 2004	=		3	
	Number of days in the taxation year	92			
	Add amounts at line	1, 2, and 3	200,0	000_4	
	(see notes 1 and 2 below)			410	37,808
	CCPCs that are not associated, enter the amount from line				
	tion year is less than 51 weeks, prorate the amount from lin	e 4 by the num	ber of days in the	taxation year	
	led by 365, and enter the result on like 410.				
2. For	associated CCPCs, use Schedule 23 to calculate the amou	nt to be entere	d at line 410		
	t reduction: (item 98)				
Amount C_	37,808 X 415 ***)			
	11,250			-	
					27 000 0
Reduced busing	ness limit (amount C minus amount E) (if negative, enter "0'	')		425	37.808.1
Reduced busines	ness limit (amount C minus amount E) (if negative, enter "0"	')		425 430	37,808 F
Small busine	ss deduction - 16% of the least of amounts A, B, C, and F	")		425 430	0 (
Small busine	ness limit (amount C minus amount E) (if negative, enter "0' ss deduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7)	')			
Small busine	ss deduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7)		90)		
Small busine (enter amount	G of line 9 on page 7) Accelerated tax red	uction (item		430	0 (
Small busine enter amount Canadian-cor	G of line 9 on page 7) Accelerated tax reduction private corporations throughout the taxation ye	uction (item		430	0 (
Small busine enter amount Canadian-cor	G of line 9 on page 7) Accelerated tax red	uction (item		430	0 (
Small busine enter amount Canadian-cor Reduced busin	Accelerated tax reduction by the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425)	uction (item		430	0 (
Small busines (enter amount Canadian-cor Reduced busines	Accelerated tax reduction by the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425) Siness income (amount from line 400)*	uction (item ar that claime x		430	0 (
Emall busine enter amount Canadian-cor Reduced busined busined active business axable incon	Accelerated tax redutrolled private corporations throughout the taxation years limit (amount from line 425) iness income (amount from line 400)* ne from line 360 or amount Z on page 3, whichever applies,	uction (item ar that claime x		430	0 (
Canadian-cor Reduced busing Net active buse Taxable inconduced 5/4 of line 63	Accelerated tax redutrolled private corporations throughout the taxation years limit (amount from line 425) iness income (amount from line 400)* ne from line 360 or amount Z on page 3, whichever applies, 5** on page 7, and minus any amount that, because of federals Government (amount from line 400) amount that, because of federals (amount from line 400).	uction (item ar that claime x		dess deduction	0 (
Canadian-cor Reduced busing Net active buse Taxable inconduced 5/4 of line 63	Accelerated tax redutrolled private corporations throughout the taxation years limit (amount from line 425) iness income (amount from line 400)* ne from line 360 or amount Z on page 3, whichever applies,	uction (item ar that claime x		430	0 (
Canadian-cor Reduced busing Vet active buse Taxable incomply of line 63 s exempt from Deduct:	Accelerated tax redutrolled private corporations throughout the taxation years limit (amount from line 425) Interpretation (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 5** on page 7, and minus any amount that, because of federal I tax (item 96)	uction (item ar that claime x		dess deduction	0 (
Canadian-cor Reduced busing the state of the	Accelerated tax redutrolled private corporations throughout the taxation years limit (amount from line 425) iness income (amount from line 400)* ne from line 360 or amount Z on page 3, whichever applies, 5** on page 7, and minus any amount that, because of federals Government (amount from line 400) amount that, because of federals (amount from line 400).	uction (item ar that claime x		dess deduction C C	0 (
Canadian-cor Reduced busing Vet active bus Taxable inconduction J/4 of line 63 s exempt from Deduct:	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425) Inness income (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 5** on page 7, and minus any amount that, because of feder Part I tax (item 96)	uction (item ar that claime x		dess deduction C C	0 (
Canadian-cor Reduced busing Set active busing Set active busing Set active busing Set active from Deduct: Aggregate investment Commont	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425) Interest income (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 5** on page 7, and minus any amount that, because of feder Part I tax (item 96) Estment income (amount from line 440 of page 6) Estment income (amount from line 440 of page 6) Estment I can be considered as a second considered considered as a second considered as a second considered cons	uction (item ar that claime x		dess deduction C C	0 (
Canadian-cor Reduced busing Vet active busing Taxable inconsus J/4 of line 63 is exempt from Deduct: Aggregate inversamount C minima Amount A, B, c	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425) In east income (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 3** on page 7, and minus any amount that, because of feder Part I tax (item 96) Estment income (amount from line 440 of page 6) Estment income (amount from line 440 of page 6) Estment D (if negative, enter "0")	nction (item ar that claime x minus ral law,		dess deduction C C	0 (
Canadian-cor Reduced busing Net active busing Taxable inconduction Aggregate investment Common Commo	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductrolled private corporations throughout the taxation years limit (amount from line 425) Accelerated tax reductrolled private corporations throughout the taxation years limit (amount from line 425) Accelerated tax reductrolled private corporations throughout the taxation years limit (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 300 or amount Z on page 3, whichever applies, 300 or amount Z on page 3, whichever applies, 300 or amount Z on page 3, whichever applies, 300 or amount Z on page 3, whichever applies, 300 or amount I tax (item 96) Accelerated tax reductrolled private corporations throughout the taxation years limit (amount from line 440)* The from line 360 or amount Z on page 3, whichever applies, 300 or amount Z on page	uction (item ar that claime x		dess deduction C C D	0 (
Canadian-cor Reduced busing Net active busing Taxable incomply of line 63 is exempt from Deduct: Aggregate inversion of the Amount C minum Amount A, B, Camount Z from Amount QQ from the formal of the forethe of the formal of the formal of the formal of the formal of t	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductrolled private corporations throughout the taxation years limit (amount from line 425) Accelerated tax reductrolled private corporations throughout the taxation years limit (amount from line 425) Accelerated tax reductrolled private corporations throughout the taxation years limit (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, and an amount that, because of federal Part I tax (item 96) Accelerated tax reductrolled private corporations throughout the taxation years limit (amount from line 440)* The from line 360 or amount Z on page 3, whichever applies, and a page 3, whichever applies, and a page 4, and a p	minus		dess deduction C C D	0 (
Canadian-cor Reduced busing Net active busing Taxable incomply of line 63 is exempt from Deduct: Aggregate investment C minum Amount A, B, Camount Z from Amount QQ from Resource allowed.	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425) Interest income (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 5** on page 7, and minus any amount that, because of feder Part I tax (item 96) Estment income (amount from line 440 of page 6) The state of the state	minus ral law,		dess deduction C C D	0 (
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Canadian-cor Canadian-cor Reduced busin Net active busing a sexempt from Deduct: Aggregate inverse amount C minima a mount Z from Amount QQ from Resource allows a mount used to the mount on line	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reduction in the strong of the least of amounts the taxation years shown in the strong of the strong	minus ral law,		dess deduction C C D	0 (
Canadian-cor Reduced busing the state of the	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425) Interest income (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 50** on page 7, and minus any amount that, because of feder Part I tax (item 96) Estiment income (amount from line 440 of page 6) The samount D (if negative, enter "0") For E above, whichever is less Part 9 of Schedule 27 The Part 13 of Schedule 27 The wance (line 346 of Schedule 1) To calculate the credit union deduction (amount E in Part 3 of 400, 405, 410 or 425, whichever is less Tests G, H, I, J, and K	minus ral law,		430	0 (
Canadian-cor Reduced busing the second business the seco	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425) Interest income (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 5** on page 7, and minus any amount that, because of federal I tax (item 96) Estment income (amount from line 440 of page 6) The samount D (if negative, enter "0") For E above, whichever is less Part 9 of Schedule 27 For Mance (line 346 of Schedule 1) To calculate the credit union deduction (amount E in Part 3 of 400, 405, 410 or 425, whichever is less Tests G, H, I, J, and K Tests amount L (if negative, enter "0")	minus ral law,		430	0 (
Canadian-cor Reduced busing Net active busing Taxable incomply of line 63 is exempt from Deduct: Aggregate inversion amount A, B, Camount C minumount QQ from Resource allowed the mount on line total of amount F minumount F minumount F minumount Taxable incoelerated to the control of the coelerated to the control of the coelerated to the control of the coelerated to the	Accelerated tax reduction - 16% of the least of amounts A, B, C, and F G of line 9 on page 7) Accelerated tax reductions throughout the taxation years limit (amount from line 425) Interest income (amount from line 400)* The from line 360 or amount Z on page 3, whichever applies, 50** on page 7, and minus any amount that, because of feder Part I tax (item 96) Estiment income (amount from line 440 of page 6) The samount D (if negative, enter "0") For E above, whichever is less Part 9 of Schedule 27 The Part 13 of Schedule 27 The wance (line 346 of Schedule 1) To calculate the credit union deduction (amount E in Part 3 of 400, 405, 410 or 425, whichever is less Tests G, H, I, J, and K	minus ral law,		430	0 (

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 ta	x reduction for Canadian-controlled pr	ivate corporations (item	101) ———
	rporations throughout taxation year		
Taxable income from line 360 pag	ge 3		A
Amount Z from Part 9 of Schedule		=B	
Amount QQ from Part 13 of Sche	dule 27	C	
Resource allowance (line 346 of Sc		D	
	dit union deduction (amount E in Part 3 of Schedule 17		
	and 425 on page 4, whichever is less	F	
Aggregate investment income from		G H	
	elerated tax reduction (amount M of page 4)		1
Total of amounts B, C, D, E, F, G, Amount A minus amount I (if nega			
Amount A minus amount i (ii nega	auve, enter 0)		
Amount Jx	Number of days in the taxation year in 2001 Number of days in the taxation year	92 92 x 1% = _	K
Amount Jx	•		
Amount 0X	Number of days in the taxation year in 2002 Number of days in the taxation year	92 x 3% = _	L
Amount Jx	Number of days in the taxation year in 2003 Number of days in the taxation year	92 x 5% = _	M
Amount Jx	Number of days in the taxation year after 2003		N
	Number of days in the taxation year		
	dian-controlled private corporations - total of an	nounts K, L, M and N	0
(enter amount O on line 638 of pa	ge 7)		
	0	- 400)	
	General tax reduction (item dian-controlled private corporation, an investment coration, or a non-resident-owned investment coration.	nent corporation, a mortgage i	nvestment
		or portation.	
Taxable income from line 360 on	page 3	= B	A
Amount Z from Part 9 of Schedule			
Amount QQ from Part 13 of Scheo		C	
Resource allowance (line 346 of Sci			
Total of amounts B, C, D and E	lit union deduction (amount E in Part 3 of Schedule 17	E E	-
	office optor "O"\		
Amount A minus amount F (if nega			G
Amount Gx	Number of days in the taxation year in 2001 Number of days in the taxation year	x 1% = _	Н
Amount Gx	Number of days in the taxation year in 2002 Number of days in the taxation year	× 3% =	1
Amount Gx	Number of days in the taxation year in 2003 Number of days in the taxation year	x 5% = _	J
Amount Gx	Number of days in the taxation year after 2003 Number of days in the taxation year	× 7% =	к
General tax reduction - total of a	mounts H, I, J and K		

(enter amount L on line 639 of page 7)

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2001/12/31 Printed: 2005/04/22 15:36	v - v - v - v - v - v - v - v - v - v -	
Canadian-controlled private corporations throughout the taxation year		^
Aggregate investment income 440 X 26 2/3 % = (Amount P from Part 1 of Schedule 7)		A
Foreign non-business income tax credit from line 632 on page 7		
Deduct:		
Foreign investment income 445 X 9 1/3 % =	- ≈,	ъ
(Amount O from Part 1 of Schedule 7) (if negative, enter "0")	= '	B
Amount A minus amount B (if negative, enter "0")		C
Taxable income from line 360 on page 3	_	
Deduct:		
Least of amounts on lines 400, 405, 410, and 425		
on page 4		
Foreign non-business income tax credit from line 632 on page 7 x 25/9 =		
Foreign business income tax credit from		
line 636 on page 7 x 10/4 =		
into dod din pago v		
	X 26 2/3% =	D
Det Hey navable minus investment toy credit refund		
Part I tax payable minus investment tax credit refund (line 700 minus line 780 on page 8)		
Deduct corporate surtax from line 600 on page 7		
Net amount	_	Е
	=) 450	0 F
Refundable portion of Part I tax - the least of amounts C, D, and E	430	
Refundable dividend tax on hand (item 104)		
Refundable dividend tax on hand at the end of the preceding tax year 460		
Deduct dividend refund for the previous taxation year 465	_	
	_}	A
Add the total of:	_	
Refundable portion of Part I tax from line 450 above		
Total Part IV tax payable from line 360 on page 2 of Schedule 3		
Net refundable dividend tax on hand transferred from a predecessor		
corporation on amalgamation, or from a wound-up subsidiary		
corporation 480	 ,	_
	_	В
Refundable dividend tax on hand at the end of the taxation year - amount A plus amount B	485	0
Dividend refund (item 105)		
Private and subject corporations at the time taxable dividends were paid in the taxation year		
Taxable dividends paid in the taxation year from line 460 on page 2 of		
Schedule 3	_X 1/3	A
Refundable dividend tax on hand at the end of the taxation year from line 485 above		В
Dividend refund - Lesser of amounts A and B (enter this amount on line 784 on page 8)		0

Cadaval tax		
Federal tax Port I toy nevertle from page 7 (item 122)	700	
Part I tax payable from page 7 (item 123) Part I.3 tax payable from Schedule 33, 34, or 35 (item 124)	704	
Part II surtax tax payable from Schedule 46 (item 125)	708	
Part IV tax payable from Schedule 3 (item 126)	712	
	716	
Part IV.1 tax payable from Schedule 43 (item 127)	720	
Part VI tax payable from Schedule 38 (item 128) Part VI.1 tax payable from Schedule 43 (item 129)	724	
Part XIII.1 tax payable from Schedule 92 (item 130)	727	W1655
Part XIV tax payable from Schedule 20 (item 131)	728	
Part ATV tax payable from Scrieddie 20 (item 131)	Total federal tax	0
add provincial and territorial tax	Total lederal tax	
Provincial or territorial jurisdiction (item 132) 750 ON		
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)		
Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 133) 760		
Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 147) 765		
Townstantax of farigo corporations (Note Brancowski and Nova Gooday (Note 111)		
T T	otal tax payable 770	0
reduct other credits	otal tax payable 110	<i>'</i>
Investment tax credit refund from Schedule 31 (items 148) 780		
Dividend refund from Page 4 (items 149) 784		
Federal capital gains refund from Schedule 18 (item 150) 788		
Federal qualifying environmental trust tax credit refund (item 151) 766 766 766 766		
	_	
Film or video production services tax credit refund from Form T1177 (item 153) Tax withheld at source (item 154) 797 800		
	-	
Allowable refund for non-resident-owned investment corporations - Schedule 26 (item 155) 804 Provincial and territorial capital gains refund from Schedule 18 (item 156) 808		
Provincial and territorial refundable tax credits from Schedule 5 (item 157) 812		
Royalties deductible under Syncrude Remission Order 815		
Tax remitted under Syncrude Remission Order (item 158) 816 Tax installments poid (item 150)		
Tax instalments paid (item 159)		
Total credits 890		
	A minus line B)	0
(item 160) (item 163)		
= = -	negative, you have an overp	
	positive, you have a balance	unpaid.
bank account at a financial institution in Canada, or to change banking Enter the amo	unt on whichever line applies	3.
information you already gave us, complete the information below.	arge or refund a difference of	
	_	1000 111011 421
Bransh Hamber		
914 918 Enclosed pay	ment (item 162) 898	
Institution number Account number		
the corporation is a Canadian-controlled private corporation throughout the taxation year,		a a
pes it qualify for the one-month extension of the date the balance is due? (item 161)	896 1 Yes 2 No	X NA 🗌
Certification (item 165)		
950 Enright 951 Thomas	954 Chairman	
Surname First name	Position, office or r	ank
955 2005/04/22 956 (519) 245-2010		

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955 20	05/04/22	956 (519) 245-201	0			
0.	Date	Telephone n			_	_
Is the cor	ntact person the sar	ne as the authorized sig	ning officer? If no, complete	the information below.	957 1 Yes X	2 No 🗌
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File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2001/12/31 Printed: 2005/04/22 15:36

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RELATED AND ASSOCIA _D CORPORATIONS

Schedule 9

This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name	Country	Business #	Code	Common shares	shares	Preferred shares	shares	Book value of
	(if not	(if not (Canadian corporation note 1 # owned	note 1		% owned	# owned	% owned	capital stock
	Canada)	only)						
100	200	300	400	200	550	009	650	200
Middlesex Power Corporation		88102 2925 RC 0001		4.631.198	4.631.198 100.000			4 631 198
Middlesex Energy Services Corporation		86965 3329 RC 0001	3					
		RC	0					10==
Note 1: Enter the code number of the relationship that applies: 1- Parent		2 - Subsidiary 3 - Associated 4 - Related, but not associated	4 - Rela	ted, but not as	sociated			

Canada Customs Agence des douanes and Revenue Agency et du revenu du Canada

AGREEMENT AMONG ASSOCIATED CCPCs TO ALLOCATE THE BUSINESS LIMIT

• For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to allocate the business limit for purposes of the small business deduction. Information from this schedule will be used to determine the date the balance of tax is due and to calculate the business limit reduction.

An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including non-CCPCs and CCPCs that have filed an election under subsection 256(2) not to be associated for purposes of the small business deduction.

Column 2: Provide the Business Number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the code that applies to each corporation:

- 1 -associated for purposes of allocating the business limit (unless association code 5 applies)
- 2 CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction.
- 3 -non-CCPC that is "third corporation" as defined in subsection 256(2)
- 4 -associated non-CCPC
- 5 associated CCPC that is not associated for purposes of allocating the business limit because of a subsection 256(2) election made by a "third corporation"

Column 4: Enter the amount allocated to each corporation that has an association code 1 in column 3. The total of all amounts in column 4 cannot exceed \$200,000.

Column 5: Complete column for a CCPC that has more than one taxation year ending in a calendar year, and is associated in more than one of those years with another CCPC that has a taxation year ending in the same calendar year. Enter the taxation year to which this agreement applies.

Allocation of the business limit

Date filed (for departmental use only)			025	
Enter the calendar year to which the agreement applies			050	2001
Is this an amended agreement for the above-noted cale replace an agreement previously filed by any of the ass		w?	075	1 <u>Y</u> es
1	2	3	4	5
Names of associated corporations	Business Number	Association code	Allocation of business limit *	Year end to which this agreement
100	200	300	400	applies 500
Middlesex Power Distribution Corporation	86570 1635 RC 0001	1	150,000	
Middlesex Energy Services Corporation	86965 3329 RC 0001	1	50,000	
Middlesex Power Corporation	88102 2925 RC 0001	1		
	RC	0		
		TOTALS	\$ 200,000	
If the taxation year of the corporation filing this form is le prorated business limit in this box.	ess than 51 weeks, enter the			\$ 37.808

	Last taxati	on year ending in	the preceding ca	alendar year	Current year
Names of all the corporations in the group	Taxable income	Grossed-up taxable income	Reduced business limit	Gross Part I.3 tax for business limit reduction	
Middlesex Power Distribution Corporation					149,999
Middlesex Energy Services Corporation					50,000
Middlesex Power Corporation					
TOTALS	\$	\$	\$	\$	\$ 199,999

^{*} Each corporation will enter the amount allocated to it in column 4 on line 410 of the T2 return unless the corporation's taxation year, is less than 51 weeks, in which case the amount allocated in column 4 must be prorated by the number of days in the taxation year divided by 364.

Reduction to the business limit under subsection 125(5.1)

The reduction to the business limit applies when any member of the associated group had gross Part I.3 tax payable (before deduction of the surtax credits) for its last taxation year ending in the preceding calendar year. The amount to be entered at line 415 of the T2 return includes the gross Part I.3 tax payable for each corporation that has an "associated code" of 1 or 4 in column 3 for its last taxation year anding in the preceding calendar year.

. ote: If the taxation year of any of the associated corporations was less than 51 weeks, the amount of gross Part I.3 tax is the unprorated amount before the application of subsection 181.1(2).

Taxation Year End: 2001-12-31

NAME: Middlesex Power Distribution Corporation - Federal Return Only

BN: 86570 1635 RC 0001

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BN: 86570 1635 RC 0001 Taxation Year End: 2001-12-31

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For agency use

T2-RETURN AND SCHEDULE INFORMATION

NAME: Middlesex Power Distribution Corporation - Federal Return Only [055] BN: 86570 1635 RC 0001 Taxation Year End: 2001-12-31 [001] 86570 1635 RC 0001 [060] 2001 01 01 [061] 2001 12 31 [099] GP15 XXXXXXXXXX [002] Middlesex Power Distribution Corporation - Federal Return Only [003] 2 [004] XXXXXXXXXX [010] @ 2 [011] 012] [015] [016] [017] [018] [091] [020] @ 2 [092] [021] [093] [022] [023] [025] [026] [027] [094] [028] [095] [096]

BN: 86570 1635 RC 0001 Taxation Year End: 2001-12-31

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BN: 86570 1635 RC 0001

	Certification	
I, Thomas Enright	, am an authorized signing	officer of the corporation.
	nts are, to the best of my knowledge, correct are. These amounts also reflect the information giabove.	
Net income or (loss) for inco	ome tax purposes from	
Schedule 001, or GIFI [line		0
Part I tax payable [line 2007	00]	0
Part I.3 tax payable [line 200	704]	0
Part II surtax payable [line 2	00708]	0
Part IV tax payable [line 200	712]	0
Part IV.1 tax payable [line 2	00716]	0
Part VI tax payable [line 200	720]	0
Part VI.1 tax payable [line 2	00724]	0
Part XIV tax payable [line 26]	00728]	0
Net provincial and territorial	tax payable [line 200760]	0
Provincial tax on large corpo	rations [line 200765]	0
I further certify that the method of o specifically disclosed in a statemen	ealculating income for this taxation year is consistent attached to this return.	ent with that of the previous year except a
2005/04/25		Chairman
Date Signatur	e of an authorized signing officer of the	Position, office or
	corporation	rank

BN: 86570 1635 RC 0001 Taxation Year End: 2001-12-31

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BN: 86570 1635 RC 0001 Taxation Year End: 2001-12-31

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[231]		[310]		[411]	
[232]		[311]	(************************************	[413]	
[233]	***	[312]	·	[414]	
[234]		[313]	X 	[416]	(1
^r 235]		[314]	V	[417]	
[236]		[315]		[499]	114 535
[237]		[316]		[510]	114 535
[238]		[340]			XXXXXXXXXX
[290]		[341]	-		
[291]		[342]			
[292]		[343]			
[293]		[344]	J-1150-10-10-10-10-10-10-10-10-10-10-10-10-10		
[294]		[345]			
	XXXXXXXXXX	[346]			
		[390]	114 535		
		[391]			
		[392]	·		
		[393]	ATT-11		
		[394]	-		
			XXXXXXXXXX		

NAME: Middlesex Power Distribution	Corporation - Federal Return Only
BN: 86570 1635 RC 0001	Taxation Year End: 2001-12-31

[300]	1. 88102 2925 RC 0001 2. 86965 3329 RC 0001
[400]	1. 1 2. 3 * XXXXXXXXXXX
[100]	 Middlesex Power Corporation Middlesex Energy Services Corporation
[200]	2*
[500]	1. 4 631 198 2*
[550]	1. 100 2 *
[600]	1 *
[650]	1 2*
[700]	1. 4 631 198 2* XXXXXXXXXXXX
	4 M4

NAME: Middlesex Power Distribution	Corporation - Federal Return Only
BN: 86570 1635 RC 0001	Taxation Year End: 2001-12-31

[025] [050] 2001 [075] 2 [200] 1. 86570 1635 RC 0001 2. 86965 3329 RC 0001 3. 88102 2925 RC 0001 [300] 1. 1 2. 1 * 3. 1 [500] XXXXXXXXXX [400] 1. 100 000 2. 100 000 XXXXXXXXXX [100] 1. Middlesex Power Distribution Corporation - Federal Return Only 2. Middlesex Energy Services Corporation 3. Middlesex Power Corporation

XXXXXXXXXX

BN: 86570 1635 RC 0001

Taxation Year End: 2001-12-31

[100] 1. Middlesex Power Corporation *

[200] 1. 88102 2925 RC 0001 *

[300] *

[400] 1. 100 *

[500] 1. ______*

XXXXXXXXXX

BN: 86570 1635 RC 0001

[3640]	11 845 448	[3660]	# 395 862	
	XXXXXXXXXX	[3680]	# 360 704	
		[3849]	# 756 566	
[1000]			XXXXXXXXXX	
[1060]	1 652 013			
[1120]	358 852			
[1125]	688 989			
[1480]	78 928			
[1484]	707			
[1682]	9 275 997			
[1683]	# 555 464			
[2240]	345 426			
[2599]	11 845 448			
	XXXXXXXXXX			
[2600]	271 297			
[2620]	2 273 226			
[2627]	135 229			
[2701]	382 408	Ŧ.		
[2961]	124 708			
[3140]	527 875			
[3152]	4 356 925			
[3300]	23 686			
[3499]	8 095 354			
	XXXXXXXXXX		₩	
[3500]	4 631 198			
[3540]	# 124 538			
[3600]	# 756 566			
[3620]	3 750 094			
	XXXXXXXXXX			

CORPORATION NOTICE OF ASSESSMENT

Winnipeg MB R3C 3M2

0001102

Page 1 of 6

Date of mailing June 10, 2005

Business Number

86570 1635 RG0001

Taxation year-end

December 31, 2001

MIDDLESEX POWER DISTRIBUTION CORPORATION 351 FRANCES STREET, STRATHROY ON N7G 2L7

RESULTS

This notice explains the results of our assessment of the T2 return for the taxation year indicated above. It also explains any changes we may have made to the return.

Result of this Assessment: \$

0.00

Please refer to the Summary and Explanation for additional information.

CORPORATION NOTICE OF ASSESSMENT

0001103

Page 3 of 6

MIDDLESEX POWER DISTRIBUTION CORPORATION

Date of mailing
June 10, 2005
Business Number
86570 1635 RC0001
Taxation year-end
December 31, 2001

SUMMARY OF ASSESSMENT

	<pre>\$ Reported</pre>	\$ 2	Assessed
Federal Tax:			
Part I	0.00		0.00
Part I.3	0.00		0.00
Part II	0.00		0.00
Part IV	0.00		0.00
Part IV.1	0.00		0,00
Part VI	0.00		0.00
Part VI.1	0.00		0.00
Part XIII.1	0.00		0.00
Part XIV	0.00		0.00
		======	
Total Federal Tax:		\$	0.00
		======	
	Net balance:	\$ 	0.00
	Result of this assessment:	\$	0.00

Michel Dorais Commissioner of Customs and Revenue

EXPLANATION

Please visit our Web site at www.cra.gc.ca/requests-business for information about online requests available to business clients. This service allows clients to electronically request certain financial actions, additional remittance vouchers and other communication products, as well as reproductions of previously issued correspondence.

Did you know you may be eligible to file your return using our Corporation Internet Filing service. For information on eligibility criteria and the service in general, please visit www.cra.gc.ca/corporation-internet.

If you require additional information or wish to request an adjustment, contact:

Winnipeg Tax Centre 66 Stapon Road

Winnipeg MB R3C 3M2
Phone 1-800-724-1128
Fax (204) 984-0418
Toll free number 1-800-724-1128
We accept collect calls.

London Tax Services

P.O. Box 5548

London ON N6A 4R3

Toll free number 1-800-959-5525

GENERAL INFORMATION

Any reference to the term "reporting period" on this notice has the same meaning as the term "taxation year." Both terms describe the period assessed. The term "taxation year" is defined in the *Income Tax Act*.

We calculate interest at rates prescribed by regulations.

HELP FOR PEOPLE WHO ARE DEAF

If you are deaf and have access to a Telephone Device for the Deaf (TDD), you can call toll-free for explanations and information about the corporation's tax return. This bilingual service is available year-round from Monday to Friday (except for statutory holidays). You can phone 1-800-665-0354 between 8:15 a.m. and 5:00 p.m. Eastern Time. When calling, please take into account any time zone differences.

FILING AN OBJECTION

If you do not agree with this assessment, you can file an objection. You can do this by sending either a letter or Form T400A, *Objection*, to the Chief of Appeals at your tax services office or tax centre.

You have to file an objection within 90 days of the day we mailed the Notice of Assessment.

For a large corporation (as defined in subsection 225.1(8) of the *Income Tax Act*), the notice of objection shall:

- reasonably describe each issue;
- specify the relief you are seeking, expressed as an amount of a change in balance (as defined in subsection 152(4.4) of the *Income Tax Act*) or a balance of undeducted outlays, expenses, or other amounts of the corporation; and
- provide facts and reasons the corporation relied on for each issue.

DETERMINING THE CORPORATION'S LOSSES

If you do not agree with the amount of loss ascertained, you can write to your tax services office requesting a determination of the loss. However, we will only issue a *Notice of Determination/Redetermination of a Loss* if the loss reported is revised at the initial assessing stage or as a result of a reassessment arising from an audit or other investigative action by the Department.

NORMAL REASSESSMENT PERIOD

This may be the only notice the corporation will receive for this taxation year. However, we may reassess a T2 return if an error is brought to our attention or if we find an error during our post-assessing reviews. Generally, we will only reassess a T2 return within the "normal reassessment period." The normal reassessment period begins on the date of mailing the original *Notice of Assessment* or notification that no tax is payable. The period ends:

- three years from this date if the corporation is a Canadian-controlled private corporation; and
- four years from this date for all other corporations.

EXTENSIONS TO THE NORMAL REASSESSMENT PERIOD

We may also reassess a T2 return for a particular taxation year:

- 1. within one year after all rights of objection and appeal have expired for a preceding taxation year if:
 - the result of an assessment or a decision on an appeal will change the balance (as defined in subsection 152(4.4) of the *Income Tax Act*) of the preceding taxation year, and
 - the reassessment to the particular year is related to the balance adjusted in the preceding year.
- 2. within three years after the end of the normal reassessment period if:
 - you are carrying back a loss or credit from a later taxation year;
 - a non-arm's length transaction between the corporation and a non-resident affects the corporation's tax;
 - the corporation paid an amount or received a refund of foreign income or profits tax;
 - another taxpayer's reassessment for any of the above reasons affects the corporation's tax; or
 - another taxation year's reassessment (has to be a prior taxation year if the reassessment relates to a loss
 or credit carry-back) for any of the above reasons affects the corporation's tax.

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
Attachment 11
2002 Revised SIMPIL Model

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp Middlesex

OEB File Number EB-2012-0098

Filing Year 2002

	A	В	С	D	Е
1	PILS TAXES			-	Version 2009.1
3	REGULATORY INFORMATION (REGINFO) Utility Name: Middlesex Power Distribution Corp Middlesex			Colour Code	
4	Reporting period: 2002			Input Cell	
5				Formula in Cell	
7	Days in reporting period:		days days		
8	Total days in the calendar year:	303	uays		
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?		Y/N	Υ	
10			.,		
14 15	Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?		Y/N	N	
17					
18	Is the utility a non-profit corporation? (If it is a non-profit corporation, please contact the Rates Manager at the OEB)		Y/N	N	
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	ОСТ	Y/N	Υ	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		100%	
22		LCT		100%	
24	Accounting Year End		Date	12-31-2002	
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA (FROM 4000 FINAL RUD MODEL DATA				Income
28 29	(FROM 1999 FINANCIAL STATEMENTS) USE BOARD-APPROVED AMOUNTS				
30	OCE BOARD AT TROYED AMOUNTS	_			
31	Rate Base (wires-only)			10,288,429	
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			881,204	
43	1999 return from RUD Sheet #7			18,430	
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in			002,774	l
47	Amount allowed in 2001			287,591	
48 49	Amount allowed in 2002			287,591	287,591 0
50	Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52 53	Other Board-approved changes to MARR or incremental revenue				0
54	Total Regulatory Income				593,612
55					
56 57	Equity			5,144,215	
	Return at target ROE			508,248	
59					<u>'</u>
	Debt			5,144,215	
61 62	Deemed interest amount in 100% of MARR			372,956	
63					<u>'</u>
	Phase-in of interest - Year 1 (2001)			129,519	
65 66	(ID43+D47)/D41)*D61 Phase-in of interest - Year 2 (2002)			251,237	
67	((D43+D47+D48)/D41)*D61				<u>'</u>
	Phase-in of interest - Year 3 (2003) and forward			251,237	
69 70	((D43+D47+D48)/D41)*D61 (due to Bill 210) Phase-in of interest - 2005			372,956	
71	1 1000 III 01 III.0100. 2000			312,330	1
72					

	A	В	С	D E	F	G	Н
1	PILs TAXES	ITEM	Initial	M of F	M of F	Tax	
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate	Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)			Variance K-C	Variance Explanation		
5	0				Explanation	Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp Middlesex						
7	Reporting period: 2002					Column	
9	Days in reporting period:	365	days			Brought	
10	Total days in the calendar year:	365	days			From	
11 12			\$	\$		TAXREC \$	
13			Ψ	Ψ		Ψ	
14	I) CORPORATE INCOME TAXES						
15 16	Regulatory Net Income REGINFO E53	1	593,612	-520,229		73,383	
17	Regulatory Net Income REGINFO E55	l '	393,012	-320,229		73,363	
	BOOK TO TAX ADJUSTMENTS						
19 20	Additions: Depreciation & Amortization	2	457,151	47,467		504,618	
21	Employee Benefit Plans - Accrued, Not Paid	3	437,131	0		0	
22	Tax reserves - beginning of year	4		0		0	
23 24	Reserves from financial statements - end of year Regulatory Adjustments - increase in income	4 5		0		0	
25	Other Additions (See Tab entitled "TAXREC")						
26	"Material" Items from "TAXREC" worksheet	6		0		0	
27 28	Other Additions (not "Material") "TAXREC" "Material Items from "TAXREC 2" worksheet	6 6		0		0	
29	Other Additions (not "Material") "TAXREC 2"	6		0		0	
30	Items on which true-up does not apply "TAXREC 3"	l	4,291	-4,291		0	
31	Deductions, Insut politica numbers	l					
32	Deductions: Input positive numbers Capital Cost Allowance and CEC	7	402,922	-167,242		235,680	
34	Employee Benefit Plans - Paid Amounts	8	.32,022	0		0	
35	Items Capitalized for Regulatory Purposes	9		0		0	
36 37	Regulatory Adjustments - deduction for tax purposes in Item 5 Interest Expense Deemed/ Incurred	10 11	251,237	91.084		342,321	
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 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") "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 49	Items on which true-up does not apply "TAXREC 3"			0		0	
50	TAXABLE INCOME/ (LOSS)		400,895	(400,895)	Before loss C/F	0	
51							
52 53	BLENDED INCOME TAX RATE Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%	-15.0000%		19.12%	
54	Tab Tax Nates Regulatory from Table 1, Notal from Table 5	10	04.1270	10.000070		10.1270	
55	REGULATORY INCOME TAX		136,785	-136,785	Actual	0	
56 57		l					
58	Miscellaneous Tax Credits	14		0	Actual	0	
59	Total Danielatore Income Tax	l	400.705	400.705	A		
60 61	Total Regulatory Income Tax	l	136,785	-136,785	Actual	0	
62		ĺ		1			
63	II) CAPITAL TAXES	l					
64 65	Ontario	l					
66	Base	15	10,288,429	-1,154,732		9,133,697	
67 68	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	16	5,000,000 5,288,429	-99,326 -1,254,058		4,900,674 4,233,023	
69	i anabie Capital	l	5,200,429	-1,254,058	1	4,233,023	
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	0.0000%		0.3000%	
71 72	Ontario Capital Tax	l	15,865	-3 166	Overpaid	12,699	
73	Gritano Gapitai Tax	l	10,005	-3,100	O vei paiù	12,099	
74	Federal Large Corporations Tax	l .					
75 76	Base Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	18 19	10,288,429	-10,288,429		10,000,000	
77	Less: Exemption - Lax Rates - Regulatory, Table 1; Actual, Table 3 Taxable Capital	19	288,429	-10,288,429		10,000,000	
78	•	l					
79 80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	0.0000%		0.2250%	
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		649	-649		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	4,490	-4,490		0	
83 84	Net LCT	l	0	3,841		0	
85		<u> </u>	0	3,041			
_		_					

	A	В	С	Ы	Е	F	G	Н
1	PILS TAXES	ITEM		U	M of F	M of F	Tax	П
2	PILS DEFERRAL AND VARIANCE ACCOUNTS	I I E IVI	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)		Latinate		Variance	Variance	Returns	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0				-		Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp Middlesex							
7	Reporting period: 2002							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13		ļ	!	ļ ļ				
	III) INCLUSION IN RATES							
87 88	Income Tax Rate used for gross- up (exclude surtax)		33.00%					
89	income Tax Nate used for gross- up (exclude surfax)		33.00 /6					
90	Income Tax (proxy tax is grossed-up)	22	204,157			Actual 2002	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2002	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	15,865			Actual 2002	12,699	
93		1					,	
94		1						
95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	220,022.65			Actual 2002	12,699	
96	RAM DECISION	1			Ι Γ			
97				Ш				
98								
99	IV) FUTURE TRUE-UPS	1						
	IV a) Calculation of the True-up Variance	1			DR/(CR)			
	In Additions:	l _]					
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
	Reserves from financial statements-end of year Regulatory Adjustments	4 5			0			
106	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers	ľ			- U			
	Employee Benefit Plans - Paid Amounts	8			0			
110	Items Capitalized for Regulatory Purposes	9			0			
	Regulatory Adjustments	10			0			
	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
	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 12			0			
117 118	Other deductions "Material" Items TAXREC Other deductions "Material" Item TAXREC 2	12			0			
119	Other deductions Waterial Herri TAXNEC 2	12			U			
120	Total TRUE-UPS before tax effect	26		_	0			
121	Total Those of a soloto tax offset							
122	Income Tax Rate (including surtax) from 2002 Utility's tax return			х	19.12%			
123		1						
	Income Tax Effect on True-up adjustments	1		=	0			
125		1						
126	Less: Miscellaneous Tax Credits	14			0			
127	Total Income Tay on True une	1						
128 129	Total Income Tax on True-ups	1			0			
	Income Tax Rate used for gross-up (exclude surtax)	1			18.00%			
131	missing rantiale about for grood up (oxolidae surtax)	1			10.00 /6			
	TRUE-UP VARIANCE ADJUSTMENT	1			0			
133								
	IV b) Calculation of the Deferral Account Variance caused by changes in	1						
134	legislation	1						
135		1						
	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate	1						
136	column)	1		=	400,895			
137		1						
138	REVISED CORPORATE INCOME TAX RATE (including surtax)	1		х	19.12%			
139		1						
140	REVISED REGULATORY INCOME TAX	1		=	76,651			
141	Laces Devised Missellaneous Tay Credite							
142 143	Less: Revised Miscellaneous Tax Credits	1		-	0			
144	Total Pavised Pegulatory Income Tay	1		L.	76,651			
144	Total Revised Regulatory Income Tax	1		=	10,001			
146	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell C58)	1		L	136,785			
147	2005. Regulatory moonto Tax reported in the little Lettinate Column (Cell Coo)	1			.50,700			
148	Regulatory Income Tax Variance			=	(60,134)			
149								

A	В	С	D	Е	F	G	Н
1 PILs TAXES	ITEM	Initial	П	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						Version 2009.1	
6 Utility Name: Middlesex Power Distribution Corp Middlesex							
Reporting period: 2002							
8 Page la constitue and de	205	daya				Column	
9 Days in reporting period: 10 Total days in the calendar year:		days days				Brought From	
11	303	uays				TAXREC	
12		\$		\$		\$	
13		Ť	Ħ	· ·		7	
150 Ontario Capital Tax	İ	İ	i i				
151 Base			=	10,288,429			
152 Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153 Revised deemed taxable capital			=[5,288,429			
154			11				
155 Rate - Tab Tax Rates cell C54	1		х	0.3000%			
156	1			45.05-			
157 Revised Ontario Capital Tax			=	15,865			
158 Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			-	15,865			
159 Regulatory Ontario Capital Tax Variance	1		=	0			
161 Federal LCT			1 }				
162 Base	1		1 1	10,288,429			
163 Less: Exemption from tab Tax Rates, Table 2, cell C40			1.	10,000,000			
164 Revised Federal LCT			=	288,429			
165			H				
166 Rate (as a result of legislative changes) tab 'Tax Rates' cell C51			H	0.2250%			
167			1 [
168 Gross Amount			[649			
169 Less: Federal surtax			-	4,490			
170 Revised Net LCT			=	0			
171			۱,	_			
172 Less: Federal LCT reported in the initial estimate column (Cell C82) 173 Regulatory Federal LCT Variance			-	0			
173 Regulatory Federal LCT Variance			=	0			
175 Actual Income Tax Rate used for gross-up (exclude surtax)			H	18.00%			
176			H	10.0078			
177 Income Tax (grossed-up)			+	(73,334)			
178 LCT (grossed-up)			+	0			
179 Ontario Capital Tax			+	0			
180			1 [
181 DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(73,334)			
182			11				
183 TRUE-UP VARIANCE (from cell I130)			+	0			
184	1						
185 Total Deferral Account Entry (Positive Entry = Debit)	1		=	(73,334)			
186 (Deferral Account Variance + True-up Variance) 187	1		11				
187	1		IJ				
189	 		H				
190 V) INTEREST PORTION OF TRUE-UP	1		IJ				
191 Variance Caused By Phase-in of Deemed Debt	1		11				
192			11				
193 Total deemed interest (REGINFO)				372,956			
194 Interest phased-in (Cell C36)	1		[251,237			
195	1						
196 Variance due to phase-in of debt component of MARR in rates				121,719			
according to the Board's decision			11				
198 199 Other Interest Variances (i.e. Borrowing Levels			11				
199 Other Interest Variances (i.e. Borrowing Levels 200 Above Deemed Debt per Rate Handbook)	1		11				
201 Interest deducted on MoF filing (Cell K36+K41)	1		1 }	342,321			
202 Total deemed interest (REGINFO CELL D61)	1		1	372,956			
203				0.2,500			
204 Variance caused by excess debt				0			
205	1						
206 Interest Adjustment for Tax Purposes (carry forward to Cell I110)	1			0			
207			[
208 Total Interest Variance			\sqcup	121,719			
			_				

	A	В	С	D	E
	PILs TAXES	LINE	M of F	Non-wires	Wires-only
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return
5)	Return		Varaian 2000 4
-	Section A: Identification:				Version 2009.1
	Utility Name: Middlesex Power Distribution Corp Middlesex				
	Reporting period: 2002				
	Taxation Year's start date:				
10	Taxation Year's end date:				
11	Number of days in taxation year:		365	days	
12					
	Please enter the Materiality Level :		0	< - enter materiality	level
14	(0.25% x Rate Base x CER)	Y/N	Y		
15 16	(0.25% x Net Assets) Or other measure (please provide the basis of the amount)	Y/N Y/N	N N		
-	Does the utility carry on non-wires related operation?	Y/N	N		
	(Please complete the questionnaire in the Background questionnaire v				
19	, · · · · · · · · · · · · · · · · · · ·		,		
	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K				
21					
	Section B: Financial statements data:				
23	Input unconsolidated financial statement data submitted with Tax returns. The actual categories of the income statements should be used.				
	If required please change the descriptions except for amortization, interest	ovnonce	and provision for i	ncome tav	
26	in required please change the descriptions except for amortization, interest t	expense	and provision for it	ncome tax	
-	Please enter the non-wire operation's amount as a positive number, the pro	aram al	utomatically treats a	all amounts	
	in the "non-wires elimination column" as negative values in TAXREC and T.				
29	•				
	Income:				
31	Energy Sales	+	13,415,745		13,415,745
32	Distribution Revenue	+	1,759,488		1,759,488
33 34	Other Income Miscellaneous income	+	191,834		191,834
35	Wiscellatieous income	+ +			0
	Revenue should be entered above this line	- · ·			Ü
37					
38	Costs and Expenses:	_			
39	Cost of energy purchased	-	13,415,745		13,415,745
40	Administration	-	533,206		533,206
41	Customer billing and collecting	-	398,670		398,670
43	Operations and maintenance Amortization		441,445 504,618		441,445 504,618
44	Ontario Capital Tax		504,616		0.4,616
45		_			0
46		-			0
47		-			0
48		- [0
49		r			
-	Net Income Before Interest & Income Taxes EBIT	=	73,383	0	73,383
51 52	Less: Interest expense for accounting purposes	-	342,321		342,321
	Provision for payments in lieu of income taxes Net Income (loss)	_	-268,938	0	-268,938
-50	(The Net Income (loss) on the MoF column should equal to the net income (loss)	- 1	200,330		200,000
54	per financial statements on Schedule 1 of the tax return.)				
55					
	Section C: Reconciliation of accounting income to taxable income				
-	From T2 Schedule 1				
	BOOK TO TAX ADDITIONS:	. 1	^		0
	Provision for income tax Federal large corporation tax	+	0	0	0
	Depreciation & Amortization	+	504,618	0	504,618
	Employee benefit plans-accrued, not paid	+	304,010	0	0
	Tax reserves - beginning of year	+	0		0
	Reserves from financial statements- end of year	+	0		0

	A	В	С	D	E
	PILs TAXES	LINE	M of F	Non-wires	Wires-only
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3 4	(for "wires-only" business - see s. 72 OEB Act)	0	Tax Return		Return
5		0	Return		Version 2009.1
	Regulatory adjustments on which true-up may apply (see A66)	+			0
	Items on which true-up does not apply "TAXREC 3"		0	0	0
	Material addition items from TAXREC 2	+	0	0	0
	Other addition items (not Material) from TAXREC 2	+	0	0	0
69 70	Cubtatal	i	504.040	0	F04 C40
71	Subtotal		504,618	0	504,618
	Other Additions: (Please explain the nature of the additions)				
73	Recapture of CCA	+			0
	Non-deductible meals and entertainment expense	+			0
75 76	Capital items expensed	+			0
77		+ +			0
78		+			0
79		+			0
80	Total Other Additions	=	0	0	0
81 82	Total Additions	_	504,618	0	504,618
83	Total Additions	=	304,010	U	304,016
84	Recap Material Additions:				
85			0	0	0
86			0	0	0
87			0	0	0
88 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 95	Total Other Additions		0	0	0
	BOOK TO TAX DEDUCTIONS:				
	Capital cost allowance	-	235,680		235,680
	Cumulative eligible capital deduction	-	,		0
	Employee benefit plans-paid amounts	-			0
	Items capitalized for regulatory purposes	-			0
101	Regulatory adjustments : CCA	-			0
102	other deductions	-			0
	Tax reserves - end of year	-	0	0	0
	Reserves from financial statements- beginning of year	-	0	0	0
	Contributions to deferred income plans	-			0
	Contributions to pension plans	-			0
	Items on which true-up does not apply "TAXREC 3"		0	0	0
	Interest capitalized for accounting deducted for tax	-	0	0	0
	Material deduction items from TAXREC 2 Other deduction items (not Material) from TAXREC 2	-	0	0	0
112	Sales adduction to the triaterial) from 17VIVEO 2	- !	U	0	0
113	Subtotal	=	235,680	0	235,680
	Other deductions (Please explain the nature of the deductions)				
	Charitable donations - tax basis	-			0
	Gain on disposal of assets	-			0
117 118		-			0
119		_			0
120	Total Other Deductions	=	0	0	0
121		'			
122	Total Deductions	=	235,680	0	235,680
123	Recap Material Deductions:				
124	necap material deductions.				

	A	В	С	D	E
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only
	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
125			0	0	0
126			0	0	0
127			0	0	0
128			0	0	0
129			0	0	0
	Total Other Deductions exceed materiality level		0	0	0
	Other Deductions less than materiality level		0	0	0
	Total Other Deductions		0	0	0
133					
	TAXABLE INCOME	=	0	0	0
	DEDUCT:	ı			
136		-			0
137	Net capital loss applied positive number	-			0
138					0
	NET TAXABLE INCOME	=	0	0	0
140					
	FROM ACTUAL TAX RETURNS	ĺ			_
	Net Federal Income Tax (Must agree with tax return)	+			0
	Net Ontario Income Tax (Must agree with tax return)	+			0
144		=	0	0	0
	Less: Miscellaneous tax credits (Must agree with tax returns)	-	0	0	0
	Total Income Tax	=	0	0	0
147	EDOM ACTUAL TAY DETUDNO				
	FROM ACTUAL TAX RETURNS	ĺ	0.000/		0.000/
	Net Federal Income Tax Rate (Must agree with tax return) Net Ontario Income Tax Rate (Must agree with tax return)		0.00% 0.00%		0.00%
151	Blended Income Tax Rate (Must agree with tax return)		0.00%	*****	0.00% 0.00%
152	Diended income Tax Rate		0.00%		0.00%
	Section F: Income and Capital Taxes				
154	Section F. Income and Capital Taxes				
_	RECAP				
	Total Income Taxes		0	0	0
	Ontario Capital Tax	T	12,699	0	12,699
	Federal Large Corporations Tax	т Д	12,099		12,099
159		т.			U
160		=	12,699	0	12,699
100	rotal involve and capital taxes		12,000	U	12,000

	A	В	С	D	Е	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	-
	Tax and Accounting Reserves	_		Eliminations	Tax	
	For MoF Column of TAXCALC		Tax		Return	
	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	0				Version 2009.1	
6						
	Utility Name: Middlesex Power Distribution Corp Middlesex					
	Reporting period: 2002					
9						
	TAX RESERVES					
11	D : : : (V	1				
13	Beginning of Year:				0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
20					0	
21					0	
22	Total (carry forward to the TAXREC worksheet)		0	0	0	
23						
	End of Year:					
25					0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe Other - Please describe				0	
32	Other - Please describe				0	
33					0	
	Insert line above this line				0	
-	Total (carry forward to the TAXREC worksheet)		0	0	0	
36	Total (carry formata to the 170 Miles Workerlook)		- U	-	· ·	
37						
38	FINANCIAL STATEMENT RESERVES					
39						
	Beginning of Year:					
41					0	
42	For the convented				0	
-	Environmental Allowance for doubtful accounts				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence Property taxes				0	
	OPEB				0	
	Other - Please describe				0	
49					0	
-	Total (carry forward to the TAXREC worksheet)		0	0	0	
51	,	Ų.				
52	End of Year:					
53					0	
54					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
59					0	
60 61					0	
-	Inpart line above this line				0	
	Insert line above this line Total (corru forward to the TAYREC worksheet)	ļ	0	0	0	
64	Total (carry forward to the TAXREC worksheet)		U	U	U	
04						

	A	В	С	D	Е	F
1			-		-	-
	PILS TAXES	LINE		Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2) (for "wires-only" business - see s. 72 OEB Act)		Corporate	Eliminations	Tax Return	
	RATEPAYERS ONLY		Return		Return	
	Shareholder-only Items should be shown on TAXREC 3		Rotain		Version 2009.1	
7						
8	Utility Name: Middlesex Power Distribution Corp Middlesex					
9	Reporting period: 2002		205	Ī		
	Number of days in taxation year: Materiality Level:		365 0			
12	materiality LCVCI.		U	1		
13						1
14						
15	Section C: Reconciliation of accounting income to taxable income					
16 17	Add:				0	1
	Gain on sale of eligible capital property	+ +			0	
	Loss on disposal of assets	+			0	
20	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22	Colontific recognity avanditures deducted	+			0	
23	Scientific research expenditures deducted per financial statements	+ +			0	
	Capitalized interest	+			0	
	Soft costs on construction and renovation of buildings	+			0	
27	Capital items expensed	+			0	
	Debt issue expense	+			0	
	Financing fees deducted in books	+			0	
	Gain on settlement of debt Interest paid on income debentures	+ +			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
34	Write down of capital property	+			0	
35	Amounts received in respect of qualifying environment trust	+			0	
36 37	Provision for bad debts	+			0	1
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42 43		+			0	
44		+			0	1
45		+			0	1
46	Total Additions	=	0	0	0]
47			-			
48	Recap of Material Additions:					T
49 50			0	0	0	
51			0	0	0	†
52			0	0	0	İ
53			0	0	0	
54			0	0	0	
55			0	0	0	
56 57			0	0	0	
58			0	0	0	†
59			0	0	0	İ
60			0	0	0	
61			0	0	0	
62 63			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	1
67			0	0	0	•
68			0	0	0	

	A	В	С	D	Е
2	PILS TAXES	LINE	M of F	Non-wires	Wires-only
3	TAX RETURN RECONCILIATION (TAXREC 2)			Eliminations	Tax
	for "wires-only" business - see s. 72 OEB Act)		Tax		Return
_	RATEPAYERS ONLY Shareholder-only Items should be shown on TAXREC 3		Return		Version 2009.1
7	Shareholder-only items should be shown on TAXREC 3				version 2009. i
	Jtility Name: Middlesex Power Distribution Corp Middlesex				
9	Reporting period: 2002	1		•	
	Number of days in taxation year:		365		
12	Materiality Level:		0		
13					
69			0	0	0
70			0	0	0
71 72			0	0	0
73			0	0	0
74			0	0	0
75			0	0	0
76 77	Total Matarial additions		0	0	0
	Total Material additions Other additions less than materiality level		0	0	0
	Total Additions		0	0	0
30					
	Deduct:	1			
	Gain on disposal of assets per f/s Dividends not taxable under section 83	-			0
	Ferminal loss from Schedule 8	-			0
5	Depreciation in inventory, end of prior year	-			0
	Scientific research expenses claimed in year from Form T661	-			0
	Bad debts	-			0
	Book income of joint venture or partnership Equity in income from subsidiary or affiliates	-			0
00	Contributions to a qualifying environment trust	-			0
1	Other income from financial statements	-			0
92		-			0
4		-			0
5	Other deductions: (Please explain in detail the nature of the item)	-			0
6 7		-			0
7		-			0
)8)9	Fotal Deductions	-	0	0	0
00		-	U	U	
01	Recap of Material Deductions:				
)2			0	0	0
03 04			0	0	0
05			0	0	0
06			0	0	0
07			0	0	0
08 09			0	0	0
10			0	0	0
11			0	0	0
12			0	0	0
13 14			0	0	0
14 15			0	0	0
16			0	0	0
17			0	0	0
18			0	0	0
4.0	Total Deductions exceed materiality level		0	0	0
			^	Δ.	
20	Other deductions less than materiality level Total Deductions		0	0	0

	A	В	C D	E	F
1					
-	PILS TAXES TAX RETURN RECONCILIATION (TAXREC 3)				
	Shareholder-only Items should be shown on TAXREC 3	LINE	M of F Non-wire	Wires-only	
	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate Elimination	•	
5 6	(for "wires-only" business - see s. 72 OEB Act)		Tax	Return	
7	(ioi wiles only business - see s. 12 OLD Act)	0	Return	Return	
8	Utility Name: Middlesex Power Distribution Corp Middlesex			Version 2009.1	
9					
10	Reporting period: 2002				
	Number of days in taxation year:		365		
13	•				•
14					
15	Section C: Reconciliation of accounting income to taxable income				
	Add:				
18					•
	Recapture of capital cost allowance	+		0	
	CCA adjustments CEC adjustments	+		0	
	Gain on sale of non-utility eligible capital property	+		0	
23	Gain on sale of utility eligible capital property	+		0	
	Loss from joint ventures or partnerships	+		0	
	Deemed dividend income Loss in equity of subsidiaries and affiliates	+		0	
	Loss on disposal of utility assets	+ +		0	
	Loss on disposal of non-utility assets	+		0	
29	Depreciation in inventory -end of year	+		0	
	Depreciation and amortization adjustments	+		0	
	Dividends credited to investment account Non-deductible meals	+		0	
	Non-deductible club dues	+		0	
34	Non-deductible automobile costs	+		0	
	Donations - amount per books			0	
	Interest and penalties on unpaid taxes Management bonuses unpaid after 180 days of year end			0	
	Imputed interest expense on Regulatory Assets			0	
39		+		0	
	Ontario capital tax adjustments	+		0	
	Changes in Regulatory Asset balances	+		0	
42	Other Additions: (please explain in detail the nature of the item)	+		0	
44	Cure France of product of plant in action and flating of the field	+		0	
45		+		0	
46	Total Additions on which two we does not onely	+	0	0 0	
47 48	Total Additions on which true-up does not apply	=	0	0 0	J
49	Deduct:				
50					1
-	CCA adjustments	-		0	
	CEC adjustments Depreciation and amortization adjustments	-		0	
	Gain on disposal of assets per financial statements	-		0	
55	Financing fee amorization - considered to be interest expense for PILs	-		0	
	Imputed interest income on Regulatory Assets	-		0	
	Donations - amount deductible for tax purposes Income from joint ventures or partnerships	-		0	
59	moonto nom joint vontaroo or partitorompo	-		0	
60		-		0	
61		-		0	
62 63		-		0	
	Ontario capital tax adjustments to current or prior year	-		0	
65		-		0	
	Changes in Regulatory Asset balances			0	
67	Other deductions (Please and in detail the set of the first	-		0	
68	Other deductions: (Please explain in detail the nature of the item)	-		0	

	A	В	С	D	E	F
1						
	PILs TAXES					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LINE		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: Middlesex Power Distribution Corp Middlesex				Version 2009.1	
10						
11	Reporting period: 2002					
12	Number of days in taxation year:		365			
13	,					
14						
69 70		-			0	
70		-			0	
71 72		-			0	
73	Total Deductions on which true up does not apply	_	0	0	0	
74	Total Deductions on which true-up does not apply	=	0	U	0	
75						

\neg	A	В	С	D	ΙE	F
7 7	PILs TAXES					<u> </u>
2 (Corporate Tax Rates					Version 2009.
	Exemptions, Deductions, or Thresholds					
	Utility Name: Middlesex Power Distribution Corp Middlesex					
	Reporting period: 2002					
7						Table 1
	Rates Used in 2002 RAM PILs Applications for 2002					Table I
	ncome Range		0		200,001	
	RAM 2002		to		to	>700,000
11		Year	200,000		700,000	
12 I	ncome Tax Rate					
13 /	Proxy Tax Year	2002				
14	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%
17						
	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		•		
	**Exemption amounts must agree with the Board-appro	ved 2002 RA	AWI PILS TII	ing		
23 24						
25						Table 2
	Expected Income Tax Rates for 2002 and Capital Tax Exemptions f	or 2002				Table 2
	ncome Range	0. 2002	0		200,001	
	Expected Rates		to		to	>700,000
29		Year	200,000		700,000	
	ncome 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%
35	Desired Tees Date	0000	0.0000/			
	Capital Tax Rate	2002	0.300% 0.225%			
	LCT rate Surtax	2002	1.12%			
	Ontario Capital Tax Exemption *** 2002	2002 MAX \$5MM	5,000,000			
	Federal Large Corporations Tax Exemption *** 2002	MAX \$10MM				
	***Allocation of exemptions must comply with the Board		-,,		activitie.	
	Anocation of exemptions must comply with the board	i s ilistructio	ons regard	allig regulated a	activities	5.
42						
43						Table 3
	nput Information from Utility's Actual 2002 Tax Returns					
	ncome Range		0		200,001	
46 47		Voor	to		to 700,000	>700,000
	ncome Tax Rate	Year	200,000		700,000	
	Current year	2002			 	
	Federal (Includes surtax)	2002	13.12%		22.12%	26.12%
_	Ontario		6.00%		9.75%	12.50%
~ · L	Blended rate	-	19.12%		31.87%	38.62%
52			10.12/0		31.01 /0	00.0270
_	Diended rate					
53			0.300%			
53 54 (Capital Tax Rate		0.300% 0.225%			
53 54 (55 L	Capital Tax Rate LCT rate		0.225%			
53 54 (55 L 56 §	Capital Tax Rate LCT rate Surtax	MAX \$5MM	0.225% 1.12%			
53 c 54 c 55 c 57 c 57	Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	MAX \$5MM MAX \$10MM	0.225% 1.12% 4,900,674			
53 54 55 56 57 58	Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	MAX \$10MM	0.225% 1.12% 4,900,674 10,000,000		CT23 pa	ae 11:
53 54 (55 56 57 (58 59	Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	MAX \$10MM	0.225% 1.12% 4,900,674 10,000,000		CT23 pa	ge 11;

PILs TAXES							101		J	K		M	I N	0
Analysis of PILs Tax Account 1562: Utility Name: Middlesex Power Distribution Corp Middlesex Reporting period: 2002			Sig	n Convention:	+ for i	ncrease; - for	decrease		•					Version 2009.1 0
Year start: Year end:		10/1/200° 12/31/200°		1/1/2002 12/31/2002		1/1/2003 12/31/2003		1/1/2004 12/31/2004		1/1/20 12/31/20		1/1/20 4/30/20		Total
Opening balance: Board-approved PILs tax proxy from Decisions (1) True-up Variance Adjustment Q4, 2001 (2) True-up Variance Adjustment (3) Deferral Account Variance Adjustment Q4, 2001 (4) Deferral Account Variance Adjustment (5) Adjustments to reported prior years' variances (6) Carrying charges (7) PILs billed to (collected from) customers (8)	= +/- +/- +/- +/- +/- +/-	(0	0 -73,334		-73,334		-73,334		-73,3	34	-73,\$	0	0 0 0 0 0 -73,334 0 0
6		(0	-73,334		-73,334		-73,334		-73,3	34	-73,3	334	-73,334
Uncollected PILs NOTE: The purpose of this worksheet is to show the movement in Account														
57				illiles and rAQ										
The Provinces of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003. Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: Method 3 (b) From the Board's Decision - see Inclusion in Rates, Part II of the TAXCALC spreadsheet for Q4 2001 and 2002. Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: Method 3 (c) From the Board's Decision - see Inclusion in Rates, Part II of the TAXCALC spreadsheet for Q4 2001 and 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 embedded 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 premained. (iv) Column H- The Q4 2001 PILs tax proxy spiles to Lanuary 1 to March 31; 2005, and the new 2005 PILs tax proxy premained. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005, and the new 2005 PILs tax proxy premained. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005, and the new 2005 PILs tax proxy premained. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005. (iv) Column M- The 2005 PILs tax proxy spiles to Lanuary 1 to March 31; 2005. (iv) From the Ministry of Finance Variance Column, under Future True-ups.														

Attachment 12 2002 Financial Statements	Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
	Attachment 12
2002 Financial Statements	Attachment 12
	2002 Financial Statements

AUDITOR'S REPORT

To the Shareholder and Board of Directors:

I have audited the balance sheet of the Middlesex Power Distribution Corporation as at December 31, 2002 and the statements of operations, equity and changes in financial position for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Middlesex Power Distribution Corporation as at December 31, 2002 and the results of its operations and changes in financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

June 16, 2003 London, Canada Christine Scringeous CHARTERED ACCOUNTANT

MIDDLESEX POWER DISTRIBUTION CORPORATION BALANCE SHEET

DECEMBER 31, 2002 (with comparative figures as at December 31, 2001)

	2002	2001
ASSETS		
Current Accounts receivable Due from Township of Strathroy-Caradoc - Water Department Unbilled revenue Inventory Prepaid expenses Capital - at cost	\$ 1,185,381 1,133,478 377,499 38,328 2,734,686	\$ 1,652,013 345,426 688,989 358,852 707 3,045,987
Distribution plant General plant	7,335,867 2,053,800 9,389,667	7,199,852 <u>2,076,145</u> 9,275,997
Less accumulated amortization Other assets	1,060,082 8,329,585	555,464 8,720,533
Deferred assets (note 2)	438,682 438,682	78,928 78,928
Total assets	\$ <u>11,502,953</u>	\$ <u>11,845,448</u>
LIABILITIES AND EQUITY		
Current Bank overdraft (note 11) Bank loan (note 5) Accounts payable and accrued liabilities Due to Township of Strathroy-Caradoc - Water Department Due to Middlesex Energy Services Corporation Customers' deposits	\$ 168,417 340,308 2,105,687 152,685 80,437 80,000 2,927,534	\$ 271,297 382,408 2,273,226 23,686 60,000
Long term Long-term debt (note 6) Promissory notes payable (note 7) Employee future benefits Customers' deposits	440,750 4,356,925 135,229 161,359 5,094,263	3,010,617 527,875 4,356,925 135,229 64,708 5,084,737
Total liabilities	8,021,797	8,095,354
Shareholder's Equity Common shares (note 8) Accumulated net earnings (deficit) - Statement 2	4,631,198 _(1,150,042) 3,481,156	4,631,198 (881,104) 3,750,094
Total liabilities and shareholder's equity	\$ <u>11,502,953</u>	\$ <u>11,845,448</u>

The accompanying notes are an integral part of this financial statement.

MIDDLESEX POWER DISTRIBUTION CORPORATION STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2002

(with comparative figures for the year ended December 31, 2001)

	2002	2001
Service revenue Residential General Commercial and industrial Street lighting	\$ 6,458,952 7,520,456 1,078,377 117,448	\$ 5,098,906 6,794,901 2,508,914 109,789 14,512,510
Cost of power	13,415,745	13,115,102
Gross margin on service revenue	1,759,488	1,397,408
Expenditures Administration and general Customers' billing and collecting Distribution expenses - operations Distribution expenses - maintenance Amortization (note 1) Interest	533,206 398,670 107,524 333,921 504,618 342,321	504,406 289,414 91,226 279,637 475,239 368,093
Net operating revenue (loss)	(460,772)	(610,607)
Other revenue (expenditures) Interest, late payment and miscellaneous charges	<u>191,834</u>	249,903
Net earnings (loss) for the year	\$ <u>(268,938</u>)	\$ <u>(360,704</u>)

The accompanying notes are an integral part of this financial statement.

Middlesex Power Distribution Corporation was incorporated in Ontario on April 11, 2000 to distribute electrical power in accordance with Section 144 of the Electricity Act, 1998.

The Corporations of the Town of Strathroy, the Township of Caradoc and the Town of Parkhill passed bylaws transferring the assets and liabilities of their respective Hydro Electric Commissions effective November 1, 2000 to Middlesex Power Distribution Corporation.

1. Significant accounting policies

The Corporation's financial statements have been prepared in accordance with accounting principles for Electric Utilities as prescribed by the Ontario Energy Board. All principles employed are in accordance with the generally accepted accounting principles.

Accounts receivable

Accounts receivable are shown net of an allowance for doubtful accounts of \$45,000 (2001 - \$41,533).

Inventories

Inventories consist of material and supplies purchased for future use and are valued at cost using the average cost method.

Capital assets and amortization

Capital assets are amortized on a straight line basis over their anticipated useful lives as determined by the Ontario Energy Board. Capital assets include transformers which are in inventory as prescribed by the Ontario Energy Board.

Revenue Recognition

Revenue is recorded using the accrual basis of accounting and is based on regular meter readings and estimates of customer usage since the last meter reading date to the end of the year.

2. Deferred assets

Deferred assets include transition costs of \$ 168,334 (2001 - \$78,928) and retailer settlement variance accounts of \$ 270,348 (2001 - \$NIL). The transition costs were incurred in order to prepare the Corporation for the deregulated electricity industry, which opened May 1, 2002. The retailer settlement variance accounts are a result of Bill 210 which has deferred future rate increases until 2006. It is management's belief that they will be able to recover both of these costs through rates after that time.

3. Pension agreements

The Corporation makes contributions to the Ontario Municipal Employees Retirement Savings Pension Fund (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a contributory defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Effective August 1, 1998, the Pension Fund started a premium holiday for the members which results in a savings for both the employer and employees. The amount contributed to OMERS for 2002 is \$NIL (2001 \$NIL).

4. Class action lawsuit

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged Late Payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code. The Electricity Distributors Association is undertaking the defense of this class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the Corporation.

5. Bank loan

The Corporation has a demand instalment loan of \$340,308 (2001 - \$382,408) which is repayable over the next eight years at monthly payments of \$3,508 plus interest which is 1% over prime.

6. Long-term debt

The Corporation owes the Township of Strathroy Caradoc at December 31, 2002 \$440,750 (2001 - \$527,875). The loan bears an interest rate of 6.82% and the interest is repayable on April 4 and October 4 of each year. Principal repayments will be made over the next six years as follows:

2002 to 2007

\$<u>440,750</u>

Bulen @ my [2013 ggary. 4353,625

7. Promissory notes

The former Corporations of the Town of Strathroy, the Township of Caradoc and the Town of Parkhill were issued interest bearing promissory notes payable at the Bank of Canada prime lending rate which was 6% at November 1, 2000. These notes are renewable every year at November 1 at the effective Bank of Canada prime rate. The former Town of Parkhill cashed their promissory note in 2000.

8. Stated capital

The share capital of the Corporation consists of the following:

Authorized

- Unlimited number of Class A preference shares without par value
- Unlimited number of Class B preference shares without par value
- Unlimited number of voting common shares without par value

Issued

- 4,631,198 voting common shares

\$<u>4,631,198</u>

9. Corporate income taxes

The Corporation is exempt from Federal income taxes pursuant to Part 1, Division D, subsection 149(d.6) of the Canadian Income Tax Act and from Ontario income and capital taxes pursuant to Part II, Division G, subsection 57(1) and Part III, Division D, subsection 71(1), respectively, of the Ontario Corporations Tax Act until September 30, 2001 when Section 93 of the Electricity Act was enacted. The Corporation had a loss in the fourth quarter of 2001 and 2002, and therefore, no corporate income taxes are owing.

10. Post employment benefit

The Corporation is liable for providing certain life insurance benefits for its retirees until their date of death. In accordance with the requirements of the Canadian Institute of Chartered Accountants, the present value of these benefits are to be accrued in these financial statements. The corporation received an actuarial evaluation of this liability in 2001 and has accrued the opening accrual of this benefit of \$124,538 against retained earnings as the benefit arose in prior periods.

11. Commitment

The Corporation has contracted with an unrelated party, by way of a letter of agreement, to provide the Corporation with certain management, human resources, financial, regulatory, customer support and engineering support services for an undetermined period of time. The Corporation is awaiting regulatory approval to formalize this agreement.

The Corporation, in order to obtain the electricity it requires to distribute to its customers, is required to provide security to the Independent Electricity Market Operator based on its usage as of May 1, 2002. The security obtained was a letter of credit from a financial institution for \$1,683,492 and was not utilized as at December 31, 2002.

The Corporation has an available line of credit from a financial institution for \$ 1,500,000. As at December 31, 2002, there was \$ 168,417 outstanding. The line of credit carries an interest rate of prime plus 1%.



Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhi Account 1562 Deferred PILs – Application for Final Dispositio Board File No.: EB-2012-009
Attachment 13
2002 Tax Returns



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)

This return is a combination of the Ministry of Finance (MOF) CT23 reporations Tax Return and the Ministry of Consumer and Business rvices (MCBS) Annual Return. Page 1 is a common page required for both sturns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the Exempt from Filing (EFF) declaration on page 2 or file the CT23 Return on pages 3-17, together with the applicable schedules on pages 18-21. Corporations that do not meet the EFF criteria but do meet the Short-Form criteria, may request and file th CT23 Short-Form

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 Ministry Use

Return (see page 2). MCBS Annual Return Required? (Not required and the second	if already filed or	or	- П _{Ма}	Page 1 of 24		
Annual Return Corporation's Legal Name (including punctua	ii oxompt. r toror	to Guide) M 160	s 🗌 No	Page 1 of 24	Ontario Corporations	s Tax Account No. (MOF)
Middlesex Power Distribution Corporation					1800268	Tax Account No. (Wor)
						overs the Taxation Year
Mailing address					0124 2002	
351 Frances Street					Start 2002/	/01/01
John Handes Chook					End 2002/	/12/31
City	Province		try	Postal code	EIIO ECOCI	215
Strathroy	ON	CA		N7G 2C7		
Has the mailing address changed since last filed CT23 Return?	es	Date of change			Date of Incorporation	or Amalgamation
Registered/Head Office Address 351 Frances Street			<u></u>		2000//	04/11
331 Frances Sueet				/		
City	Province		try	Postal code	Ontario	
Strathroy	ON	CA		N7G 2C7	Corporation No. 18	300268
					(MCBS)	00200
Location of Books and Records 351 Frances Street						
351 Frances Street				,	Canada Customs and	d Revenue Agency
City	Province		iry	Postal code	Business No.	A THE TAX PERSON NEW TO
Strathroy	ON	CA	•	N7G 2C7	865701635RC000	
				1	00010100011000	A STATE OF THE PARTY OF THE PAR
Name of person to contact regarding this CT23 Retu		hone No.	Fax No.			
Thomas Enright) 245-2010	(519) 24	45-5384	Jurisdiction Incorporated Or	ntario
Address of Principal Office in Ontario (Extra-l	Provincial Cor	rporations only)		(MCBS)	If not incorporated in	Ontario, indicate the date
				1	Ontario business activiceased:	vity commenced and
City	Province	e Country	ry	Postal code		
					Commenced	
Former Corporation Name (Extra-Provincial Corporation)	lions only)	Not applicab	ble	(MCBS)	Ceased	
					X Not Applicable	
						I annua da arifficança
Information on Directors/Officers/Administrato	ore must be c	ompleted on MCP	as —	of Schedule(s)	[]	Langue de préférence French
Schedule A or K as appropriate. If additional s	snace is requi	ired for Schedule /	Ă,	4		French français
only this schedule may be photocopied. State					Ministry Use	
If there is no change to the Directors'/Officers submitted to MCBS, please check this box.	;'/Administrate . Schedule(s)	A and K are not r	reviously required (M	1CBS). ▶□ No Change		
	WHAT IS	Certificat	tion (M(Toward American Company of the Company		
I certify that all information set out in the	Annual Re				AVESTICATION OF THE PROPERTY.	Ellino de Constituto de Santo
Name of Authorized Person	•		1000	70		
Thomas Enright						
D O P	Other indi	ividual having knowled	edne			1 7
Title: Director Officer Note: Sections 13 and 14 of the Corporations Info	of the affa	fairs of the Corpora	ration	ise or misleading state	ments or omissions.	

File: Middlesex Power Distribution Corporation Ontario Account # 1800268 Year-end: 2002/12/31 Printed: 2005/04/22 15:09

Taxation Year End

Corporatio



Exempt From Filing (EFF) Corporations Tax Return Declaration

	•	Page 2 of 24			
Corporation's Legal Name		Ontario Corporations Tax Account No. (MOF)			
*	declare that:				
The above corporation satisfies all of the exempt from filing criteria (a proporations Tax Act as exempt from filing an Ontario Corporations Tax) through (f) below for th	e taxation year and therefore qualifies under the			
Criteria for exempt from filing status: a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year; b) had no Ontario taxable income for the taxation year (subject to the provisions in NOTE 2 below); c) had no Ontario Corporations Tax payable for the taxation year;	 d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or measures owned by Canadian residents as defined by the <i>Income Tax Act</i> (Canada)); e) had provided its Canada Customs and Revenue Agency busine number to the Ministry of Finance, Corporations Tax Branch; are is NOT subject to the Corporate Minimum Tax (i.e. alone or as of an associated group whose total assets exceed \$5 million or whose total revenues exceed \$10 million for the taxation year). 				
Signature Title/Relationship to Corporation	Telephone numbe	Water Charles and Control of the Con			
lease note that making a false statement to avoid compliance with the C	orporations Tax Act is an	offence which can result in a penalty and/or fine.			
IOTE 1: Filing of this declaration and the Annual Return does not constitute the filing of a Corporations Tax Return under section 75 of the Corporations Tax Act. IOTE 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements: 1. If a corporation has a loss in the current taxation year that is to be carried back and applied to a previous taxation year(s), regardless of whether the loss is the same as for federal purposes or not, a CT23 tax return is required for the current taxation year. The corporation must also provide information indicating that the loss is to be carried back and specify the year and the amount of loss to be carried back to each taxation year. The following 3 items MUST be completed if the EFF declaration only is being s also being filed, completion of these fields is NOT necessary.	federal and Ontaloss carryforward tax return is required previously filed, which the loss we for the loss year applied, the Corperturn for a loss 3. If a corporation is federal and Ontalos amount corporation is retaxation year only	has a prior year loss, that is not the same for both ario purposes and the corporation is applying a d from the prior year to the current year, a CT23 uired for the current taxation year, and if not a CT23 tax return for the prior taxation year in a result is also required. Although a tax return is not required where the loss is not being porations Tax Branch will accept the filling of a tax year at the time the loss is incurred. The same for both ario purposes, but in the current taxation year the polying a different amount of loss for Ontario than being applied for federal income tax purposes, the quired to file a CT23 tax return for the current ly.			
Corporation's Mailing Address					
City Province Country Postal code	2. Ontario Corporation No. (MCBS)	3.Canada Customs and Revenue Agency Business No.			
A corporation must file an Exempt From Filing Corporations Tax F exempt from filing, within 6 months after the end of its	Return Declaration form	n for each taxation year that the corporation is lifess shown at the top of Page 1.			
you check "Yes" to ALL of the following criteria, you are eligible o obtain a copy, contact the Ministry Information Centre at the n	umbers listed on page	t-Form Corporation Tax Return.			
Yes No (a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. (nearest whole Indicate Share Capital with full voting percentage)	Ja an	ne corporation's taxation year ends on or after innuary 1, 2001, and its gross revenue and total assets e each \$1,500,000 or less and the corporation is not financial institution. OR			
rights owned by Canadian Residents 100 % (b) The corporation's taxable income for the taxation year is \$200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. (Refer to guide)	Th Se as is	financial institution; OR ne corporation's taxation year commences after eptember 30, 2001, and its gross revenue and total esets are each \$3,000,000 or less and the corporation not a financial institution. ne corporation is NOT claiming a tax credit other than			
(c) The corporation is NOT a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.	the Co	e Incentive Deduction for Small Business proporations (IDSBC), Co-operative Education Tax redit (CETC) or Graduate Transitions Tax Credit (TTC).			
NOTE: Family Farm or Fishing corporations that have a taxation year ending		ne corporation's Ontario allocation factor is 100%.			
Minimum Tax, may also use the CT23 Short-Form Corporations Tax Return	n if the corporation checks	s "Yes" to (a), (b), (c), (e) and (f) above.			

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Typ	e of Co	orporation - Please check (✔) box(e <u>C</u> anadian-controlled private (CCPC			of which	Ontario Retail Sales Tax Vendor Permit No. (Use Head Office No.)
		50% or more shares are owned by				(655 Floud Office Flory)
	2	Other Private				Ontario Employer Health Tax Account No.
	3 🌠	<u>P</u> ublic		Share Capital with full		(Use Head Office No.)
	4	Non-share Capital		voting rights owned by Canadian residents.	(nearest %) 100_%	Specify major business activity
	5	Other (specify)				Distribution of electricity
2	1 🖫	Family Farm Corporation s.1(2)	14 🔝	Bare <u>T</u> rustee Corporation		
100	2	Family Fishing Corporation s.1(2)	15	Branch of Non-resident s.63(1)	
	3	Mortgage Investment Corp s.47	16	Financial institutions prescrib Regulation only	ed by	
	4	Credit Union s.51	17	Investment Dealer		1
	5 🖫	Bank Mortgage Subsidiary s.61(4)	18 🔣	Generator of electrical energy		1
	6	Ban <u>k</u> s.1(2)		producer of steam for use in t generation of electrical energ		
	7	Loan and Trust Corporation s.61(4)	19 💢	Hydro successor, Municipal E Utility or subsidary of either	-	
	8	Non-resident Corp s.2(2)(a) or (b)	20 🌆	Producer and seller of steam		İ
	9	Non-resident Corporation s.2(2)(c)	21	other than for the generation	of electricity	
	10 📳	Mutual Fund Corporation s.48	22	Insurance Exchange s.74.4 Farm Feeder Finance Co-ope	rative	
	11 🖫	Non-resident owned investment	_	Corporation	nauvc	
		Corp s.49	23 📳	Professional Corporation (incorporessionals only)	orporated	
•	12 🖫	Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)		professionals only)		
Plea	se che	ck (✔) box(es) if applicable:				
	<u>F</u> irst	Year of Filing	to Dis	solution(wind-up) For discontinued businesses,	corpo	fer or Receipt of Asset(s) involving a ration having a Canadian permanent lishment outside Ontario
				Taxation Year Amalgamation		sition of Control fed s.249(4)
	chan Custo	tion Year End has ged - Canada oms and Revenue Agency oval required	F <u>l</u> oatir	ng Fiscal Year End		control was acquired:
Was	the cor	poration inactive throughout the taxati	on year?		Yes .	<u>N</u> o 🗓
Has t	he corp	oration's Federal T2 Return been file	d with			100000 1 mml
		Customs and Revenue Agency (CCR uesting a refund due to: the Carry-t	171/41.200	0002	Yes 🛛	No 📓
o y	ou roqu	an Overpa		_U99 !	Yes Yes	<u>N</u> o X
				ble Tax Credit?	Yes 🗍	No X
Are	you a M	lember of a Partnership or a Joint Ver			Yes 🗐	No X

Income Tax CT23 Page 4 of 24

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 ±
	Canada or a province and gifts of cultural property (Attach schedule	
Subtract: Taxable dividends deductible,		3 -
Subtract: Ontario political contributions		4
Subtract: Federal Part VI.1 tax	X 9/3	5 -
Subtract: Prior years' losses applied -	Non-capital losses	From 704
Subtract. Prior years losses applied -	From 715 inclusion	FIORI 704 November 1
Net ca		% = 714
Farm		From 724-
	ted farm losses	From 734-
	partnership losses	From 754-
Taxable income (Non-capital loss)	partiteiship losses	10 10 10 10 10 10 10 10 10 10 10 10 10 1
Addition to taxable income for unused for	eign tax deduction for federal purposes 11	THE REAL PROPERTY OF THE PERSONS
Adjusted taxable income 10 + 11 (if 10		
Adjusted taxable income 10 + 11 (ii 10	is negative, enter 11)	建四烯型型加州
Taxable Income	Number of days in Taxation Y	ear
	Days after Sept 30, 2001 Total days	
From 10 (or 20)	and before Jan 1, 2004 30 100.0000 % X 12.5 % X 33 365 + 73 36	55 = 29+
FIGHT 10 (01 20)		
From 10 (or 20)	Management of the second secon	5 = 32+
110111 10 (01 20)	Ontario Allocation	<u> </u>
Income Tax Payable (before deduction of		40
	usiness Corporations (IDSBC)(s.41) (If this section is not co	
Did you claim the federal Small Busine	ss Deduction (fed.s.125(1)) in the taxation year or would you h	ave claimed the federal Small
Business Deduction had the provision	s of fed.s.125(5.1) not been applicable in the year? (🗸) 📕 Yes	
* Income from active business carried on	in Canada	
for federal purposes (fed.s.125(1)(a))	50	2008
ederal taxable income, less adjustment		
or foreign tax credit (fed.s.125(1)(b))	51 <u>+</u>	
Add: Losses of other years deducted		
for federal purposes (fed.s.111)	52 <u>+</u>	
Subtract: Losses of other years		
deducted for Ontario purposes (s.34)	53	
	=> 54	
Federal Business limit (line 410 of the T2		
before application of fed.s.125(5.1)	55 + 100,000	
Ontario Business Limit Calculation Days after Sept. 30, 2001 and before Jan. 1, 2003		
280,000 X 28 365 ÷** 365 =+	13 280,000	
Days after Dec. 31, 2002 and before Jan. 1, 2004		
320,000 X 31 +** 365 =+	16	
Days after Dec. 31, 2003		
400,000 X 34 +** 365 =+	*** Percentage of Federal	
	Business limit (from T2	
	Sch. 23). Enter 100%	
Business limit	if not associated	TOVENS
for Ontario purposes 43 + 46 + 47 = 4	14 <u>280,000</u> X 48 <u>50.0000</u> % = 45 140,0	00
Income eligible for the IDSBC	From 30 100.0000 % X 56 Least of 50, 54 or 4	60 =

^{*} Note: Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)

^{**} Note: Adjust accordingly for a floating taxation year and use 366 for a leap year.

^{***} Note: For a taxation year ending before Jan 1, 2003, use your proportion of the associated group business limit.

^{****} Note: Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

Income Tax continued from Page 4

Number of Days in Taxation

Year

		Days after Sept 30, 2001 and before Jan 1, 2003			Total Days				
Calculation of IDSBC Rate	6.5 % X 28	365	+ 7	73	•	365	=	79	+ 6.5000
		Days after Dec 31, 2002 and before Jan 1, 2004			Total Days				
	7.0 % X 31		+ 7	73		365	=	89	+
		Days after Dec 31, 2003			Total Days				
	8.5 % X 34		+ 7	73		365	=	90	+
IDSBC Rate for Taxation Year 79 + 89 + 90								78	= 6.5000
Claim	From 60	X	From	78	6.5000	%		70	

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

** Short Taxation Years - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Associated corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

** Taxable Income of	the corporation				From 10	(or 20 if applicable	e) 80) +
If you are a member	of an associated gro	ир (✔)	81 🔀 (Yes)					
Taxable income of ass	sociated corporations	Attach s	schedule)				82	<u> </u>
Aggregate Taxable Inc							85	
, , , , , , , , , , , , , , , , , , , ,	Number of days	in Taxa	tion Year					
	Days after Sept 30, 2001 and before Jan 1, 2003		Total Days					
Subtract: 280,000 X	28 365 + Days after Dec 31, 2002 and before Jan 1, 2004	73	365 =	113+	280,00	<u>0</u>		
320,000 X	·	73	•	115+		-0		
400,000 X	34+	73	365 = 113 + 115 + 116		280,000	<u> </u>	114	280,000
(If negative, enter nil)			110 110 110	\	200,000	<u> </u>		= 200,000
				Numbe Days after Se and before J	ot 30, 2001	Taxation Year Total Days		A 4
Calculation of Specifi	ed Rate for Surtax		4.333% X 28	Days after De	365 + 73	365	= 95	+ 4.3330
				and before Ja	•	Total Days		
	· ·		4.667% X 31 _		+ 73	365	= 96	+
			4.667% X 34	Days after De	c 31, 2003 + 73	Total Days 365	- 07	
Specified rate of surtax	for Toyation Voor 05	+ 06 +			+ /3 ,-	303	- 97 94	
E 00			4.3330 % :				- ⁹⁴ 87	110000
C 07	X From		4.3330 %	+ From	114	280,000	- 88	
	X 1101	. 50_				200,000	00	
Surtax: Lesser of 70 or	r 88					****	_100	BOARD AND A

Income Tax continued from Page 5

CT23 Page 6 of 24

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule 17)	110
Manufacturing and Processing Profits Credit (M&P) (s.43)	
fronting to Eligible Counciling Dealth from reconfictuations at the first transfer	

"plies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as termined 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 Canadlan 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	12	20+10					
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSB	C) From 56	6 -					
Add: Adjustment for Surtax on Canadian-controlled private corporations							
From 100 + From 30 100.0000 % + From 78 6.5000 % = 12	1						
*Ontario Allocation							
Lesser of 56 or 121	12	22+					
120 - 56 + 122	13	30=					
Taxable income	From 10	0 +					
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSB	C) From 56	6 -					
Add: Adjustments for Surtax on Canadian-controlled private corporations	From 12	22+					
Subtract: Taxable income 10 X Allocation % to jurisdictions outside Canada	14	IO TO THE PROPERTY OF THE PROP					
Subtract: Amount by which Canadian and foreign investment income exceeds net capital los	ses 14	11 5000 3000 3000 3000					
10 - 56 + 122 - 140 - 141	14	2					
Claim Number of Days i Days after Sept 30, 200 and before Jan 1, 200	1						
	73365 = 15	4+					
Lesser of 130 or 142 *Ontario Allocation	3						
Days after Dec 31, 200 143							
143 X From 30 100.0000 % X 2.0% X 34 Lesser of 130 or 142 **Ontario Allocation **	73 365 = 150	6+					
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 al	ocated to foreign	Chapter of the Park of the					
jurisdictions. See special rules (s.43(1)).	ocated to foreign						
Manufacturing and Processing Profits Credit for Electrical Generating Corporations 161							
Manufacturing and Processing Profits Credit for Corporations that Pro-	duce						
and Sell Steam for uses other than the Generation of Electricity							
Credit for Foreign Taxes Paid (s.40)							
Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) (Attach schedule). 170							
Credit for Investment in Small Business Development Corporations (SBDC)							
Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)							
Eligible credit 175	Credit claimed 180	0					
Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 -170 - 180	190	0					

Income Tax continued from Page 6

Specified Tax Credits (Refer to Guide) ntario Innovation Tax Credit (OITC) (s.43.3) Applies to research and development in Ontario. agible credit from 5620 OITC claim form (Attach original Claim Form) Co-operative Education Tax Credit (CETC) (s.43.4) Applies to employment of eligible students. Eligible credit from 5798 Summary Schedule F 192 Ontario Film and Television Tax Credit (OFTTC) (s.43.5) Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Eligible credit from 5899 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MFO) CT Schedule 193/199, as applicable. (Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) 193 Graduate Transitions Tax Credit (GTTC) (s.43.6) Applies to employment of eligible unemployed post secondary graduate. No. of Graduates from 6596 Eligible Credit from 6598 Summary Schedule G 195 Ontario Book Publishing Tax Credit (OBPTC) (s.43.7) Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors. Eligible Credit from 6900 OBPTC Claim Form (Attach both the original Claim Form and the Certification Form) 196+ Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8) Applies to labour relating to computer animation and special effects on an eligible production. Eligible Credit from 6700 Claim Form Certified by Ontario Media Development Corporation (Attach the original Claim/Certification Form with the CT23 Tax Return.) 197 ± 1 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) pplies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed. Eligible Credit from 7300 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MFO) CT Schedule 193/199, as applicable (Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) 199 Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11) Applies to qualifying labour expenditures of eligible products for the taxation year. Eligible Credit from 7400 Claim Form certified by Ontario Media Development Corporation (Attach original Claim/Certification Form.) 200# Ontario Sound Recording Tax Credit (OSRTC) (s.43.12) Applies to qualifying expenditures in respect of eligible Canadian sound recordings. Eligible Credit from 7500 OSRTC Claim Form (Attach both the original Claim Form and the Certification Form) 201 Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 220 Specified Tax Credits Applied to reduce Income Tax Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative) 230 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

Income Tax

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 venue.

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 A	Assets of the corporation	240+	11,502,953		
* Total F	Revenue of the corporation	· · · · · · · · · · · · · · · · · · ·		241+	15,175,233
If you a	re a member of an associated group (✔) 242区 (Yes)				
Total As	sets of associated corporations (Attach schedule)	243+	4,919,244		
	evenue of associated corporations (Attach schedule)			244+	77,986
	ite Total Assets	249	16,422,197		
Aggrega	te Total Revenue			250	15,253,219
If CMT is E on page	s applicable to current taxation year, complete section Calculat ges 18, 19 and 20 of CT23.	ion: CMT below and Co	rporate Minimur	n Tax Sche	dules A through
Calculat	tion: CMT (Attach Schedule A: Calculation of CMT Base on pag	ge 18.)			
Gross C	MT Payable CMT Base From 2135		0000 % X 4%	276=	
	If negative, enter	zero Ontario Alle	ocation		
	: Foreign Tax Credit for CMT purposes (Attach schedule)	35		277	图 医克拉克 医沙丘氏
	: Income Tax		Froi	m 190-	
Net CIVIT	Payable (if negative, enter Nil on page 17.)			280	的場合的主義的
If 280 is	less than zero and you do not have a CMT credit carryover, tra	nsfer 230 from Page 7 to	Income Tax Su	mmary, on	Page 17.
If 280 is	less than zero and you have a CMT credit carryover, complete	A & B below.			
280 is g	greater than or equal to zero, transfer 230 to <i>Page 17</i> and transers, on <i>Page 20.</i>	efer 280 to <i>Page 17, and</i>	to Schedule D:	Continuity	of CMT Credit
CMT Cre	edit Carryover available		From	2307	新於衛門在的
Applicat	ion of CMT Credit Carryovers				
A.	Income Tax (before deduction of specified credits)		Fror	n 190+	
	Gross CMT payable From 27	6+	1101		
	Subtract: Foreign Tax Credit for CMT purposes From 27	7-			
	If 276 - 277 is negative, enter NIL in 290	=	•	290-	
	Income Tax eligible for CMT Credit			300	
B.	Income Tax (after deduction of specified credits)		Fror	n 230+	
	Subtract: CMT credit used to reduce income taxes			310	劉德表記問題

Transfer to Page 17

320

If A & B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 2307. If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 2307.

Capital Tax (Refer to Guide and Int.B. 3011)

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets calculated on Page 10 in 480 and 430 are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation.

If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital. Special rules and rates apply to Non-Resident corporations (s.63,

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).

instaged if the partitional work a corporation.		
Paid-up Capital		
Paid-up capital stock (Int.B. 3012 and 3015)	350+	4,631,198
Retained earnings (if deficit, deduct) (Int.B. 3012)	351 ±	(1,150,042)
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352+	
Loans and advances (Attach schedule)(Int.B. 3013)	353+	
Bank loans (Int.B. 3013)	354+	838,607
Bankers acceptances (Int.B. 3013)	355+	
Bonds and debentures payable (Int.B. 3013)	356+	
Mortgages payable (Int.B. 3013)	357+	
Lien notes payable (Int.B. 3013)	358+	4,356,925
Deferred credits (including income tax reserves, and deferred revenue where it would		
be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013)	359+	
Contingent, investment, inventory and similar reserves (Int.B. 3012)	360+	
Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012)	361+	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017)	362+	
Subtotal	370=	8,676,688
Subtract: Amounts deducted for income tax purposes in excess of amounts booked		
(Retain calculations. Do not submit.) (Int.B. 3012)	371	(457,009)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not		
already deducted for book purposes (Int.B. 3015)	372	
Total Paid-up Capital	380=	9,133,697
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	381 -	
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	382	
Net Paid-up Capital	390	9,133,697

s.64 and s.69(3)).

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 ta	exation
years ending after October 30, 1998)	402+
Mortgages due from other corporations	403+
Shares in other corporations (certain restrictions apply) (Refer to Guide)	404+
ans and advances to unrelated corporations	405+
gible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	406+
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	407 +
Total Eligible Investments	410

Ontario Allocation

** If floating taxation year, refer to Guide.

continued on Page 11

Transfer to 543 on page 12 and complete the return from that point

**365/366

Capital Tax Calculation continued from page 10

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you a calculate your capital tax calculation under either Section D or Section E.

C1. **§** 509 (✓ if applicable)

All corporations that you are associated with do not have a permanent establishment in Canada. If taxable capital 470 on page 10 is \$5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

If taxable capital 470 on page 10 exceeds \$5,000,000 proceed to Section D, enter \$5,000,000 in 542 Section D, and complete Section D and the return from that point

C2. X 524 (✓ if applicable)

One or more of the corporations that you are associated with maintains a permanent establishment

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

able Capital form 470 on page 10

From 470+

531 +

9,133,697

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations (Attach schedule)

185,120

Total Aggregate Taxable Capital 470 + 531

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

9,133,697 + From **540**

9,318,817 X 5,000,000

541 4,900,674

540 9,318,817

Transfer to Section 542 in D on page 12

Ss.69(2.1) Election Filed

591 (✓ if applicable)

Election filed. Attach a copy of the election with this CT23 Return.

Proceed to Section E on page 12.

Capital Tax Calculation continued from page 11

CT23 Page 12 of 24

EVER PROPERTY AND ADDRESS OF THE PARTY AND ADD	
And have not taken a few and a few first few files.	
RESERVED TO THE PARTY OF THE PA	

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.

mplete the following calculation and transfer the amount From 523 to 543, and complete the return from that point.

+ Fron	1 470	9,133,697							
<u>:</u> • :	542	4,900,674				Days in the taxatio	n vear		l Capital Tax for axation year
=	471	4,233,023 x	From	30 100.0000 % x 0	.3% x			= 523 +	12,699
				Ontario Allocation		** (365/366)			to 543 and complete turn from that point

This section applies if a	corporation is a memb	er of an associated ç	roup and t	he associated	group has fi	led a ss.69(2.1) election
+ From 470		100.0000				= 561+	,
- Capital tax deduction re	elating to your corporation	's capital tax deductio	n, on ss.69(2.1) election for	rm Fro	m 995 562=	
				Days in taxa	ation year		
Capital Tax	562		X	555	365	= 563+	
				** (365/	(366)	Transfer complete the reti	to 543 and

^{**} If floating taxation year, refer to Guide

	10.750mm(中国联络)
Capital Tax before application of specified credits	543
Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide)	546
Capital Tax 543 - 546 (amount cannot be negative)	550 12,699
	Transfer to nage 17

I ransfer to page 17

Capital Tax continued from page 12

Calculation of Capital Tax for Financial Institutions

1 1. Credit Unions Only In taxation years commencing after May 4, 1999 enter NIL in 550 on page 12, and complete the return from that	point.
1.2 Other than Credit Unions (Retain details of calculations for amounts in boxes 565 and 570. Do not submit with this tax return.)	
565 x 0.6% x From 30 % x 555 + **365/366 = Cesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1	569_+
570 x From 30 x 571 x From 30 x 555 Days in taxation year + **365/366 = Adjusted TPUC Capital Tax Rate in accordance with (Refer to Guide) Division B.1 in excess of Basic Capital Amount	574+
Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574	575
** If floating taxation year, refer to Guide.	
II. Small Business Investment Tax Credit	
(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)	
Allowable Credit for Eligible Investments	585
Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)	?(✓)
ρital Tax - Financial Institutions 575 - 585	586 <u>=</u> Transfer to 543 on Page 12
Premium Tax (s.74.2 & 74.3) (refer to Guide)	
(1) Uninsured Benefits Arrangements 587 288 288 288 288 288 288 288 288 288 2	588
(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 Ontario with unlicensed insurers.	in
Deduct: Specified Tax Credits applied to reduce premium tax (Refer to guide)	589
Premium Tax 588 - 589	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± Transfer to Page 15 Add: Federal capital cost allowance 601 +235,680 Federal cumulative eligible capital deduction 602+ Ontario taxable capital gain 603+ Federal non-allowable reserves. Balance beginning of year 604+ Federal allowable reserves. Balance end of year 605+ Ontario non-allowable reserves. Balance end of year 606+ Ontario allowable reserves. Balance beginning of year 607+ Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) 608+ Federal resource allowance 609 +Federal depletion allowance 610+ Federal foreign exploration and development expenses 611+ Management fees, rents, royalties and similar payments to non-arms' length nonresidents Number of days in Taxation Year Days after Sept. 30, 2001 and before Jan. 1, 2004 Total days X 5/12.5 X33 $365 \div 73$ 365 = 633 +Days after Dec. 31, 2003 Total days $X \frac{5}{14.0} \times 34$ $\div 73$ 365 = 634 +612 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 Add any negative amount in 473 from Ont. CT23 Schedule 161 616 'eral allowable business investment loss 620+ lotal of other items not allowed by Ontario but allowed federally (Attach schedule) 614+ Sub Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 235,680 640 235,680 Transfer to Page 15 **Deduct:** Ontario capital cost allowance (excludes amounts deducted under 675) 650 H Ontario cumulative eligible capital deduction 651E Federal taxable capital gain 652+ Ontario non-allowable reserves. Balance beginning of year 653 +Ontario allowable reserves. Balance end of year 654+ Federal non-allowable reserves. Balance end of year 655+ Federal allowable reserves. Balance beginning of year 656+ Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.) 657 +Ontario depletion allowance 658+ Ontario resource allowance 659+ Ontario current cost adjustment (Attach schedule) 661 H Incentive for new electricity supply (section 13.6 deduction from income) (Applies only to electrical generating corporations.)
CCA for investments in qualifying energy-efficient equipment and for assets 674 used to generate electricity from natural gas, alternative or renewable resources. 675 Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675 681 235,680 Transfer to Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ Continued from page 14

t income (loss) for federal income tax purposes, per federal T2 SCH	11	From 600±	
oub Total of Additions		From 640 =	235,680
Sub Total of deductions on page 14	From 681 =	235,680	
Deduct: Ontario New Technology Tax Incentive (ONTTI) Gross-up (Applies only to those corporations whose Ontario allocation is less than the current taxation year.)	: 100% in		
Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year 662	2		
ONTTI Gross-up deduction calculation: From Gross-up of CCA 662x 100/ 30100.0000 From 662	663		
Ontario allocation			
Workplace Child Care Tax Incentive		*	
Qualifying expenditures: 665 x 30% x 100/ 30Ont	100.0000 666 ario Allocation		
Workplace Accessibility Tax Incentive			
Qualifying expenditures: 667 x 100% x 100/ 30			
Number of Employees accommodated 669	and milodaton		
ntario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eli of school buses purchased after May 4, 1999 and before January 1, 2006	gible acquisition i.) (Refer to Guide)		
Qualifying expenditures 670 x 30% x 100/ 30 Ontari	100.0000 671 671		
Educational Technology Tax Incentive (Applies to qualifying amounts	incurred after May 2, 2	000.)	
Qualifying expenditures 672 x 15% x 100/ 30 Ontari	100.0000 o Allocation	Marketine Ste	
Ontario allowable business investment loss Ontario Scientific Research Expenses claimed in year in 477 from Or Schedule 161	679		
Amount added to income federally for an amount that was negative of federal form T661, line 454 or 455 (if filed after June 30, 2003)	on677 +		
Total of other deductions allowed by Ontario (Attach schedule)	664 <u>+</u>		
Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664		235,680 680	235,680
Net income (loss) for Ontario purposes 600 + 640 - 680		690=	
	di	Tran	sfer to Page 4

Continuity of Losses Carried Forward

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	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Property Losses	Losses (6)
Balance at Peginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Jd: Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract: Utilized during the year to	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
reduce taxable income Expired during the year	705		725	735	745	
Carried back to prior years	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
to reduce income (5) Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8)	719	729	739	749	759

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by s.34.
- (3) Include losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only. Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

- (7) Include amounts from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839.
- (9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses		Total Capital Losses from Listed Personal Property only (9) (10)		Restricted Farm Losses
800				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804	821	831	841	854	874
805	822	832	842	855	875
806 2000/09/30	823	833	843	856	876
807 2001/09/30	824	834	844	857	877
808 2001/12/31	825	835	845	858	878
809 2002/12/31	826	836	846	859	879
Total	829	839	849	869	889

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.

- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carryback adjustment may be applied by the Minister of Finance to amounts owing under any Act administered by the Minister of Finance.

CT23 Page 17 of 24

- 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
 - 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 Los	ses	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
		910	920	930	940
Total amount of loss					
Deduct: Loss to be care	ried back to preceding taxation years and				
applied to reduce taxab	le income.				
Prede	cessor Corporation's Taxation Year				
A	ccount No. (MOF) Ending	911	921	931	941
i) 3rd preceding	901 2000/09/30	公司 福祉等課品信			
	I Marine Wall Company of the Company	912	922	932	942
ii) 2nd preceding	902 2001/09/30				
		913	923	933	943
iii) 1st preceding	903 2001/12/31				St. 302
		From 706	From 716	From 726	From 736
Total loss to be carried	d back				
		919	929	939	949
Balance of loss availal	ble for carryforward				

Summary

Income Tax	x From 2	230 or	320			
Corporate	Minimum Tax	From	280			
Capital Tax		From	550	12	699	
Premium T	ax	From	590			
Total Tax P	ayable		950	12	,699	
Subtract:	Payments		960		1008	
	Capital Gains Refund	(s.48)	965	新 教制的意	line of	
	Qualifying Environme	ntal				
	Trust Tax Credit					
	(Refer to Guide)		985	翻翻翻翻翻	陽類語	
	Specified Tax Credits					
	(Refer to Guide)		955		reciu	
Balance			970=	12	699	
If payment	due Enclo	sed *	990		Mildes.	
If overpaym	nent: Refund (Refer to Gu		975=			
	Apply to		980	福度的原始	UNION N	
			STATE OF THE PARTY OF THE PARTY.	es credit in	terest)	

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the Minister of Finance and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order. (Refer to guide for other payment methods.)

Certification

Name

Thomas Enright

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 corporations 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.

Title		
Chairman		
Full Residence Address		
351 Frances Street		
City	-	
Strathroy		
Province	Country	Postal Code
Province ON	Country	Postal Code N7G 2C7

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

CT23 Schedule A

Page 18 of 24

Banks - Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act

net income/(loss) (unconsolidated, determined in a	2100 <u>±</u>	(268,938)			
Subtract (to the extent reflected in net income/ Provision for recovery of income taxes / ber		ome taves	2101+		
Provision for deferred income taxes (credits				-1	
Equity income from corporations	77 55.1511. 01 14.4.	J IIIO IIIO LUXIO	2103+		
Share of partnership(s)/joint venture(s) inco	me		2104+		
Dividends received/receivable deductible un			2105+		
Dividends received/receivable deductible un			2106+		
Dividends received/receivable deductible un			2107+		
Federal Part VI.1 tax on dividends declared					
paid, under fed.s.191.1(1)	x 9/3 =		2108+		
Subtotal			=	▶ 2109-	
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current i			_2110+		
Provision for deferred income taxes (debits)	/ cost of future in	come taxes	_2111 +		12
Equity losses from corporations			2112+		
Share of partnership(s)/joint venture(s) loss			_2113+		
Dividends that have been deducted to arrive Financial Statements s.57.4(1.1) (excluding			2444.		
Subtotal	dividends drider i	ed.s. 137 (4.1))		▶ 2115+	
				P 2115+	
Add/Subtract:					
Amounts relating to s.57.9 election/regulation	ns for disposals e	tc. of property	for current/prior year	ırs	
** Fed.s.85	2116+	or	2117-		
** Fed.s.85.1	2118+		2119-		
** Fed.s.97	2120+	or	2121-		
** Amounts relating to amalgamations	**		0.	 	
(fed.s.87) as prescribed in regulations for					
current/prior years	2122+	or	2123-		
** Amounts relating to wind-ups (fed.s.88)	**		75	6	
as prescribed in regulations for current/prior					
years	2124+	or	2125-		
** Amounts relating to s.57.10 election/			×=======		
regulations for replacement re fed.s.13(4),					
14(6) and 44 for current/prior years	2126+	ог	2127-		
Interest allowable under ss. 20(1)(c) or (d)			:		
of ITA to the extent not otherwise deducted					
in determining CMT adjusted net income			2150 -		
Subtotal (Additions)	_		-	2128+	
ubtotal (Subtractions)			=	≥ 2129-	
			· -		
* Other adjustments				2130 <u>±</u>	
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 21	30			2131=	(268,938)
Share of partnership(s)/joint venture(s) adjusted	net income/loss			2132±	
adjusted net income (loss) (if loss, transfer to 220	2 in Schedule B)			2133=	(268,938)
educt: CMT losses: pre-1994 Loss *	Janicadio D)		2210+	2100-	(200,330)
CMT losses: other eligible losses *		1 10111	2211+		
				▶ 2134-	
CMT losses applied cannot exceed adjusted net in	come or incresso	a loce	-		
Retain calculations. Do not submit with this tax re	turn	a 1055			
	vari / la				
MT Base				2135=	

Transfer to CMT Base on page 8

Schedule B: Continuity of CMT Losses Carried Forward



Page 19 of 24

"IT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
							Expired
2000/09/30							
2001/09/30	94,296				 		94,296
2002/12/31					268,938		268,938
Totals	94,296				268,938		363,234

Balance	e at Beginning of year (1), (2)			2201 +	94,296
Add:	Current year's losses	2202+	268,938		
	Losses from predecessor corporations on amalgamation (3)	2203+		-	
	Losses from predecessor corporations on wind-up (3)	2204+		-	
	Amalgamation (✓) 2205 Yes Wind-up (✓) 2206 Yes			7	
Subtota		_ =	268,938	▶ 2207 <u>+</u>	268,938
Adjustm	ents (attach schedule)			2208±	
CMT los	sses available 2201 + 2207 ± 2208			2209 =	363,234
Subtrac	t: Pre-1994 loss utilized during the year to reduce adjusted net income	2210+			
	Other eligible losses utilized during the year to reduce adjusted			•	
	net income (4)	2211+		5	
	Losses expired during the year	2212+		-	
Subtota				▶ 2213	
Balance	es at End of Year (5) 2209 - 2213			2214=	363,234

Notes:

- Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.
- (2) Where acquisitions of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))
- (3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))
- (4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.
- (5) Amount in 2214 must equal sum of 2270 and 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first)	st year first) Corporation		CMT Losses of Predecessor Corporations
2240	2260		2280
2241	2261		2281
2242	2262		2282
2243	2263	-1-1	2283
2244	2264		2284
2245	2265		2285
2246 2000/09/30	2266		2286
2247 2001/09/30	2267		2287
2248 2001/12/31	2268	94,296	2288
2249 2002/12/31	2269	268,938	2289
.als	2270	363,234	2290

The sum of amounts 2270 + 2290 must equal amount in 2214.

Corporate Minimum Tax (CMT)

2204 DESERVABLES DE L'ENZO

Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Balanco at Boginning of year (1)

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
2001/09/30	-			-			
2001/12/31							
2002/12/31							
Totals							

Dalarice	at beginning of year (1)	2301 西班牙马斯斯斯马尔斯马拉克斯
Add:	Current year's CMT Credit (280 on page 8. If negative, enter NIL) From 280+ CMT Credit Carryovers from predecessor corporations (2) 2302+	
	Amalgamation (✓) 2303 Yes Wind-up (✓) 2304 Yes	
Subtotal		2305+
Adjustme	ents (Attach schedule)	2306
CMT cre	dit carryover available 2301 + 2305 ± 2306	2307=
		Transfer to Page 8
、 _∋tract	: CMT credit utilized during the year to reduce income tax (Page 8) From 310+	
	CMT credit expired during the year 2308	
Subtotal		2309
Balance	at End of Year (3) 2307 - 2309	2310

Notes:

- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (3) Amount in 2310 must equal the sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Origin (oldest year first)	CMT Credit Carryove Corporation	rs of CMT Credit Carryovers of Predecessor Corporations
2340	2360	2380
2341	2361	2281
2342	2362	2382
2343	2363	2383
2344	2364	2384
2345	2365	2385
2346	2366	2386
2347 2001/09/30	2367	2387
2348 2001/12/31	2368	2388
2349 2002/12/31	2369	2389
Totals	2370	2390

The sum of amounts 2370 and 2390 must equal the amount in 2310.

MCBS

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act*)



Schedule A Page 22 of 24

io submit additional director or Officer Information, please photocopy this page and attach the completed schedules with you return.

Identification

Corporation's Legal Name (in	cluding punctu	ation)			Ontar	io Corporation No. (N	(CBS)	Date of	f Incorporation or Amalgamat
Middlesex Power Distribut	ion Corporati	on			180	0268		200	00/04/11
			Director/Offi	cer Info	rmati	on			
Full Name and Address fo	r Service:								
Last Name Weetering Street Number and Name			First Name Gerrit			Middle Name(s)		
310 Oak Ave.						Suite			
City/Town/Village Strathroy			Province/State ON			Country CA			Postal/Zip Code N7G 3J1
Director					C	Officer			
Are you a resident Canadian? (Applies to directors of business corporations only) X Yes No Date Elected	President Secretary		tment period for ea ate Appointed month day			owing: Ceased month day		Chair Chair Pers Chairman Chairwom /ice-Chair	Chief Info. Officer Chief Operating Officer Chief Administrative
^ <u>1</u> ~100/08/17	Treasurer	2002/12/2	20				_ =	/ice-Presi Assistant 9	ident Officer Secretary Comptroller
Date Ceased	General Manager Other (specify)								Treasurer Authorized Signing lager Officer Director
Full Name and Address for Last Name	Service:		Director/Office	er Info					
Taylor			Larry			Middle Name(s))		
Street Number and Name 141 Timber Drive		11111111				Suite			(8)
City/Town/Village London			Province/State ON			Country CA			Postal/Zip Code N6K 4A6
Director					0	fficer			
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate th		ment period for ea			wing: Ceased month day	=	Othe Chair Chair Perse	er Titles (please specify) Chief Executive Office on Chief Financial Office
∑ Yes	President		mona, egy					halrman hairwoma	
Date Elected	Secretary						_	ice-Chair ice-Presid	
2000/08/17	Treasurer						=		Secretary Comptroller
Date Ceased	General Manager Other							ssistant T hlef Mana	reasurer Authorized Signing Auger Officer
		2000/10/1	0	2002/1	2/20			xecutive [lanaging [

MCBS

(Corporations that are incorporated, continued or amalgamated under the Ontario Business Corporations Act)



Schedule A Page 22 of 24

to submit additional director or Officer Information, please photocopy this page and attach the completed schedules with you return.

Identification

Corporation's Legal Name (inc	cluding punctu	ation)			Ontario Corporation No. (M	MCBS) Date of Incorporation or Amalgamatio
Middlesex Power Distributi	ion Corporat	ion			1800268	2000/04/11
			Director/Offic	er Inforn	nation	
Full Name and Address for	Service:					
Last Name King			First Name John		Middle Name(s	s)
Street Number and Name 24244 Saxton Road					Suite	
City/Town/Village Strathroy			Province/State ON		Country CA	Postal/Zip Code N7G 3H3
Director					Officer	
Are you a resident Canadian? (Applies to directors of business corporations only) X Yes No	Indicate		tment period for ea ate Appointed month day		Date Ceased	Other Titles (please specify) Chair Chair Chief Executive Officer Chair Person Chief Info. Officer Chairwoman Chief Operating Office
Date Elected	Secretary	2000/10/	10	2002/12	/20	☐ X Vice-Chair ☐ Chief Administrative ☐ X Vice-President Officer
Date Ceased	Treasurer General Manager Other (specify)	2002/12/2	20			Assistant Secretary Comptroller Assistant Treasurer Authorized Signing Chief Manager Officer Executive Director Managing Director Other (untitled)
Full Name and Address for	Service:		Director/Offic	er Inform	ation	
Last Name Callaghan			First Name Walter		Middle Name(s)	5)
Street Number and Name 225 Riverview Drive					Suite	
City/Town/Village Strathroy			Province/State ON		Country CA	Postal/Zip Code N7G 2G4
Director					Officer	
Are you a resident Canadian? (Applies to directors of business corporations only)	Indicate to		ment period for eac ate Appointed month day		following: ate Ceased month day	Other Titles (please specify) Chair Chief Executive Officer Chair Person Chief Financial Officer Chairman Chief Info. Officer Chairwoman Chief Operating Officer
Date Elected 2001/10/03 Date Ceased	Secretary Treasurer General Manager Other (specify)	2002/12/2	20			Chairwoman Chief Operating Officer Vice-Chair Chief Administrative Vice-President Officer Assistant Secretary Comptroller Assistant Treasurer Authorized Signing Chief Manager Officer Executive Director Managing Director Other (untitled)

MCBS

(Corporations that are incorporated, continued or amalgamated under the Ontario Business Corporations Act)



Schedule A Page 22 of 24

. J submit additional director or Officer Information, please photocopy this page and attach the completed schedules with you return.

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Corporation's Legal Name (inc	cluding punctu		The state of the s	Ont	ario Corporation No.	. (MCBS) Date	of Incorporation or Amalg	gamation
Middlesex Power Distribut	ion Corporati	on		18	00268	20	000/04/11	
			Director/Offic	er Informa	tion			
Full Name and Address for	Service:							
Last Name Enright			First Name Thomas		Middle Name	e(s)		
Street Number and Name 6 Kittridge Ave.					Suite			
City/Town/Village Strathroy			Province/State ON		Country CA		Postal/Zip Code N7G 1A6	
Director					Officer			
Are you a resident Canadian? (Applies to directors of business corporations only) X Yes No	Indicate t		tment period for ea ate Appointed month day		llowing: e Ceased month da	Chair	n Chief Info. Off	al Officer icer
Date Elected	Secretary					Vice-Ch	= -	_
001/10/03	Treasurer	2000/10/-	10	2002/12/2	n	Vice-Pre		
Date Ceased	General Manager Other (specify)	2000/10/	10			Assistan Chief Ma	at Secretary Comptroller at Treasurer Authorized Signanger Officer are Director ag Director Other (untitled	
Full Name and Address for	Service:		Director/Offic	er Informal	lon			
Last Name Ledingham			First Name William		Middle Name	e(s)		
Street Number and Name 535 Metcalfe Street East					Suite			
City/Town/Village Strathroy			Province/State ON		Country CA		Postal/Zip Code N7G 1R1	
Director					Officer			
Are you a resident Canadian? (Applies to directors of business corporations only) X Yes	Indicate ti		ment period for eac ate Appointed month day		lowing: e Ceased month day	Chair	n Chief Info. Offi	l Officer cer
Date Elected 2001/10/03 Date Ceased 2002/12/20	Secretary Treasurer General Manager Other (specify)					Vice-Cha	sir Chief Administ sident Officer t Secretary Comptroller t Treasurer Authorized Sig anager Officer e Director	rative

MCBS

(Corporations that are incorporated, continued or amalgamated under the Ontario Business Corporations Act)



Schedule A Page 22 of 24

10 submit additional director or Officer Information, please photocopy this page and attach the completed schedules with you return.

		Identific	COLOR SECTION AND ADDRESS OF		CRC) ID-4		
Corporation's Legal Name (Inc.) Middlesex Power Distribution				ario Corporation No. (M		f Incorporation or Amalgar	mation
Wilddiesex Power Distributi	ion Corporation		18	00268		00/04/11	
		Director/Office	r Informat	ilon			
Full Name and Address for	Service:						
Last Name Veale		First Name Mel		Middle Name(s)			
Street Number and Name 52 Frank Street				Suite			
City/Town/Village Strathroy		Province/State ON		Country CA		Postal/Zip Code N7G 2R4	
Director				Officer			
Are you a resident Canadian? (Applies to directors of business corporations only)		tment period for each	Dat	e Ceased	Ot Chair	ner Titles (please specify)	Officer
∑ Yes ☐ No	President	month day	year	month day	Chair Per Chairman Chairworr	Chief Info. Office	∍r
Date Elected	Secretary				Vice-Chai		tive
001/10/03	Treasurer				UVice-Pres ☐ Assistant	ident Officer Secretary Comptroller	
Date Ceased	General Manager				=	Treasurer Authorized Signin	ng
Date ocused	Other (specify)				Chief Mar	-	
	(openly)				Managing	_	
		Director/Officer	Informat	on			TO STOR
Full Name and Address for	Service:		Last Supplement				mineses
Last Name Hall		First Name Chuck		Middle Name(s)			
Street Number and Name 236 Tain Street	1		in the state of th	Suite			
City/Town/Village Parkhill	No.	Province/State ON		Country CA		Postal/Zip Code N0M 2K0	
Director			•	Officer			
Are you a resident Canadian? (Applies to directors of business corporations only)	D:	ment period for each	Date	Ceased	Oth Chair Chair Pers	er Titles (please specify) Chief Executive Com Chief Financial O	
∑ Yes ☐ No	President	month day	year	month day	Chairman Chairwom		Officer
Date Elected	Secretary				Vice-Chair Vice-Presi		ive
2002/12/20	Treasurer				=	Secretary Comptroller	
Date Ceased	General Manager Other				Assistant 7 Chief Man	_	ıg
	(specify)				Managing		

Ontario Capital Cost Ilowance Schedule 8

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

ONTARIO CAPITAL COST ALLOWANCE

Is the corporation electing under regulation 1101(5q)? Class Ontario Cost of acquisitions number capital cost at the beginning of the	Cost of acquisitions during the the year	tion 1101(5q)?	101 1 Yes 5 Froceeds of	2 № 🗌			~	1800268		2002/12/31	2002/12/31
		4 Net adjustments	5 Proceeds of								
	_			6 Ontario	7 50% rule	8 Reduced	9 CCA rate	10 Recapture of	11 Terminal loss	12 Ontario capital cost	13 Ontario
1001	,		dispositions during the year	capital cost		undepreciated capital cost	%	capital cost allowance		allowance (col 8 x 9 or a lower	allowance undepreciated (col 8 x 9 or a lower capital cost at the
yeal	See note 1 below			col 2 - 4 - 5)	See note 2 below	(- a m)				amount)	end of the year
5,119,993	13 234,149			5.354.142	117 075	5 237 067	-			007 000	(7) (2)
2 3,062,304	4			3 062 304		2 060 204	+ 0			209,483	5,144,659
85 067	7 26.323			444 200	40 400	9,002,304	0 8			26,197	3,036,107
10 178.628				086,111	701'61	98,228	0.7				111,390
20,01				184,948	4,160	180,788	30				184,948
10tals 8,443,992	767,782				134,397	8,578,387				235,680	8.477.104

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).

The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4. Note 2.

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.

Page 1 of 1



Ministry of Finance

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

Ontario Cumulative Eligible Capital Deduction Schedule 10

-rporatio	n's Legal Name ex Power Distribution Corporation	Ontario Corporations Tax Account No. (MOF) 1800268	Taxation Year End 2002/12/31
	use by a corporation that has eligible capital property. parate cumulative eligible capital account must be kept for each bus	iness.	
Part 1	- Calculation of current year deduction and carry-forwar	d	
Ontario (Cumulative eligible capital - balance at beginning of taxation year (if negation)	live, enter zero)	387,839 A
Add:		+ B	001,000
	The Control of the Co	+c	
		+ D	
Total of	B+C+D	× 3/4=	E
Subtotal	A + E	## · 	387,839 F
Daduati	Ontario proceeds of selections without and amount of the site		
Deduct:	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		
		Н	
	0.1	-	
Total of		x 3/4=	J.
Ontario o	cumulative eligible capital balance F - J	~	387,839 K
	ative, enter zero at line M and proceed to Part 2	N-	001,000 11
Current	year deduction 387,839 K x 7%*	_	
The maxii	mum current year deduction is 7%. However, you can claim any amount up to the	maximum Enter am	ount in box 651 of the CT23
	cumulative eligible capital - closing balance K - L (if negative, enter ze		387,839_ M
20	ly amount up to the maximum deduction of 7% may be claimed. Taxation 00, the deduction may not exceed the maximum amount prorated for the rided by 365 or 366 days.	years starting after December 21, number of days in the taxation year	ar
	Amount to be included in income arising from dispositi	0 P	
	Complete this part only if the amount at line K is negative	011	
	om line K above show as a positive amount		N
	tal of cumulative eligible capital deductions from income for		
To	tation years beginning after June 30, 1988	1	
	tal of all amounts which reduced cumulative eligible capital the current or prior years under subsection 80 (7)	0	
To	tal of cumulative eligible capital deductions claimed for taxation	2	
vea	ars beginning before July 1, 1988	3	
	gative balances in the cumulative eligible capital account	°	
	t were included in income for taxation years beginning		
bef	ore July 1, 1988	4	
Lin	e 3 deduct line 4	5	
Tot	al lines 1 + 2 + 5	6	
Lin	e T from previous Ontario Schedule 10 for taxation years		
enc	ding after February 27, 2000	7	
	duct line 7 from line 6		0
	O (cannot be negative)		Р
	ount on line 5 x 1/2		Q
P -			R
	ount on line Rx66.6667		S
	ser of line N or line O		T
Am	ount to be included in income S + T		

Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

Details of Associated Ontario Corporations

Names of associated corporations (Canadian and foreign)	Permanent establishment in Canada?	Ontario Account Number	Taxation Year End
iddlesex Energy Services Corporation	Yes	1800293	2002/12/31
Middlesex Power Corporation	Yes	1800267	2002/12/31

Names of associated corporations	Surtax on CCPCs	Corporate M	Capital Tax		
Maines of associated corporations	Taxable Income	Total Assets	Total Revenue	Taxable Capital	
Middlesex Energy Services Corporation		166,195	77,986	185,120	
Middlesex Power Corporation		4,753,049			
Totals	0	4,919,244	77,986	185,120	

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2002/12/31 Printed: 2005/04/22 15:09



Ministry of Finance

Taxable Capital of Associated Corporations

Corporations Tax Branch PO Box 620 33 King Street West Oshawa, ON L1H 8E9

(Applicable to an associated group that has a permanent establishment in Canada)
Schedule CT21

Middlesex Power Distribution Corporation 1800268 2002/12/31	oration's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
	Middlesex Power Distribution Corporation	1800268	2002/12/31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
Middlesex Energy Services Corporation	1800293	2002/12/31	185,120
Middlesex Power Corporation	1800267	2002/12/31	
	A	ggregate of taxable capital	. 185,120

Transfer to 540 of the CT23



Ministry of Finance

Ontario

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

Corporate Minimum Tax - Associated Corporation

		Ontario Corporations T 1800268	Taxation Year End 2002/12/31	
Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
Middlesex Energy Services Corporation	1800293	2002/12/31	166,195	77,986
Middlesex Power Corporation	1800267	2002/12/31	4,753,049	
		Totals	4,919,244	77,986

Transfer to 249 of the CT23

Transfer to 250 of the CT23

File: Middlesex Power Distribution Corporation Ontario Account # 1800268 Year-end: 2002/12/31 Printed: 2005/04/22 15:09

OConsent

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. Note: This authorization is valid until the client or authorized signing person cancels it in ting. Please complete a separate form for each representative.

The purpose of this form is: X To authorize a third party repres	sentative or	☐ To <u>c</u> ancel a	third party representative	
1. Client identification				
Name				
Middlesex Power Distribution Co	orporation		200000000000000000000000000000000000000	
Ontario Corporations Tax Accou	nt Number			1800268
2. Authorized third party i	dentification			
Authorized individuals' name				
Address				Phone number
Address				() -
Authorized firm's name				
Scrimgeour & Company, CGA			16-37-17-11-11-11-11-11-11-11-11-11-11-11-11	Dhana ayashaa
Address 1502-148 Fullarton Street Londo	on Ontario N6A 5P	93		Phone number (519) 672-6811
TOOL THE FUNCTION OF CONTROL	THE OFFICE OF THE OFFI			19.197.5.2.0011
3. Details of authorization				
Indicate the period for which aut	horization or cance	lation applies:		
<u>A</u> ll years	\boxtimes			
OR				
Specific years				
OR	***			
All years prior to				
, , o				
4. Authorized signature (c	lient or author	ized signing of	fficer)	
Thomas Enright	M		(519) 245-2010	2005/04/22
	Name		Telephone number	Date signed
Signature of client of	s outhorized clapin	office.	Chairman Position, office	or rank
Signature of client of	i authorized signin	g oncer	Position, office	Of falls

Agence des douanes

T2 CORPORATION INCOME TAX RETURN

Schedule 200

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the Income Tax Act. This return may contain changes that I 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 prporation - 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. 055 Do not use this area

			fication ———			
Business number (E		1 86570 1635 RC 0001				
Corporation's name	(item 12)					
002	D. I. I. I. O. II.					
Middlesex Power	Distribution Corporatio	n				
Has the corporation of	changed its name since		If yes, do you ha	ave a copy of		
the last time we were	notified?	003		mendment?	004 <u>Y</u> es	<u>N</u> o
Address of head offi			To which taxation ve	ar does this return ap		
Has the address chan			From 060 2002/01		061 2002/12	
time we were notified?	()10		quisition of control to wh		
011 351 Frances Stre			applies since the previ		11611 3003€01 063	
012			applies silies the pievi	ous taxation your,		NIG
City	Pro	vince, territory, or state	If yes, provide date co	ntrol was acquired (065	
015 Strathroy	016 ON					100
Country (other th	an Canada) Pos	tal code/Zip code	Is the corporation a r	professional corporati	on that is a	member of
017	018 <u>N70</u>	G 2C7	a partnership? (item	18)	67 Yes	
Balling address (if di	fferent from head office	address (them 4.4)				<u> </u>
	ged since the last time		Is this the first year o		_	_
020 Yes No X	ged since the last time i	we were nouncu?	Incorporation? (item	1 19) (070 <u>Y</u> es	X <u>N</u> o
021 C/o			Amalgamation? (ite.	·)71	<u> </u>
022 351 Frances Stre	et		If yes, complete Sched	lule 24		
023	•					
City	Prov	vince, territory, or state		d-up of a subsidiary u	ınder sectio	n 88 during
J25 Strathroy	026 ON	, in the state	the current taxation y			
	an Canada) Pos	tal code/Zip code	If yes, complete Sched	iule 24 C)72∐ <u>Y</u> es	<u> №</u> 0
027		3 2C7	Is this the final taxati	00 V00H		
			before amalgamation		76 <u>∏ Y</u> es	<u> </u>
Location of books an			before amargamation	1 (Item 22)	,, o□ Te2	<u> </u>
031 351 Frances Stre	et		Is this the final return	up to		
032	Dur		dissolution? (item 23)	(78∐ <u>Y</u> es	X <u>N</u> o
City 035 Strathroy	036 ON	vince, territory, or state				
	an Canada) Pos	tal coda/7in coda	Is the corporation a re			_
037	11 Canada) PUS	3 2C7	of Canada? (item 24)	0	80 ⊠ <u>Y</u> es	<u>N</u> o ∣
031	030 1470	7201	If no, give the country of	of residence. 0	81	
040 Type of corporat	ion at end of taxation	vear (item 16)	is the non-resident co	rnoration elaiming		
1 X Canadian control	led 4 Corp	oration controlled by	an exemption under a			
private corpora	ition (CCPC) a p	ublic corporation	treaty? (item 24)		82 <u>Y</u> es	<u> </u>
2 ☐ Other private	<u>5</u> ∐ Othe	r corporation	If yes, complete Sched	ule 91		
corporation	(pl	ease specify, below)				0.41-1-
3 ☐ Public corporation	1 :		If the corporation is e one of the following b		section 14	9, tick
If the type of corporation	on changed			t under 149(1)(e) or (l)		
during the taxation year	r, provide			t under 149(1)(j)		
the effective date of the	e change 043			t under 149(1)(t)		
			4 Exemple	t under other paragraph	s of section	149
				(\$,∞ ((\$))		
		Do not us	e this area			
091	092	093	094	095	096	
097						

Guid	e item Attachments —	Voc	Schedule
27	Is the corporation related to any other corporations?	150 X	9
28	Does the corporation have any non-resident shareholders?	151	19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160X	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161 <u></u>	49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or		
1	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
25			
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	T5004
_38	Is the corporation a member of a partnership for which an identification number has been assigned?	167	T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did	-	
	not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168	22
41	Did the corporation have any foreign affiliates during the year?	169	25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1)		
	of the federal Income Tax Regulations?	170	29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171	T106
47	Has the corporation made payments to, or received amounts from a retirement compensation		1100
"'	arrangement?	172	
46		1/2	
40	Does the corporation (private corporations only) have any shareholders who own 10% or more of the	4=0	= 0
	corporation's common and/or preferred shares?	173⊠	50
55	Is the net income/loss shown on financial statements different from the net income for income tax		
	purposes?	201 🔀	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of		
_	cultural or ecological property?	202	2
82,10	4Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203	3
	Is the corporation claiming any type of losses?	204	4
132			•
	more than one jurisdiction?	205	5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	6
103	(i) Is the corporation claiming the amplifying deleting any capital losses during the taxation year?	206	0
103	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other		
	than dividends), (b) a partnership, (c) a foreign business, or (d) a personal services business; or		_
	(ii) is the corporation claiming the refundable portion of Part I tax?	207	7
_57	Does the corporation have any property that is eligible for capital cost allowance?	208 X	8
_58	Does the corporation have any property that is eligible capital property?	210×	10
59	Does the corporation have any resource-related deductions?	212	12
60	Is the corporation claiming reserves of any kind?	213	13
61	Is the corporation claiming a patronage dividend deduction?	216	16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an		.0
	additional deduction?	217	17
150	is the corporation an investment corporation or a mutual fund corporation?	218	
			18
	Was the corporation carrying on business in Canada as a non-resident corporation?	220	20
	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221	21
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	26 *
	Does the corporation have any Canadian manufacturing and processing profits?	227	27
	Is the corporation claiming an investment tax credit?	231	31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232	T661/T665
124	Is the corporation subject to Part 1.3 tax?	233	33/34/35
	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	36
	Is the corporation claiming a surtax credit?	237	37
	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	38
	Is the corporation claiming a Part I tax credit?		
		242	42
123	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax	0.46	4.0
	on dividends paid?	243	43
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	45
	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249	46
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
	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

If the taxation year ends after December 31, 2002, use "3" Instead of "9/4" in the calculation of the Part VI.1 tax deduction indicated in

Income exempt under paragraph 149(1)(t) (item 93)

item 83 of the T2 Corporation Income Tax Guide.

(line 360 minus line 370) (item 94)

Taxable income for a corporation with exempt income under paragraph 149(1)(t)

Ζ

370

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end; 2002/12/31 Printed; 2005/04/22 15:09

File: Middlesex Power Distribution Corporation CRA Busi	Small busine		15:09	
Canadian-controlled private corporation				
Income from active business carried on in			400	А
Taxable income from line 360 or amount Z				
would be deductible at line 632*, and 10/4		d minus any amount th		_
f federal law, is exempt from Part I tax (ite			405	B
for all CCPCs, calculate the amount at line				
\$200,000 x Number of days in the taxat		365 =	200,000 1	
	in the taxation year	365		
\$225,000 x Number of days in the tax	xation vear in 2003	=	2	
	in the taxation year	365		
\$250,000 x Number of days in the tax	xation year in 2004	=	3	
	in the taxation year	365		
	Add amounts at		200,000 4	
Business limit (see notes 1 and 2 below)			410	100,000 C
Notes: 1. For CCPCs that are not associate	ed, enter the amount from I	ine 4 at line 410. Howe	ver, if the corporation's	
taxation year is less than 51 weel	ks, prorate the amount fron	n line 4 by the number o	of days in the taxation year	
divided by 365, and enter the resi			440	
2. For associated CCPCs, use Sche	edule 23 to calculate the an	nount to be entered at II	ne 410	
Business limit reduction: (item 98) Amount C 100,000 X 41	E ***	D		
Amount C		D =		E
	11,250		:	
Reduced business limit (amount C minus at	mount E) (if negative, enter	r "0")	425	100,000 F
Small business deduction - 16% of the leader that (enter amount G of line 9 on page 7)	ast of amounts A, B, C, and	a F	430	0 G
(enter amount 6 of line 9 off page 7)				
	 Accelerated tax r 	eduction (item 99)		
Canadian-controlled private corporations	s throughout the taxation	vear that claimed the	small business deduction	
Reduced business limit (amount from line 4	25)	X	=	Α
	: (
Net active business income (amount from li	ne 400)*			В
Taxable income from line 360 or amount Z	on page 3, whichever appl	lies, minus	-	
10/4 of line 636** on page 7, and minus any	/ amount that, because of f	federal law,		
is exempt from Part I tax (item 96) Deduct:			С	
Aggregate investment income (amount from	line 440 of page 6)		D	
Amount C minus amount D (if negative, enter				E
			1 11 11 11 11 11 11 11 11 11 11 11 11 1	
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			Н	
Resource allowance (line 346 of Schedule 1)		x 3 =		
Amount used to calculate the credit union de		3 of Schedule 17)	J	
Amount on line 400, 405, 410 or 425, which	ever is less		K	
Total of amounts G, H, I, J, and K				L
Amount F minus amount L (if negative, ente	г "0")			M
Accelerated tax reduction - 7% of amount	M			N
(Enter amount N on line 637 of page 7)				
* If the amount at line 450 of Schedule 7 income.	is positive, members of par	rtnerships need to use S	Schedule 70 to calculate net	active business
** Calculate the amount of foreign busines under section 123.4.	s income tax credit deduct	ible at line 636 without	reference to the corporate ta	x reductions

General ta	x reduction for Canadian-cont	rolled private corporation	ons (item 101) ————	_
Taxable income from line 360 pa	orporations throughout taxation year			
Amount Z from Part 9 of Schedu	X	120.17		A
		_x 100 / 7 =		
mount QQ from Part 13 of Sche			c	
Resource allowance (line 346 of S	chedule 1) dit union deduction (amount E in Part 3 of	_x 3 =	D	
Amount used to calculate the cre	dit union deduction (amount E in Part 3 of	Schedule 17)	E	
	and 425 on page 4, whichever is less		F	
Aggregate investment income from			G	
	celerated tax reduction (amount M of page	je 4)	H	
Total of amounts B, C, D, E, F, G			<u> </u>	1
Amount A minus amount I (if neg	ative, enter "0")			J
Amount Jx	Number of days in the taxation yea Number of days in the taxation	r in 2001 year 365	x 1% =	K
Amount Jx	Number of days in the townstan	r in 2002 365		
^	Number of days in the taxation yea Number of days in the taxation		x 3% =	I.
	Number of days in the taxation	year 365	-	_
Amount Jx	Number of days in the taxation yea	r in 2003		
	Number of days in the taxation	year 365	x 5% =	М
Amount Jx	Number of days in the tourthern			
/ Intedit 6	Number of days in the taxation year	<u>after 2003</u> year 365	x 7% =	N
Company to ward wetter for Com-	Number of days in the taxation			
	dian-controlled private corporations -	total of amounts K, L, M and N		0
(enter amount O on line 638 of page	age 7)			
	General tax reduct	ion (item 102) ———		_
Corporations other than a Cana corporation, a mutual fund corp	adian-controlled private corporation, a poration, or a non-resident-owned inv	in investment corporation, a estment corporation	mortgage investment	
Taxable income from line 360 on	nage 3			^
Amount Z from Part 9 of Schedule		x 100 / 7 =	В	Α
mount QQ from Part 13 of Schee		X 10077 =		
			c	
Assessment and the state of Sci		x 3 =	D	
Amount used to calculate the cred	dit union deduction (amount E in Part 3 of S	Schedule 17)	E	
Total of amounts B, C, D and E				F
Amount A minus amount F (if neg	ative, enter "0")			G
Amount Gx	Number of days in the taxation year in Number of days in the taxation	2001 year	x 1% = H	4
Amount Gx	Number of days in the taxation year in Number of days in the taxation	2002	x 3% =	
	Number of days in the taxation	year		
Amount Gx	Number of days in the taxation year in Number of days in the taxation	2003 year	x 5% =	j
Amount Gx	Number of days in the taxation year aft Number of days in the taxation	ter 2003 year	x 7% = k	<
General tax reduction - total of a	mounts H. L. J and K		1	
(enter amount L on line 639 of page	19 7)			-
Table 1 and	1× 1/			

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2002/12/31 Printed: 2005/04/22 15:09		
Canadian-controlled private corporations throughout the taxation year Aggregate investment income 440 X 26 2/3 % =		Λ
(Amount P from Part 1 of Schedule 7)		^
Foreign non-business income tax credit from line 632 on page 7		
'educt:		
Foreign investment income 445 X 9 1/3 % =		
(Amount O from Part 1 of Schedule 7) (if negative, enter "0")	-	D
Amount A minus amount B (if negative, enter "0")	-	В
		C
Taxable income from line 360 on page 3		
Deduct: Least of amounts on lines 400, 405, 410, and 425		
on page 4		
Foreign non-business income tax credit		
from line 632 on page 7 x 25/9 =		
Foreign business income tax credit from		
line 636 on page 7 x 10/4 =		
	X 26 2/3% =	5
Dettitue with the state of the	= ^ 20 2/3% -	D
Part I tax payable minus investment tax credit refund		
(line 700 minus line 780 on page 8)	=== 0:	
Deduct corporate surtax from line 600 on page 7	 0	
Net amount	_	E
Refundable portion of Part I tax - the least of amounts C, D, and E	450	0 F
Definishing the second of the		
Refundable dividend tax on hand (item 104)		
Refundable dividend tax on hand at the end of the preceding tax year 460		
Deduct dividend refund for the previous taxation year 465		
	_	A
Add the total of:		
Refundable portion of Part I tax from line 450 above		
Total Part IV tax payable from line 360 on page 2 of Schedule 3		
Net refundable dividend tax on hand transferred from a predecessor		
corporation on amalgamation, or from a wound-up subsidiary		
corporation 480	_	
	_}	В
Refundable dividend tax on hand at the end of the taxation year - amount A plus amount B	485	0
your amount of		
Dividend refund (item 105)		
Private and subject corporations at the time taxable dividends were paid in the taxation year		
Taxable dividends paid in the taxation year from line 460 on page 2 of		
Schedule 3	X 1/3	
	- 1/3	A
Refundable dividend tax on hand at the end of the taxation year from line 485 above		B
Dividend refund - Lesser of amounts A and B (enter this amount on line 784 on page 8)		0

Base amount of Part I tax - 38% of taxable income (line 360 or amount Z, w	thichever anniles)		
from page 3 (item 106)	michever applies)	550	0 A
Corporate surtax calculation (item 107)			
Base amount from line A above		1	
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page	e 3	2	
Investment corporation deduction from line 620 below		$-\frac{1}{3}$	
Federal logging tax credit from line 640 below		<u> </u>	
Federal qualifying environment trust tax credit from line 648 below		5	
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b and c below on line 6: 28% of taxable income from line 360 on page 3 28% of taxed capital gains	=a		
	= ^b	<u> </u>	
Part I tax otherwise payable	5		
(line A plus line C and D minus line F) Total of lines 2 to 6	= ^C	-	
	- ·	— ′	
Net amount (line 1 minus line 7)		 8	
Corporate surtax - 4% of the amount on line 8		600	В
Recapture of investment tax credit from line PPP in Part 21 on page 8 of Sche	dule 31 (item 108)	602	с
Calculation for the refundable tax on Canadian-controlled private corpora (for a CCPC throughout the taxation year) (item 109)	ation's investment inco	me	
Aggregate investment income from line 440 on page 6		1	
Taxable income from line 360 on page 3			
Deduct:	==		
The least of amounts on lines 400, 405, 410, and			
425 on page 4	_		
Net amount	<u></u> }	ii	
efundable tax on CCPC's investment income - 6 2/3 % of the lesser of am	ounts i or ii	604	D
Su	ubtotal (add lines A, B, C,	and D)	E
Deduct:			
Small business deduction from line 430 on page 4		9	
Federal tax abatement (item 110)	608		
Manufacturing and processing profits deduction from amount BB			
of Schedule 27 (item 111)	616		
Investment corporation deduction (item 112)	620		
(Taxed capital gains 624)			
Additional deduction - credit unions from Schedule 17 (item 113)	628		
Federal foreign non-business income tax credit from Schedule 21 (item 114)	632	-	
Federal foreign business income tax credit from Schedule 21 (item 115)	636	_	
Accelerated tax reduction from amount N of page 4 (item 116)	637		
General tax reduction for CCPC's from amount O of page 5 (item 117)	638	_	
General tax reduction from amount L of page 5 (item 117)	639		
Federal logging tax credit from Schedule 21 (item 118) Federal political contribution tax credit (item 119)	640		
Federal political contributions 646	644		
Federal qualifying environmental trust tax credit (item 120)	648		
Investment tax credit from Schedule 31 (item 121)	652		
Subtot		-,	-
			F
Part I tax payable - Line E minus line F (enter amount G on line 700 on page 8	i) (item 122)		0 G

Summary of tax and	credits
Federal tax	700
Part I tax payable from page 7 (item 123)	700
Part I.3 tax payable from Schedule 33, 34, or 35 (item 124)	704
Part II surtax tax payable from Schedule 46 (item 125)	708
Part IV tax payable from Schedule 3 (item 126)	712
Part IV.1 tax payable from Schedule 43 (item 127)	716
Part VI tax payable from Schedule 38 (item 128)	720
Part VI.1 tax payable from Schedule 43 (item 129)	724
Part XIII.1 tax payable from Schedule 92 (item 130) Part XIV tax payable from Schedule 20 (item 131)	728
Part XIV tax payable from Schedule 20 (item 131)	Total federal tax 0
Add provincial and territorial tax	Total lederal tax
Provincial or territorial jurisdiction (item 132) 750 ON	
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)	
Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 1	
Provincial tax on large corporations (New Brunswick and Nova Scotia) (iter	
	Total tax payable 770 0 A
Deduct other credits	Total tax payable 110
Investment tax credit refund from Schedule 31 (items 148)	780
Dividend refund from Page 4 (items 149)	784
Federal capital gains refund from Schedule 18 (item 150)	788
Federal qualifying environmental trust tax credit refund (item 151)	792
Canadian film or video production tax credit refund from Form T1131 (item	
Film or video production services tax credit refund from Form T1177 (item 1	
Tax withheld at source (item 154)	800
Total payments on which tax has been withheld (item 154) 801	
Allowable refund for non-resident-owned investment corporations - Schedule 26 (iten	n 155) 804
Provincial and territorial capital gains refund from Schedule 18 (item 156)	808
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812
Royalties deductible under Syncrude Remission Order 815	
Tax remitted under Syncrude Remission Order (item 158)	816
Tax instalments paid (item 159)	840
Total	credits 890 B
Refund Code 894 Overpayment	Balance (line A minus line B) 0 I
(item 160) (item 163)	
Direct Deposit Request (item 164)	If the result is negative, you have an overpayment.
To have the corporation's refund deposited directly into the corporation's	If the result is positive, you have a balance unpaid.
bank account at a financial institution in Canada, or to change banking	Enter the amount on whichever line applies.
information you already gave us, complete the information below.	
Start Change information 910	We do not charge or refund a difference of less than \$2.
Branch number	Balance unpaid (item 163)
914918	Enclosed payment (item 162) 898
Institution number Account number	
If the corporation is a Canadian-controlled private corporation throughout the ta	axation year,
does it qualify for the one-month extension of the date the balance is due? (ite	m 161) 896 1 Yes 2 No X NA
Cortification /item	165)
950 Enright 951 Thomas	•
950 Enright 951 Thomas Surname First name	954 Chairman
955 2005/04/22 956 (519) 245-2010	Position, office or rank
Date Telephone number	
Is the contact person the same as the authorized signing officer? If no, comple	te the information below. 957 1 Yes ☑ 2 No ☐
	
958	959(
Name	Telephone number
Language of correspondence - Langue d	
990 anguage of choice/l angue de choix 1 English / Anglais 🔯	2 Français / French



Canada Customs

Agence des douanes and Revenue Agency et du revenu du Canada

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

at income (loss) after taxes and extraordinary items per f	financial statements		A	(268,938)
Add:				
Amortization of tangible assets	104	504,618		
	Total of fields 101 to 199 500	504,618	•	504,618
Deduct:			-	
Capital cost allowance - Schedule 8	403	235,680		
	Total of fields 401 to 499 510	235,680	•	235,680
Net income (loss) for income tax purposes (enter on lin	ne 300 of the T2 return)			

File, Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2002/12/31 Printed: 2005/04/22 15:09

Ct , Customs Agence des douanes and revenue Agency et du revenu du Canada

CAPITAL COST AL JWANCE

Schedule 8

Is the corporation electing under regulation 1101(5q)? 101 1 \underline{Y} es \square 2 \underline{N} o \square

13 UCC at the end of the year	220	242	5,144,659	3 036 107	0.0000	111,390	184 948	2,01		8 A77 40A
12 Terminal loss	215): I								
11 Recapture of CCA	213									
10 CCA for the year (col 8 x 9 or a lower amount)	217	200 400	203,403	26.197						235.680
9 Rate %	212	-	-	9	200	707	30			
Adjustment for Base amount for Rate CCA for the year additions (1/2 x CCA (col 8 x 9 or a (col 3 - 5))		5 237 067	100,102,0	3,062,304	900 80	077'00	180,/88			8,578,387
Adjustment for additions (1/2 x (col 3 - 5))	211	117 075	0.01		13 162	100.00	4,1601		100 707	134,397
Froceeds of dispositions in a the year	207									
Net adjustments Proceeds of dispositions in the year	205				0					
3 Cost of additions in the year	203	234,149			26,323	R 220	0,020		268 702	701,002
Class UCC at start of year	107	5,119,993	3 062 304	100,200,0	790,68	176 628	020,011		8 443 992	70010110
Class	37,		2	1 0	α	10			Totals	200

File, Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end; 2002/12/31 Printed: 2005/04/22 15:09

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RELATED AND ASSOCIATI CORPORATIONS

This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name	Country	Business #	Code	Common shares	hares	Preferred shares	shares	Book value of
	(if not	(if not (Canadian corporation note 1	note 1	# owned	% owned	# owned	м омпед	capital stock
100	200	300	400	200	550	900	650	700
Middlesex Power Corporation		88102 2925 RC 0001	Ļ	4.631.198	100.000			4 631 198
Middlesex Energy Services Corporation		86965 3329 RC 0001	3					201110011
		RC	0					
Note 1: Enter the code number of the relationship that applies: 1- Parent	30.7	2 - Subsidiary 3 - Associated 4 - Related, but not associated	4 - Rela	ted, but not ass	ociated			

Agence des douanes and Revenue Agency 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 ye	ar ded	uction and c	arry-forwa	ard		
Cumulative eligible capital - balance at beginning of taxation year (if n				200	387,839	Α
Add:						
Cost of eligible capital property acquired during the taxation year	222		В			
Transfer from predecessor or subsidiary corporation	224		С			
Other adjustments	226		D			
(add amounts B, C, and D)			x 3/4 =	_		μE
	Subt	otal (amount A p	lus amount	E) 230	387,839	F
Deduct:						
Proceeds of sale (less outlays and expenses) 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			S			
obligation as provided for in subsection 80(7)	244		ьH			
Other adjustments	246		Į.			
(add amounts G, H, and I)			x 3/4 =	248		J
Cumulative eligible capital balance (amount F minus amount J)					387,839	K
(if amount K is negative, enter "0" at line M and proceed to Part 2)						
Current year deduction amount K (Deduct amount L on line 405 of Schedule 1)		387,839	x 7% =	250		L
				300	387.839	B.4
Cumulative eligible capital balance at the end of the taxation year						М
Note : The maximum current year deduction is 7%. You can claim any December 21, 2000, and is less than 365 days, prorate the calculation by 365.	amount of for line 2	up to the maximu 250 by multiplying	m. If your fisg by the num	cal period ber of days	starts after s in the year divid	ed

			nositive amount)	ve (show as a no	Amount from line K above
		me for			Total of cumulative eligible
1	400	1110 101			taxation years beginning a
		capital			Total of all amounts which
2	401				in the current or prior year
					Total of cumulative eligibl
	3	402		•	for taxation years beginnir
			igible	e cumulative eligi	Negative balances in the o
		n	come for taxation	e included in inco	capital account that were i
	4	408		July 1, 1988	years beginning before Ju
5					Line 3 minus line 4
6				i	Total of lines 1, 2, and 5
7	000 409	ing after February 27	xation years end	of previous taxa	ine T from schedule 10 o
					ine 6 minus line 7
			ve)	innot be negative	ine N minus line O (cann
			1/2	X 1,	Amount on line 5
F					ine P minus line Q
5			66.6667 *	X	Amount on line R
T)	essor of line N or line O
		4 1' 0 1 1'	- 400 -46	- 1 P	Amount to be included in in

Canada Customs

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SHAREHOLDER INFORMATION

Schedule 50

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business	Social Insurance	Percentage	Percentage
	Number *	Number *	common shares	preferred shares
100	200	300	400	500
Middlesex Power Corporation	88102 2925 RC 0001		100.000	
	RC			

^{*} If the shareholder is a trust, enter NR at field 200 or NA at field 300.

For agency use

[055]

T2-RETURN AND SCHEDULE INFORMATION

Taxation Year End: 2002-12-31

NAME: Middlesex Power Distribution Corporation - Federal Return Only

BN: 86570 1635 RC 0001

[001] 86570 1635 RC 0001 [060] 2002 01 01 [061] 2002 12 31 [099] **GP15** XXXXXXXXXX [002] Middlesex Power Distribution Corporation - Federal Return Only [003] 2 [004] XXXXXXXXXX [010] @ 2 [011] [012] [015] [016] [017] [018] For agency use [091] [020]@ 2 [092] [021] [093] [022] [023] [025] [026] For agency use [027] [094] [028] [095] [096] [097]

NAME: Middlesex Power Distribution Corporation - Federal Return Only

BN: 86570 1635 RC 0001 Taxation Year End: 2002-12-31

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BN: 86570 1635 RC 0001

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[289]			
[950]	Enright		
[951]	Thomas		
[954]	Chairman		
[955]	2005 04 25		
[956]	519 245 2010		

BN: 86570 1635 RC 0001

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BN: 86570 1635 RC 0001 Taxation Year End: 2002-12-31

	Certification	
ı, Thomas Enright	, am an authorized sign	ing officer of the corporation.
	lowing amounts are, to the best of my knowledge, correcte tax payable. These amounts also reflect the information	
	on year noted above.	i given on the corporation's income tax
Net income or	(loss) for income tax purposes from	
Schedule 001,	or GIFI [line 200300]	0
Part I tax payab	ole [line 200700]	0
	able [line 200704]	0
Part II surtax pa	yable [line 200708]	0
Part IV tax pays	able [line 200712]	0
Part IV.1 tax pa	yable [line 200716]	0
Part VI tax pays	able [line 200720]	0
Part VI.1 tax pa	yable [line 200724]	0
Part XIV tax pa	yable [line 200728]	0
Net provincial a	and territorial tax payable [line 200760]	0
Provincial tax o	n large corporations [line 200765]	0
	he method of calculating income for this taxation year is cons in a statement attached to this return.	istent with that of the previous year except as
2005/04/25		Chairman
Date	Signature of an authorized signing officer of the	Position, office or
	corporation	rank
		GP15 Page 5 of 5

Taxation Year End: 2002-12-31

NAME: Middlesex Power Distribution Corporation - Federal Return Only

BN: 86570 1635 RC 0001

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BN: 86570 1635 RC 0001

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NAME: N	Middlesex Power Distribution Cor	poration - Federal Return Only
BN: 8	36570 1635 RC 0001	Taxation Year End: 2002-12-31

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	2. 86965 3329 RC 0001 *
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[100]	Middlesex Power Corporation
	2. Middlesex Energy Services Corporation
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[500]	1. 4 631 198	
	2	*

[**550**] 1. 100 *****

[600] 1. ______ *

[650] 1. ______ *

NAME: Middlesex Power Distribution	Corporation - Federal Return Only
BN: 86570 1635 RC 0001	Taxation Year End: 2002-12-31

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[100]	Middlesex Power Distribution Corporation - Federal Return Only		
	2. Middlesex Energy Services Corporation		
	3. Middlesex Power Corporation *		
	XXXXXXXXXX		

BN: 86570 1635 RC 0001

Taxation Year End: 2002-12-31

[100] 1. Middlesex Power Corporation

[200] 1. 88102 2925 RC 0001 *

[300] 1. ______*

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BN: 86570 1635 RC 0001

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BN: 86570 1635 RC 0001 Taxation Year End: 2002-12-31

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BN: 86570 1635 RC 0001

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[106]	1
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[109]	
	XXXXXXXXXX

Ontario

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

Kemittance Advice - Payment-in-Lieu (PIL) Electricity Act. 1998

Corporations Tax Act, R.S.O. 1990

Taxation Year End:	(YYYYMMDD)	2	0	ο.	2	1	2	3	1
Payment Amount:	\$	<u>,</u>		5	7	2	5	3	5
Taxation Year End:	(YYYYMMDD)	2	0	0	2	1	2	3	1
Payment Amount:	\$,		5	7	2	5	3	5
Total Payment Enclosed:	\$	Ţ		5	7	2	5	3	5

Account No. 1800268

PX5003

MIDDLESEX POWER DISTRIBUTION CORPORATION C/O THOMAS ENRIGHT 351 FRANCES ST

- , and result this Memit IMNUE CORM With Your payment.

STRATHROY N7G 2C7

ON

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
MIDDLESEX POWER DISTRIBUTION CORPORATION	1800268	2005/07/18	2 of 4
ASSESSMENT NO. 8		./_	
Tax: Federal and Provincial PIL		12,69	9.00
Penalty - Late Filing			6.85
Assessment Interest		3,39	
Total Assessment Liability		18,41	
SUMMARY OF 2002/12/31 TAXATION YEAR TRANSACTIONS			
Dournoute/Tro-ofers	10 (00 000		

Payments/Transfers

Sub-Total **TAXATION YEAR BALANCE DUE **** 12,699.00CR

12,699.00CR

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.

12.06

Total tax assessed as per company estimate

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC) The current interest rate is 0.0191780%.

 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

 Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
Attachment 14
2003 Revised SIMPIL Model

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp Middlesex

OEB File Number EB-2012-0098

Filing Year 2003

	A	В	С	D	Е
1	PILS TAXES			-	Version 2009.1
3	REGULATORY INFORMATION (REGINFO) Utility Name: Middlesex Power Distribution Corp Middlesex			Colour Code	
4	Reporting period: 2003			Input Cell	
5				Formula in Cell	
7	Days in reporting period:		days days		
8	Total days in the calendar year:	300	days		
9	BACKGROUND				
10	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?		Y/N	Υ	
10			.,	· ·	
14 15	Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?		Y/N	N	
17	·				
18	Is the utility a non-profit corporation? (If it is a non-profit corporation, please contact the Rates Manager at the OEB)		Y/N	N	
19	Are the Ontario Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?	ОСТ	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		100%	
22		LCT		100%	
24	Accounting Year End		Date	31-Dec-03	
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28 29	(FROM 1999 FINANCIAL STATEMENTS) USE BOARD-APPROVED AMOUNTS				
30	OOL BOARD AIT ROYED AIRCORFO	_			
31	Rate Base (wires-only)			10,288,429	
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			881,204	
43	1999 return from RUD Sheet #7			18,430	
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in			002,774	l
47	Amount allowed in 2001			287,591	
48 49	Amount allowed in 2002			287,591	
50	Amount allowed in 2003 and 2004 (will be zero due to Bill 210 unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52 53	Other Board-approved changes to MARR or incremental revenue				0
54	Total Regulatory Income				593,612
55					
56 57	Equity			5,144,215	
	Return at target ROE			508,248	
59					
	Debt			5,144,215	
61 62	Deemed interest amount in 100% of MARR			372,956	
63					<u>'</u>
	Phase-in of interest - Year 1 (2001)			129,519	
65 66	((D43+D47)/D41)*D61 Phase-in of interest - Year 2 (2002)			251,237	
67	((D43+D47+D48)/D41)*D61			201,201	
	Phase-in of interest - Year 3 (2003) and forward			251,237	
69 70	((D43+D47+D48)/D41)*D61 (due to Bill 210) Phase-in of interest - 2005			372,956]
71	THESE III OF INCOUNT 2000			372,930	ı
72					

	A	В	С	D	Е	F	G	Н
1	PILs TAXES	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: Middlesex Power Distribution Corp Middlesex							
7	Reporting period: 2003							
8							Column	
9	Days in reporting period:		days				Brought	
10	Total days in the calendar year:	365	days				From	
11					•		TAXREC	
12			\$	4	\$		\$	
13	I) CORPORATE INCOME TAYER							
15	I) CORPORATE INCOME TAXES							
	Regulatory Net Income REGINFO E53	1	593,612	ŀ	-554,198		39,414	
17	Regulatory Net Income REGINFO E33	,	393,012	ŀ	-554,196		39,414	
	BOOK TO TAX ADJUSTMENTS							
	Additions:							
	Depreciation & Amortization	2	457,151	ľ	17,390		474.541	
21		3		Ī	0		0	
22	Tax reserves - beginning of year	4			0		0	
23	Reserves from financial statements - end of year	4			0		0	
	Regulatory Adjustments - increase in income	5			0		0	
25	Other Additions (See Tab entitled "TAXREC")			Ĺ				
26	"Material" Items from "TAXREC" worksheet	6		Ļ	0		0	
27	Other Additions (not "Material") "TAXREC"	6		ŀ	0		0	
28	"Material Items from "TAXREC 2" worksheet	6		ŀ	0		0	
29	Other Additions (not "Material") "TAXREC 2"	6	4.004	-	-4 201		0	
	Items on which true-up does not apply "TAXREC 3"		4,291	ļ	-4,291		0	
31	Daduationa, Innut nodifice numbers							
	Deductions: Input positive numbers Capital Cost Allowance and CEC	_	402.020	ŀ	107 577		205.245	
33	Employee Benefit Plans - Paid Amounts	7 8	402,922	ŀ	-197,577		205,345	
	Items Capitalized for Regulatory Purposes	9		ŀ	0		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5	10		ŀ	0		0	
37	Interest Expense Deemed/ Incurred	11	251,237	ŀ	57,373		308,610	
38	Tax reserves - end of year	4	201,201	ľ	0.,0.0		0	
39		4		ı	0		0	
40	Contributions to deferred income plans	3		Ī	0		0	
41	Contributions to pension plans	3		Ī	0		0	
42	Interest capitalized for accounting but deducted for tax	11			0		0	
43				L				
44	"Material" Items from "TAXREC" worksheet	12		L	0		0	
45	Other Deductions (not "Material") "TAXREC"	12		L	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"			-	U		Ü	
49	TAYADI E INOOME/ (LOOO)		400.005	4	(400,005)	D-f 0/E	0	
51	TAXABLE INCOME/ (LOSS)		400,895	+	(400,895)	Before loss C/F	0	
	BLENDED INCOME TAX RATE							
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%	+	-15.5000%	•	18.62%	
54	Tab Tax Nates - Negulatory from Table 1, Actual from Table 3	10	34.1270	1	-13.500070	•	10.02 /0	
	REGULATORY INCOME TAX		136,785	7	-136,785	Actual	0	
56			,		,			
57			L l					
	Miscellaneous Tax Credits	14			0	Actual	0	
59		l		╝				
60	Total Regulatory Income Tax		136,785	_[-136,785	Actual	0	
61		l						
62	II) CARITAL TAYED							
	II) CAPITAL TAXES	l						
64 65	Ontario							
66	Ontario Base	15	10,288,429	+	-1,378,646	•	8,909,783	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000	+	-133,380	•	4,866,620	
68	Taxable Capital	10	5,288,429	+	-1,512,026	•	4,043,163	
69	and the second s	l	5,259, 120	1	.,,	•	.,0.0,.00	
70	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	_†	0.0000%	<u>'</u>	0.3000%	
71		l		┚				
72	Ontario Capital Tax		15,865		-3,736	Overpaid	12,129	
73		l	T	ſ				\neg
74	Federal Large Corporations Tax			_ļ				
		18	10,288,429	4	-10,288,429		4	
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	4	0		10,000,000	
77	Taxable Capital	l	288,429	4	-10,288,429		0	
78	Poto Tay Potos Pogulatary Table 4: Astual Table 2	20	0.22500/	+	0.000000	•	0.2250%	
79 80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	+	0.0000%	•	0.2250%	
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		649	+	-649	•	0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	4,490	7	-4,490	•	0	
83			.,	1	., .50		-	
	Net LCT	l	0	_1	3,841	<u> </u>	0	
85					.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	·		
-								

	A	В	С	D	Е	F	G	Н
	PILs TAXES	ITEM	Initial	U	M of F	M of F	Tax	П
	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0						Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp Middlesex							
8	Reporting period: 2003						Column	
	Days in reporting period:	365	days				Brought	
	Total days in the calendar year:		days				From	
11			,-				TAXREC	
12			\$		\$		\$	
13								
	III) INCLUSION IN RATES							
87	T D () () ()		00.000/					
88 89	Income Tax Rate used for gross- up (exclude surtax)		33.00%	1				
	Income Tax (proxy tax is grossed-up)	22	204,157			Actual 2003	0	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2003	0	
92	Ontario Capital Tax (no gross-up since it is deductible)	24	15,865			Actual 2003	12,129	
93								
94								
95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	220,022			Actual 2003	12,129	
96 97	RAM DECISION	1						
98		-		H				
	IV) FUTURE TRUE-UPS	Ī						
	IV a) Calculation of the True-up Variance	Ī			DR/(CR)			
	In Additions:	1			(•)			
	Employee Benefit Plans - Accrued, Not Paid	3			0			
103	Tax reserves deducted in prior year	4			0			
	Reserves from financial statements-end of year	4			0			
	Regulatory Adjustments	5			0			
	Other additions "Material" Items TAXREC Other additions "Material" Items TAXREC 2	6 6			0			
	Other additions "Material" items TAXREC 2 In Deductions - positive numbers	0		1	U			
	Employee Benefit Plans - Paid Amounts	8		Ш	0			
	Items Capitalized for Regulatory Purposes	9			0			
	Regulatory Adjustments	10			0			
	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
	Tax reserves claimed in current year	4			0			
	Reserves from F/S beginning of year Contributions to deferred income plans	4 3			0			
	Contributions to deferred income plans Contributions to pension plans	3			0			
	Other deductions "Material" Items TAXREC	12			0			
	Other deductions "Material" Item TAXREC 2	12			0			
119								
120	Total TRUE-UPS before tax effect	26		=	0			
121	Income Tay Date (including austor) from 2002 Hilitale tay yeture			l.	40.000/			
123	Income Tax Rate (including surtax) from 2003 Utility's tax return			Х	18.62%			
	Income Tax Effect on True-up adjustments	1		_	0			
125		1						
	Less: Miscellaneous Tax Credits	14			0			
127		1						
128 129	Total Income Tax on True-ups	1			0			
	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131		1			17.50/6			
	TRUE-UP VARIANCE ADJUSTMENT	1			0			
133		1						
	IV b) Calculation of the Deferral Account Variance caused by	1						
	changes in legislation	Ī						
135	DECLIFATORY TAYABLE INCOME (CONTROL OF CONTROL 1							
120	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial	1			400.005			
136	estimate column)	1		[=	400,895			
	REVISED CORPORATE INCOME TAX RATE (including Surtax)	Ī		х	18.62%			
139	the state of the s	1		 	. 3.02 /0			
	REVISED REGULATORY INCOME TAX	1		=	74,647			
141		1						
	Less: Revised Miscellaneous Tax Credits			-	0			
143	Total Revised Regulatory Income Tax				74,647			
144	Total Neviseu Negulatory Income Tax	1		[-	74,047			
1	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell	1						
	C58)	1		-	136,785			
147								
	Regulatory Income Tax Variance			=	(62,139)			
149		<u> </u>		L				

	A	В	С	D	E	F	G	Н
1	PILs TAXES	ITEM	Initial	Ħ	M of F	M of F	Tax	
2	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	Versier coop :	
6	0						Version 2009.1	
7	Utility Name: Middlesex Power Distribution Corp Middlesex Reporting period: 2003							
8	reporting period. 2000						Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$	Ш	\$		\$	
13	Outside Oscillat Tour							
	Ontario Capital Tax Base				10,288,429			
152	Less: Exemption from tab Tax Rates, Table 2, cell C39			-	5,000,000			
153	Revised deemed taxable capital			=	5,288,429			
154	·							
155	Rate - Tab Tax Rates cell C54			х	0.3000%			
156	Desired Octobs Control Tox				45.005			
157	Revised Ontario Capital Tax	l		[=]	15,865			
158	Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)	l		ارا	15,865			
159	Regulatory Ontario Capital Tax Variance			ايًا	15,865			
160	Acquisity Stitute Capital Tax Valiable			$\lceil \rceil$				
	Federal LCT							
162	Base				10,288,429			
163	Less: Exemption from tab Tax Rates, Table 2, cell C40			-	10,000,000			
	Revised Federal LCT			=	288,429			
165	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2250%			
167	Rate (as a result of legislative changes) tab Tax Rates cell C51				0.223076			
	Gross Amount				649			
169	Less: Federal surtax			l - l	4,490			
170	Revised Net LCT			=	0			
171				Ι.				
	Less: Federal LCT reported in the initial estimate column (Cell C82)			-	0			
173 174	Regulatory Federal LCT Variance			-	0			
175	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176	Actual moome Tax Nate used for gross-up (exclude surfax)				17.5070			
177	Income Tax (grossed-up)			+	(75,320)			
178	LCT (grossed-up)			+	0			
179	Ontario Capital Tax			+	0			
180	DEFENDAL ACCOUNT VARIANCE AD HIGTMENT				(ZE 220)			
182	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=	(75,320)			
	TRUE-UP VARIANCE (from cell I130)			+	0			
184				1				
185	Total Deferral Account Entry (Positive Entry = Debit)			_	(75,320)			
186	(Deferral Account Variance + True-up Variance)							
187								
188				H				
189	W INTEREST PORTION OF TRUE UP							
	V) INTEREST PORTION OF TRUE-UP Variance Caused By Phase-in of Deemed Debt							
192	Tananio Gausea by I nase in Or Decinea Debt	l						
	Total deemed interest (REGINFO)				372,956			
194	Interest phased-in (Cell C36)				251,237			
195					40 : = :			
196					121,719			
197 198	according to the Board's decision							
199	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook)							
201	Interest deducted on MoF filing (Cell K36+K41)	l			308,610			
	Total deemed interest (REGINFO CELL D61)				372,956			
203					_			
204	Variance caused by excess debt				0			
	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
207	interest Adjustinistic for rax rulposes (carry forward to cell ITTO)				0			
208	Total Interest Variance			Ш	121,719			
209								
210								

A	В	С	D	E	F
1 PILS TAXES	LINE		Non-wires	Wires-only	'
2 TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
	0	Return			
5				Version 2009.1	
6 Section A: Identification:					
7 Utility Name: Middlesex Power Distribution Corp Middlesex 8 Reporting period: 2003					
9 Taxation Year's start date:					
10 Taxation Year's end date:					
11 Number of days in taxation year:		365	days		
12			,		
13 Please enter the Materiality Level :		0	< - enter materiality	/ level	
14 (0.25% x Rate Base x CER)	Y/N	Υ	•		
15 (0.25% x Net Assets)	Y/N	N			
Or other measure (please provide the basis of the amount)	Y/N	N			
17 Does the utility carry on non-wires related operation? 18 (Please complete the questionnaire in the Background questionnaire	Y/N works	N hoot)			
19	WUIKS	neet.)			
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.					
The actual categories of the income statements should be used.	4 04-5-	oo and provide to the	incomo terr		
25 If required please change the descriptions except for amortization, interes 26	ı expen	se and provision for	писотпе тах		
27 Please enter the non-wire operation's amount as a positive number, the page 27.	rogram	automatically treats	all amounts		
28 in the "non-wires elimination column" as negative values in TAXREC and					
29					
30 Income:					•
31 Energy Sales	+	11,173,701		11,173,701	
32 Distribution Revenue	+	1,798,908		1,798,908	
33 Other Income 34 Miscellaneous income	+	231,948		231,948	
35 Wiscellaneous income	++			0	
36 Revenue should be entered above this line				0	
37					
38 Costs and Expenses:					
39 Cost of energy purchased	-	11,173,701		11,173,701	
40 Administration	-	540,622		540,622	
Customer billing and collecting	-	515,862		515,862	
Operations and maintenance	-	460,417		460,417	,
43 Amortization 44 Ontario Capital Tax	-	474,541		474,541 0	
45				0	
46	-			0	,
47	-			0	
48	-			0	
49					i
50 Net Income Before Interest & Income Taxes EBIT	=	39,414	0	,	
51 Less: Interest expense for accounting purposes 52 Provision for payments in lieu of income taxes	-	308,610		308,610	
52 Provision for payments in lieu of income taxes 53 Net Income (loss)	_	-269,196	0	-269,196	
(The Net Income (loss) on the MoF column should equal to the net income (loss)	_	203,130	0	200,100	L
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	+	0	0	0	ſ
60 Federal large corporation tax	+	0	0	0	
61 Depreciation & Amortization	+	474,541	0	•	
62 Employee benefit plans-accrued, not paid	+		0		
63 Tax reserves - beginning of year	+	0	0		
Reserves from financial statements- end of year	+	0	0	0	
Regulatory adjustments on which true-up may apply (see A66)	+			0	
66 Items on which true-up does not apply "TAXREC 3"		0	0	0	
67 Material addition items from TAXREC 2	+	0	0	0	
68 Other addition items (not Material) from TAXREC 2	+	0	0	0	
70 Subtotal		474,541	0	474,541	
71 Subtotal		777,041	0	777,041	L
72 Other Additions: (Please explain the nature of the additions)					
73 Recapture of CCA	+			0	

	A	В	С	D	Е	F
	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax Return		Return	
5	•				Version 2009.1	
	Non-deductible meals and entertainment expense	+			0	
75 76	Capital items expensed	+			0	
77		+			0	
78		+			0	
79 80	Total Other Additions	+	0	0	0	
81	Total Guier Additions	= [U	U	U	
82	Total Additions	=	474,541	0	474,541	
83	Recap Material Additions:					
85	Recap Material Additions:		0	0	0	
86			0	0	0	
87			0	0	0	
88 89			0	0	0	
90			0	0	0	
91			0	0	0	
	Total Other additions >materiality level Other additions (less than materiality level)		0	0	0	
	Total Other Additions		0	0	0	
95			<u> </u>			
	BOOK TO TAX DEDUCTIONS:	1	205.245		005.045	
	Capital cost allowance Cumulative eligible capital deduction	-	205,345		205,345	
99	Employee benefit plans-paid amounts	-			0	
100	Items capitalized for regulatory purposes	- [0	
101	Regulatory adjustments : CCA	-			0	
103		-			0	
	Tax reserves - end of year	-	0	0	0	
	Reserves from financial statements- beginning of year Contributions to deferred income plans	-	0	0	0	
	Contributions to deferred income plans Contributions to pension plans	_			0	
	Items on which true-up does not apply "TAXREC 3"		0	0	0	
109	Interest capitalized for accounting deducted for tax	-			0	
	Material deduction items from TAXREC 2	-	0	0	0	
112	Other deduction items (not Material) from TAXREC 2	- L	O ₁	U	U	
113	Subtotal	=	205,345	0	205,345	
	Other deductions (Please explain the nature of the deductions)	ſ			٥١	
	Charitable donations - tax basis Gain on disposal of assets	-			0	
117		-			0	
118					0	
119 120	Total Other Deductions	=	0	0	0	
121					• 1	
122	Total Deductions	= [205,345	0	205,345	
123 124	Recap Material Deductions:	1				
125	Treath Material Deductions.		0	0	0	
126			0	0	0	
127 128			0	0	0	
129			0	0	0	
130	Total Other Deductions exceed materiality level		0	0	0	
	Other Deductions less than materiality level Total Other Deductions		0	0	0	
132	i otal Otilei Deudoliolis		U	U	0	
134	TAXABLE INCOME	= [0	0	0	
	DEDUCT:	r				
136 137	Non-capital loss applied positive number Net capital loss applied positive number	-			0	
138					0	
	NET TAXABLE INCOME	=	0	0	0	
140	FROM ACTUAL TAX RETURNS					
	Net Federal Income Tax (Must agree with tax return)	+ [0	
	, , , , , , , , , , , , , , , , , , , ,				ŭ	

	A	В	С	D	Е	F
1	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
143	Net Ontario Income Tax (Must agree with tax return)	+			0	
144	Subtotal	=	0	0	0	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
	Total Income Tax	=	0	0	0	
147						
	FROM ACTUAL TAX RETURNS	1	1			
	Net Federal Income Tax Rate (Must agree with tax return)		0.00%		0.00%	Divide federal
	Net Ontario Income Tax Rate (Must agree with tax return)		0.00%		0.00%	Divide Ontario
151	Blended Income Tax Rate		0.00%	******	0.00%	
152						
	Section F: Income and Capital Taxes					
154						
	RECAP	Í	-1			
-	Total Income Taxes	+	0	0	0	
	Ontario Capital Tax	+	12,129		12,129	
	Federal Large Corporations Tax	+			0	
159		1				
160 161	Total income and capital taxes	=	12,129	0	12,129	
161						
162						

	A	В	С	D	E	F
1	PILs TAXES	LINE	M of F	Non-wires	 Wires-only	Г
		LIINE			Tax	
	Tax and Accounting Reserves For MoF Column of TAXCALC		Tax	Eliminations	Return	
	(for "wires-only" business - see s. 72 OEB Act)		Return		Return	
5	(IOI WITES-OTHY DUSTITIESS - SEE S. 72 OLD ACT)		Netuili		Version 2009.1	
6	•				Version 2009.1	
	Utility Name: Middlesex Power Distribution Corp Middlesex					
9	Reporting period: 2003					
	TAX RESERVES					
11	TAX NEGERVES					
	Beginning of Year:					
13	Deginning of Teal.				0	
	Reserve for doubtful accounts ss. 20(1)(l)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
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	
	Reserve for goods & services ss.20(1)(m)				0	
	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	
	Other - Please describe				0	
32					0	
33					0	
	Insert line above this line					
	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
37						
	FINANCIAL STATEMENT RESERVES					
39	D : : (V					
	Beginning of Year:				0	
41					0	
42	Farinamental				0	
	Environmental Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	OPEB				0	
	Ottor - Please describe				U	
	Other - Please describe Other - Please describe				0	
50	Caron i loude dedenide				0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
52	. The fact of the traction with the state of	Į.	U	J	0	
	End of Year:					
54					0	
55					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	OPEB				0	
61					0	
62					0	
63	Insert line above this line					
64	Total (carry forward to the TAXREC worksheet)		0	0	0	
65	•					
66						

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

	A	В	С	D	Е	F
1						
-	PILs TAXES	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)			Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
6	RATEPAYERS ONLY Shareholder-only Items should be shown on TAXREC 3		Return		Version 2009.1	
7	Shareholder-only items should be shown on TAXREC 3				version 2009. i	
	Utility Name: Middlesex Power Distribution Corp Middlesex					
9	Reporting period: 2003					
	Number of days in taxation year:		365			
11	Materiality Level:		0			
12						•
13						•
76			0	0	0	
	Total Material additions		0	0	0	
70	Other additions less than materiality level Total Additions		0	0	0	
80	Total Additions		U	U	U	
	Deduct:					
	Gain on disposal of assets per f/s	_			0	
83	Dividends not taxable under section 83	-			0	
	Terminal loss from Schedule 8	-			0	
	Depreciation in inventory, end of prior year	-			0	
	Scientific research expenses claimed in year from Form T661	-			0	
	Bad debts	-			0	
88	Book income of joint venture or partnership Equity in income from subsidiary or affiliates	-			0	
	Equity in income from subsidiary or anniates Contributions to a qualifying environment trust	-			0	
	Other income from financial statements	-			0	
92	Other moone nom imanour statements				0	
93		-			0	
94		-			0	
	Other deductions: (Please explain in detail the nature of the item)	-			0	
96		-			0	
97		-			0	
98	Total Dedications	-		0	0	
99	Total Deductions	=	0	0	0	
	Recap of Material Deductions:					
102	Necap of Material Deductions.		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	
110 111			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	
	Total Deductions exceed materiality level		0	0	0	
	Other deductions less than materiality level		0	0	0	
	Total Deductions		0	0	0	
122 123						
123						
147						

	A	В	C D	E	F
1					
3	PILS TAXES TAX RETURN RECONCILIATION (TAXREC 3)				
	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 Elimination	s Tax	
6	(for "wires-only" business - see s. 72 OEB Act)		Tax	Return	
7	(10.1 11.100 01.1) 2001.1000 000 01.12 022/101,	0	Return		
8	Utility Name: Middlesex Power Distribution Corp Middlesex			Version 2009.1	
9					
	Reporting period: 2003				
12	Number of days in taxation year:		365		
13					•
14 15					
	Section C: Reconciliation of accounting income to taxable income				
	Add:				
18					1
	Recapture of capital cost allowance CCA adjustments	+		0	-
	CEC adjustments	+		0	1
22	Gain on sale of non-utility eligible capital property	+		0	
23	Gain on sale of utility eligible capital property	+		0	
	Loss from joint ventures or partnerships Deemed dividend income	+		0	
	Loss in equity of subsidiaries and affiliates	+		0	
27	Loss on disposal of utility assets	+		0	
	Loss on disposal of non-utility assets	+		0	
	Depreciation in inventory -end of year Depreciation and amortization adjustments	+		0	-
	Dividends credited to investment account	+		0	
_	Non-deductible meals	+		0	
_	Non-deductible club dues	+		0	
	Non-deductible automobile costs Donations - amount per books	+		0	-
	Interest and penalties on unpaid taxes	+		0	-
37	Management bonuses unpaid after 180 days of year end	+		0	
	Imputed interest expense on Regulatory Assets	+		0	
39 40	Ontario capital tax adjustments	+		0	-
	Changes in Regulatory Asset balances	+		0	•
42		+		0	
	Other Additions: (please explain in detail the nature of the item)	+		0	-
44 45		+		0	-
46		+		, ,	•
47	Total Additions on which true-up does not apply	=	0	0 0]
48	Deduct:				
50	peauci.				
51	CCA adjustments	-		0]
	CEC adjustments	-		0	
	Depreciation and amortization adjustments Gain on disposal of assets per financial statements	-		0	-
	Financing fee amorization - considered to be interest expense for PILs	-		0	1
56	Imputed interest income on Regulatory Assets	-		0]
	Donations - amount deductible for tax purposes	-		0	
58 59	Income from joint ventures or partnerships			0	-
60		_		0	
61		-		0]
62		-		0	
63 64	Ontario capital tax adjustments to current or prior year	-		0	-
65	Ontano Capital tax aujustinents to current or prior year	-		0	1
66	Changes in Regulatory Asset balances	-		0]
67	Other deductions (Disease and State	-		0	
68	Other deductions: (Please explain in detail the nature of the item)	-		0	

	A	В	С	D	E	F
1						
	PILs TAXES					
	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: Middlesex Power Distribution Corp Middlesex				Version 2009.1	
9						
10	D (1 1 1 222					
	Reporting period: 2003			ī		
	Number of days in taxation year:		365	l		
13						1
69		-			0	
70		-			0	
71		-			0	
72		-		_	0	
73	Total Deductions on which true-up does not apply	=	0	0	0	
74						

_	Δ.	L L		_	-	Г		
1	PILS TAXES	В	С	D	E	F		
	Corporate Tax Rates					Version 2009.1		
	Exemptions, Deductions, or Thresholds					V & I SIUIT 2003. I		
4 Utility Name: Middlesex Power Distribution Corp Middlesex								
	Reporting period: 2003							
6								
7						Table 1		
8	Rates Used in 2002 RAM PILs Applications for 2002							
9	Income Range		0		200,001			
	RAM 2002		to		to	>700,000		
11		Year	200,000		700,000			
	Income Tax Rate							
	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%					
	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000					
	Federal Large Corporations Tax Exemption **	MAX \$10MM	, ,					
	**Exemption amounts must agree with the Board-appro							
				_				
3								
3								
5						Table 2		
	Expected Income Tax Rates for 2003 and Capital Tax Exemptions f	or 2003						
	Income Range		0	250,001	400,001			
	Expected Rates		to	to	to	>1128000		
9	•	Year	250,000		1,128,000			
	Income Tax Rate		,,,,,,,	,,,,,,,,,	, ,,,,,,,			
	Current year	2003						
	Federal (Includes surtax)		13.12%	22.12%	22.12%	24.12%		
	Ontario		5.50%	5.50%	9.75%	12.50%		
34	Blended rate		18.62%	27.62%	31.87%	36.62%		
5			10.0270	27.5270	01.0170	00.0270		
			0.300%					
	Canital Tax Rate							
	Capital Tax Rate		0.225%					
38	LCT rate		0.225%					
	LCT rate Surtax	MAY CERARA	1.12%					
39	LCT rate Surtax Ontario Capital Tax Exemption *** 2003	MAX \$5MM	1.12% 5,000,000					
39 10	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	1.12% 5,000,000 10,000,000					
39 40	LCT rate Surtax Ontario Capital Tax Exemption *** 2003	MAX \$10MM	1.12% 5,000,000 10,000,000		ulated ac	tivities.		
9 0 1	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	1.12% 5,000,000 10,000,000		ulated ac	tivities.		
10 11 12	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003	MAX \$10MM	1.12% 5,000,000 10,000,000		ulated ac			
39 40 41 42 43	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board	MAX \$10MM	1.12% 5,000,000 10,000,000		ulated ac	tivities.		
39 40 41 42 43 44	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns	MAX \$10MM	1.12% 5,000,000 10,000,000 ons regard	ling reg				
39 10 11 12 13 14	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board	MAX \$10MM	1.12% 5,000,000 10,000,000 ons regard	ling reg 250,001	400,001	Table 3		
9 0 1 2 3 4 5	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns	MAX \$10MM d's instruction	1.12% 5,000,000 10,000,000 Dns regard 0 to	250,001 to	400,001 to			
9 0 1 2 3 4 5 6	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range	MAX \$10MM	1.12% 5,000,000 10,000,000 ons regard	250,001 to	400,001	Table 3		
13 14 15 16 17	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate	MAX \$10MM d's instruction	1.12% 5,000,000 10,000,000 Dns regard 0 to	250,001 to	400,001 to	Table 3		
9 0 1 2 3 4 5 6 7 8	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year	MAX \$10MM d's instruction	0 to 250,000	250,001 to 400,000	400,001 to 1,128,000	Table 3 >1128000		
9 0 1 2 3 4 5 6 7 8	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax)	MAX \$10MM d's instruction	1.12% 5,000,000 10,000,000 Ons regard 0 to 250,000	250,001 to 400,000	400,001 to 1,128,000 22.12%	Table 3 >1128000 24.12%		
9 0 1 2 3 4 5 6 7 8 9	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario	MAX \$10MM d's instruction	0 to 250,000 13.12% 5.50%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%		
39 10 11 12 13 14 15 16 17 18 19 10 10 10	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario	MAX \$10MM d's instruction	1.12% 5,000,000 10,000,000 Ons regard 0 to 250,000	250,001 to 400,000	400,001 to 1,128,000 22.12%	Table 3 >1128000 24.12%		
39 40 41 42 43 44 45 46 47 48 49 50 51 52	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate	MAX \$10MM d's instruction	0 to 250,000 13.12% 5.50% 18.62%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%		
39 40 41 42 43 44 45 46 47 48 49 50 51 52	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate	MAX \$10MM d's instruction	0 to 250,000 13.12% 5.50% 18.62%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%		
39 40 41 42 43 44 45 46 47 48 49 50 51 52 53	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate	MAX \$10MM d's instruction	0 to 250,000 13.12% 5.50% 18.62%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%		
39 40 41 42 43 44 45 46 47 48 49 50 51 52 53	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ***Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax	Year	0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12%	250,001 to 400,000 22.12% 5.50%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%		
39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	Year 2003 MAX \$5.0MM	0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12% 4,866,620	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 9.75%	Table 3 >1128000 24.12% 12.50%		
39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	Year 2003 MAX \$5.0MM MAX \$10MM	1.12% 5,000,000 10,000,000 10,000,000 10 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12% 4,866,620 10,000,000	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 9.75% 31.87%	Table 3 >1128000 24.12% 12.50% 36.62%		
39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	Year 2003 MAX \$5.0MM MAX \$10MM	1.12% 5,000,000 10,000,000 10,000,000 10 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12% 4,866,620 10,000,000	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 9.75% 31.87%	Table 3 >1128000 24.12% 12.50% 36.62%		
39 10 11 12 13 14 15 16 17 18 19 19 10 10 11 10 10 10 10 10 10 10 10 10 10	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * * Include copies of the actual tax return allocation calculations.	Year 2003 MAX \$5.0MM MAX \$10MM	1.12% 5,000,000 10,000,000 10,000,000 10 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12% 4,866,620 10,000,000	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 9.75% 31.87%	Table 3 >1128000 24.12% 12.50% 36.62%		
9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8	LCT rate Surtax Ontario Capital Tax Exemption *** 2003 Federal Large Corporations Tax Exemption *** 2003 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2003 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption *	Year 2003 MAX \$5.0MM MAX \$10MM	1.12% 5,000,000 10,000,000 10,000,000 10 to 250,000 13.12% 5.50% 18.62% 0.300% 0.225% 1.12% 4,866,620 10,000,000	250,001 to 400,000 22.12% 5.50% 27.62%	400,001 to 1,128,000 22.12% 9.75% 31.87%	Table 3 >1128000 24.12% 12.50% 36.62%		

	A	В	С	D E	F	G H	I	J K	L M	N O
	PILs TAXES Analysis of PILs Tax Account 1562:									
3	Utility Name: Middlesex Power Distribution Corp Middlesex Reporting period: 2003			Sign Convent	ion: + for	increase; - for deci	rease			Version 2009.1 0
5	reporting period. 2000			Oigil Conven	+ 101					•
7										
8			10/1/2001 12/31/2001	1/1/2 12/31/2		1/1/2003 12/31/2003	1/1/2004 12/31/2004	1/1/2005 12/31/2005	1/1/2006 4/30/2006	Total
10	154. 51.4		12/31/2001	12/31/2	.002	12/31/2003	12/31/2004	12/31/2003	4/30/2000	Total
11	Opening balance:	=	0		0	0	-75,320	-75,320	-75,320	0
14	Board-approved PILs tax proxy from Decisions (1) True-up Variance Adjustment Q4, 2001 (2)	+/- +/-								0
16 18	True-up Variance Adjustment (3) Deferral Account Variance Adjustment Q4, 2001 (4)	+/- +/-				0				C
20	Deferral Account Variance Adjustment (5)	+/-				-75,320				-75,320
23	Carrying charges (7)	+/- +/-								C
25	PILs billed to (collected from) customers (8)	-	0							0
26 27	Ending balance: #1562		0		0	-75,320	-75,320	-75,320	-75,320	-75,320
28	Ending balance. # 1302		0			-70,320	-73,320	-70,320	-10,320	-13,520
29 30										
	Uncollected PILs									
33 34 35										
36 37	Please identify if Method 1, 2 or 3 was used to account for the PILs p	oroxy and	recovery. ANSW	ER:						
38 39 40 41 42 43 44 45 46	38 (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. 91 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 I - The 2002 PILs tax proxy angles to Japuary 1 to March 31, 2005 and the new 2005 PILs tax proxy from April 1 to December 31, 2005									
47 48 49	(2) From the Ministry of Finance Variance Column, under Future True-up					Q4, 2001 proxy has	s to be			
50 51 52	(3) From the Ministry of Finance Variance Column, under Future True-up				sheet.					
53 54 55	(4) From the Ministry of Finance Variance Column, under Future True-up						s to be			
56 57 58	(5) From the Ministry of Finance Variance Column, under Future True-up				sheet.					
59 60	(6) The correcting entry should be shown in the year the entry was made	. The tru	e-up of the carrying	g charges will have	to be revie	ewed.				
61 62	(7) Carrying charges are calculated on a simple interest basis.									
63 64	3 (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 4 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									
65 66 67 68 69 70 72 73 75 76	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs by the PILs volumetric proxy rates by class (from the Q4, 2001anc plus, (b) customer counts by class in the same period multiplied by	1 2002 RA	M worksheets) for	2002, 2003 and Ja						
72 73	In 2004, use the Board-approved 2002 PILs proxy, recovered on a for the period April 1 to December 31, 2004, and add this total to t	he results	from the sentence	above for Januar	/ 1 to Marc	h 31, 2004.				
75 76 77 78	to calculate the recovery for the period January 1 to March 31, 20	1 volumet				fl, sheet 4,				
79 80 81	(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.									

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
Attachment 15
2003 Financial Statements

MIDDLESEX POWER DISTRIBUTION CORPORATION

FINANCIAL STATEMENTS

DECEMBER 31, 2003



AUDITOR'S REPORT

To the Shareholder and Board of Directors:

I have audited the balance sheet of the Middlesex Power Distribution Corporation as at December 31, 2003 and the statements of operations, equity and changes in financial position for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Middlesex Power Distribution Corporation as at December 31, 2003 and the results of its operations and changes in financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

May 18, 2004 London, Canada Christene Scringcour CHARTERED ACCOUNTANT

MIDDLESEX POWER DISTRIBUTION CORPORATION BALANCE SHEET DECEMBER 31, 2003

(with comparative figures as at December 31, 2002)

	2003	2002
ASSETS		
Current Accounts receivable Due from Township of Strathroy-Caradoc - Water Department Unbilled revenue Inventory Prepaid expenses	\$ 1,047,073 215,930 1,282,047 352,471 <u>57,649</u> 2,955,170	\$ 1,185,344 1,133,478 377,499 38,328 2,734,649
Capital - at cost Distribution plant General plant Less accumulated amortization	7,530,983 2,075,667 9,606,650 1,534,623 8,072,027	7,335,867 2,053,800 9,389,667 1,060,082 8,329,585
Other assets Deferred assets (note 2)	545,168 545,168	438,682 438,682
Total assets	\$ <u>11,572,365</u>	\$ <u>11,502,916</u>
LIABILITIES AND EQUITY		
Current Bank overdraft (note 11) Bank loan (note 5) Accounts payable and accrued liabilities Due to Township of Strathroy-Caradoc - Water Department Due to Middlesex Energy Services Corporation Customers' deposits	\$ 112,840 298,208 2,545,663 156,907 88,000 3,201,618	\$ 168,417 340,308 2,105,649 152,685 80,438 80,000 2,927,497
Long term Long-term debt (note 6) Promissory notes payable (note 7) Employee future benefits (note 10) Customers' deposits	353,625 4,356,925 214,778 233,459 5,158,787	440,750 4,356,925 135,229 161,359 5,094,263
Total liabilities	<u>8,360,405</u>	8,021,760
Shareholder's Equity Common shares (note 8) Accumulated net earnings (deficit) - Statement 2	4,631,198 (1,419,238) 3,211,960	4,631,198 _(1,150,042) _3,481,156
Total liabilities and shareholder's equity	\$ <u>11,572,365</u>	\$ <u>11,502,916</u>

The accompanying notes are an integral part of this financial statement.

MIDDLESEX POWER DISTRIBUTION CORPORATION STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2003
(with comparative figures for the year ended December 31, 2002)

	<u>2003</u>	2002
Service revenue Residential General Commercial and industrial Street lighting	\$ 4,793,791 6,709,773 1,354,858 114,187	\$ 6,458,952 7,520,456 1,078,377 117,448
	12,972,609	15,175,233
Cost of power	11,173,701	13,415,745
Gross margin on service revenue	1,798,908	1,759,488
Expenditures Administration and general Customers' billing and collecting Distribution expenses - operations Distribution expenses - maintenance Amortization (note 1) Interest	540,622 515,862 90,430 369,987 474,541 308,610	533,206 398,670 107,524 333,921 504,618 342,321
Net operating revenue (loss)	2,300,052	2,220,260
Other revenue (expenditures) Interest, late payment and miscellaneous charges	(501,144) 231,948	(460,772) 191.834
Net earnings (loss) for the year	\$ <u>(269,196</u>)	\$ <u>(268,938</u>)

The accompanying notes are an integral part of this financial statement.

MIDDLESEX POWER DISTRIBUTION CORPORATION NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2003

Middlesex Power Distribution Corporation was incorporated in Ontario on April 11, 2000 to distribute electrical power in accordance with Section 144 of the Electricity Act, 1998.

The Corporations of the Town of Strathroy, the Township of Caradoc and the Town of Parkhill passed bylaws transferring the assets and liabilities of their respective Hydro Electric Commissions effective November 1, 2000 to Middlesex Power Distribution Corporation.

1. Significant accounting policies

The Corporation's financial statements have been prepared in accordance with accounting principles for Electric Utilities as prescribed by the Ontario Energy Board. All principles employed are in accordance with the generally accepted accounting principles.

Accounts receivable

Accounts receivable are shown net of an allowance for doubtful accounts of \$81,000 (2002 - \$45,000).

Inventories

Inventories consist of material and supplies purchased for future use and are valued at cost using the average cost method.

Capital assets and amortization

Capital assets are amortized on a straight line basis over their anticipated useful lives as determined by the Ontario Energy Board. Capital assets include transformers which are in inventory as prescribed by the Ontario Energy Board.

Revenue Recognition

Revenue is recorded using the accrual basis of accounting and is based on regular meter readings and estimates of customer usage since the last meter reading date to the end of the year.

MIDDLESEX POWER DISTRIBUTION CORPORATION NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2003

2. Deferred assets

Deferred assets include transition costs of \$ 186,100 (2002 - \$168,334) and retailer settlement variance accounts of \$ 359,068 (2002 - \$ 270,348). The transition costs were incurred in order to prepare the Corporation for the deregulated electricity industry, which opened May 1, 2002. The retailer settlement variance accounts are a result of Bill 210 which has deferred future rate increases until 2006. It is management's belief that they will be able to recover both of these costs through rates after that time.

3. Pension agreements

The Corporation makes contributions to the Ontario Municipal Employees Retirement Savings Pension Fund (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a contributory defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Effective August 1, 1998, the Pension Fund started a premium holiday for the members which results in a savings for both the employer and employees. The amount contributed to OMERS for 2003 is \$ 7,418 (2002 \$NIL).

4. Class action lawsuit

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged Late Payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code. The Electricity Distributors Association is undertaking the defense of this class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the Corporation.

5. Bank loan

The Corporation has a demand instalment loan of \$298,208 (2002 - \$340,308) which is repayable over the next seven years at monthly payments of \$3,508 plus interest which is 1% over prime.

MIDDLESEX POWER DISTRIBUTION CORPORATION NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2003

10. Post employment benefit

The Corporation is liable for providing certain life insurance benefits for its retirees until their date of death. In accordance with the requirements of the Canadian Institute of Chartered Accountants, the present value of these benefits are to be accrued in these financial statements. The Corporation received an actuarial's evaluation of this liability in 2003 and has accrued \$214,778 (2002 - \$135,229).

11. Commitment

The Corporation has contracted with an unrelated party, by way of a letter of agreement, to provide the Corporation with certain management, human resources, financial, regulatory, customer support and engineering support services for an undetermined period of time.

The Corporation, in order to obtain the electricity it requires to distribute to its customers, is required to provide security to the Independent Electricity Market Operator based on its usage as of May 1, 2002. The security obtained was a letter of credit from a financial institution for \$1,683,492 and was not utilized as at December 31, 2003.

The Corporation has an available line of credit from a financial institution for \$ 1,500,000. As at December 31, 2003, there was \$ 112,840 (2002 - \$ 168,417) outstanding. The line of credit carries an interest rate of prime plus 1%.

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkh Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-009
Attachment 16
2003 Tax Returns



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)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business ervices (MCBS) Annual Return. Page 1 is a common page required for both aturns. 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 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.

Return (see page 2). MCBS Annual Return Required? (Not required if alre to Annual Return exe		_	□ No Page 1 of 24	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Corporation's Legal Name (including punctuation Middlesex Power Distribution Corporation		<u> </u>	Line ragerera.	Ontario Corporations Tax Account No. (MOF) 1800268
Mailing address 351 Frances Street City Strathroy	Province ON	Countr CA	y Postal code N7G 2C7	This CT23 Return covers the Taxation Year Start 2003/01/01 End 2003/12/31
Has the mailing address changed since last filed CT23 Return? Registered/Head Office Address 351 Frances Street	Date of ch	nange		Date of Incorporation or Amalgamation
City Strathroy	Province ON	Countr	y Postal code N7G 2C7	Ontario Corporation No. 1800268 (MCBS)
Location of Books and Records 351 Frances Street City Strathroy	Province ON	Country CA	y Postal code N7G 2C7	Canada Customs and Revenue Agency Business No. 865701635RC0001
Name of person to contact regarding this CT23 Return Thomas Enright	Telephone No. (519) 245-201	10	Fax No. (519) 245-5384	Jurisdiction Incorporated Ontario
Address of Principal Office in Ontario (Extra-Prov	Province	Country	(MCBS) y Postal code	If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced
Former Corporation Name (Extra-Provincial Corporations	only) Not	applicab	le (MCBS)	Ceased Mot Applicable
Information on Directors/Officers/Administrators of Schedule A or K as appropriate. If additional space only this schedule may be photocopied. State nut of there is no change to the Directors'/Officers'/Adsubmitted to MCBS, please check	ce is required for Somber submitted (Modern mber submitted (Modern dministrators' inforr	chedule / CBS). ▶ mation pr	eviously _	Preferred Language / Langue de préférence English French français Ministry Use
I certify that all information set out in the Ar Name of Authorized Person ∴ ∩omas Enright	THE REAL PROPERTY AND ADDRESS OF THE PERSON		ion (MCBS)	
Title: Director Officer Director Officer Director Officer Director Note: Sections 13 and 14 of the Corporations Inform.	Other individual havi of the affairs of the	e Corpor	ation	oments or omissions.



Exempt From Filing (EFF) Corporations Tax Return Declaration

					Pa	age 2 of 24
Corporation's Legal Name				Ontario Corp	oorations Tax Accoun	t No. (MOF)
t ₁	2 24	declare t	hat:			
The above corporation satisfies al orporations Tax Act as exempt fro	I of the exempt from filing criteria (a m filing an Ontario Corporations Ta	a) through (f) Return.	below for t	the taxation yea	ar and therefore quali	fies under the
 Criteria for exempt from filing stands and Revenue Agency for the table had no Ontario taxable income provisions in NOTE 2 below); c) had no Ontario Corporations Total 	return (T2) with Canada Customs axation year; for the taxation year (subject to the	taxation shares Tax Act e) had pro number f) is NOT of an as	year (i.e. owned by (Canada) vided its C to the Mir subject to esociated g	generally a priv Canadian reside); Canada Customa histry of Finance the Corporate Na group whose tot	e corporation through yate corporation with ents as defined by th s and Revenue Agen e, Corporations Tax E Minimum Tax (i.e. alo tal assets exceed \$5 0 million for the taxati	50% or more e Income cy business Branch; and ne or as part million or
Signature	Title/Relationship to Corporation	Tele (phone numl) -	ber	Date	
Please note that making a false state	ement to avoid compliance with the	Corporations	Tax Act is a	an offence which	r can result in a penalt	 y and/or fine.
NOTE 2: The following loss situations corporations to file a CT23 to schedules and financial state. 1. If a corporation has a loss be carried back and appli regardless of whether the purposes or not, a CT23 to taxation year. The corporindicating that the loss is and the amount of loss to	orporations Tax Return under ions Tax Act. will require otherwise EFF ax return complete with all related ements: is in the current taxation year that is to ed to a previous taxation year(s), loss is the same as for federal ax return is required for the current ation must also provide information to be carried back and specify the year be carried back to each taxation year.	fed loss tax pre whi for app retu 3. If a fed corp the corp	eral and Ones carryforwareturn is reviously filed ch the loss the loss yearlied, the Courn for a loss corporation is a loss amour coration is a loss amour coration is reation year o	atario purposes and from the prior quired for the curred, a CT23 tax returnation and the curred is all ar is not required to proporations Tax Briss year at the time that a prior year tario purposes, but a purposes, but a prior year at the time that a prior year tario purposes, but a prior year at the time applying a different being applied for equired to file a Conly.	loss, that is not the same of the corporation is applyed to the current year rent taxation year, and it is required. Although a where the loss is not be ranch will accept the filling the loss is incurred. Hoss, that is the same fout in the current taxation at amount of loss for Ontax amount of l	olying a , a CT23 f not year in tax return ing ng of a tax or both n year the tario than rposes, the urrent
is also being filed, completion of these	fields is NOT necessary.					
Corporation's Mailing Address						
City Province	e Country Postal code	2. Ontario Co No. (MCB		Business	ustoms and Revenue A No. RC	gency
	pt From Filing Corporations Tax vithin 6 months after the end of its					rporation is
	following criteria, you are eligib nistry information Centre at the	numbers list	ed on pag			
corporation (CC Indicate Share 0	is a Canadian-controlled private PC) throughout the taxation year. (nearest whole Capital with full voting percentage) Canadian Residents 100 %	Yes No	(d) -	January 1, 2001, a are each \$1,500,0 a financial instituti	taxation year ends on c and its gross revenue a 000 or less and the corp ion; OR taxation year commenc	nd total assets oration is not
(b) The corporation is \$200,000 or le	s taxable income for the taxation year ess. For a taxation year with less than le income must be grossed-up. (Refer		; i	September 30, 20 assets are each \$ s not a financial ir	001, and its gross revent 3,000,000 or less and t	ue and total he corporation
(c) The corporation venture or a mer	is NOT a member of a partnership/joint mber of an associated group of ing the taxation year.		t (the Incentive Ded Corporations (IDS Credit (CETC) or ((GTTC).	uction for Small Busines BC), Co-operative Educ Graduate Transitions Ta	ss cation Tax ax Credit
NOTE, Family Form or Fishing	protions that have a tayallar			-	Ontario allocation facto	
	orations that have a taxation year ending Short-Form Corporations Tax Return Corporations					

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Тур	e of Co	orporation - Please check (✔) box(o	s) if appli	cable in sections 1 & 2			Ontario Retail Sales Tax Vendor
1	1 🔀	Canadian-controlled private (CCPC 50% or more shares are owned by) all year (Generally a private corporation	of which		Permit No. (Use Head Office No.)
	2 🗿	Other Private					Ontario Employer Health Tax Account No.
	3 🜆	<u>P</u> ublic		Share Capital with full	(200000	-4 0/ \	(Use Head Office No.)
	4	Non-share Capital		voting rights owned by Canadian residents.	(neares 100		Specify major business activity
	5	Other (specify)					Distribution of electricity
2	1	Eamily Farm Corporation s.1(2)	14	Bare <u>Trustee</u> Corporation			
	2	Family Fishing Corporation s.1(2)	15 📳	Branch of Non-resident s.63	(1)		
	3	Mortgage Investment Corp s.47	16	Financial institutions prescri Regulation only	bed by		
	4	Credit Union s.51	17 📳	Investment Dealer			
	5 🗿	Bank Mortgage Subsidiary s.61(4)	18	Generator of electrical energ		or	
	6	Bank s.1(2)		producer of steam for use in generation of electrical ener)	
	7 🖫	Loan and Trust Corporation s.61(4)	19 🔀	Hydro successor, Municipal Utility or subsidary of either			
	8	Non-resident Corp s.2(2)(a) or (b)	20 🌋	Producer and seller of steam other than for the generation			
	9 🗿	Non-resident Corporation s.2(2)(c)	21	Insurance Exchange s.74.4	i oi electri	City	
	10 🕎	Mutual Fund Corporation s.48	22	Farm Feeder Finance Co-op	erative		
	11 🗿	Non-resident owned investment	23	Corporation		4	
	10 💹	Corp s.49	23	Professional Corporation (in professionals only)	corporated	u	
	12 📳	Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)					
	se che	ck (✔) box(es) if applicable:					·
	<u>F</u> irst	Year of Filing	to Diss	Taxation Year up solution(wind-up) For discontinued businesses, uide.)	c	orpor	er or Receipt of Asset(s) involving a ation having a Canadian permanent shment outside Ontario
验	<u>A</u> mei	nded Return		axation Year Amalgamation	_		ition of Control fed s.249(4)
-	chan Custo	tion Year End has ged - Canada oms and Revenue Agency oval required	F <u>l</u> oatin	g Fiscal Year End	-	ate c	ontrol was acquired:
10/			ian		\/-	813	N- M
		poration inactive throughout the taxa poration's Federal T2 Return been file			<u>Y</u> es		<u>N</u> o X
		Customs and Revenue Agency (CCF			<u>Y</u> es	\times	<u>N</u> o
Are y	ou requ	uesting a refund due to: the Carry-		oss?	<u>Y</u> es		<u>N</u> o 🛛
		an Overpa			<u>Y</u> es	Ц	No X
Λ==	terr = F			ole Tax Credit?	Yes		No X
Are	you a N	lember of a Partnership or a Joint Ve	nture?		<u>Y</u> es	8	<u>N</u> o ⊠

File: Middlesex Power Distribution Corporation Ontario Account # 1800268 Year-end: 2003/12/31 Printed: 2005/04/22 15:10

Income Tax

CT23 Page 4 of 24

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).

Subtract: Charitable donations Subtract: Gifts to Her Majesty in rigit Subtract: Taxable dividends deduct Subtract: Ontario political contributio Subtract: Federal Part VI.1 tax Subtract: Prior years' losses applied N Fi R Li Taxable income (Non-capital loss	ons (Attach schedule 2A) (Int.B. 3002) X 9/3 I - Non-capital losses From 715 et capital losses (page 16) arm losses estricted farm losses mited partnership losses) ed foreign tax deduction for federal purposes	From 690± 1 - 2 - 3 - 4 - 5 - From 704 inclusion (rate 50.000000 % = 714 From 724 - From 734 - From 754 - 10 - 11 + 20 -
Taxable Income		of days in Taxation Year
	Days after S and before	ept 30, 2001 Total days
From 10 (or 20)	X30 100.0000 % X 12.5 % X 33	365 ÷ 73 365 = 29+
From 10 (or 20)	Ontario Allocation X30 100.0000 % X 14.0 % X 34 Ontario Allocation	
Income Tax Payable (before deduc		40
	sisions of fed.s.125(5.1) not been applicable in d on in Canada) ment) 51 + 1 52 +	50
Federal Business limit (line 410 of th before application of fed.s.125(5.1)	e T2 return) for the year 55 # 112,500	54
Ontario Business Limit Calculation Days after Sept. 30, 2001 and before Jan. 1, 2003 280,000 X 28	=+ 43	
Income eligible for the IDSBC		

^{*} Note: Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)

^{**} Note: Adjust accordingly for a floating taxation year and use 366 for a leap year.

^{***} Note: For a taxation year ending before Jan 1, 2003, use your proportion of the associated group business limit.

^{****} Note: Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

Income Tax continued from Page 4

Number of Days in Taxation

	Total Days		
73	365	=	79 +
	Total Days	•	
· 73	365	=	89 + 7.0000
	Total Days		
- 73	365	=	90 +
			78 = 7.0000
m 78	7.0000 %		70
)	om 78		om 78 7.0000_ %

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 c				Fro	om 10 (c	or 20 if applicable) 80) +
If you are a member of an		0(1)	81 X (Yes)				_	***************************************
Taxable income of associate							82	2 +
Aggregate Taxable Income			5.15 day. 5/				_	PARTY AND REAL PROPERTY.
N	lumber of days in	Taxa	tion Year					CONTRACTOR OF THE PROPERTY OF THE PERSON
	after Sept 30, 2001 before Jan 1, 2003		Total Days					
Subtract: 280,000 X 28 _	+	73	365 =	113+				
	s after Dec 31, 2002 before Jan 1, 2004		Total Dave					
320,000 X 31	365 +	73	Total Days	115+ 3	20,000			
	after Dec 31, 2003	, 0	Total Days	110	20,000			
400,000 X 34	+	73	365 =	116+				
			113 + 115 + 116	= 3:	20,000	>	114	320,000
(If negative, enter nil)							86	=
				Number of Day		xation Year		
				Days after Sept 30, 200 and before Jan 1, 2003		Total Days		
Calculation of Specified Ra	ite for Surtax		4.333% X 28		- 73	365 =	= 95	+
				Days after Dec 31, 2002 and before Jan 1, 2004		Total Days		
			4.667% X 31	365 +		365 =	96	+ 4.6670
			4 CC70/ V 24	Days after Dec 31, 2003		Total Days		
Specified rate of surtax for Ta	ovetion Veet OF 1	00 1 0	4.667% X 34 _		73	365 =		
Erom 96	V		4.6670 %				94	110010
From 87			4.0070 %			000 000	87	
110111 07	^ FIOIII	о 0 _		+ From 114		320,000	88	=

Additional Deduction for	Credit Unions	(s.51(4))	(Attach schedule 17,
--------------------------	----------------------	-----------	----------------------

440	REAL PROPERTY.	PHILIPPANTE	STATE OF THE PARTY
110	100000000000000000000000000000000000000	10000	A STATE OF THE OWNER.
110	POGRAPOS DO	PERSONAL PROPERTY.	STREET, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE, SQUARE,

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: a) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing, is 20% or less of the total active business income and b) the total active business income is \$250,000 or less.

Eligible Canadian Profits	120+
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) From	56 -
Add: Adjustment for Surtax on Canadian-controlled private corporations From 100 + From 30100.0000 % + From 787.0000 % = 121 *Ontario Allocation	=
Lesser of 56 or 121	122+
	130=
Taxable income From	10 +
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) From	
Add: Adjustments for Surtax on Canadian-controlled private corporations From	
	140
	141
10 - 56 + 122 - 140 - 141	142
Claim Number of Days in Taxation Year Days after Sept 30, 2001 and before Jan 1, 2004 Total Days	
143 X From 30 100.0000 % \times 1.5% \times 33 365 + 73 365 =	154+
Days after Dec 31, 2003 Total Days 143 X From 30	156+
Lesser of 130 or 142 *Ontario Allocation	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)).	100
Manufacturing and Processing Profits Credit for Electrical Generating Corporations	161
Manufacturing and Processing Profits Credit for Corporations that Produce	
	162=
Credit for Foreign Taxes Paid (s.40)	
Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) (Attach schedule).	170
Credit for Investment in Small Business Development Corporations (SBDC)	
Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity and supplied to reduce subsequents. Any unused portion may be carried forward indefinitely and applied to reduce subsequents. (Refer to the former Small Business Development Corporations Act)	shares in Small Business ent years' income taxes.
	180
Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 -170 - 180	190=

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. ligible credit from 5620 OITC claim form (Attach original Claim Form) Co-operative Education Tax Credit (CETC) (s.43.4) Applies to employment of eligible students. Eligible credit from 5798 Summary Schedule F 192+ Ontario Film and Television Tax Credit (OFTTC) (s.43.5) Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Eligible credit from 5899 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MFO) CT Schedule 193/199, as applicable. (Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) 193+ Graduate Transitions Tax Credit (GTTC) (s.43.6) Applies to employment of eligible unemployed post secondary graduate. No. of Graduates from 6596 Eligible Credit from 6598 Summary Schedule G 195+ Ontario Book Publishing Tax Credit (OBPTC) (s.43.7) Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors. Eligible Credit from 6900 OBPTC Claim Form (Attach both the original Claim Form and the Certification Form) 196+ Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8) Applies to labour relating to computer animation and special effects on an eligible production. Eligible Credit from 6700 Claim Form Certified by Ontario Media Development Corporation (Attach the original Claim/Certification Form with the CT23 Tax Return.) 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) *pplies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed. igible Credit from 7300 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MFO) CT Schedule 193/199, as applicable (Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) 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.) 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) Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 220 Specified Tax Credits Applied to reduce Income Tax 225 Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative) 230 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

Income Tax

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_+	11,572,365	044	40.070.000
* Total Revenue of the corporation			241 <u>+</u>	12,972,609
If you are a member of an associated group (✔) 242∑ (Yes)				
Total Assets of associated corporations (Attach schedule)	243_+	4,974,809	044.	04.000
Total Revenue of associated corporations (Attach schedule) Aggregate Total Assets	040	W 5/17/47/	244+	91,229
Aggregate Total Revenue	249	16,547,174	250	10,000,000
			250	13,063,838
If CMT is applicable to current taxation year, complete section <i>Calculation: E on pages 18, 19 and 20 of CT23.</i>	CMT below and Cor _l	porate Minimur	n Tax Sche	dules A through
Calculation: CMT (Attach Schedule A: Calculation of CMT Base on page 18	3.)			
Gross CMT Payable CMT Base From 2135 Separation X If negative, enter zero	From 30 100.0 Ontario Allo	000_% X 4% cation	276=	
Subtract: Foreign Tax Credit for CMT purposes (Attach schedule)			277	经验证的
Subtract: Income Tax		Froi	n 190-	
Net CMT Payable (if negative, enter Nil on page 17.)			280	对标题中国的
If 280 is less than zero and you do not have a CMT credit carryover, transfer	230 from Page 7 to	Income Tax Su	mmary on	Page 17
If 280 is less than zero and you have a CMT credit carryover, complete A & E	_		u. y, o	rugo //.
If 280 is greater than or equal to zero, transfer 230 to <i>Page 17</i> and transfer 2 arryovers, on <i>Page 20</i> .		to Schedule D:	Continuity	of CMT Credit
CMT Credit Carryover available		From	2307	建设工程
Application of CMT Credit Carryovers				
A. Income Tax (before deduction of specified credits)		From	n 190 +	
Gross CMT payable From 276+				
Subtract: Foreign Tax Credit for CMT purposes From 277-				
If 276 - 277 is negative, enter NIL in 290			290-	
Income Tax eligible for CMT Credit			300	第四次公司
B. Income Tax (after deduction of specified credits)		Fror	n 230 +	
Subtract: CMT credit used to reduce income taxes			310	

Transfer to Page 17

320

If A & B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 2307. If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 2307.

Capital Tax (Refer to Guide and Int.B. 3011)

CT23 Page 9 of 24

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 35s and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation.

If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B, 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital. Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose business is not carried on solely in Canada is deemed to be the greater of (1) taxable income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital		
Paid-up capital stock (Int.B. 3012 and 3015)	350+	4,631,198
Retained earnings (if deficit, deduct) (Int.B. 3012)	351±	(1,419,238)
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352+	
Loans and advances (Attach schedule)(Int.B. 3013)	353+	
Bank loans (Int.B. 3013)	354+	728,321
Bankers acceptances (Int.B. 3013)	355+	
Bonds and debentures payable (Int.B. 3013)	356+	
Mortgages payable (Int.B. 3013)	357+	
Lien notes payable (Int.B. 3013)	358+	4,140,995
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 <u>+</u>	
ontingent, investment, inventory and similar reserves (Int.B. 3012)	360 <u>+</u>	
Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012)	361_+	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017)	362 <u>+</u>	
Subtotal	370=	8,081,276
Subtract: Amounts deducted for income tax purposes in excess of amounts booked		
(Retain calculations. Do not submit.) (Int.B. 3012)	371	(828,507)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not		
already deducted for book purposes (Int.B. 3015)	372	
Total Paid-up Capital	380=	8,909,783
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	381	
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	382	
Net Paid-up Capital	390	8,909,783
	_	

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.

Total Eligible Investments	410
share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	407 <u>+</u>
igible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	406+
Loans and advances to unrelated corporations	405+
Shares in other corporations (certain restrictions apply) (Refer to Guide)	404+
Mortgages due from other corporations	403 <u>+</u>
years ending after October 30, 1998)	402+
Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to ta	axation

Capital Tax continued from Page 9

Total Assets (Int.B. 3015)			
Total Assets per balance sheet		420+	11,572,365
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=	11,572,365
Amounts in 360 and 361 (if deducted from assets)		440+	
Subtract: Amounts in 371, 372 and 381		441-	(828,507)
Subtract: Appraisal surplus if booked		442-	
Add or Subtract: Other adjustments (specify on an attached schedule)		443±	
Total Assets		450	12,400,872
Investment Allowance (410 + 450) X 390 Not	to exceed 410	460	
Taxable Capital 390 - 460		470	8,909,783
Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Rev	/enue)		
Gross Revenue of the corporation	12,972,609		
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue (Attach schedule)			
Aggregate of Gross Revenue	12,972,609	480	12,972,609
Total Assets (as adjusted)	From	430	11,572,365

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.

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

OR

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 Days in taxation year xFrom 30 100.0000 x 0.3% x 555 523 +**365/366 Ontario Allocation Transfer to 543 on page 12 and complete the return from that point

** If floating taxation year, refer to Guide.

continued on Page 11

Capital Tax Calculation continued from page 10

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

509 (✓ if applicable)

All corporations that you are associated with do not have a permanent establishment in Canada. If taxable capital 470 on page 10 is \$5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.

If taxable capital 470 on page 10 exceeds \$5,000,000 proceed to Section D, enter \$5,000,000 in 542 Section D, and complete Section D and the return from that point

524 (
 ✓ if applicable)

One or more of the corporations that you are associated with maintains a permanent establishment in Canada

If the taxation year ends before January 1, 2003, you must complete the Calculation below. If the taxation year ends after December 31, 2002, you and your associated group may continue to allocate the \$5,000,000 taxable capital exemption by completing the Calculation below. Or, the associated group may file an election under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as Net Deduction) of the \$15,000 capital tax effect, relating to the \$5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do NOT complete this calculation if ss.69(2.1) election is filed

Taxable Capital form 470 on page 10

From 470+

8,909,783

etermine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations (Attach schedule)

531 +540

244,192

Total Aggregate Taxable Capital 470 + 531

9.153.975

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

8,909,783 + From **540**

9,153,975 X 5,000,000

541 4.866,620

Transfer to Section 542 in D on page 12

Ss.69(2.1) Election Filed

591 (✓ if applicable)

Election filed. Attach a copy of the election with this CT23 Return.

Proceed to Section E on page 12.

550 = 12,129 Transfer to page 17

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 - =	470 542 471	8,909,78 4,866,62 4,043,16	0		100,0000 S	% x 0.3% x	Days in the taxa 555 ** (365/366)	365	the = 523 <u>+</u> Transi	tal Capital Tax for taxation year 12,129 fer to 543 and complete return from that point
SECTION	Ē		Mark No.		以数据的编辑					是特殊的知识
This section	on applies i	f a corpora	ion is a	nember of an	associated gr	oup and the	associated grou	p has fi	led a ss.6	69(2.1) election
+ From	470		_X From	30	100.0000	x 0.3%			= 561 +	
- Capital ta	ax deduction	relating to	our corpo	oration's capita	I tax deduction	, on ss.69(2.	1) election form	Fro	m 995 562=	
Capital Ta	X		×	562	 -	Х	Days in taxation y 555 ** (365/366)	365	-	ransfer to 543 and the return from that po
** If floatin	g taxation y	year, refer t	Guide							7
	Value of						SERVICE TRANS			
		plication of							543	12,129
				duce capital tax	c payable (Refe	er to Guide)			546	學。最後因為自己的
Capital T	ax 543 - 54	46 (amount d	annot be	negative)					550	12,129

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.)	
Days in taxation year Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1	569+
570 x 571 x From Adjusted TPUC Capital Tax Rate in accordance with (Refer to Guide) Division B.1 in excess of Basic Capital Amount X From Adjusted TPUC Capital Tax Rate (Refer to Guide)	574+
Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574	575
** If floating taxation year, refer to Guide.	
II. Small Business Investment Tax Credit	
(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)	
Allowable Credit for Eligible Investments	585
Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)?	?(√)
Aprilat tax - titlational montations are des	586 = Transfer to 543 on Page 12
Premium Tax (s.74.2 & 74.3) (refer to Guide)	
	588
(2) Unlicensed Insurance (enter premium fax 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 Ontario with unlicensed insurers.	processors the suffraged many and
Beauer: opcomed tax ereals applied to reades premium tax (refer to galacy	589
Premium Tax 588 - 589	590 Transfer to Page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

600± Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 Transfer to Page 15 Add: Federal capital cost allowance 601 +205.345 Federal cumulative eligible capital deduction 602+ Ontario taxable capital gain 603 +Federal non-allowable reserves. Balance beginning of year 604+ Federal allowable reserves. Balance end of year 605 +Ontario non-allowable reserves. Balance end of year 606 +607 +Ontario allowable reserves. Balance beginning of year Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) 608 +609 +Federal resource allowance Federal depletion allowance 610 +Federal foreign exploration and development expenses 611+ Management fees, rents, royalties and similar payments to non-arms' length nonresidents Number of days in Taxation Year Days after Sept. 30, 2001 and before Jan. 1, 2004 Total days X 5/12.5 X 33 365 = 633 +612 365 +**73** Days after Dec. 31, 2003 Total days X 5/14.0 X34 +73 365 = 634 +613 Total add-back amount for Management fees, etc. 633 + 634 = 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 161 616 620+ ederal allowable business investment loss . stal of other items not allowed by Ontario but allowed federally (Attach schedule) 614+ Sub Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614 205,345 640 205.345 Transfer to Page 15 Deduct: Ontario capital cost allowance (excludes amounts deducted under 675) 650 + 651# Ontario cumulative eligible capital deduction Federal taxable capital gain 652 +Ontario non-allowable reserves. Balance beginning of year 653+ Ontario allowable reserves. Balance end of year 654 +655+ Federal non-allowable reserves. Balance end of year Federal allowable reserves. Balance beginning of year 656 +Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations, Do not submit.) 657 +Ontario depletion allowance 658 +Ontario resource allowance 659 +Ontario current cost adjustment (Attach schedule) 661 Incentive for new electricity supply (section 13.6 deduction from income) (Applies only to electrical generating corporations.) CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources. 675 Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675 681 205,345 Transfer to Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ Continued from page 14

Net income (loss) for federal income tax purposes, per federal T2 SCH 1	From 600 ±
3ub Total of Additions	From 640 = 205,345
Sub Total of deductions on page 14 From 681 =	205,345
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 year662	
ONTTI Gross-up deduction calculation: From Gross-up of CCA 662 x 100/ 30 100.0000 - From 662 663	
Ontario allocation	
Workplace Child Care Tax Incentive	
Qualifying expenditures: 665 x 30% x 100/ 30 100.0000 666 Ontario Allocation	
Workplace Accessibility Tax Incentive	
Qualifying expenditures: 667 x 100% x 100/30 100.0000 668 Ontario Allocation	191301824443
Number of Employees accommodated 669	
Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide)	
Qualifying expenditures 670 x 30% x 100/ 30 100.0000 671 671	
Educational Technology Tax Incentive (Applies to qualifying amounts incurred after May 2, 20	000.)
Qualifying expenditures 672 x 15% x 100/ 30 100.0000	
Ontario allowable business investment loss 678 +	
Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161 679	
Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) 677	
Total of other deductions allowed by Ontario (Attach schedule) 664 +	
Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664	205,345 680 205,345
Net income (loss) for Ontario purposes 600 + 640 - 680	690 =
	Transfer to Page 4

Continuity of Losses Carried Forward

CT23 Page 16 of 24

or E03363 0			Form Lange	Destricted Form		Limited
	Non-Capital	Total Capital	Farm Losses	Restricted Farm		1
	Losses (1)	Losses		Losses	Property Losses	Partnership
		(9) (10)				Losses (6)
Balance at	700 (2)	710 (2)	720 (2)	730	740	750
Beginning of Year		11				
Add:	701	711	721	731	741	751
Current year's losses (7)						
Losses from predecessor	702	712	722	732	全的现在是	752
corporations (3)					是明朝世界的中国	
corporations (o)	703	713	723	733	743	753
Subtotal						
Subtract:	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
Utilized during the year to						and the second second
reduce taxable income	705		725	735	745	
Expired during the year	TO SATISFACE	建筑和新州市				
	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
Carried back to prior years						
to reduce income (5)	707	717	727	737	747	757
Subtotal						
Balance at End of Year	709 (8)	719	729	739	749	759
Balance at End of Year						

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by s.34.
- (3) Include losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.
- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

- (7) Include amounts from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839.
- (9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses		Total Capital Losses from Listed Personal Property only (9) (10)		Restricted Farm Losses
800				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804	821	831	841	854	874
805 2000/09/30	822	832	842	855	875
806 2001/09/30	823	833	843	856	876
807 2001/12/31	824	834	844	857	877
808 2002/12/31	825	835	845	858	878
809 2003/12/31		## ###################################	846	859	879
otal	829	839	849	869	889

CT23 Page 17 of 24

Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carryback adjustment may be applied by the Minister of Finance to amounts owing under any Act administered by the Minister of Finance.

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
 - 1) the first day of the taxation year after the loss year,
 - the day on which the corporation's return for the loss year is delivered to the Minister, or
 - 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 Losse	es	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss		910	920	930	940
applied to reduce taxable Predece	d back to preceding taxation years and income. essor Corporation's Taxation Year ount No. (MOF) Ending	911	921	931	941
i) 3rd preceding	901 2001/09/30	912	922	932	942
ii) 2nd preceding	902 2001/12/31	E PASSAGE	000	000	0.40
iii) 1st preceding	903 2002/12/31	913	923	933	943
Total loss to be carried l	pack	From 706	From 716	From 726	From 736
Jalance of loss available	e for carryforward	919	929	939	949

Summary

Income Ta	K	From 230 or	320+	
Corporate	Minimum Tax	From	280+	28derichas
Capital Tax		From	550 ±	12,129
Premium T	ax	590 +	The same of the same of the	
Total Tax F	ayable	950	12,129	
Subtract:	Payments		960	
	Capital Gains F	Refund (s.48)	965	19年1日20年1日1日24
	Qualifying Env	ironmental	BOLLOW HAVE	
	Trust Tax Cred			
	(Refer to Guide)	ji.	985	
	Specified Tax (Credits		
	(Refer to Guide)	l)	955	高等新聞題的表現
Balance	*		970=	12,129
If payment	due	Enclosed *	990	在16年的
If overpayn	nent: Refund (Ref	er to Guide)	975=	
	Apply to	X IS DOMESTIC	980	計劃的學術學
	505 570 A		(Include	s credit interest)

* Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the Minister of Finance and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order. (Refer to guide for other payment methods.)

Certification

Name

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.

Thomas Enright		
Title		
Chairman		
Full Residence Address		
351 Frances Street		
City		
Strathroy		
Province	Country	Postal Code
ON	CA	N7G 2C7
Signature		Date 2005/04/22

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

CT23 Schedule A
Page 18 of 24

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 a		AP)	-	2100±	(269,196)
Subtract (to the extent reflected in net income/	loss):				
Provision for recovery of income taxes / ber	efit of current inco	ne taxes	2101+		
Provision for deferred income taxes (credits) / benefit of future	income taxes	s 2102+		
Equity income from corporations			2103+		
Share of partnership(s)/joint venture(s) inco			2104+		
Dividends received/receivable deductible ur			2105+		
Dividends received/receivable deductible ur			2106+		
Dividends received/receivable deductible ur					
Federal Part VI.1 tax on dividends declared					
paid, under fed.s.191.1(1)	x 9/3 =		2108+		
Subtotal			=	> 2109	
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current i	ncome taxes		_2110+		
Provision for deferred income taxes (debits)	/ cost of future inco	ome taxes	2111 +		
Equity losses from corporations			2112+		
Share of partnership(s)/joint venture(s) loss			2113+		
Dividends that have been deducted to arrive					
Financial Statements s.57.4(1.1) (excluding	dividends under fe	d.s.137(4.1))	2114+		
Subtotal			_ =	<u> </u>	
Add/Subtract:					
Amounts relating to s.57.9 election/regulation	ns for disposals etc	o. of property	for current/prior ye	ars	
** Fed.s.85	2116+	or	2117-		
** Fed.s.85.1	2118+		2119-		
** Fed.s.97	2120+		2121-		
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	2122+	or	2123-		
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	2124+	or	2125-		
** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	2126+	0.5	2427		
· · · · · · · · · · · · · · · · · · ·	2120+	or	2127		
Interest allowable under ss. 20(1)(c) or (d)					
of ITA to the extent not otherwise deducted in determining CMT adjusted net income			2450		
			_2150		
Subtotal (Additions)				2128 <u>+</u>	
ubtotal (Subtractions)				> 2129	
* Other adjustments				2130±	
Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 21	30			2131=	(269,196)
* Share of partnership(s)/joint venture(s) adjusted	net income/loss			2132±	
djusted net income (loss) (if loss, transfer to 220	2 in Schedule B)			2133=	(269,196
Deduct: CMT losses: pre-1994 Loss *		From	2210+		
CMT losses: other eligible losses *			2211+		
				▶ 2134-	
CMT losses applied cannot exceed adjusted net in * Retain calculations. Do not submit with this tax re		a loss			
CMT Base				2135=	
	100			Transfer to CMT	Daga on page

Transfer to CMT Base on page 8

Corporate Minimum Tax (CMT)

CT23 Schedule B & C

Schedule B: Continuity of CMT Losses Carried Forward



Page 19 of 24

CMT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
							Expired
2000/09/30 2001/09/30							
2001/09/30	94,296						94,296
2002/12/31	268,938						268,938
2003/12/31			(19		269,196		269,196
Totals	363,234				269,196		632,430

Balance	at Beginning of year (1), (2)			2201 +	363,234
Add:	Current year's losses	2202+	269,196	2	
	Losses from predecessor corporations on amalgamation (3)	2203+			
	Losses from predecessor corporations on wind-up (3)	2204+			
	Amalgamation (✓) 2205 Yes Wind-up (✓) 2206 Yes				
Subtotal		=	269,196	▶ 2207 +	269,196
Adjustme	ents (attach schedule)			2208±	
CMT los	ses available 2201 + 2207 ± 2208			2209=	632,430
Subtract	t: Pre-1994 loss utilized during the year to reduce adjusted net income	2210+			
	Other eligible losses utilized during the year to reduce adjusted				
	net income (4)	2211 <u>+</u>			
	Losses expired during the year	2212+			
ubtotalو				2213 -	
Balance	s at End of Year (5) 2209 - 2213			2214=	632,430

Notes:

- Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.
- (2) Where acquisitions of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))
- (3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))
- (4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.
- (5) Amount in 2214 must equal sum of 2270 and 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first)	CMT Los Corpor		CMT Losses of Predecessor Corporations
2240	2260		2280
2241	2261		2281
2242	2262		2282
2243	2263		2283
2244	2264		2284
2245 2000/09/30	2265		2285
2246 2001/09/30	2266		2286
2247 2001/12/31	2267	94,296	2287
2248 2002/12/31	2268	268,938	2288
2249 2003/12/31	2269	269,196	2289
otals	2270	632,430	2290

The sum of amounts 2270 + 2290 must equal amount in 2214.

Corporate Minimum Tax (CMT)

CT23 Schedule D & E Page 20 of 24

Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
				[
2001/09/30							
2001/12/31							
2002/12/31							
2003/12/31							
Totals							

Balance at Beginning of year	ır (1)			2301#
Add: Current year's CM7	Credit (280 on page 8. If n	negative, enter NIL) Fro	om 280+	
CMT Credit Carryo	vers from predecessor corp	orations (2)	2302+	Company Company
<u>A</u> malgamation	✓) 2303 Yes Wind-u	p (✓) 2304 Yes		
Subtotal	2			> 2305+
Adjustments (Attach schedule)			2306±
CMT credit carryover availa	ole 2301 + 2305 ± 2306			2307 =
				Transfer to Page 8
^ubtract: CMT credit utilized	during the year to reduce in	ncome tax (Page 8) Fro	om 310+	
CMT credit expired	during the year		2308+	
Subtotal			_ =	▶ 2309_
Balance at End of Year (3)	307 - 2309			2310

Notes:

- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (3) Amount in 2310 must equal the sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Orlgin (oldest year first)	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporations
2340	2360	2380
2341	2361	2281
2342	2362	2382
2343	2363	2383
2344	2364	2384
2345	2365	2385
2346 2001/09/30	2366	2386
2347 2001/12/31	2367	2387
2348 2002/12/31	2368	2388
2349 2003/12/31	2369	2389
Totals	2370	2390

The sum of amounts 2370 and 2390 must equal the amount in 2310.

Ontario Capital Cos. Allowance Schedule 8

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

ONTARIO CAPITAL COST ALLOWANCE

Corporati	Corporation's Legal Name Middlesex Power Distril	Corporation's Legal Name Middlesex Power Distribution Corporation	uc					<u>0</u> ₩	Ontario Corporation 1800268	Ontario Corporations Tax Account No. (MOF)		Taxation Year End 2003/12/31
Is the co	orporation electi	Is the corporation electing under regulation 1101(5q)? 101 1 ${ar Y}$ es ${f \Box}$ 2 ${f N}$ o ${f f C}$	ion 1101(5q)?	101 1 <u>Yes</u> □	2 No 🗌							
1 Class	2 Ontario	3 Cost of acquisitions	4 Net adjustments	5 Proceeds of	6 Ontario	7 50% rule	8 Reduced	9 CCA rate	10 Recapture of	11 Terminal loss	12 Ontario capital cost	13 Ontario
number	undepreciated capital cost at the	during the the year		dispositions during the vear	undepreciated capital cost		undepreciated capital cost	%	capital cost		allowance	allowance undepreciated
	beginning of the				(col 2 + 3 or		(2-9 00)		2		amount)	end of the year
	year	See note 1 below			col 2 - 4 - 5)	See note 2 below						(col 6 - 12)
_	5,144,659	297,420			5,442,079	148,710	5,293,369	4			205,345	5,236,734
2	3,036,107				3,036,107		3,036,107	9				3.036,107
&	111,390	4,504			115,894	2,252	113,642	20				115,894
10	184,948	17,361			202,309	8,681	193,628	30				202,309
Totals	8,477,104	319,285				159,643	8,636,746				205,345	8,591,044
										Enter	Enter in box 650 on the CT23	9 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.

Page 1 of 1



Ministry of Finance

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

Ontario Cumulative Eligible Capital Deduction Schedule 10

Corporation's Legal Name Middlesex Power Distribution Corporation	Ontario Corporations Tax Account No. (MOF) 1800268	Taxation Year End 2003/12/31
For use by a corporation that has eligible capital property. A separate cumulative eligible capital account must be kept for each busing	ess.	
Part 1 - Calculation of current year deduction and carry-forward		
Ontario Cumulative eligible capital - balance at beginning of taxation year (if negative	e. enter zero)	387,839 A
Add: Cost of eligible capital property acquired during the taxation year +	В	301,000 /1
Amount transferred on amalgamation or wind-up of subsidiary +	C	
Other adjustments +	D	
Total of B + C + D =	x 3/4=	E
Subtotal A + E		387,839 F
Oeduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year + The gross amount of a reduction in respect of a forgiven debt obligation	G	
as provided for in subsection 80(7) of the Income Tax Act (Canada) +	H	
Other adjustments +		
otal of G + H + I	x 3/4=	J
Ontario cumulative eligible capital balance F - J	1=	387,839 K
K is negative, enter zero at line M and proceed to Part 2		
Current year deduction 387,839 K x 7%*	(= <u>-</u>	L
The maximum current year deduction is 7%. However, you can claim any amount up to the ma	aximum. Enter amo	ount in box 651 of the CT23
Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero) =	387,839 M
lote: Any amount up to the maximum deduction of 7% may be claimed. Taxation y 2000, the deduction may not exceed the maximum amount prorated for the n divided by 365 or 366 days. Part 2 - Amount to be included in income arising from dispositio	umber of days in the taxation yea	r
Complete this part only if the amount at line K is negative		
mount from line K above show as a positive amount		N
Total of cumulative eligible capital deductions from income for		()
taxation years beginning after June 30, 1988	1	
Total of all amounts which reduced cumulative eligible capital		
in the current or prior years under subsection 80 (7)	2	
Total of cumulative eligible capital deductions claimed for taxation		
years beginning before July 1, 1988	3	
Negative balances in the cumulative eligible capital account		
that were included in income for taxation years beginning	4	
before July 1, 1988	4	
Line 3 deduct line 4	5	
Total lines 1 + 2 + 5	6	
Line T from previous Ontario Schedule 10 for taxation years	7	
ending after February 27, 2000 Deduct line 7 from line 6		0
N - O (cannot be negative)		P
Amount on line 5 x 1/2	1011	
P - Q		R
Amount on line R x 66.6667		S
Lesser of line N or line O		T
Amount to be included in income S + T		S ETT - SSUMETIE

Details of Associated Ontario Corporations

Names of associated corporations (Canadian and foreign)	Permanent establishment in Canada?	Ontario Account Number	Taxation Year End
liddlesex Energy Services Corporation	Yes	1800293	2003/12/31
Middlesex Power Corporation	Yes	1800267	2003/12/31

Name of a sale to the description	Surtax on CCPCs	Corporate Mi	inimum Tax	Capital Tax Taxable Capital	
Names of associated corporations	Taxable income	Total Assets	Total Revenue		
Middlesex Energy Services Corporation		221,760	91,229	244,192	
Middlesex Power Corporation		4,753,049			
Totals	0	4,974,809	91,229	244,192	

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2003/12/31 Printed: 2005/04/22 15:10



Ministry of Finance

Taxable Capital of Associated Corporations (Applicable to an associated group that

Corporations Tax Branch PO Box 620 33 King Street West Oshawa, ON L1H 8E9

(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
1iddlesex Power Distribution Corporation	1800268	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
Middlesex Energy Services Corporation	1800293	2003/12/31	244,192
Middlesex Power Corporation	1800267	2003/12/31	
	Α	ggregate of taxable capital	244,192

Transfer to 540 of the CT23



Corporate Minimum Tax - Associated Corporation

orporations Tax Account No. (MOF) Taxation Year	End
3 2003/12/31	

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
Middlesex Energy Services Corporation	1800293	2003/12/31	221,760	91,229
Middlesex Power Corporation	1800267	2003/12/31	4,753,049	
,		Totals	4,974,809	91,229

Transfer to 249 of the CT23

Transfer to 250 of the CT23

File: Middlesex Power Distribution Corporation Ontario Account # 1800268 Year-end: 2003/12/31 Printed: 2005/04/22 15:10

OConsent

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. **Note: This authorization is valid until the client or authorized signing person cancels it in variting. Please complete a separate form for each representative.**

The purpose of this form is: ☑ To authorize a third party representative or ☐ To cancel a thi	rd party representative	
Client identification Name Middlesex Power Distribution Corporation		
Ontario Corporations Tax Account Number		1800268
2. Authorized third party identification Authorized individuals' name		
Address		Phone number
Authorized firm's name Scrimgeour & Company, CGA		
Address 1502-148 Fullarton Street London, Ontario N6A 5P3		Phone number (519) 672-6811
3. Details of authorization Indicate the period for which authorization or cancellation applies:		
All years OR Specific years		
OR All years prior to		
4. Authorized signature (client or authorized signing offi	cer)	24,000
Thomas Enright Name	(519) 245-2010 Telephone number	2005/04/22 Date signed
Signature of client or authorized signing officer	Chairman Position, office of	r rank

T2 CORPORATION INCOME TAX RETURN

Canada Customs

Agence des douanes and Revenue Agency et du revenu du Canada

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. 055 Do not use this area

			 Identif 	ication ———			
Business number (E	RN) (item 11) 001	86570 163					
Corporation's name	, ,	00070 100	001100001				
002	(110111 12)						
	Distribution Corporation	_					
ivildalesex Power	Distribution Corporation	1					
Has the corporation c	hanged its name since			If yes, do you ha	ive a copy of	_	
the last time we were	notified? 0	03 <u>Y</u> es	<u>⊠ N</u> o	the articles of ar	nendment?	004 <u>Y</u> es	<u> N</u> o
Address of head office				To which taxation year			
Has the address chang				From 060 2003/01		061 2003/12	
time we were notified?	ged since the last	10 <u>∏ Y</u> es	<u> </u>				
011 351 Frances Stre		10 Tes	N IIO	Has there been an acq			
	et			applies since the previ	ous taxation year?	063∐ <u>Y</u> es	<u>X</u> <u>N</u> o
012	D.			l		005	
City		rince, territo	ry, or state	If yes, provide date cor	ntroi was acquired	065	
015 Strathroy	016 ON						
Country (other that		al code/Zip	code	is the corporation a p	rofessional corporat	ion that is a	member of
017	018 <u>N70</u>	3 2C7		a partnership? (item 1	8)	067	
		1-1	44				
	ferent from head office			Is this the first year o		-	_
	ged since the last time v	ve were noti	nea?	Incorporation? (item	19)	070 <u>Y</u> es	<u>X</u> <u>N</u> o
020				Amalgamation? (iter	n 20)	071	X <u>N</u> o X <u>N</u> o
021 C/o				If yes, complete Sched	ule 24		
022 351 Frances Stre	et			in you, complete coned	0.0 2 .		
023				Has there been a win	dun of a subsidianu	under sectio	on 88 during
City	Prov	ince, territoi	ry, or state	the current taxation y		ulluel Section	m oo dariiig
025 Strathroy	026 ON		•		ula 24	072 <u>∏ Y</u> es	<u> </u>
Country (other tha		al code/Zip	code	If yes, complete Sched	ule 24	012 <u>1</u> es	<u> </u>
027	028 <u>N7G</u>	2C7		1 11 1 1 6 1 1 1 1 1 1			
				Is this the final taxation		070	⊠N-
Location of books an	d records (item 15)			before amalgamation	7 (Item 22)	076∐ <u>Y</u> es	<u> </u>
031 351 Frances Stre				Is this the final return	un to		
032			-			078 <u>∏</u> es	<u> </u>
City	Prov	ince, territor	v. or state	dissolution? (item 23)		O O C Tes	□ 140
035 Strathroy	036 ON		y, or clair				
Country (other tha		al code/Zip	code	Is the corporation a re	esident	999 <u>2</u> 17	
037			code	of Canada? (item 24)		080⊠ <u>Y</u> es	<u>N</u> o
037	030 147 C	201		If no, give the country of	of residence.	081	
040 Type of corporat	ion at end of taxation	vear (item 1	6)				
1 X Canadian control		oration contr		Is the non-resident co			
private corpora		ublic corpor	ation	an exemption under a	in income tax	082 <u>Y</u> es	<u>X</u> <u>N</u> o
2 Other private	5 🗆 Other	corporation		treaty? (item 24)		uoz 🗌 <u>T</u> es	N IAO
corporation		ease specify	helow)	If yes, complete Sched	ule 9 I		
3 Public corporation		base speeing	, 50,011)	If the corporation is e	xempt from tax unde	r section 14	9, tick
<u>□</u> □ 1 dolle corporation	-			one of the following b	oxes: (item 25)		
If the type of corporation	n changed				t under 149(1)(é) or (l)		
during the taxation year	r, provide				t under 149(1)(j)		
the effective date of the	e change 043				under 149(1)(t)		
					under other paragrap	hs of section	າ 149
				- La Lacomp			
			\				
			Do not us	e this area			
091	092	093		094	095	096	
097							

Culd	Attachments —	Voc	Schedule
	e item		
27	Is the corporation related to any other corporations?	150🛛	9
28	Does the corporation have any non-resident shareholders?	151	19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160 X	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161 _	49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or		
	employees, other than transactions in the ordinary course of business? Exclude non-arm's length		
f	transactions with non-residents	162	11
33	If you answered yes to the above question, and the transaction was between corporations not dealing at		
00	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		
34		164□	14
-00	Canada?		
_35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
_37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167	T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did		
	not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168	22
41	Did the corporation have any foreign affiliates during the year?	169 <i></i> _	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?	-171H	T106
		_'''	1100
47	Has the corporation made payments to, or received amounts from a retirement compensation	470	
	arrangement?	172[]	
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the		
	corporation's common and/or preferred shares?	173∑	50
55	Is the net income/loss shown on financial statements different from the net income for income tax		
	purposes?	201 X	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of		
	cultural or ecological property?	202	2
82 10/	Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203	3
		204	4
	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	005	-
	more than one jurisdiction?	_205	5
_56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	6
103	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other		
	than dividends), (b) a partnership, (c) a foreign business, or (d) a personal services business; or		
	(ii) is the corporation claiming the refundable portion of Part I tax?	207	7
57	Does the corporation have any property that is eligible for capital cost allowance?	208 X	8
58	Does the corporation have any property that is eligible capital property?	210 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
	is the corporation an investment corporation or a mutual fund corporation?	218	18
131	Was the corporation carrying on business in Canada as a non-resident corporation?	220	20
118	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221	21
	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	26 *
	Does the corporation have any Canadian manufacturing and processing profits?	227	27
	Is the corporation claiming an investment tax credit?	231	31
	Is the corporation claiming any scientific research and experimental development expenditures?		T661/T665
	Is the corporation subject to Part 1.3 tax?	_233	33/34/35
	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	_236	36
	Is the corporation claiming a surtax credit?	_237	37
	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	38
	Is the corporation claiming a Part I tax credit?	242	42
	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax		
	on dividends paid?	243	43
	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	45
		-244 249	
125	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249	46
	For financial institutions: Is the corporation a member of a related group of financial institutions with one or	050	
	more members subject to gross Part VI tax?	250	39
	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

Gulde item Attachments - Continued from page 2	
	es Schedule
128 For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax? 252] 41
152 Is the corporation claiming a Canadian film or video production tax credit refund? 253	
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 T1134-B
44 Did the corporation have any controlled foreign affiliates? 44 Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	T1134-B
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	T4440
of SR&ED contracts? - Has the corporation entered into an agreement with other associated corporations for salary or	T1146
wages of specified employees for SR&ED?] T1174
	(1)
Additional information Is the corporation inactive? (item 48) 280 1 Yes	2 No 🕅
Is the corporation inactive? (item 48) Has the major business activity changed since the last return was filed?	2110 [2]
(enter yes for first time filers) (item 49) 281 1 Yes	2 No 🛚
What is the corporation's major business activity? (item 50) 282	
(Only complete if yes was entered at line 281.)	
If the major activity involves the resale of goods, indicate whether it is wholesale or retail (item 51) 283 1 Wholesale	2 Retail 🛚
	000_%
sold, constructed, or service provided, giving the 286 287	%
approximate percentage of the total revenue that each 288	%
product or service represents. (item 52) Did the corporation immigrate to Canada during the taxation year? (item 53) 291 1 Yes	2 No 🛛
Did the corporation emigrate from Canada during the taxation year? (item 54) 292 1 Yes	2 No 🗓
Taxable income	
Net income or (loss) for income tax purposes from Schedule 1, financial statements or GIFI (item 77) 300	
0 1 4 0 4 1 4 4 6 0 1 4 1 0 14 70	0 A
Deduct: Charitable donations from Schedule 2 (item 78)	0 A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79)	0 A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) 312 313	O A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) 312 313 314	0_A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection	O_A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) 312 313 314 314	O_A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* 312 313 314 314	O_A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) 312	<u> </u>
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) 312 325 Non-capital losses of preceding taxation years from Schedule 4 (item 85) 336	<u> </u>
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) Restricted farm losses of prior taxation years from Schedule 4 (item 86) 312 325 336 337	<u> </u>
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) Restricted farm losses of prior taxation years from Schedule 4 (item 86) Farm losses of prior taxation years from Schedule 4 (item 87) 312 324	<u> </u>
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) Restricted farm losses of prior taxation years from Schedule 4 (item 86) Farm losses of prior taxation years from Schedule 4 (item 87) Limited partnership losses of prior years from Schedule 4 (item 88) 312 325 325 326 337 338 339 407 508 509 509 509 509 509 509 509	O_A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) Restricted farm losses of prior taxation years from Schedule 4 (item 86) Farm losses of prior taxation years from Schedule 4 (item 87) Limited partnership losses of prior years from Schedule 4 (item 88) Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	O_A
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) Restricted farm losses of prior taxation years from Schedule 4 (item 86) Farm losses of prior taxation years from Schedule 4 (item 87) Limited partnership losses of prior years from Schedule 4 (item 88) Taxable capital gains or taxable dividends allocated from a central credit union (item 89) Prospector's and grubstaker's shares (item 90)	
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Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) Restricted farm losses of prior taxation years from Schedule 4 (item 86) Farm losses of prior taxation years from Schedule 4 (item 87) Limited partnership losses of prior years from Schedule 4 (item 88) Taxable capital gains or taxable dividends allocated from a central credit union (item 89) Prospector's and grubstaker's shares (item 90)	
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Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) Restricted farm losses of prior taxation years from Schedule 4 (item 86) Farm losses of prior taxation years from Schedule 4 (item 87) Limited partnership losses of prior years from Schedule 4 (item 88) Taxable capital gains or taxable dividends allocated from a central credit union (item 89) Prospector's and grubstaker's shares (item 90) Subtotal Subtotal (amount A minus amount B) (if negative, enter "0") Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91) 312 323 324 325 332 333 334 44 54 55 56 57 58 58 58 58 58 58 58 58 58	B C D
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) Cultural gifts from Schedule 2 (item 80) Ecological gifts from Schedule 2 (item 81) Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) Part VI.1 tax deduction from Schedule 43 (item 83)* Non-capital losses of preceding taxation years from Schedule 4 (item 84) Net capital losses of preceding taxation years from Schedule 4 (item 85) Restricted farm losses of prior taxation years from Schedule 4 (item 86) Farm losses of prior taxation years from Schedule 4 (item 87) Limited partnership losses of prior years from Schedule 4 (item 88) Taxable capital gains or taxable dividends allocated from a central credit union (item 89) Prospector's and grubstaker's shares (item 90) Subtotal Subtotal (amount A minus amount B) (if negative, enter "0") Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91) 355 Taxable income (amount C plus amount D) (item 92) Income exempt under paragraph 149(1)(t) (item 93) Taxable income for a corporation with exempt income under paragraph 149(1)(t)	B C D
Gifts to Canada or a province, or a territory from Schedule 2 (item 79) 312 Cultural gifts from Schedule 2 (item 80) 313 Ecological gifts from Schedule 2 (item 81) 314 Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82) 320 Part VI.1 tax deduction from Schedule 43 (item 83)* 325 Non-capital losses of preceding taxation years from Schedule 4 (item 84) 331 Net capital losses of preceding taxation years from Schedule 4 (item 85) 332 Restricted farm losses of prior taxation years from Schedule 4 (item 86) 333 Farm losses of prior taxation years from Schedule 4 (item 87) 334 Limited partnership losses of prior years from Schedule 4 (item 88) 335 Taxable capital gains or taxable dividends allocated from a central credit union (item 89) 340 Prospector's and grubstaker's shares (item 90) 350 Subtotal Subtotal Subtotal (amount A minus amount B) (if negative, enter "0") Add: Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91) 355 Taxable income (amount C plus amount D) (item 92) 360 Income exempt under paragraph 149(1)(t) (item 93) 370	B C D

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2003/12/31 Printed: 2005/04/22	File: Middlesex Pow	er Distribution Corporation	CRA Business # 865701635	Year-end: 2003/12/31	Printed: 2005/04/22 15
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Small business deduction		
Canadian-controlled private corporations throughout the taxation year Income from active business carried on in Canada from Schedule 7 (item 95)	400	Δ
Taxable income from line 360 on page 3, minus 10/3 the amount at line 632* on page 7, minus		_ ^
the amount at line 636** on page 7, and minus any amount that, because of federal law, is exe		
Part I tax (item 96)	405	В
Calculation of the business limit: (item 97)		-
for all CCPCs, calculate the amount at line 4 below		
\$200,000 x Number of days in the taxation year before 2003 =		
Number of days in the taxation year 365		
\$225,000 x Number of days in the taxation year in 2003 365 =	225,000 2	
Number of days in the taxation year 365		
\$250,000 x Number of days in the taxation year in 2004	3	
Number of days in the taxation year 365		
Add amounts at line 1, 2, and 3	225,000 4	
Business limit (see notes 1 and 2 below)	410 112,50	0 C
Notes: 1. For CCPCs that are not associated, enter the amount from line 4 at line 410. However		
taxation year is less than 51 weeks, prorate the amount from line 4 by the number of	days in the taxation year	
divided by 365, and enter the result on like 410.		
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line	410	
Business limit reduction: (item 98)		
Amount C 112,500 X 415 *** D		_
11,250	·	_,E
Reduced business limit (amount C minus amount E) (if negative, enter "0")	425 112,50	0 F
Small business deduction - 16% of the least of amounts A, B, C, and F		0 G
(enter amount G of line 9 on page 7)		
(enter amount 6 or line 9 or page 1)		
A 1 4 4 4 4 4 4 4 6 4 6 6 4 6 6 6 6 6 6 6		
Accelerated tay reduction (Item 99) -		
——————————————————————————————————————	mall business deduction	
Canadian-controlled private corporations throughout the taxation year that claimed the s	mall business deduction	Α
Canadian-controlled private corporations throughout the taxation year that claimed the s	mall business deduction	A
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) x	mall business deduction =	= A B
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) x Net active business income (amount from line 400)*	mall business deduction = = =	= ^A
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636**	mall business deduction = ==================================	= ^A = ^B
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) x Net active business income (amount from line 400)*	mall business deduction =	= ^A = ^B
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* 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		= A = B
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96)		= ^A = ^B
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct:	C	= A = B
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6)	C	_
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6)	C	_
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0")	C	= E
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount A, B, or E above, whichever is less	C	= E
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount A, B, or E above, whichever is less Amount Z from Part 9 of Schedule 27 x 100 / 7 =		= E
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount A, B, or E above, whichever is less Amount Z from Part 9 of Schedule 27 Amount QQ from Part 13 of Schedule 27 Taxable resource income from line 435 on page 5 Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)		= E
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount A, B, or E above, whichever is less Amount Z from Part 9 of Schedule 27 Taxable resource income from line 435 on page 5 Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) Amount on line 400, 405, 410 or 425, whichever is less		= E
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount A, B, or E above, whichever is less Amount Z from Part 9 of Schedule 27 Taxable resource income from line 435 on page 5 Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) Amount on line 400, 405, 410 or 425, whichever is less Total of amounts G, H, I, J, and K	C D D D D D D D D D D D D D D D D D D D	= E
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount A, B, or E above, whichever is less Amount Z from Part 9 of Schedule 27 Taxable resource income from line 435 on page 5 Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) Amount on line 400, 405, 410 or 425, whichever is less	C D D D D D D D D D D D D D D D D D D D	= E
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) x Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount A, B, or E above, whichever is less Amount Z from Part 9 of Schedule 27 Taxable resource income from line 435 on page 5 Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) Amount on line 400, 405, 410 or 425, whichever is less Total of amounts G, H, I, J, and K Amount F minus amount L (if negative, enter "0")	C D D D D D D D D D D D D D D D D D D D	== E F M
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) x Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount Z from Part 9 of Schedule 27 Taxable resource income from line 435 on page 5 Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) Amount on line 400, 405, 410 or 425, whichever is less Total of amounts G, H, I, J, and K Amount F minus amount L (if negative, enter "0") Accelerated tax reduction - 7% of amount M	C D D D D D D D D D D D D D D D D D D D	= = E F
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) x Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount A, B, or E above, whichever is less Amount Z from Part 9 of Schedule 27 Taxable resource income from line 435 on page 5 Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) Amount on line 400, 405, 410 or 425, whichever is less Total of amounts G, H, I, J, and K Amount F minus amount L (if negative, enter "0") Accelerated tax reduction - 7% of amount M (Enter amount N on line 637 of page 7)	G H J K	E F LMN
Canadian-controlled private corporations throughout the taxation year that claimed the s Reduced business limit (amount from line 425) x Net active business income (amount from line 400)* Taxable income from line 360 on page 3 minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96) Deduct: Aggregate investment income (amount from line 440 of page 6) Amount C minus amount D (if negative, enter "0") Amount Z from Part 9 of Schedule 27 Taxable resource income from line 435 on page 5 Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) Amount on line 400, 405, 410 or 425, whichever is less Total of amounts G, H, I, J, and K Amount F minus amount L (if negative, enter "0") Accelerated tax reduction - 7% of amount M	C D H I J K hedule 70 to calculate net active busin	E F L M N ess

	_	Resource deduction (item '	100) ———		
Taxable resource income				435	A
Amount A	- X	Number of days in the taxation year in 2003 Number of days in the taxation year	365 365	x 1% =	В
Amount A	- ×	Number of days in the taxation year in 2004 Number of days in the taxation year	365	x 2% =	c
Resource deduction - amour	nt B	· · · · · · · · · · · · · · · · · · ·		438	D
(enter amount D on line 10 of					
				/itama 10:	()
		reduction for Canadian-controlled prive practions throughout taxation year	ate corporatio	ns (item 10	1)
Taxable income from line 360	pag	e 3			A
Amount Z from Part 9 of Scheo	dule	27 x 100 / 7 =		В	
Amount QQ from Part 13 of So		lule 27		c	
Taxable resource income from				D	
		it union deduction (amount E in Part 3 of Schedule 17)		E	
		nd 425 on page 4, whichever is less		<u>F</u>	
Aggregate investment income				G	
		elerated tax reduction (amount M of page 4)		— H	
Total of amounts B, C, D, E, F	_				
Amount A minus amount I (if n	ega	tive, enter "0")			J
Amount J	х	Number of days in the taxation year in 2001			
		Number of days in the taxation year	365	x 1% =	K
Amount J	_ X	Number of days in the taxation year in 2002 . Number of days in the taxation year	365	x 3% =	L
Amount J	x	Number of days in the taxation year in 2003	365		
, and an e		Number of days in the taxation year Number of days in the taxation year	365	x 5% =	M
Amount J	X	Number of days in the taxation year after 2003		x 7% =	N
		Number of days in the taxation year	365		
General tax reduction for Car	nad	ian-controlled private corporations - total of amo	ounts K, L, M and N		0
(enter amount O on line 638 of	pag	ge 7)		-	
THE STATE OF THE S	-				
corporation, a mutual fund c	огр	General tax reduction (item dian-controlled private corporation, an investment controlled private corporation, or a non-resident-owned investment co	ent corporation, a i	mortgage inve	
Taxable income from line 360 c				В —	A
Amount Z from Part 9 of Scheo					
Amount QQ from Part 13 of Sc	_		-	-c	
Taxable resource income from				P	
		t union deduction (amount E in Part 3 of Schedule 17)		E	F
Total of amounts B, C, D and E		C HOW			
Amount A minus amount F (if n					G
Amount G	_ X	Number of days in the taxation year in 2001 Number of days in the taxation year		x 1% =	Н
Amount G	-, X	Number of days in the taxation year in 2002 Number of days in the taxation year		x 3% =	î
Amount G	_ X	Number of days in the taxation year in 2003 Number of days in the taxation year		x 5% =	J
Amount G	×	Number of days in the taxation year after 2003 Number of days in the taxation year		x 7% =	K
General tax reduction - total of	of an	nounts H, I, J and K			L
(enter amount L on line 639 of					

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2003/12/31 Printed: 2005/04/22 15:10			
Canadian-controlled private corporations throughout the taxation year Aggregate investment income 440 X 26 2/3 % =			A
(Amount P from Part 1 of Schedule 7)			
Foreign non-business income tax credit from line 632 on page 7	=		
Deduct:			
Foreign investment income 445 X 9 1/3 % =	-		_
(Amount O from Part 1 of Schedule 7) (if negative, enter "0")	=:		В
Amount A minus amount B (if negative, enter "0")			C
Taxable income from line 360 on page 3 Deduct: Least of amounts on lines 400, 405, 410, and 425 on page 4 Foreign non-business income tax credit from line 632 on page 7 x 25/9 =	_		
Foreign business income tax credit from			
line 636 on page 7 x 3 =			
	_ X 26 2/3% =		D
Part I tax payable minus investment tax credit refund (line 700 minus line 780 on page 8) Deduct corporate surtax from line 600 on page 7	=		
Net amount	_		E
Refundable portion of Part I tax - the least of amounts C, D, and E	= · 450		
Refundable dividend tax on hand (item 104)			_
Refundable dividend tax on hand at the end of the preceding tax year 460			
Deduct dividend refund for the previous taxation year 465	—). — ''		
	_}		Α
Add the total of:	="		
Refundable portion of Part I tax from line 450 above			
Total Part IV tax payable from line 360 on page 2 of Schedule 3	=1		
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary			
corporation on amagamation, or from a wound-up substituting 480			
- Too	-		В
Refundable dividend tax on hand at the end of the taxation year - amount A plus amount B	48	5 0	
D1.1. I. f I. // 405)			
Dividend refund (item 105) Private and subject corporations at the time taxable dividends were paid in the taxation year Taxable dividends paid in the taxation year from line 460 on page 2 of			
Schedule 3	X 1/3		Α
Refundable dividend tax on hand at the end of the taxation year from line 485 above	=	P	В
Refundable dividend tax on hand at the end of the taxation year from line 485 above Dividend refund - Lesser of amounts A and B (enter this amount on line 784 on page 8)		0	В

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Part I tax			
Base amount of Part I tax - 38% of taxable income (line 360 or amount Z, will from page 3 (item 106)	hichever applies)	550	0_A
Corporate surtax calculation (item 107)			
Base amount from line A above		1	
Deduct:			
10% of taxable income (line 360 or amount Z, whichever applies) from page	e 3	2	
Investment corporation deduction from line 620 below		3	
Federal logging tax credit from line 640 below		4	
Federal qualifying environment trust tax credit from line 648 below		5	
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b and c below on line 6: 28% of taxable income from line 360 on page 3	_a		
28% of taxed capital gains	b	6	
Part I tax otherwise payable			
(line A plus line C and D minus line F)	С		
Total of lines 2 to 6	=	7	
Net amount (line 1 minus line 7)	_	8	
Corporate surtax - 4% of the amount on line 8		600	В
Recapture of investment tax credit from line PPP in Part 21 on page 8 of Sche	dule 31 (item 108)	602	с
Calculation for the refundable tax on Canadian-controlled private corpora (for a CCPC throughout the taxation year) (item 109)	ation's investment inco	ome	
Aggregate investment income from line 440 on page 6		i	
Taxable income from line 360 on page 3 Deduct: The least of amounts on lines 400, 405, 410, and	_		
425 on page 4		ar.	
Net amount	_'	 "	
Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of am	ounts i or ii	604	D
Su	ubtotal (add lines A, B, C	c, and D)	E
Deduct:			
Small business deduction from line 430 on page 4		9	
Federal tax abatement (item 110)	608		
Manufacturing and processing profits deduction from amount BB			
of Schedule 27 (item 111)	616		
Investment corporation deduction (item 112)	620		
(Taxed capital gains 624	-		
Additional deduction - credit unions from Schedule 17 (item 113)	628		
Federal foreign non-business income tax credit from Schedule 21 (item 114)	632		
Federal foreign business income tax credit from Schedule 21 (item 115)	636		
Accelerated tax reduction from amount N of page 4 (item 116)	637		
Resource deduction from line 438 of page 5		₁₀	
General tax reduction for CCPC's from amount O of page 5 (item 117)	638		
General tax reduction from amount L of page 5 (item 117)	639		
Federal logging tax credit from Schedule 21 (item 118)	640		
Federal political contribution tax credit (item 119)	644		
Federal political contributions 646		_	
Federal qualifying environmental trust tax credit (item 120)	648		
Investment tax credit from Schedule 31 (item 121)	652		
Subto		_	F
			0 G
Part I tax payable - Line E minus line F (enter amount G on line 700 on page 8	o) (ILEITI IZZ)		

File: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2003/12/31 Printed: 2005/04/22 15:10

Summary of tax and	credits ————————————————————————————————————
Federal tax	
Part I tax payable from page 7 (item 123)	700
Part I.3 tax payable from Schedule 33, 34, or 35 (item 124)	704
Part II surtax tax payable from Schedule 46 (item 125)	708
Part IV tax payable from Schedule 3 (item 126)	712
Part IV.1 tax payable from Schedule 43 (item 127)	716
Part VI tax payable from Schedule 38 (item 128)	720
Part VI.1 tax payable from Schedule 43 (item 129)	724
Part XIII.1 tax payable from Schedule 92 (item 130)	727
Part XIV tax payable from Schedule 20 (item 131)	728
	Total federal tax 0
Add provincial and territorial tax	
Provincial or territorial jurisdiction (item 132) 750 ON	
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)	
Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 1	
Provincial tax on large corporations (New Brunswick and Nova Scotia) (iter	m 147) 765
	Total tax payable 770 0 A
Deduct other credits	
Investment tax credit refund from Schedule 31 (items 148)	780
Dividend refund from Page 4 (items 149)	784
Federal capital gains refund from Schedule 18 (item 150)	788
Federal qualifying environmental trust tax credit refund (item 151)	792
Canadian film or video production tax credit refund from Form T1131 (item	
Film or video production services tax credit refund from Form T1177 (item	
Tax withheld at source (item 154)	800
Total payments on which tax has been withheld (item 154) 801	000
Allowable refund for non-resident-owned investment corporations - Schedule 26 (iter	n 155) 804
	808
Provincial and territorial capital gains refund from Schedule 18 (item 156)	
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812
Royalties deductible under Syncrude Remission Order 815	040
Tax remitted under Syncrude Remission Order (item 158)	816
Tax instalments paid (item 159)	840
	credits 890 B
Refund Code 894 Overpayment	Balance (line A minus line B)0 I
(item 160) (item 163)	
Direct Deposit Request (item 164)	If the result is negative, you have an overpayment.
To have the corporation's refund deposited directly into the corporation's	If the result is positive, you have a balance unpaid.
bank account at a financial institution in Canada, or to change banking	Enter the amount on whichever line applies.
information you already gave us, complete the information below.	We do not charge or refund a difference of less than \$2.
Start Change information 910	_
Branch number	Balance unpaid (item 163)
914918	Enclosed payment (item 162) 898
Institution number Account number	
If the corporation is a Canadian-controlled private corporation throughout the t	
does it qualify for the one-month extension of the date the balance is due? (ite	m 161) 896 1 Yes 2 No X NA
Contification (item	1CE)
Certification (item	
950 Enright 951 Thomas	954 Chairman
Surname First name	Position, office or rank
955 2005/04/22 956 (519) 245-2010	
Date Telephone number	to the information holour OFT 4 Voc V ON D
Is the contact person the same as the authorized signing officer? If no, complete	ete the information below. 957 1 Yes X 2 No
958	959 () -
Name	Telephone number
Language of correspondence - Langue d	
990 Language of choice/Langue de choix <u>1</u> English / Anglais X	
Language of choice/Langue de choix English / Anglais K	Z Français / French [

15:10

CAPITAL COST ALLOWANCE

Schedule 8

Is the corporation electing under regulation 1101(5q)? 101 $1 \, \underline{Y} es \, \Box \, 2 \, \underline{N} o \, \Box$

	2	~		ı	7	C	-	100	7.7		
- (,	r	·		0	מ	2	11	12	13
Class	Class UCC at start of	Cost of	Net adjustments Proceeds of	Proceeds of		Adjustment for Base amount for	Rate	Rate CCA for the year	Recapture	Terminal loss	UCC at the end
	year	additions in		dispositions in	ad	SCA	%	(col 8 x 9 or a	ofCCA		of the year
		the year		the year				lower amount)			
200	201	203	205	207	211		212	217	213	215	220
-	5,144,659	297,420			148,710	5,293,369	4	205,345			5 236 734
2	3,036,107					3.036.107	G				3 036 107
œ	111 390	4 504			2 252	113 612	200				447.004
,	701010	700			2,202	210,012	22				115,894
10	184,948	17,361			8,681	193,628	30				202 309
Totals	8,477,104	319,285			159,643	8,636,746		205.345			8 591 044

File: Middlesex Pr * Distribution Corporation CRA Business # 865701635 Year-end: 2003/12/31 Printed: 2005/f 15:10

C. Ja Customs Agence des douanes and Revenue Agency et du revenu du Canada

RELATED AND ASSOCIATED CORPORATIONS

Schedule 9

This form is to be completed by a corporation having one or more of the following:
related corporation(s)

- associated corporation(s)

Name	Country	Business #	Code	Common shares	hares	Preferred shares		Book value of
	(if not	(if not (Canadian corporation note 1	note 1	# owned	% owned	# owned	% owned	capital stock
	Canada)	only)						
100	200	300	400	200	550	009	650	700
Middlesex Power Corporation		88102 2925 RC 0001	_	4,631,198	100.000			4.631.198
Middlesex Energy Services Corporation		86965 3329 RC 0001	3					
		RC	0					
Note 1 · Enter the code number of the relationship that applies: 1. Parent	ı	2 - Subsidian 3 Associated A Dalated but not accounted	A Dota	tod but not	Podoioo			

Agence des douanes

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 ye	ear d	leduction and c	arry-forwar	d ——		
Cumulative eligible capital - balance at beginning of taxation year (if ne				200	387,839	Α
Add:				_		
Cost of eligible capital property acquired during the taxation year	222_		В			
Transfer from predecessor or subsidiary corporation	224		С			
	226		D			
(add amounts B, C, and D)			x 3/4 =			Е
	S	ubtotal (amount A p	lus amount E)	230	387,839	F
Deduct:						
Proceeds of sale (less outlays and expenses) from the disposition	ì					
	242		G			
The gross amount of a reduction in respect of a forgiven debt	_		r.			
obligation as provided for in subsection 80(7)	244		_H			
Other adjustments	246		1			
(add amounts G, H, and I)			x 3/4 =	248		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)					387,839	K
(Deduct amount L on line 405 of Schedule 1) amount K		387,839	x 7% =	250		E
Cumulative eligible capital balance at the end of the taxation year				_300	387,839	М
Note: The maximum current year deduction is 7%. You can claim any December 21, 2000, and is less than 365 days, prorate the calculation by 365.	amou for li	unt up to the maximune 250 by multiplyin	m. If your fisca g by the numbe	al period sta er of days in	rts after the year divid	ed

above (show as a positive amount)			N
eligible capital deductions from income for			
nning after June 30, 1988	400	1	
s which reduced cumulative eligible capital			
or years under subsection 80 (7)	401	2	
e eligible capital deductions claimed			
eginning before July 1, 1988 402	_3		
in the cumulative eligible			
t were included in income for taxation			
fore July 1, 1988408	_4		
		5	
and 5		6	
le 10 of previous taxation years ending after February 27, 2000	409	7	
			c
O (cannot be negative)			P
X 1/2			Q
2			R
X 66.6667 *			S
line O			
ded in income on line 108 of schedule 1. line S plus line T		410	
ded in income on line 108 of schedule 1, line S plus line T		410	

Canada Customs and Revenue Agency

Agence des douanes et du revenu du Canada

AGREEMENT AMONG ASSOCIATED CCPCs TO ALLOCATE THE BUSINESS LIMIT (2003 and later taxation years)

Schedule 23

Allocation of the business limit

Date filed (for departmental use only)	025	
Enter the calendar year to which the agreement applies	050	2003
Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?	075[] 1 <u>Y</u> es	2 <u>N</u> o
1	2	3
Names of associated corporations	Business Number	Association
		code
100	200	300
1 Middlesex Power Distribution Corporation	86570 1635 RC 0001	1
2 Middlesex Energy Services Corporation	86965 3329 RC 0001	1
3 Middlesex Power Corporation	88102 2925 RC 0001	1
	RC	0
Allocate business limit using: VV C		

			4	A	Illocating business lin	nit	7
	Та	xation year	Business limit for the year (before allocation) \$	5 Percentage of the business limit (%)	6 Allocation of business limit *	Provincial allocation for Alberta and Ontario (based on \$200,000)	applies if more tha one taxation year end in a calendar year
	Start	End		350	400		500
1	2003/01/01	2003/12/31	225,000	50.000	112,500	100,000	
2	2003/01/01	2003/12/31	225,000	50.000	112,500	100,000	
3	2003/01/01	2003/12/31	225,000				
OTALS				100 000	A 225 000	200,000	

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box.

\$ 112,500

	Las	t taxation year ending in	the preceding calendar	year	Current year
	Taxable income	Grossed-up taxable income	Reduced business limit	Gross Part I.3 tax for business limit reduction	Grossed-up reduced business limit
1			100,000		112,500
2	35,979	35,979			112,500
3					
TOTALS	35,979	35,979	100,000		225,000

File: Middlesex Power Distribution Corporation CRA Business #865701635 Year-end: 2003/12/31 Printed: 2005/04/22 15:10

Canada Customs

Agence des douanes and Revenue Agency et du revenu du Canada

SHAREHOLDER INFORMATION

Schedule 50

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder	Business	Social Insurance	Percentage	Percentage
	Number *	Number *	common shares	preferred shares
100	200	300	400	500
Middlesex Power Corporation	88102 2925 RC 0001		100.000	
	RC			

^{*} If the shareholder is a trust, enter NR at field 200 or NA at field 300.

For agency use

T2-RETURN AND SCHEDULE INFORMATION

NAME: Middlesex Power Distribution Corporation - Federal Return Only

| 055 | BN: 86570 1635 RC 0001 Taxation Year End: 2003-12-31 [001] 86570 1635 RC 0001 [060] 2003 01 01 [061] 2003 12 31 [099] GP15 XXXXXXXXXX [002] Middlesex Power Distribution Corporation - Federal Return Only [003] 2 [004] XXXXXXXXXX [010] @ [011] [912] [015] [016] [017] [018] For agency use [091] [092] [020] @ 2 [021] [093] [022] [023] [025] [026] For agency use [027] [094] [028] [095] [096] [097]

[031] @	351 Fances Street				
[032]					
[035]	Strathroy				
[036]	ON				
[037]	-				
[038]	N7G 2C7				
	XXXXXXXXXX				
[040]	1	[166]		[220]	*
[043]	2	[167]		[221]	
[063]	2	[168]	****	[226]	-
[065]		[169]		[227]	
[067]	2	[170]	; 	[231]	-
[070]	2	[171]	-	[232]	-
′ 071]	2	[172]	(William)	[233]	
[072]	2	[173]	1	[236]	
[076]	2	[201]	1	[237]	 :
[078]	2	[202]	; 	[238]	
[080]	1	[203]		[242]	v
[081]	****	[204]	-	[243]	-
[082]	2	[205]		[244]	
[085]	4	[206]		[249]	·
[150]	1	[207]	2000-1	[250]	-1
[151]		[208]	Sec. 13 (1) 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	[251]	-
[160]	1	[210]		[252]	-
[161]		[212]	·	[253]	(
[162]	*	[213]		[291]	2
[163]	<u></u>	[216]		[292]	2
[164]		[217]	***************************************	[370]	-
[165]		[218]		[435]	1

BN: 86570 1635 RC 0001 Taxation Year End: 2003-12-31

[438]	(New York Construction of the Construction of		[957]	1
[624]			[958]	
[646]			[959]	
[750]	ON			XXXXXXXXXX
[801]				
[815]				
[894]	***************************************			
[896]	2			
[898]	40			
[910]	V			
[914]	2001-1-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0			
[918]				
[990]	1			
	XXXXXXXXXX			•
[280]	2			
[281]	2			
[282]				
[283]	2	38		
[284]	Electricity			
[286]				
[288]				
[285]	100			
[287]	-			
[289]				
[950]	Enright	ã		
[951]	Thomas			
[954]	Chairman			
[955]	2005 04 25			
[056]	519 245 2010			

BN: 86570 1635 RC 0001

Taxation Year End: 2003-12-31

[300]	0	[440]		[652]	:
[311]	-	[445]		[700]	
[312]		[450]	(XXXXXXXXXX
[313]		[600]			
[314]	1	[632]		[704]	
[320]		[636]		[708]	
[325]		[780]		[716]	
[331]	-		XXXXXXXXXX	[720]	
[332]				[724]	
[333]	Y	[460]		[727]	
[334]		[465]		[728]	
[335]		[480]		[760]	
[340]		[485]	()	[765]	**************************************
[350]	N	[712]	(here)	[770]	Section 18
' 355]	****		XXXXXXXXXX		XXXXXXXXXX
[360]	-				
	XXXXXXXXXX	[550]		[784]	
		[602]	() 	[788]	X
[400]	(97	[604]		[792]	We will be the second of the s
[405]		[608]		[796]	***
[410]	112 500	[616]		[797]	
[425]	112 500	[620]		[800]	
[430]		[628]		[804]	
	XXXXXXXXXX	[637]		[808]	Terres 1
	*	[638]	-	[812]	
[415]		[639]	•	[816]	
	XXXXXXXXXX	[640]		[840]	
		[644]	21112 - 1	[890]	
		[648]	96-51-64-51-64-51-64-64-64-64-64-64-64-64-64-64-64-64-64-		XXXXXXXXXX

BN: 86570 1635 RC 0001 Taxation Year End: 2003-12-31

	Certification	
I, Thomas Enright	, am an authorized sign	ning officer of the corporation.
I certify that the fol	lowing amounts are, to the best of my knowledge, correc	et and complete, and fully disclose the
corporation's incom	e tax payable. These amounts also reflect the information	n given on the corporation's income tax
return for the taxati	on year noted above.	
Net income or ((loss) for income tax purposes from	
	or GIFI [line 200300]	0
Part I tax payab	le [line 200700]	0
Part I.3 tax pays	able [line 200704]	0
Part II surtax pa	yable [line 200708]	0
	able [line 200712]	0
	yable [line 200716]	0
	able [line 200720]	0
	yable [line 200724]	0
	yable [line 200728]	0
	and territorial tax payable [line 200760]	0
Provincial tax o	n large corporations [line 200765]	0
	he method of calculating income for this taxation year is cons	sistent with that of the previous year except as
specifically disclosed	in a statement attached to this return.	
0005104105		
2005/04/25	Clauston C	Chairman
Date	Signature of an authorized signing officer of the corporation	Position, office or rank
	corporation	GP15 Page 5 of 5

Taxation Year End: 2003-12-31

NAME: Middlesex Power Distribution Corporation - Federal Return Only

BN: 86570 1635 RC 0001

[117]

BN: 00:	5/0 1055 RC 0001	Taxau	on 1ear End. 2005-12-51		
[600]					
[601]					
[602]					
[603]					
[604]					
[700]	149(1)(d.6) adjustment				
[701]					
[702]					
[703]					
[704]					
	XXXXXXXXXX				
[101]		[118]		[204]	
[102]	C	[119]		[205]	
' 103 J	<u> </u>	[120]		[206]	(****
[104]	474 541	[121]	Amount of the second	[207]	(Table 1997)
[105]		[122]		[208]	
[106]		[123]		[209]	
[107]	(Name of the last	[124]		[210]	
[108]		[125]		[211]	
[109]		[126]	<u> </u>	[212]	3
[110]		[127]	-	[213]	-
[111]		[199]		[214]	
[112]		[500]	474 541	[215]	,=
[113]	1 - 3 - 3 - 3 - 3		XXXXXXXXXX	[216]	
[114]	3 			[217]	0
[115]		[201]	2/2/2	[218]	7
[116]	(***	[202]		[219]	

[203]

[220]

BN: 86570 1635 RC 0001

Taxation Year End: 2003-12-31

[221]	**************************************	[300]		[401]	***
[222]		[301]	-	[402]	
[223]	·	[302]		[403]	
[224]		[303]		[404]	
[225]		[304]		[405]	
[226]		[305]		[406]	
[227]		[306]		[407]	
[228]		[307]		[408]	-
[229]		[308]		[409]	
[230]		[309]		[410]	
[231]	S-1	[310]	200	[411]	
[232]	·	[311]	<u> </u>	[413]	
[233]		[312]	-	[414]	
[234]		[313]		[416]	(8
[235]		[314]	1	[417]	:
[236]		[315]	(31 - 1 - 12	[499]	205 345
[237]	***************************************	[316]	-	[510]	205 345
[238]		[340]	-		XXXXXXXXXX
[290]		[341]			
[291]	 ;	[342]			
[292]	-	[343]	10.10		
[293]		[344]	-		
[294]		[345]			
	XXXXXXXXXX	[346]			
		[390]	205 345		
		[391]			
		[392]			
		[393]	, , , , , , , , , , , , , , , , , , , 		
		[394]			
			XXXXXXXXXX		

NAME:	Middlesex Power Distribution	1 Corporation - Federal Return Only
BN:	86570 1635 RC 0001	Taxation Year End: 2003-12-31
[300]	 88102 2925 RC 0001 86965 3329 RC 0001 	*
[400]	1. 1 2. 3 * XXXXXXXXXX	
[100]	 Middlesex Power Corp Middlesex Energy Serv 	.1.
[200]	1	¢
[500]	1. 4 631 198 2	•
[550]	1. 100 2*	•
[600]	1	•

*

[650]

[700] 1. 4631198

XXXXXXXXXX

NAME: Middlesex Power Distrib	oution Corporation - Federal Return Only
BN: 86570 1635 RC 0001	Taxation Year End: 2003-12-31

[025]	
[050]	2003
[075]	2
[200]	1. 86570 1635 RC 0001
	2. 86965 3329 RC 0001
	3. 88102 2925 RC 0001 **
[300]	1. 1
	2. 1
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[500]	1,
	2
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	XXXXXXXXXX
[350]	1. 50
	2. 50
	3*
	XXXXXXXXXX
[400]	1. 112 500
	2. 112 500
	3*
	XXXXXXXXXX
[100]	Middlesex Power Distribution Corporation - Federal Return Only
	2. Middlesex Energy Services Corporation
	3. Middlesex Power Corporation

XXXXXXXXXX

NAME: Middlesex Power Distribution	n Corporation - Federal Return Only
BN: 86570 1635 RC 0001	Taxation Year End: 2003-12-31

[100] 1. Middlesex Power Corporation
[200] 1. 88102 2925 RC 0001
[300] 1. ______

[400] 1. 100
[500] 1. _____

XXXXXXXXXX

BN: 86570 1635 RC 0001 Taxation Year End: 2003-12-31

			XXXXXXXXXX
	XXXXXXXXXX	[3849]	# 1 419 238
[3640]	11 572 365	[3680]	# 269 196

XXXXXXXXXX

XXXXXXXXXX

[3500] 4 631 198 [3600] # 1 419 238 [3620] 3 211 960 XXXXXXXXXXXX

[3660] #1150042

BN: 86	570 1635 RC 0001	Taxat	tion Year End: 2003-12-31
[0001]			
[0002]	XXXXXXXXXX		
[0003]	XXXXXXXXXX		
[8519]	1 798 908	[8740]	308 610
[9369]	# 269 196	[8960]	369 987
[9899]		[9270]	90 430
[9970]	# 269 196	[9284]	540 622
[9975]	\$	[9367]	2 300 052
[9976]		[9368]	13 473 753
9980]			xxxxxxxxx
[9985]			
[9990]		[9370]	
[9995]	All the state of t	[9659]	0
[9999]	# 269 196		XXXXXXXXXX
	XXXXXXXXXX		
		[9660]	
[8000]	12 972 609	[9898]	0
[8089]	12 972 609		XXXXXXXXXX
[8094]	231 948		
[8299]	13 204 557		
	XXXXXXXXXX		
[8300]	2		
[8320]	11 173 701		
[^518]	11 173 701		
[8670]	474 541		
[8717]	515 862		

BN: 86570 1635 RC 0001 Taxation Year End: 2003-12-31

	XXXXXXXXXXX
[109]	
[108]	2
[107]	1
[106]	1
[105]	2
[104]	2
[103]	2
[102]	2
[101]	1
[099]	2
[098]	1
[097]	2
[096]	1



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

> Account No. 1800268

> > 35 PX5003

MIDDLESEX POWER DISTRIBUTION CORPORATION C/O THOMAS ENRIGHT 351 FRANCES ST

STRATHROY N7G 2C7

ON

Remittance Advice - Payment-in-Lieu (PIL)

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

Taxation Year End: (YYYYMM	IDD)	2	2)	3	1	2	3	/
Payment Amount: \$				3	9		7	, 1	1
Taxation Year End: (YYYYMM	IDD)	2	0	0	3	1	2	3	1
Payment Amount: \$	\perp	,_		3	9	1	7	1	/
Total Payment \$				3	9	1	フ	.1	1



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 2003/01/01 to 2003/12/31

		(year, month, day)	Page
MIDDLESEX POWER DISTRIBUTION CORPORATION 18	300268	2005/07/18	3 of 4

ASSESSMENT NO. 11

Tax: Federal and Provincial PIL Penalty - Late Filing Assessment Interest

Total Assessment Liability

12,129.00 1,964.76 1,944.10 16,037,86

SUMMARY OF 2003/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

Sub-Total **TAXATION YEAR BALANCE DUE **** 12,129.00CR

12,129.00CR 3,908.86

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC) The current interest rate is 0.0191780%.

■ 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

	Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
	Attachment 17
2	2004 Revised SIMPIL Model
2	2004 Nevised Shaif it lalodel

Disposition of Balance Recorded in Account 1562 Deferred PILs

Distributor	Middlesex Power Distribution Corp Middlesex

OEB File Number EB-2012-0098

Filing Year 2004

	A	В	С	D	E
1	PILs TAXES - EB-2008-381		U		Version 2009.1
2	REGULATORY INFORMATION (REGINFO)				
3	Utility Name: Middlesex Power Distribution Corp Middlesex			Colour Code	
5	Reporting period: 2004			Input Cell Formula in Cell	
6	Days in reporting period:	365	days		
7	Total days in the calendar year:	365	days		
8	DAO(/OROUND				
9 10	BACKGROUND 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 shared among the corporate group?	OCT	Y/N	N	
20		LCT	Y/N	N	
21	Please identify the % used to allocate the OCT and LCT exemptions in Cells C65 & C74 in the TAXCALC spreadsheet.	OCT		100.0000%	
22		LCT		100.0000%	
24	Accounting Year End		Date	31-Dec-04	
26	MARR NO TAX CALCULATIONS				Regulatory
27	SHEET #7 FINAL RUD MODEL DATA				Income
28	(FROM 1999 FINANCIAL STATEMENTS)				
29 30	USE BOARD-APPROVED AMOUNTS				
31	Rate Base (wires-only)			10,288,429	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
9					
37	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			881,204	
43	1999 return from RUD Sheet #7			18,430	18,430
45	Total Incremental revenue			862,774	
46	Input: Board-approved dollar amounts phased-in				
47 48	Amount allowed in 2001 Amount allowed in 2002			287,591 287,591	287,591 287,591
49	Amount allowed in 2002 Amount allowed in 2003 and 2004 (will be zero due to Bill 210			201,591	267,391
50	unless authorized by the Minister and the Board)				0
51	Amount allowed in 2005 - Third tranche of MARR re: CDM				0
52 53	Other Board-approved changes to MARR or incremental revenue				0
54	Total Regulatory Income				593,612
55					
56	Equity			5,144,215	
57 58	Return at target ROE			508,248	
59	Note in a larger NOE			300,240	
	Debt			5,144,215	
61	Deemed interest emount in 4000/ of MADD			070.050	
63	Deemed interest amount in 100% of MARR			372,956	
	Phase-in of interest - Year 1 (2001)			129,519	
65	((D43+D47)/D41)*D61				
	Phase-in of interest - Year 2 (2002)			251,237	
67 68	((D43+D47+D48)/D41)*D61 Phase-in of interest - Year 3 (2003) and forward			251,237	
69	((D43+D47+D48)/D41)*D61 (due to Bill 210)			201,201	
	Phase-in of interest - 2005			372,956	
71 72					
73					

$\overline{}$	٨	В	С	D	Е	F	G	Н
1	A PILs TAXES - EB-2008-381	ITEM	Initial	U	M of F	M of F	Tax	11
2	PILS TAXES - EB-2008-381 PILS DEFERRAL AND VARIANCE ACCOUNTS	= IVI	Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)	Ì	Latinate		Variance	Variance	Neturis	
4	("Wires-only" business - see Tab TAXREC)				K-C	Explanation		
5	0				1. 0	Explanation	Version 2009.1	
6	Utility Name: Middlesex Power Distribution Corp Middlesex						10.0.02000	
7	Reporting period: 2004							
8							Column	
9	Days in reporting period:	365	days				Brought	
10	Total days in the calendar year:	365	days				From	
11							TAXREC	
12			\$		\$		\$	
13								
	I) CORPORATE INCOME TAXES							
15				L				
	Regulatory Net Income REGINFO E53	1	593,612	L	-166,429		427,183	
17 18	DOOK TO TAY AD ILIOTAICATO							
	BOOK TO TAX ADJUSTMENTS Additions:							
	Depreciation & Amortization	2	457,151	 	37,529		494,680	
21	Employee Benefit Plans - Accrued, Not Paid	3	457,151	H	37,529		494,000	
22	Tax reserves - beginning of year	4		ŀ	0		0	
23	Reserves from financial statements - end of year	4			0		0	
24	Regulatory Adjustments - increase in income	5	4,291	ľ	-4,291		0	
25	Other Additions (See Tab entitled "TAXREC")	1	-,,		.,_31			
26	"Material" Items from "TAXREC" worksheet	6		Ì	0		0	
27	Other Additions (not "Material") "TAXREC"	6			0		0	
28	"Material Items from "TAXREC 2" worksheet	6		Į	0		0	
29	Other Additions (not "Material") "TAXREC 2"	6		L	0		0	
30	Items on which true-up does not apply "TAXREC 3"	1		l	0		0	
31				ı				
32	Deductions: Input positive numbers	1		L				
33	Capital Cost Allowance and CEC	7	402,922	L	105,202		508,124	
	Employee Benefit Plans - Paid Amounts	8		L	0		0	
	Items Capitalized for Regulatory Purposes	9		L	0		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5	10	054.007		0		0	
37	Interest Expense Deemed/ Incurred	11	251,237		13,433		264,670	
38	Tax reserves - end of year	4		H	0		0	
40	Reserves from financial statements - beginning of year Contributions to deferred income plans	4		-	0		0	
41	Contributions to deferred income plans Contributions to pension plans	3		F	0		0	
42	Interest capitalized for accounting but deducted for tax	11		F	0		0	
43	Other Deductions (See Tab entitled "TAXREC")	''		F	Ü		Ü	
44	"Material" Items from "TAXREC" worksheet	12		ı	0		0	
45	Other Deductions (not "Material") "TAXREC"	12		ı	0		0	
46	Material Items from "TAXREC 2" worksheet	12		ı	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								
	TAXABLE INCOME/ (LOSS)		400,895		(251,826)	Before loss C/F	149,069	
51								
52	BLENDED INCOME TAX RATE			_				
53	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	34.12%	_	-15.4998%		18.62%	
54	DECLII ATORY INCOME TAY		100 ==:	4	100			
55	REGULATORY INCOME TAX	1	136,785	\dashv	-109,028	Actual	27,757	
56 57								
	Miscellaneous Tax Credits	14		-	0	Actual	0	
59	INIOCONANICOUS LAN CIEURS	14		ŀ	0	Acidal	0	
60	Total Regulatory Income Tax		136,785	Ħ	-109,028	Actual	27,757	
61		1	.50,700	T	. 50,020	, totali	21,101	
62		Ì						
	II) CAPITAL TAXES							
64		Ì						
65	Ontario			Ш				
	Base	15	10,288,429	Ц	-1,225,030		9,063,399	
67	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000	Щ	-1,777,160		3,222,840	
68	Taxable Capital	Ì	5,288,429	Ц	-3,002,190		5,840,559	
69	Data Tan Datas Danielatan Table (A. L. T. L. C.	4-	0.000051	\dashv	0.00000		0.0005	
	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	+	0.0000%		0.3000%	
71 72	Ontario Capital Tay	Ì	15 065	H	1 650	Overnaid	17 500	
73	Ontario Capital Tax	Ì	15,865	\dashv	1,056	Overpaid	17,522	
74	Federal Large Corporations Tax	1						
	Base	18	10,288,429	\dashv	-10,288,429			
76	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000	Ħ	40,000,000		50,000,000	
77	Taxable Capital	. ັ	288,429	Ħ	29,711,571		0	
78		1						
79	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%	╛	-0.0250%		0.2000%	
80		Ī		Ⅱ				
81	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)		649	Д	-649		0	
82	Less: Federal Surtax 1.12% x Taxable Income	21	4,490	Ц	-4,490		0	
83		Ì		Ц				
	Net LCT	1	0	\vdash	3,841		0	
85		<u> </u>						

	A	В	С	D	Е	F	G	Н
1	PILs TAXES - EB-2008-381	ITEM	Initial	U	M of F	M of F	Tax	11
2	PILS DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
3	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	V 0000 4	
6	0 Utility Name: Middlesex Power Distribution Corp Middlesex						Version 2009.1	
7	Reporting period: 2004							
8							Column	
9	Days in reporting period:	365					Brought	
10	Total days in the calendar year:	365	days				From TAXREC	
12			\$		\$		S S	
13			·					
	III) INCLUSION IN RATES							
87 88	Income Tax Rate used for gross- up (exclude surtax)		33.00%					
89	income Tax Nate used for gross- up (exclude surfax)		33.00%					
90	Income Tax (proxy tax is grossed-up)	22	204,157			Actual 2004	27,757	
91	LCT (proxy tax is grossed-up)	23	0			Actual 2004	0	
92 93	Ontario Capital Tax (no gross-up since it is deductible)	24	15,865			Actual 2004	17,522	
94								
95	Total PILs for Rate Adjustment MUST AGREE WITH 2002	25	220,022			Actual 2004	45,279	
96	RAM DECISION							
97				H				
98 99	IV) FUTURE TRUE-UPS							
	IV a) Calculation of the True-up Variance				DR/(CR)			
	In Additions:				-(=)			
102	Employee Benefit Plans - Accrued, Not Paid	3			0			
103		4			0			
	Reserves from financial statements-end of year Regulatory Adjustments	4 5			-4,291			
	Other additions "Material" Items TAXREC	6			0			
107	Other additions "Material" Items TAXREC 2	6			0			
108	In Deductions - positive numbers			l				
109	Employee Benefit Plans - Paid Amounts Items Capitalized for Regulatory Purposes	8			0			
	Regulatory Adjustments	10			0			
112	Interest Adjustment for tax purposes (See Below - cell I204)	11			0			
	Tax reserves claimed in current year	4			0			
114	Reserves from F/S beginning of year Contributions to deferred income plans	4			0			
116	Contributions to deferred income plans 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			-4,291			
121	Total TNOL-OF 3 belote tax effect	20		_	-4,291			
122	Income Tax Rate (including surtax) from 2004 Utility's tax return			х	18.62%			
123					700			
124 125	Income Tax Effect on True-up adjustments			=	-799			
	Less: Miscellaneous Tax Credits	14			0			
127								
	Total Income Tax on True-ups				-799			
129 130	Income Tax Rate used for gross-up (exclude surtax)				17.50%			
131					7.10070			
132	TRUE-UP VARIANCE ADJUSTMENT				(968)			
133	N/h) Coloulation of the Defended Account Vision							
407	IV b) Calculation of the Deferral Account Variance caused by							
134	changes in legislation							
100	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial							
136	estimate column)			=	400,895			
137	DEVICED CORPORATE INCOME TAY DATE (in all offer a contact)				40.0004			
138 139	REVISED CORPORATE INCOME TAX RATE (including surtax)			Х	18.62%			
140	REVISED REGULATORY INCOME TAX			=	74,648			
141								
142	Less: Revised Miscellaneous Tax Credits			-	0			
143 144	Total Revised Regulatory Income Tax			ا_ا	74,648			
145				-	סדט,די			
	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell							
146	C58)			-	136,785			
147	Regulatory Income Tax Variance			_	(62,138)			
149	irogulatory iricollic Lax valiance			-	(02,138)			
		•		_				

	A	В	С	D	Е	F	G	Н
1	PILs TAXES - EB-2008-381	ITEM	Initial	Ē	M of F	M of F	Tax	
	PILs DEFERRAL AND VARIANCE ACCOUNTS		Estimate		Filing	Filing	Returns	
	TAX CALCULATIONS (TAXCALC)				Variance	Variance		
5	("Wires-only" business - see Tab TAXREC)				K-C	Explanation	Version 2009.1	
	Utility Name: Middlesex Power Distribution Corp Middlesex						Version 2003.1	
	Reporting period: 2004							
8							Column	
	Days in reporting period:		days days				Brought From	
11	Total days in the calendar year:	300	uays				TAXREC	
12			\$		\$		\$	
13								
	Ontario Capital Tax				10.000.100			
	Base Less: Exemption from tab Tax Rates, Table 2, cell C39			=	10,288,429 5,000,000			
	Revised deemed taxable capital			<u>-</u>	5,288,429			
154	· · · · · · · · · · · · · · · · · · ·				0,-00,0			
	Rate - Tab Tax Rates cell C54			х	0.3000%			
156	Davisard Ontaria Canital Tay				45.005			
	Revised Ontario Capital Tax Less: Ontario Capital Tax reported in the initial estimate column (Cell C70)			=	15,865			
158	Outplace Cartoportos In the limital communic commit (Coll Cro)			-	15,865			
159	Regulatory Ontario Capital Tax Variance			=	0			
160								
	Federal LCT Base				10,288,429			
	Less: Exemption from tab Tax Rates, Table 2, cell C40			_	50,000,000			
	Revised Federal LCT			-	(39,711,571)			
165								
	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51				0.2000%			
167	Gross Amount				0			
	Less: Federal surtax			-	0			
170	Revised Net LCT			=[0			
171				١,				
	Less: Federal LCT reported in the initial estimate column (Cell C82) Regulatory Federal LCT Variance				0			
173	Regulatory Federal LCT Variance			=	U			
	Actual Income Tax Rate used for gross-up (exclude surtax)				17.50%			
176								
	Income Tax (grossed-up)			+	(75,318)			
	LCT (grossed-up) Ontario Capital Tax			+	0			
180	Ontario Gapitai Tax							
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT			=[(75,318)			
182					(0.00)			
183	TRUE-UP VARIANCE (from cell I130)			+	(968)			
-	Total Deferral Account Entry (Positive Entry = Debit)				(76,287)			
	(Deferral Account Variance + True-up Variance)				(10,201)			
187								
188				Н				
189 190	V) INTEREST PORTION OF TRUE-UP							
	Variance Caused By Phase-in of Deemed Debt							
192								
193	Total deemed interest (REGINFO)				372,956			
	Interest phased-in (Cell C36)				251,237			
195 196	Variance due to phase-in of debt component of MARR in rates				121,719			
	according to the Board's decision				121,113			
198								
	Other Interest Variances (i.e. Borrowing Levels							
200	Above Deemed Debt per Rate Handbook) Interest deducted on MoF filing (Cell K36+K41)				264,670			
	Total deemed interest (REGINFO CELL D61)				372,956			
203	The state of the s				2.2,000			
204	Variance caused by excess debt				0			
205	Interest Advisor and for Tou Downson				0			
206	Interest Adjustment for Tax Purposes (carry forward to Cell I110)				0			
	Total Interest Variance				121,719			
209		-			,			
210								

	A	В	С	D	Е	F
1	PILs TAXES - EB-2008-381	LINE		Non-wires	Wires-only	'
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0		Return			
5	0 4 4 11 48 4				Version 2009.1	
-	Section A: Identification:					
	Utility Name: Middlesex Power Distribution Corp Middlesex Reporting period: 2004					
	Taxation Year's start date:					
_	Taxation Year's end date:					
	Number of days in taxation year:		365	days		
12						
-	Please enter the Materiality Level :		0	< - enter materiality	level	
14	(0.25% x Rate Base x CER)	Y/N	Y			
15	· · ·	Y/N	N			
16	Or other measure (please provide the basis of the amount) Does the utility carry on non-wires related operation?	Y/N Y/N	N N			
	(Please complete the questionnaire in the Background questionnaire					
19	(issues complete in queensmand in the Zueng, can a queensmand in		,			
20	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K					
21						
	Section B: Financial statements data:					
	Input unconsolidated financial statement data submitted with Tax returns.					
	The actual categories of the income statements should be used. If required please change the descriptions except for amortization, interest	expen	se and provision for	income tax		
26		SAPOIT	SS GITG PROVISION NO	oomo tax		
	Please enter the non-wire operation's amount as a positive number, the pro-	ogram	automatically treats	all amounts		
28	in the "non-wires elimination column" as negative values in TAXREC and 1					
29						
	Income:					
31	Energy Sales	+	11,643,832		11,643,832	
32 33	Distribution Revenue Other Income	+	1,916,573 234,585		1,916,573 234,585	
34	Miscellaneous income	+	204,000		0	
35	Iniconanico de iniconio	+			0	
36	Revenue should be entered above this line	•			•	
37						
	Costs and Expenses:					
39	Cost of energy purchased	-	11,643,832		11,643,832	
40 41	Administration	-	476,402		476,402	
42	Customer billing and collecting Operations and maintenance	-	461,280 291,613		461,280 291,613	
43	Amortization	_	494,680		494,680	
44	Ontario Capital Tax	-	10 1,000		0	
45		-			0	
46		-			0	
47		-			0	
48		-			0	
49 50	Not Income Refere Interest & Income Tayon FDIT	_	407 400	0	407 400	
	Net Income Before Interest & Income Taxes EBIT Less: Interest expense for accounting purposes	=	427,183 264,670	U	427,183 264,670	
52	Provision for payments in lieu of income taxes	-	39,933		39,933	
	Net Income (loss)	=	122,580	0	122,580	
	(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	Continu C. Bosonciliation of accounting income to touching in-					
	Section C: Reconciliation of accounting income to taxable income From T2 Schedule 1					
-	BOOK TO TAX ADDITIONS:					
	Provision for income tax	+	39,933	0	39,933	
	Federal large corporation tax	+			0	
	Depreciation & Amortization	+	494,680	0	494,680	
	Employee benefit plans-accrued, not paid	+		0	0	
	Tax reserves - beginning of year	+	0	0	0	
	Reserves from financial statements- end of year Regulatory adjustments on which true-up may apply (see A66)	+	0	0	0	
	Items on which true-up does not apply "TAXREC 3"	7	0	0	0	
	Material addition items from TAXREC 2	+	0	0	0	
	Other addition items (not Material) from TAXREC 2	+	0	0	0	
69		-				
70	Subtotal		534,613	0	534,613	
71						
	Other Additions: (Please explain the nature of the additions)					
73	Recapture of CCA	+			0	

A	В	С	D I	E	F
1 PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2 TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3 (for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	0	Return			
5				Version 2009.1	
74 Non-deductible meals and entertainment expense	+			0	
75 Capital items expensed	+			0	
<u>76</u> 77	+ +			0	
78	+ +			0	
79	+			0	
80 Total Other Additions	— <u> </u>	0	0	0	
81	_		- *		
82 Total Additions	= [534,613	0	534,613	
83					
84 Recap Material Additions:			_1		
85		0	0	0	
86 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:	-	400.075		400.0==	
97 Capital cost allowance 98 Cumulative eligible capital deduction	-	480,975 27,149		480,975	
99 Employee benefit plans-paid amounts	Ţ 	27,149		27,149	
100 Items capitalized for regulatory purposes				0	
101 Regulatory adjustments :	_			0	
102 CCA	- 1			0	
103 other deductions	-			0	
104 Tax reserves - end of year	-	0	0	0	
105 Reserves from financial statements- beginning of year	-	0	0	0	
106 Contributions to deferred income plans	-			0	
107 Contributions to pension plans	-		2	0	
108 Items on which true-up does not apply "TAXREC 3"		0	0	0	
109 Interest capitalized for accounting deducted for tax	-	0	0	0	
110 Material deduction items from TAXREC 2 111 Other deduction items (not Material) from TAXREC 2	-	0	0	0	
112	- L	U	U	U	
113 Subtotal	_ [508,124	0	508,124	
114 Other deductions (Please explain the nature of the deductions)	_	000,121	٥,	000,121	
115 Charitable donations - tax basis	- [0	
116 Gain on disposal of assets				0	
117	- [0	
118				0	
119	-			0	
120 Total Other Deductions 121	= [0	0	0	
121 122 Total Deductions	_ [508,124	0	508,124	
123	- [500,124	U	500,124	
124 Recap Material Deductions:					
125		0	0	0	
126		0	0	0	
127		0	0	0	
128		0	0	0	
129 T + 100 P + 1 to 1		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		U	U	0	
133 TAXABLE INCOME	= [149,069	0	149,069	
135 DEDUCT:		140,000	- O	140,000	
136 Non-capital loss applied positive number	- [0	
137 Net capital loss applied positive number	-			0	
138				0	
139 NET TAXABLE INCOME	= [149,069	0	149,069	
140	_				
141 FROM ACTUAL TAX RETURNS	_				
142 Net Federal Income Tax (Must agree with tax return)	+	19,558		19,558	

	A	В	С	D	Е	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		0	Return			
5					Version 2009.1	
143	Net Ontario Income Tax (Must agree with tax return)	+	8,199		8,199	
144	Subtotal	=	27,757	0	27,757	
145	Less: Miscellaneous tax credits (Must agree with tax returns)	-			0	
	Total Income Tax	=	27,757	0	27,757	
147						
148	FROM ACTUAL TAX RETURNS					
149	Net Federal Income Tax Rate (Must agree with tax return)		13.12%		13.12%	Divide federal
	Net Ontario Income Tax Rate (Must agree with tax return)		5.50%		5.50%	Divide Ontario
151	Blended Income Tax Rate		18.62%	******	18.62%	
152						
	Section F: Income and Capital Taxes					
154						
	RECAP					
	Total Income Taxes	+	27,757	0	27,757	
	Ontario Capital Tax	+	17,522		17,522	
	Federal Large Corporations Tax	+			0	
159						
160	Total income and capital taxes	=	45,279	0	45,279	
161						
162						

	A	В	С	D	Е	F
1	PILs TAXES - EB-2008-381	LINE		Non-wires	Wires-only	
	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
	For MoF Column of TAXCALC		Tax		Return	
	(for "wires-only" business - see s. 72 OEB Act)		Return		.,	
5	0				Version 2009.1	
6 7	Utility Name: Middlesex Power Distribution Corp Middlesex					
	Reporting period: 2004					
9	Reporting period. 2004					
10	TAX RESERVES					
11						
	Beginning of Year:				_	
13	December to a devictful accounts as QQ(A)(I)				0	
	Reserve for doubtful accounts ss. 20(1)(I) Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
20					0	
21					0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
23	End of Year:					
25	EIIU OI TEAT:				0	
	Reserve for doubtful accounts ss. 20(1)(I)				0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
29	Debt and share issue expenses ss.20(1)(e)				0	
	Other - Please describe				0	
	Other - Please describe				0	
32					0	
33					0	
	Insert line above this line		0	0	0	
36	Total (carry forward to the TAXREC worksheet)		U	U	U	
37						
	FINANCIAL STATEMENT RESERVES					
39						
	Beginning of Year:					
41					0	
42	Favings as out of				0	
	Environmental Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
47	OPEB				0	
48	Other - Please describe					
	Other - Please describe				0	
50	Total forms form and to the TAVEEC				0	
51	Total (carry forward to the TAXREC worksheet)		0	0	0	
52 53	End of Year:					
54	Eliu Vi TGal.				0	
55					0	
	Environmental				0	
	Allowance for doubtful accounts				0	
	Inventory obsolescence				0	
	Property taxes				0	
	OPEB				0	
61 62					0	
	Insert line above this line				U	
-	Total (carry forward to the TAXREC worksheet)	[0	0	0	
65	Total fourty forward to the TAMILE Workshieth		U	U	U	
66						

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1	Λ	Ь	U	В	<u> </u>	<u>'</u>
	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)			Eliminations	Tax	
	(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: Middlesex Power Distribution Corp Middlesex					
9	Reporting period: 2004					
	Number of days in taxation year:		365			
	Materiality Level:		0			
12			,	•		
13						
14						
15	Section C: Reconciliation of accounting income to taxable income					
	Add:					_
17		+			0	
18	Gain on sale of eligible capital property	+			0	
	Loss on disposal of assets	+			0	
	Charitable donations (Only if it benefits ratepayers)	+			0	
21	Taxable capital gains	+			0	
22		+			0	
	Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
	Capitalized interest	+			0	
	Soft costs on construction and renovation of buildings	+			0	
	Capital items expensed	+			0	
	Debt issue expense	+			0	
	Financing fees deducted in books	+			0	
	Gain on settlement of debt	+			0	
31	Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense	+			0	
	Write down of capital property	+			0	
	Amounts received in respect of qualifying environment trust	+			0	
	Provision for bad debts	+			0	
37		+			0	
38		+			0	
39		+			0	
40	Other Additions: (please explain in detail the nature of the item)	+			0	
41		+			0	
42		+			0	
43		+			0	
44		+			0	
45		+			0	
46	Total Additions	=	0	0	0	
47	Daniel (Material A 199)					
	Recap of Material Additions:		_			1
49			0			
50			0	0	0	
51			0	0	0	
52			0	0	0	
53			0	0	0	
54				0	0	
55 56			0		0	
57			0	0	0	
					0	
58			0	0	0	
59			0	0		
60 61			0	0	0	
_			0	0	0	
62 63			0	0	0	
			0	0	0	
64			0	0	0	
65			0	0	0	
66			0	0	0	
67			0	0	0	
68			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	I

	A	В	С	D	E	F
1	PILs TAXES - EB-2008-381	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)	LIINL		Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
	RATEPAYERS ONLY		Return			
<u>6</u> 7	Shareholder-only Items should be shown on TAXREC 3				Version 2009.1	
	Utility Name: Middlesex Power Distribution Corp Middlesex					
	Reporting period: 2004					
	Number of days in taxation year:		365			
	Materiality Level:		0			
12 13						1
77			0	0	0	I
78			Ŭ	0		
	Total Material additions		0	0	0	
	Other additions less than materiality level		0	0	0	
81 82	Total Additions		0	0	0	
	Deduct:					
	Gain on disposal of assets per f/s	-			0	
	Dividends not taxable under section 83	-			0	
	Terminal loss from Schedule 8	-			0	
	Depreciation in inventory, end of prior year	-			0	
	Scientific research expenses claimed in year from Form T661 Bad debts	-			0	
	Book income of joint venture or partnership	_			0	
	Equity in income from subsidiary or affiliates	-			0	
	Contributions to a qualifying environment trust	-			0	
	Other income from financial statements	-			0	
94 95		-			0	
96		-			0	
97	Other deductions: (Please explain in detail the nature of the item)	-			0	
98		-			0	
99		-			0	
100 101					0	
	Total Deductions	-	0	0	0	
103	Total Doddonollo	_	U	0		<u> </u>
	Recap of Material Deductions:					•
105			0	0	0	
106 107			0	0	0	
107			0	0	0	
109			0	0	0	
110			0	0	0	
111			0	0	0	
112			0	0	0	
113			0	0	0	
115			0	0	0	
116			0	0	0	
117			0	0	0	
118			0	0	0	
119 120			0	0	0	
121			0	0	0	
	Total Deductions exceed materiality level		0	0	0	
123	Other deductions less than materiality level		0	0	0	
	Total Deductions		0	0	0	
125						
126						

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1			<u> </u>		· · · · · · · · · · · · · · · · · · ·
	PILs TAXES - EB-2008-381				
	TAX RETURN RECONCILIATION (TAXREC 3)		Market Name		
4	Shareholder-only Items should be shown on TAXREC 3	LINE		Wires-only	
5	ITEMS ON WHICH TRUE-UP DOES NOT APPLY		Corporate Eliminations	S Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax	Return	
7	Heilite Names Middleson Bones Bistolleson Come Middleson	0	Return	V 2000 4	
9	Utility Name: Middlesex Power Distribution Corp Middlesex			Version 2009.1	
10					
	Reporting period: 2004				
	Number of days in taxation year:		365		
13					
14 15					
	Section C: Reconciliation of accounting income to taxable income				
	Add:				
18					-
	Recapture of capital cost allowance	+		0	
	CCA adjustments CEC adjustments	+		0	
	Gain on sale of non-utility eligible capital property	+		0	
	Gain on sale of utility eligible capital property	+		0	
24	Loss from joint ventures or partnerships	+		0	
	Deemed dividend income	+		0	
	Loss in equity of subsidiaries and affiliates Loss on disposal of utility assets	+		0	
	Loss on disposal of utility assets Loss on disposal of non-utility assets	+		0	
	Depreciation in inventory -end of year	+		0	
	Depreciation and amortization adjustments	+		0	
31	Dividends credited to investment account	+		0	
	Non-deductible meals	+		0	
	Non-deductible club dues	+		0	
	Non-deductible automobile costs Donations - amount per books	+		0	
	Interest and penalties on unpaid taxes	+		0	
	Management bonuses unpaid after 180 days of year end	+		0	
	Imputed interest expense on Regulatory Assets	+		0	
39		+		0	
	Ontario capital tax adjustments Changes in Regulatory Asset balances	+		0	
42	Changes in Regulatory Asset balances	+		0	
43	Other Additions: (please explain in detail the nature of the item)	+		0	
44		+		0	
45		+		0	_
46	Tatal Additions on orbital time on dear and another	+	0	0 0	-
47 48	Total Additions on which true-up does not apply	=	0	0	J
	Deduct:				
50					-
	CCA adjustments	-		0	
	CEC adjustments	-		0	
	Depreciation and amortization adjustments Gain on disposal of assets per financial statements	=		0	
	Financing fee amorization - considered to be interest expense for PILs	-		0	
	Imputed interest income on Regulatory Assets	-		0	
	Donations - amount deductible for tax purposes	-		0	
	Income from joint ventures or partnerships	-		0	
59 60		_		0	
61				0	
62		-		0	
63		-		0	
	Ontario capital tax adjustments to current or prior year	-		0	
65	Channes in Danislatons Accept helping	-		0	
66	Changes in Regulatory Asset balances	-		0	
	Other deductions: (Please explain in detail the nature of the item)			0	
	The state of the s			U	

	А	В	С	D	Е	F
1				-		
2	PILs TAXES - EB-2008-381					
3	TAX RETURN RECONCILIATION (TAXREC 3)					
4	Shareholder-only Items should be shown on TAXREC 3	LIN	E 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			
	Utility Name: Middlesex Power Distribution Corp Middlesex				Version 2009.1	
9						
10						
	Reporting period: 2004			7		
	Number of days in taxation year:		365	1		
13						1
14 69 70						1
70		-			0	
71		-			0	
72		-			0	
73	Total Deductions on which true-up does not apply		0	0	0	
74	Total Deductions on which true-up does not apply	_				
75						
76						

	٨	D		ח		F
1	A PILs TAXES - EB-2008-381	В	С	D	E	F
Corporate Tax Rates Version 2009.1						
	Exemptions, Deductions, or Thresholds					
1	Utility Name: Middlesex Power Distribution Corp Middlesex					
	Reporting period: 2004					
3 7						Toble 4
<u>/</u> В	Rates Used in 2002 RAM PILs Applications for 2002					Table 1
	Income Range		0		200,001	
	RAM 2002		to		200,001 to	>700,000
1		Year	200,000		700,000	7 . 00,000
12	Income Tax Rate		,		,	
	Proxy Tax Year	2002				
4	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%
7						
	Capital Tax Rate		0.300%			
	LCT rate		0.225%			
	Surtax		1.12%			
	Ontario Capital Tax Exemption **	MAX \$5MM	5,000,000			
2	Federal Large Corporations Tax Exemption **	MAX \$10MM				
	**Exemption amounts must agree with the Board-appro	ved 2002 R	AM PILs fi	ling		
3						
4						
5	Francisco Income Too Box 1 2004 10 11 To Too Too					Table 2
	Expected Income Tax Rates for 2004 and Capital Tax Exemptions	or 2004		250 224	400.004	
	Income Range		0	250,001	400,001	- 4 400 000
	Expected Rates	Year	to 250,000	to	to 1,128,000	>1,128,000
	Income Tax Rate	rear	250,000	400,000	1,120,000	
0	Income Tax Rate Current year		250,000	400,000	1,120,000	
0	Current year	2004				
30 31 32			13.12%	22.12%	22.12%	22.12%
10 12 13	Current year Federal (Includes surtax)					
30 31 32 33 34	Current year Federal (Includes surtax) Ontario		13.12% 5.50%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
30 31 32 33 34 35	Current year Federal (Includes surtax) Ontario Blended rate		13.12% 5.50%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
30 31 32 33 34 35	Current year Federal (Includes surtax) Ontario		13.12% 5.50% 18.62%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
30 31 32 33 34 35 36	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate		13.12% 5.50% 18.62%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
30 31 32 33 34 35 36 37	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate		13.12% 5.50% 18.62% 0.300% 0.200% 1.12%	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
30 31 32 33 34 35 36 37 38	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax	2004	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50%	22.12% 9.75%	22.12% 14.00%
30 31 32 33 34 35 36 37 40	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50% 27.62%	22.12% 9.75% 31.87%	22.12% 14.00% 36.12%
30 31 32 33 34 35 36 37 38 39	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50% 27.62%	22.12% 9.75% 31.87%	22.12% 14.00% 36.12%
30 31 32 33 34 35 36 37 38 39 30 41	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50% 27.62%	22.12% 9.75% 31.87%	22.12% 14.00% 36.12% ctivities.
30 31 32 33 34 35 36 37 38 39 40 41	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000	22.12% 5.50% 27.62%	22.12% 9.75% 31.87%	22.12% 14.00% 36.12%
30 31 32 33 34 35 36 37 38 39 40 41	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar	22.12% 5.50% 27.62% ding req	22.12% 9.75% 31.87% gulated a	22.12% 14.00% 36.12% ctivities.
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar	22.12% 5.50% 27.62% ding req	22.12% 9.75% 31.87% gulated a	22.12% 14.00% 36.12% ctivities.
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar	22.12% 5.50% 27.62% ding req	22.12% 9.75% 31.87% gulated a	22.12% 14.00% 36.12% ctivities. Table 3
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range	2004 MAX \$5MM MAX \$50MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar	22.12% 5.50% 27.62% ding req	22.12% 9.75% 31.87% gulated a	22.12% 14.00% 36.12% ctivities. Table 3
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar	22.12% 5.50% 27.62% ding req	22.12% 9.75% 31.87% gulated a	22.12% 14.00% 36.12% ctivities. Table 3
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar	22.12% 5.50% 27.62% ding req	22.12% 9.75% 31.87% gulated a	22.12% 14.00% 36.12% ctivities. Table 3
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax)	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regard	22.12% 5.50% 27.62% ding req 250,001 to 400,000	22.12% 9.75% 31.87% 31.87% qulated a 400,001 to 1,128,000	22.12% 14.00% 36.12% ctivities. Table 3
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regard to 250,000	22.12% 5.50% 27.62% ding req 250,001 to 400,000	22.12% 9.75% 31.87% gulated a 400,001 to 1,128,000	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000
0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1 2	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax)	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 ons regard 0 to 250,000	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% qulated a 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000
30 31 32 33 34 35 36 37 38 39 40 41 45 46 47 48 49 50 50 51 52 53	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 ons regard 0 to 250,000	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% qulated a 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000
30 31 32 33 34 35 36 37 38 39 40 41 41 45 46 47 48 49 50 51 52 53 54	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 ons regard 0 to 250,000	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% qulated a 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000
30 31 32 33 34 35 36 37 38 39 40 41 41 42 43 44 45 46 47 48 49 50 51 52 53 54	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regard to 250,000 13.12% 5.50% 18.62% 0.300%	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% qulated a 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000
30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 55 56	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate	MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% qulated a 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000
31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *	2004 MAX \$5MM MAX \$50MM d's instructi Year 2004 MAX \$5MM	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 3,222,840	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% qulated a 400,001 to 1,128,000 22.29% 13.77%	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000
30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 56 57 58	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption *	Year 2004 MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 3,222,840 50,000,000	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50% 27.62%	22.12% 9.75% 31.87% 31.87% quiated at the state of th	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000 22.12% 14.00% 36.12%
30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 56 57 58	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of the actual tax return allocation calculated the surtax of th	Year 2004 MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 3,222,840 50,000,000	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% quiated at the state of th	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000 22.12% 14.00% 36.12%
30 31 32 33 34 35 36 37 38 39 40 41 41 41 41 41 41 41 41 41 41 41 41 41	Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption *** 2004 Federal Large Corporations Tax Exemption *** 2004 ****Allocation of exemptions must comply with the Board Input Information from Utility's Actual 2004 Tax Returns Income Range Income Tax Rate Current year Federal (Includes surtax) Ontario Blended rate Capital Tax Rate LCT rate Surtax Ontario Capital Tax Exemption * Federal Large Corporations Tax Exemption * Federal Large Corporations Tax Exemption *	Year 2004 MAX \$5MM MAX \$50MM d's instructi	13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 5,000,000 50,000,000 ons regar 0 to 250,000 13.12% 5.50% 18.62% 0.300% 0.200% 1.12% 3,222,840 50,000,000	22.12% 5.50% 27.62% ding req 250,001 to 400,000 22.12% 5.50%	22.12% 9.75% 31.87% 31.87% quiated at the state of th	22.12% 14.00% 36.12% ctivities. Table 3 >1,128,000 22.12% 14.00% 36.12%

	A	В	С	D	E	ΙFΙ	G I	н	, I	J	K	TLI	M	N	0
	PILs TAXES - EB-2008-381		-		-					-					-
	Analysis of PILs Tax Account 1562: Utility Name: Middlesex Power Distribution Corp Middlesex														Version 2009.1
	Reporting period: 2004			Sig	n Convention	n: + fo	r increase; - for de	ecrease							0
5															
7															
8	Year start:		10/1/200)1	1/1/200	2	1/1/2003		1/1/2004		1/1/200	05	1/1/2006	3	
	Year end:	_	12/31/200		12/31/200		12/31/2003		12/31/2004		12/31/200		4/30/2006		Tota
10	Opening balance:			0		0	0		0		-76,28	97	-76,287	7	0
	Board-approved PILs tax proxy from Decisions (1)	+/-		J		U	O O		U		-70,20	51	-10,201		C
	True-up Variance Adjustment Q4, 2001 (2)	+/-													C
	Frue-up Variance Adjustment (3) Deferral Account Variance Adjustment Q4, 2001 (4)	+/-							-968						-968
	Deferral Account Variance Adjustment (4) (4) (5)	+/-							-75,318						-75,318
22	Adjustments to reported prior years' variances (6)	+/-													C
	Carrying charges (7) PILs billed to (collected from) customers (8)	+/-		0											0
25 26	FILS billed to (collected from) customers (6)	-		U											
27	Ending balance: # 1562			0		0	0		-76,287		-76,28	37	-76,287	7	-76,287
28		_													
30															
31	Uncollected PILs														
31 32 33	NOTE: The purpose of this worksheet is to show the movement in Accoun	t 1562 v	which establishes	the rece	eivable from or	liabilit	to ratepavers.								
34 35	For explanation of Account 1562 please refer to Accounting Procedures Ha														
36	Please identify if Method 1, 2 or 3 was used to account for the PILs pro	oxy and	d recovery. ANS	SWER:											
38	(1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TA	XCALC	Spreadsheet for	· O4 200	1 and 2002										
39	Please insert the Q4, 2001 proxy in column C even though it was a														
40	If the Board gave more than one decision in the year, calculate a w			. =											
41	(ii) If the Board approved different amounts, input the Board-approved a(iii) Column G - In 2003, the initial estimate should include the Q4 2001 I				tov provi										
43	(iv) Column I - The Q4 2001 PILs tax proxy was removed from rates on					ned.									
44	(v) Column K - The 2002 PILs tax proxy applies to January 1 to March 3	31, 200	5, and the new 20	005 PILs			to December 31, 2	2005.							
45 46	(vi) Column M - The 2005 PILs tax proxy will used for the period from Ja	inuary 1	to April 30, 2006	S.											
47	2) From the Ministry of Finance Variance Column, under Future True-ups,						e Q4, 2001 proxy ha	as to be							
48 49	trued up in 2002, 2003 and for the period January 1- March 31, 2004.	. Input t	the variance in th	e whole y	year reconcilat	ion.									
50 51	3) From the Ministry of Finance Variance Column, under Future True-ups,				ALC spreadshe	et.									
52	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and	Januar	y 1 to March 31,	2005.											
53	4) From the Ministry of Finance Variance Column, under Future True-ups,							nas to be							
54 55	trued up in 2002, 2003 and for the period January 1- March 31, 2004.	. Input t	the deferral varia	nce in the	e whole year re	concil	ation.								
56 57 58	5) From the Ministry of Finance Variance Column, under Future True-ups,				ALC spreadshe	et.									
58	The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and														
59 60	(6) The correcting entry should be shown in the year the entry was made.	The true	e-up of the carrying	ng charge	es will have to	be revi	ewed.								
61 62	7) Carrying charges are calculated on a simple interest basis.														
63	(8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004	4 were b	pased on a fixed	charge a	nd a volumetri	char	e recovery by class	s. The PIL	s rate						
64	components for Q4, 2001and 2002 were calculated in the 2002 appro					I, the F	ILs recovery was b	ased on th	ne						
65 66	2002 PILs tax proxy recovered by the volumetric rate by class as calc The 2005 PILs tax proxy is being recovered on a volumetric basis by		on sheet / of the	2004 RA	M.										
66															
68 69	(ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, kby the PILs volumetric proxy rates by class (from the Q4, 2001and 20)														
70	plus, (b) customer counts by class in the same period multiplied by the					y 1 tC									
72 73	In 2004, use the Board-approved 2002 PILs proxy, recovered on a vifor the period April 1 to December 31, 2004, and add this total to the														
75 76	In 2005, use the Board-approved 2005 PILs proxy, recovered on a ve						M, sheet 4,								
76	for the period April 1 to December 31, 2005. To this total, the 2004 vo		ic PILs proxy rate	by class	should be use	d									
77 78															
79 80	(9) Any interim PILs recovery from Board Decisions will be recorded in APH will have to include amounts from 1562 and from 1590.	H Accou	ınt # 1590. Final	reconcilia	ation of PILs pi	oxy ta	xes								
JU	will have to include amounts from 1302 and from 1390.														

Entegrus Powerlines Inc. – Strathroy, Mt Brydges & Parkhill Account 1562 Deferred PILs – Application for Final Disposition Board File No.: EB-2012-0098
Attachment 18
2004 Financial Statements
2004 Financial Statements

MIDDLESEX POWER DISTRIBUTION CORPORATION FINANCIAL STATEMENTS DECEMBER 31, 2004

AUDITOR'S REPORT

To the Shareholders and Board of Directors:

I have audited the statement of financial position of the Middlesex Power Distribution Corporation as at December 31, 2004 and the statements of operations, retained earnings and changes in financial position for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

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

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Middlesex Power Distribution Corporation as at December 31, 2004 and the results of its operations and changes in financial position for the year then ended in accordance with the accounting principles disclosed in note 1 to the financial statements.

May 16, 2005 London, Canada Christene Scrimgeous

MIDDLESEX POWER DISTRIBUTION CORPORATION STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2004

(with comparative figures as at December 31, 2003)

	2004	2003
ASSETS		
Current Cash and short term investments Accounts receivable Due from Township of Strathroy-Caradoc - Water Department Unbilled revenue Inventory Prepaid expenses	\$ 803,765 1,187,320 1,510,149 361,747 56,975 3,919,956	\$ 1,047,073 215,930 1,282,047 352,471
Capital - at cost Distribution plant General plant Less accumulated amortization	7,769,885 <u>2,098,653</u> 9,868,538 <u>2,036,416</u> <u>7,832,122</u>	7,530,983 2,075,667 9,606,650 1,534,623 8,072,027
Other assets Deferred assets (note 2)	305,387 305,387	<u>552,466</u> <u>552,466</u>
Total assets	\$ <u>12,057,465</u>	\$ <u>11.579,663</u>
LIABILITIES AND EQUITY		
Current Bank overdraft (note 11) Bank loan (note 5) Accounts payable and accrued liabilities Due to Township of Strathroy-Caradoc - Water Department Due to Middlesex Energy Services Corporation Customers' deposits	\$ 256,108\(\) 2,514,187 512,906 232,969 110,000 3,626,170	\$ 112,840 298,208 2,552,961 156,907 88,000 3,208,916
Long-term Long-term debt (note 6) Promissory notes payable (note 7) Employee future benefits (note 10) Customers' deposits	$ 266,500 \checkmark 4,356,925 \checkmark 206,747 \underline{266,583} \underline{5,096,755} $	353,625 4,356,925 214,778 233,459 5,158,787
Total liabilities	8,722,925	8,367,703
Shareholder's Equity Common shares (note 8) Accumulated net earnings (deficit) - Statement 2	4,631,198 \(\frac{1,296,658}{3,334,540} \)	
Total liabilities and shareholder's equity	\$ <u>12,057,465</u>	\$ <u>11,579,663</u>

MIDDLESEX POWER DISTRIBUTION CORPORATION STATEMENT OF RETAINED EARNINGS FOR THE YEAR ENDED DECEMBER 31, 2004

(with comparative figures for the year ended December 31, 2003)

	2004	2003
Accumulated net earnings (deficit), beginning of year	\$(1,419,238)	\$(1,150,042)
Net earnings (loss) for the year - Statement 3	122,580	(269,196)
Accumulated net earnings (deficit), end of year	\$ <u>(1,296,658</u>)	\$ <u>(1,419,238</u>)

MIDDLESEX POWER DISTRIBUTION CORPORATION STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2004 (with comparative figures for the year ended December 31, 2003)

	2004	2003
Service revenue Residential General Commercial and industrial Street lighting	\$ 5,409,676 6,333,419 1,707,959 109,351	\$ 4,793,791 6,709,773 1,354,858 114,187
	13,560,405	12,972,609
Cost of power	11,643,832	<u>11,173,701</u>
Gross margin on service revenue	1,916,573	1,798,908
Expenditures Administration and general Customers' billing and collecting Distribution expenses - operations Distribution expenses - maintenance Amortization (note 1) Interest	476,402 461,280 81,638 209,975 494,680 264,670	540,622 515,862 90,430 369,987 474,541 308,610
Net operating revenue (loss)	(72,072)	(501,144)
Other revenue (expenditures) Interest, late payment and miscellaneous charges	234,585	231,948
Net earnings (loss) for the year before corporate taxes	162,513	(269,196)
Provision for corporate taxes (note 9)	39,933	
Net earnings (loss) for the year	\$ <u>122,580</u>	\$ <u>(269,196)</u>

MIDDLESEX POWER DISTRIBUTION CORPORATION STATEMENT OF CHANGES IN FINANCIAL POSITION FOR THE YEAR ENDED DECEMBER 31, 2004

(with comparative figures for the year ended December 31, 2003)

	2004	<u>2003</u>
Operating activities Net earnings (loss) for the year Charges (credits) not involving cash Amortization	\$ 122,580 494,680	\$ (269,196) 474,541
Net change in non-cash working capital balances related to operations (A)	429,084 1,046,344	302,926 508,271
Investing activities Capitalization (realization) of transition costs Capital asset acquisitions (net of dispositions)	254,261 (254,775) (514)	(106,486) (216,983) (323,469)
Financing activities Repayment of long-term debt	(87,12 <u>5</u>) (87,12 <u>5</u>)	(87,125) (87,125)
Change in cash during the year	958,705	97,677
Cash (bank indebtedness), beginning of year	(411,048)	(508,725)
Cash (bank indebtedness), end of year	\$ <u>547,657</u>	\$ <u>(411,048</u>)

(A) Consists of changes in accounts receivable, unbilled revenue, inventory, prepaid expenses, customers' deposits, employee future benefits and accounts payable.

Middlesex Power Distribution Corporation was incorporated in Ontario on April 11, 2000 to distribute electrical power in accordance with Section 144 of the Electricity Act, 1998.

The Corporations of the Town of Strathroy, the Township of Caradoc and the Town of Parkhill passed bylaws transferring the assets and liabilities of their respective Hydro Electric Commissions effective November 1, 2000 to Middlesex Power Distribution Corporation.

1. Significant accounting policies

The Corporation's financial statements have been prepared in accordance with Canadian accounting principles for Electric Utilities as prescribed by the Ontario Energy Board. All principles employed are in accordance with the generally accepted accounting principles.

Accounts receivable

Accounts receivable are shown net of an allowance for doubtful accounts of \$ 45,000 (2003 - \$ 81,000).

Inventories

Inventories consist of material and supplies purchased for future use and are valued at cost using the average cost method.

Capital assets and amortization

Capital assets are amortized on a straight line basis over their anticipated useful lives as determined by the Ontario Energy Board. Capital assets include transformers which are in inventory as prescribed by the Ontario Energy Board.

Revenue Recognition

Revenue is recorded using the accrual basis of accounting and is based on regular meter readings and estimates of customer usage since the last meter reading date to the end of the year.

2. Deferred assets

Deferred assets include transition costs of \$ 199,829 (2003 - \$ 186,100) and retailer settlement variance accounts of \$ 91,078 (2003 - \$ 359,068). The transition costs were incurred in order to prepare the Corporation for the deregulated electricity industry, which opened May 1, 2002. The retailer settlement variance accounts are the difference between the revenue and the costs for the commodity and transmission services.

The Ontario Energy Board has approved an interim recovery of the deferred assets at March 2004. The Corporation has received \$ 213,315 (2003 - \$ NIL) from the customers since March 2004. It is management's belief that they will be able to recover all of these costs through rates over the next few years.

3. Pension agreements

The Corporation makes contributions to the Ontario Municipal Employees Retirement Savings Pension Fund (OMERS), which is a multi-employer plan, on behalf of its staff. The plan is a contributory defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The amount contributed to OMERS for 2004 is \$ 41,976 (2003 \$ 7,418).

4. Class action lawsuit

A class action claiming \$500 million in restitutionary payments plus interest was served on Toronto Hydro on November 18, 1998. The action was initiated against Toronto Hydro Electric Commission as the representative of the Defendant Class consisting of all municipal electric utilities in Ontario which have charged Late Payment charges on overdue utility bills at any time after April 1, 1981. The claim is that late payment penalties result in the municipal electric utilities receiving interest at effective rates in excess of 60% per year, which is illegal under Section 347(1)(b) of the Criminal Code. The Electricity Distributors Association is undertaking the defense of this class action. At this time it is not possible to quantify the effect, if any, on the financial statements of the Corporation.

5. Bank loan

The Corporation has a demand instalment loan of \$ 256,108 (2003 - \$ 298,208) which is repayable over the next six years at monthly payments of \$3,508 plus interest which is 1% over prime.

6. Long-term debt

The Corporation owes the Township of Strathroy Caradoc at December 31, 2004 \$ 266,500 (2003 - \$ 353,625). The loan bears an interest rate of 6.82% and the interest is repayable on April 4 and October 4 of each year. Principal repayments will be made over the next five years as follows:

2005 to 2007

\$ 266,500

7. Promissory notes

The former Corporations of the Town of Strathroy, the Township of Caradoc and the Town of Parkhill were issued interest bearing promissory notes payable at the Bank of Canada prime lending rate which was 6% at November 1, 2000. These notes are renewable every year at November 1 at the effective Bank of Canada prime rate. The former Town of Parkhill cashed their promissory note in 2000.

8. Stated capital

The share capital of the Corporation consists of the following:

Authorized

- Unlimited number of Class A preference shares without par value
- Unlimited number of Class B preference shares without par value
- Unlimited number of voting common shares without par value

Issued

- 4,631,198 voting common shares

\$ 4,631,198

9. Corporate taxes

The Corporation is exempt from Federal income taxes pursuant to Part 1, Division D, subsection 149(d.6) of the Canadian Income Tax Act and from Ontario income and capital taxes pursuant to Part II, Division G, subsection 57(1) and Part III, Division D, subsection 71(1), respectively, of the Ontario Corporations Tax Act until September 30, 2001 when Section 93 of the Electricity Act was enacted.

Subsections 93(1) and (2) of Part V1 of the Electricity Act (Ontario) requires a municipal electricity utility that is exempt from Federal and Ontario income and capital taxes, pursuant to the provisions above, to make special payments in lieu of taxes computed as if the municipal electricity utility were subject to tax under the Federal and Ontario corporate tax regimes. The Corporation is subject to these payments in lieu of corporate income taxes.

10. Post employment benefit

The Corporation is liable for providing certain life insurance benefits for its retirees until their date of death. In accordance with the requirements of the Canadian Institute of Chartered Accountants, the present value of these benefits are to be accrued in these financial statements. The Corporation received an actuarial's evaluation of this liability in 2004 and has accrued \$206,747 (2003 - \$214,778).

11. Commitment

The Corporation has contracted with another Local Distribution Company, by way of a letter of agreement, to provide the Corporation with certain management, human resources, financial, regulatory, customer support and engineering support services for an undetermined period of time.

The Corporation, in order to obtain the electricity it requires to distribute to its customers, is required to provide security to the Independent Electricity Market Operator based on its usage as of May 1, 2002. The security obtained was a letter of credit from a financial institution for \$1,683,492 and was not utilized as at December 31, 2004.

The Corporation has an available line of credit from a financial institution for \$1,500,000. As at December 31, 2004, there was \$ NIL (2003 - \$112,840) outstanding. The line of credit carries an interest rate of prime plus 1%.

12. Subsequent event

The Corporation and its shareholders have signed a letter of intent to sell the shares of the Corporation to another Local Distribution Company. It is expected that the transaction will receive Ontario Energy Board approval by June 2005.



	Board File No.: EB-2012-0098
Attachment 19	
Attacillicit 13	
2004 Tax Returns	
2004 Tax Retains	



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)

This return is a combination of the Ministry of Finance (MOF) CT23 Corporations Tax Return and the Ministry of Consumer and Business Services (MCBS) Annual Return. Page 1 is a common page required for both returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17, together with the applicable schedules on pages 18-21. **Corporations that** do not meet the EFF criteria but do meet the Short-Form criteria, may request and file th CT23 Short-Form

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 Ministry Use_

Return (see page 2). MCBS Annual Return Required? (Not required if alreannual Return exe.	ady filed or mpt. Refer to Guide)	Yes	No Page 1 of 24	COPY
Corporation's Legal Name (including punctuation Middlesex Power Distribution Corporation)			Ontario Corporations Tax Account No. (MOF) 1800268 This CT23 Return covers the Taxation Year
Mailing address				
351 Frances Street				Start 2004/01/01
City Strathroy	Province ON	Country CA	Postal code N7G 2C7	End 2004/12/31
Has the mailing address changed since last filed CT23 Return?	Date of o	change		Date of Incorporation or Amalgamation
Registered/Head Office Address 351 Frances Street	•			2000/04/11
City Strathroy	Province ON	Country CA	Postal code N7G 2C7	Ontario Corporation No. 1800268 (MCBS)
Location of Books and Records 351 Frances Street City Strathroy	Province ON	Country CA	N7G 2C7	Canada Customs and Revenue Agency Business No. 865701635RC0001
Name of person to contact regarding this CT23 Return Thomas Enright	Telephone No (519) 245-20		Fax No. (519) 245-5384	Jurisdiction Incorporated Ontario
Address of Principal Office in Ontario (Extra-Prov	vincial Corporation	ns only) Country	(MCBS) / Postal code	If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced
Former Corporation Name (Extra-Provincial Corporations	s only)	t applicab	le (MCBS)	Ceased Not Applicable
Information on Directors/Officers/Administrators is Schedule A or K as appropriate. If additional span only this schedule may be photocopied. State nutle there is no change to the Directors'/Officers'/A submitted to MCBS, please check this box. So	ce is required for : mber submitted (f dministrators' info	Schedule A MCBS). ▶ ormation pr	eviously	Preferred Language / Langue de préférence English French anglais français Ministry Use French Frenc
I certify that all information set out in the A			rect and complete	
Name of Authorized Person Thomas Enright	muai Keturn IS	aue, cor	теот апо сотпрівсе.	
Title: Director Officer Note: Sections 13 and 14 of the Corporations Inform	Other individual ha of the affairs of t ation Act provide p	the Corpor	ation	ements or omissions.

: Middlesex			on Corp
Taxation	Year	End	



Exempt From Filing (EFF) Corporations Tax Return Declaration

	Page 2 of 24
Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)
10	declare that:
The above corporation satisfies all of the exempt from filing criteria (a) to prove the corporations Tax Act as exempt from filing an Ontario Corporations Tax	through (f) below for the taxation year and therefore qualifies under the Return.
and Revenue Agency for the taxation year; had no Ontario taxable income for the taxation year (subject to the provisions in NOTE 2 below); had no Ontario Corporations Tax payable for the taxation year;	d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the <i>Income Tax Act</i> (Canada)); e) had provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and is NOT subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose total assets exceed \$5 million or whose total revenues exceed \$10 million for the taxation year).
Signature Title/Relationship to Corporation	Telephone number Date
Please note that making a false statement to avoid compliance with the Co	rporations Tax Act is an offence which can result in a penalty and/or fine.
IOTE 1: Filing of this declaration and the Annual Return does not constitute the filing of a Corporations Tax Return under section 75 of the Corporations Tax Act. IOTE 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements: 1. If a corporation has a loss in the current taxation year that is to be carried back and applied to a previous taxation year(s), regardless of whether the loss is the same as for federal purposes or not, a CT23 tax return is required for the current taxation year. The corporation must also provide information indicating that the loss is to be carried back and specify the year and the amount of loss to be carried back to each taxation year. The following 3 items MUST be completed if the EFF declaration only is being suitable being filed, completion of these fields is NOT necessary.	 If a corporation has a prior year loss, that is not the same for both federal and Ontario purposes and the corporation is applying a loss carryforward from the prior year to the current year, a CT23 tax return is required for the current taxation year, and if not previously filed, a CT23 tax return for the prior taxation year in which the loss was incurred is also required. Although a tax return for the loss year is not required where the loss is not being applied, the Corporations Tax Branch will accept the filing of a tax return for a loss year at the time the loss is incurred. If a corporation has a prior year loss, that is the same for both federal and Ontario purposes, but in the current taxation year the corporation is applying a different amount of loss for Ontario than the loss amount being applied for federal income tax purposes, the corporation is required to file a CT23 tax return for the current taxation year only.
1. Corporation's Mailing Address	
City Province Country Postal code	2. Ontario Corporation No. (MCBS) 3. Canada Customs and Revenue Agency Business No. RC
A corporation must file an Exempt From Filing Corporations Tax R exempt from filing, within 6 months after the end of its to	eturn Declaration form for each taxation year that the corporation is axation year, to the address shown at the top of Page 1.
f you check "Yes" to ALL of the following criteria, you are eligible Fo obtain a copy, contact the Ministry Information Centre at the nu	to file the CT23 Short-Form Corporation Tax Return.
Yes No (a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year. (nearest whole Indicate Share Capital with full voting percentage) rights owned by Canadian Residents 100 % (b) The corporation's taxable income for the taxation year is \$200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. (Refer to guide) (c) The corporation is NOT a member of a partnership/joint venture or a member of an associated group of	Yes No (d) The corporation's taxation year ends on or after January 1, 2001, and its gross revenue and total assets are each \$1,500,000 or less and the corporation is not a financial institution; OR The corporation's taxation year commences after September 30, 2001, and its gross revenue and total assets are each \$3,000,000 or less and the corporation is not a financial institution. (e) The corporation is NOT claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax
corporations during the taxation year.	Credit (CETC) or Graduate Transitions Tax Credit (GTTC). (f) The corporation's Ontario allocation factor is 100%.
NOTE: Family Farm or Fishing corporations that have a taxation year ending Minimum Tax, may also use the CT23 Short-Form Corporations Tax Return	on or after January 1, 2000 and that are NOT subject to the Corporate n if the corporation checks "Yes" to (a), (b), (c), (e) and (f) above.

CT23 Page 3 of 24

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Typ	e of Co	orporation - Please check (✔) box(e <u>C</u> anadian-controlled private (CCPC)			of which	Ontario Retail Sales Tax Vendor Permit No. (Use Head Office No.)
	-23	50% or more shares are owned by				
	2 📗	Other Private				Ontario Employer Health Tax Account No.
	3 📗	<u>P</u> ublic		Share Capital with full voting rights owned by	(nearest %)	(Use Head Office No.)
	4	Non-share Capital		Canadian residents.	100 %	Specify major business activity
	5 📓	Other (specify)				Distribution of electricity
2	1	Eamily Farm Corporation s.1(2)	14	Bare <u>Trustee</u> Corporation		
2	2 📗	Family Fishing Corporation s.1(2)	15 🏭	Branch of Non-resident s.63	• •	1
	3 📗	Mortgage Investment Corp s.47	16 📳	Financial institutions prescril Regulation only	oed by	
	4	Credit Union s.51	17	Investment Dealer		
	5 💹	Bank Mortgage Subsidiary s.61(4)	18	Generator of electrical energ		
	6	Ban <u>k</u> s.1(2)		producer of steam for use in generation of electrical energeneration		
	7	Loan and Trust Corporation s.61(4)	19 🔀	Hydro successor, Municipal Utility or subsidary of either	-•	
	8 📗	Non-resident Corp s.2(2)(a) or (b)	20	Producer and seller of steam		
	9 📳	Non-resident Corporation s.2(2)(c)	21	other than for the generation Insurance Exchange s.74.4	or electricity	1
	10 🌡	Mutual Fund Corporation s.48	22	Farm Feeder Finance Co-op	erative	1
	11 📗	Non-resident owned investment Corp s.49	23	Corporation Professional Corporation (in		
	12 📗	Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)		professionals only)		
	se che	ck (✓) box(es) if applicable:			5=8	
S.	<u>F</u> irst	Year of Filing	to Diss	axation Year up olution(wind-up) For discontinued businesses, uide.)	corpo	sfer or Receipt of Asset(s) involving a pration having a Canadian permanent dishment outside Ontario
	<u>A</u> me	nded Return		axation Year Amalgamation		isition of Control fed s.249(4)
	char Cust	ation Year End has liged - Canada loms and Revenue Agency loval required	F <u>l</u> oatin	g Fiscal Year End	——	control was acquired:
Was	the co	rporation inactive throughout the taxa	tion vear?		Yes 🔣	<u>N</u> o X
Has	the cor	poration's Federal T2 Return been file Customs and Revenue Agency (CCF	ed with		Yes X	No 🗍
_			back of a L	oss?	Yes [<u>N</u> o X
		an Overpa			Yes ☐	No X
Λ	uou a A			ole Tax Credit?	Yes _	No X
Are	you a r	Member of a Partnership or a Joint Ve	nture?		Yes 📗	<u>N</u> o 🛛

Income Tax CT23 Page 4 of 24

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 ± 149,069
Subtract: Charitable donations	1-
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property	(Attach schedule 2) 2 -
Subtract: Taxable dividends deductible, per federal T2 SCH 3	3 -
Subtract: Ontario political contributions (Attach schedule 2A) (Int.B. 3002)	4 - 4
Subtract: Federal Part VI.1 tax X 9/3	5 -
Subtract: Prior years' losses applied - Non-capital losses	From 704 -
	lusion
Net capital losses (page 16) X rate	
Farm losses	From 724 -
Restricted farm losses	From 734 -
Limited partnership losses	From 754 -
Taxable income (Non-capital loss)	10 = 149,069
Addition to taxable income for unused foreign tax deduction for federal purposes	11 +
	20 = 149,069
Taxable Income Number of da	ys in Taxation Year
Days after Sept 30, 2	2001 Total days
and before Jan 1, 2	
From 10 (or 20)149,069 X30100.0000 % X 12.5 % X 33	÷ 73 <u>366</u> = 29 +
Ontario Allocation Days after Dec 31, 2	
From 10 (or 20) 149,069 X30 100.0000 % X 14.0 % X 34 366 Ontario Allocation	÷ 73 366 = 32 + 20,870
Income Tax Payable (before deduction of tax credits) 29 + 32	40 = 20,870
Incentive Deduction for Small Business Corporations (IDSBC)(s.41) (IF	
Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year	
Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the year	ear? (✔) 🔣 Yes 📋 <u>N</u> o
* Income from active business carried on in Canada	17.104 DAVS 60
for federal purposes (fed.s.125(1)(a)) 50	149,069
Federal taxable income, less adjustment	
for foreign tax credit (fed.s.125(1)(b)) 51+ 149,069	
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-	
= 149,069 > 54	149,069
Federal Business limit (line 410 of the T2 return) for the year	
before application of fed.s.125(5.1) 55+ 200,000	
Ontario Business Limit Calculation	
Days after Sept. 30, 2001 and before Jan. 1, 2003	
280,000 X 28 ÷** 366 =+ 43	
Days after Dec. 31, 2002	
and before Jan. 1, 2004	
320,000 X 31	
Days after Dec. 31, 2003	
400,000 X 34 366 + ** 366 =+ 47 400,000 *** Percentage of Federal	
Business limit (from T2	
Sch. 23). Enter 100%	
Business limit if not associated	
for Ontario purposes 43 + 46 + 47 = 44 400,000 X 48 80.0000 % = 45	320,000
Income eligible for the IDSBC From 30 100 0000 % X 56	149.069 60 = 149.069

****Ontario Allocation

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)).

Income Tax continued from Page 4

Number of Days in Taxation

		Days after Sept 30, 2001 and before Jan 1, 2003			Total Days				
Calculation of IDSBC Rate	6.5 % X 28		÷	73		366	=	79 +	
-		Days after Dec 31, 2002 and before Jan 1, 2004			Total Days				
	7.0 % X 31		÷	73		366	=	89 +	
		Days after Dec 31, 2003			Total Days		121		
	8.5 % X 34	366	÷	73		366	=	90 +	8.5000
IDSBC Rate for Taxation Year 79 + 89 + 90							77:	78 =	8.5000
Claim	From 60	149,069 X I	Froi	n 78 _	8.5000	%		70 =	12,671

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					Fron	n 10 (o	r 20 if applicable)	80	+	149,069		
If you are a member	of an assoc	iated group	(1)	81 X (Yes)								
Taxable income of ass	ociated con	porations (A	ttach s	chedule)						82	+	44,123
Aggregate Taxable Income							85		193,192			
	Numbe	er of days in	Taxa	tion Year								
	Days after Se and before J			Total Days								
Subtract: 280,000 X	Days after D		73	Total Days	=	113+						
320,000 X		÷	73	366 Total Days	=	115+						
400,000 X	34	366 ÷	73	366	=	116+	40	0,000				
				113 + 115 + 1	16	=	40	0,000	•	114		400,000
(If negative, enter nil)						3: 3				86	=	
						Number Days after Se and before J	pt 30, 2001	s in Ta	xation Year Total Days			
Calculation of Specific	ied Rate for	r Surtax		4.333% X 28	3		+	73	366 =	95	+	
·		5=			-	Days after De and before J		•	Total Days)====	
				4.667% X 31	١_		÷	73	366 =	96	+	
				4 CC70/ N/ 24		Days after De		72	Total Days	0.7		4 6670
0	. f T	- V 0F	00.	4.667% X 34	-		<u>366</u> ÷	13 —	366_=	97		4.6670
Specified rate of surtax	c for Taxatio				, _					94 87		4.6670
From 86		_ X From	_	4.6670 %			444		400.000			
From 87		_ X From	ںھ	149,	Ub	9 + From	114		400,000	88		
Surtax: Lesser of 70 o	r 88									100) <u>=</u>	is the land

Income Tax continued from Page 5

Additional Deducti	on for Credit Unions	s (s.51(4)) (Attach schedule 1)
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Manufacturing and Processing P	Profits Credit	(M&P) (s.4	3)
--------------------------------	----------------	------------	----

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 - 149,069
Add: Adjustment for Surtax on Canadian-controlled private corporations From 100 ÷ From 30100.0000 % ÷ From 788.5000 % = 121 *Ontario Allocation	<u></u>
Lesser of 56 or 121	122+
120 - 56 + 122	130=
Taxable income From	10 + 149,069
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) From	
	122+
Subtract: Taxable income 10 X Allocation % to jurisdictions outside Canada	140-
Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses	141-
10 - 56 + 122 - 140 - 141	142=
Claim Number of Days in Taxation Year Days after Sept 30, 2001 and before Jan 1, 2004 Total Days Total Days *Ontario Allocation Number of Days in Taxation Year Days after Sept 30, 2001 and before Jan 1, 2004 *Total Days *Total Day	154 <u>+</u>
143 X From X From 30 100.0000	156 <u>+</u> 160=
*Note: Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1)). Manufacturing and Processing Profits Credit for Electrical Generating Corporations	161
Manufacturing and Processing Profits Credit for Corporations that Produce	
and Sell Steam for uses other than the Generation of Electricity	162=
Credit for Foreign Taxes Paid (s.40) Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) (Attach schedule).	170
Tippines in jou paid tax to a juriodiction outside outside of loroign invocations moonto (int.b. 6001) (Attach oblication).	
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 Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subseque (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= 8,199

Income Tax continued from Page 6

OR

Specified Tax Credits (Refer to Guide) Ontario Innovation Tax Credit (OITC) (s.43.3) Applies to research and development in Ontario. Eligible credit from 5620 OITC claim form (Attach original Claim Form) 191+ Co-operative Education Tax Credit (CETC) (s.43.4) Applies to employment of eligible students. Eligible credit from 5798 Summary Schedule F 192+ Ontario Film and Television Tax Credit (OFTTC) (s.43.5) Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Eligible credit from 5899 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MFO) CT Schedule 193/199, as applicable. (Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) 193+ Graduate Transitions Tax Credit (GTTC) (s.43.6) Applies to employment of eligible unemployed post secondary graduate. No. of Graduates from 6596 Eligible Credit from 6598 Summary Schedule G 195+ Ontario Book Publishing Tax Credit (OBPTC) (s.43.7) Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors. Eligible Credit from 6900 OBPTC Claim Form (Attach both the original Claim Form and the Certification Form) 196+ Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8) Applies to labour relating to computer animation and special effects on an eligible production. Eligible Credit from 6700 Claim Form Certified by Ontario Media Development Corporation (Attach the original Claim/Certification Form with the CT23 Tax Return.) Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9) Applies to qualifying R&D expenditures under an eligible research institute contract. Eligible Credit from 7100 OBRITC Claim Form (Attach original Claim Form) 198+ Ontario Production Services Tax credit (OPSTC) (s.43.10) Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed. Eligible Credit from 7300 either Claim Form from Ontario Media Development Corporation (OMDC) or Ministry of Finance (MFO) CT Schedule 193/199, as applicable (Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.) Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11) Applies to qualifying labour expenditures of eligible products for the taxation year. Eligible Credit from 7400 Claim Form certified by Ontario Media Development Corporation (Attach original Claim/Certification Form.) 200+ Ontario Sound Recording Tax Credit (OSRTC) (s.43.12) Applies to qualifying expenditures in respect of eligible Canadian sound recordings. Eligible Credit from 7500 OSRTC Claim Form (Attach both the original Claim Form and the Certification Form) Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 220= Specified Tax Credits Applied to reduce Income Tax 225= Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative) 230 = 8,199 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.

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*.

ProFile - Version 2004.2.0 - Approval code - 051D

Corporate Minimum Tax (CMT)

Determination of Applicability

CMT Credit Carryover available

Income Tax

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+	12,057,465		
* Total Revenue of the corporation			241 +	13,560,405
If you are a member of an associated group (✓) 242 ☒ (Yes)				
Total Assets of associated corporations (Attach schedule)	243+	4,986,018		
Total Revenue of associated corporations (Attach schedule)			244+	78,682
Aggregate Total Assets	249	17,043,483		
Aggregate Total Revenue			250	13,639,087
			_	

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	From 30 100.0000 % X 4%	276=	
	If negative, enter zero	Ontario Allocation		
Subtract: Foreign Tax Credit	for CMT purposes (Attach schedule)		277 -	
Subtract: Income Tax		Froi	m 190 -	8,199
Net CMT Payable (if negative	e, enter Nil on page 17.)		280=	Carried Street

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.

Applic	ation of CMT Credit Carryovers				
Α.	Income Tax (before deduction of specified credits)			From 190+	8,199
		om 276+			
	Subtract: Foreign Tax Credit for CMT purposes Fro	om 277-			
	If 276 - 277 is negative, enter NIL in 290	=	>	290	
	Income Tax eligible for CMT Credit			300=	8,199
В.	Income Tax (after deduction of specified credits)			From 230+	8,199
	Subtract: CMT credit used to reduce income taxes			310-	

Transfer to Page 17

From 2307

320=

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.

CT23 Page 9 of 24

Capital Tax (Refer to Guide and Int.B. 3011)

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital Tax for the taxation year. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation.

If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital. Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose business is not carried on solely in Canada is deemed to be the greater of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital		
Paid-up capital Paid-up capital stock (Int.B. 3012 and 3015)	350+	4,631,198
Retained earnings (if deficit, deduct) (Int.B. 3012)	351 ±	(1,296,658)
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352+	(1,200,000)
Loans and advances (Attach schedule)(Int.B. 3013)	353+	
Bank loans (Int.B. 3013)	354+	522,608
Bankers acceptances (Int.B. 3013)	355+	
Bonds and debentures payable (Int.B. 3013)	356+	
Mortgages payable (Int.B. 3013)	357+	
Lien notes payable (Int.B. 3013)	358+	4,356,925
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 +	
Contingent, investment, inventory and similar reserves (Int.B. 3012)	360+	
Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012)	361+	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017)	362+	
Subtotal	370=	8,214,073
Subtract: Amounts deducted for income tax purposes in excess of amounts booked		
(Retain calculations. Do not submit.) (Int.B. 3012)	371 -	(849,326)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not		
already deducted for book purposes (Int.B. 3015)	372	
Total Paid-up Capital	380=	9,063,399
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	381 -	
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	382-	
Net Paid-up Capital	390=	9,063,399

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 tayears ending after October 30, 1998)	402+
Mortgages due from other corporations	403+
Shares in other corporations (certain restrictions apply) (Refer to Guide)	404+
Loans and advances to unrelated corporations	405+
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	406+
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	407 +
Total Eligible Investments	410

Capital Tax continued from Page 9

Total Assets (Int.B. 3015)

lotal Assets (Int.B. 3015)			
Total Assets per balance sheet		420+	12,057,465
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=	12,057,465
Amounts in 360 and 361 (if deducted from assets)		440+	
Subtract: Amounts in 371, 372 and 381		441 -	(849,326)
Subtract: Appraisal surplus if booked		442-	
Add or Subtract: Other adjustments (specify on an attached schedule)		443 ±	
Total Assets		450 <u>=</u>	12,906,791
Investment Allowance (410 ÷ 450) × 390	lot to exceed 410	460=	HELIVES (SEV)
Taxable Capital 390 - 460		470=	9,063,399
Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross	Revenue)		
Gross Revenue of the corporation	13,560,405		
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue (Attach schedule)			
Aggregate of Gross Revenue	13,560,405	480	13,560,405
Total Assets (as adjusted)	From	430	12,057,465

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

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.
32. 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.
33. 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 _______

Days in taxation year

= 471 x From 30 100.0000 x 0.3% x 555 366 = 523 + Transfer to 543 on page 12 and complete the return from that point

** If floating taxation year, refer to Guide.

continued on Page 11

Capital Tax Calculation continued from page 10

SECTION C

This section applies ONLY to a corporation that is a member of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership. You must check either 509 or 524 and complete this section before you can calculate your capital tax calculation under either Section D or Section E.

All corporations that you are associated with do not have a permanent establishment in Canada. C1. 509 (✓ if applicable) 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. 3524 (✓ if applicable)

One or more of the corporations that you are associated with maintains a permanent establishment

If the taxation year ends before January 1, 2003, you must complete the Calculation below. If the taxation year ends after December 31, 2002, you and your associated group may continue to allocate the \$5,000,000 taxable capital exemption by completing the Calculation below. Or, the associated group may file an election under subsection 69(2.1) of the Corporations Tax Act, whereby total assets are used to allocate the taxable capital exemption among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as Net Deduction) of the \$15,000 capital tax effect, relating to the \$5,000,000 taxable capital exemption, to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do NOT complete this calculation if ss.69(2.1) election is filed

Taxable Capital form 470 on page 10

From 470+

9.063.399

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

531 +4.997.800 Taxable Capital of associated corporations (Attach schedule) 540= 14,061,199 Total Aggregate Taxable Capital 470 + 531

> 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 9,063,399 + From **540** 14,061,199 X 5,000,000 541 3,222,840

Transfer to Section 542 in D on page 12

Ss.69(2.1) Election Filed

■ 591 (✓ if applicable)

Election filed. Attach a copy of the election with this CT23 Return.

Proceed to **Section E** on page 12.

Capital Tax Calculation continued from page 11

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, 540 on page 11 exceeds \$5,000,000.

Complete the following calculation and transfer the amount From 523 to 543, and complete the return from that point.

+ From 470 - 542 = 471	9,063,399 3,222,840 5,840,559 x Fr	om 30 10 10 Ontario Alloca	0.0000 % x 0.3% ation	Days in the taxa x 555 ** (365/366)	366 = 52	the taxation 23 + Transfer to 54	tal Tax for on year 17,522 3 and complete om that point
SECTION E					经过处证金		Rolling Value
This section applies i	f a corporation is a	member of an asso	ciated group and t	he associated grou	p has filed a	a ss.69(2.1)	election
+ From 470	X Fro	m 30 10	0.0000 x 0.3%		= 56	61 <u>+</u>	
- Capital tax deduction	relating to your corp	ooration's capital tax o	deduction, on ss.69(2.1) election form	From 99 56	95 <u>-</u> 62 =	
				Days in taxation	year		
Capital Tax		562	X	555	366 = 56	63 +	
				** (365/366)			to 543 and urn from that poin
** If floating taxation	ear, refer to Guide	1					
	A Land Carle and the Carle						AUTON CONTRACTOR
Capital Tax before ap	plication of specifi	ed credits			54	43=	17,522
Subtract: Specified Tax			able (Refer to Guide	e)	54	46-	
Capital Tax 543 - 54	46 (amount cannot b	e negative)			55	50=	17,522
						Transfe	r to page 17

Capital Tax continued from page 12

Calculation of Capital Tax for Financial Institutions

I.1. Credit Unions Only For taxation years commencing after May 4, 1999 enter NIL in 550 on page 12, and complete the return from that p	point.
1.2 Other than Credit Unions (Retain details of calculations for amounts in boxes 565 and 570 . Do not submit with this tax return.)	
Lesser of adjusted TPUC and Basic Capital Amount in accordance with Division B.1 X 0.6% x From 30 % x 555 555 ÷ **365/366 = Ontario Allocation	569 +
Adjusted TPUC Capital Tax Rate Ontario Allocation in accordance with (Refer to Guide) Division B.1 in excess of Basic Capital Amount	574
Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574	575
** If floating taxation year, refer to Guide.	
II. Small Business Investment Tax Credit	
(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)	
Allowable Credit for Eligible Investments	585-
Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)?	
	586 <u>=</u> Transfer to 543 on Page 12
Premium Tax (s.74.2 & 74.3) (refer to Guide)	
Applies to Ontario-related uninsured benefits arrangements.	588
(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 Ontario with unlicensed insurers.	in
3	589-
Premium Tax 588 - 589	590 = Transfer to Page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1		60	0 ±	149,069
			Transfer	to Page 15
Add:				
Federal capital cost allowance	601+	480,975		
Federal cumulative eligible capital deduction	602+	27,149		
Ontario taxable capital gain	603+			
Federal non-allowable reserves. Balance beginning of year	604+			
Federal allowable reserves. Balance end of year	605+			
Ontario non-allowable reserves. Balance end of year	606+			
Ontario allowable reserves. Balance beginning of year	607+			
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	608+			
Federal resource allowance	609+			
Federal depletion allowance	610+			
Federal foreign exploration and development expenses	611+			
Management fees, rents, royalties and similar payments to non-arms' length non-residents				
Number of days in Taxation Year Days after Sept. 30, 2001				
and before Jan. 1, 2004 Total days				
612X 5/12.5 X33÷73366_ = 633+				
Days after Dec. 31, 2003 Total days 612 X 5/14.0 X 34 366 ÷ 73 366 = 634 +				
Total add-back amount for Management fees, etc. 633 + 634 =	613+			
Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661				
excluding any negative amount in 473 from Ont. CT23 schedule 161	615+			
Add any negative amount in 473 from Ont. CT23 Schedule 161	616+			
Federal allowable business investment loss	620+			
Total of other items not allowed by Ontario but allowed federally (Attach schedule)	614+			
Sub Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614	=	508,124 64	0	508,124
	= 2: 3:		Transfer	to Page 15
Deduct:				
Ontario capital cost allowance (excludes amounts deducted under 675)	650+	480,975		
Ontario cumulative eligible capital deduction	651 +	27,149		
Federal taxable capital gain	652+			
Ontario non-allowable reserves. Balance beginning of year	653+			
Ontario allowable reserves. Balance end of year	654+			
Federal non-allowable reserves. Balance end of year	655+			
Federal allowable reserves. Balance beginning of year	656+			
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE)				
(Retain calculations. Do not submit.)	657+			
Ontario depletion allowance	658+			
Ontario resource allowance	659+			
Ontario current cost adjustment (Attach schedule)	661+			
Incentive for new electricity supply (section 13.6 deduction from income)	6744			
(Applies only to electrical generating corporations.)	674+			
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	675+	是是的不够是		
Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675	681	508,124		
Subtotal Of deductions for this page 000 to 005 + 001 + 0/4 + 0/5	001	500,124		
		sfer to Page 15		

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ Continued from page 14

Net income (loss) for federal income tax purposes, per federal T2 SCH 1	From	600± 149,069
Sub Total of Additions	From	640 = 508,124
Sub Total of deductions on page 14 From 681	= 508,124	
Deduct: Ontario New Technology Tax Incentive (ONTTI) Gross-up (Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.) Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year 662		
ONTTI Gross-up deduction calculation: From Gross-up of CCA 662 x 100/ 30 100.0000 - From 662 663 Ontario allocation	■第位5 <u>2</u> 年25年2月2	
Workplace Child Care Tax Incentive		 *
Qualifying expenditures: 665 x 30% x 100/ 30 100.0000 666 Ontario Allocation		
Workplace Accessibility Tax Incentive);
Qualifying expenditures: 667 x 100% x 100/30100.0000 668 Ontario Allocation		
Number of Employees accommodated 669		
Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide		
Qualifying expenditures 670 x 30% x 100/ 30 100.0000		
Educational Technology Tax Incentive (Applies to qualifying amounts incurred after Mag	ay 2, 2000.)	_ ,
Qualifying expenditures 672 x 15% x 100/ 30 100.0000 673 Ontario Allocation		
Ontario allowable business investment loss 678	3+	 2
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)	+	
Total of other deductions allowed by Ontario (Attach schedule) 664	ļ±	 ,.
Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664	= 508,124	680 508,124
Net income (loss) for Ontario purposes 600 + 640 - 680		690 = 149,069
		Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add: Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract: Utilized during the year to	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
reduce taxable income Expired during the year	705		725	735	745	
Carried back to prior years	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
to reduce income (5) Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8)	719	729	739	749	759

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5) as made applicable by s.34.
- (3) Include losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.
- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amounts from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

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- (8) Amount in 709 must equal total of 829 + 839.
- (9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin	Non Capital Losse	s Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm
(oldest year first)		of Predecessor	from Listed Personal		Losses
		Corporations	Property only (9) (10)		
800				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804 2000/09/30	821	831	841	854	874
805 2001/09/30	822	832	842	855	875
806 2001/12/31	823	833	843	856	876
807 2002/12/31	824	834	844	857	877
808 2003/12/31	825	835	845	858	878
809 2004/12/31	826	836	846	859	879
Total	829	839	849	869	889

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Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carryback adjustment may be applied by the Minister of Finance to amounts owing under any Act administered by the Minister of Finance.

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
 - 1) the first day of the taxation year after the loss year,
 - 2) the day on which the corporation's return for the loss year is delivered to the Minister, or
 - the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a predecessor corporation, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses		Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
		910	920	930	940
Total amount of loss					
applied to reduce taxable inco	ck to preceding taxation years and me. r Corporation's Taxation Year t No. (MOF) Ending	911	921	931	941
i) 3rd preceding	901 2001/12/31		2		
		912	922	932	942
ii) 2nd preceding	902 2002/12/31	制度 化系列双型	30		
		913	923	933	943
iii) 1st preceding	903 2003/12/31	THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE TO SERVE THE RESERVE THE			
		From 706	From 716	From 726	From 736
Total loss to be carried back		1 2 (2)			
Balance of loss available for	carryforward	919	929	939	949

Summary

Income Tax	c Fr	om 230 or	320+	8,199
Corporate I	Minimum Tax	From	280+	
Capital Tax		From	550 +	17,522
Premium T	ax	From	590+	
Total Tax P	ayable		950=	25,721
Subtract:	Payments		960-	B PUD STORING AVEN
	Capital Gains Refu	ınd (s.48)	965	
	Qualifying Enviror	nmental	2	
	Trust Tax Credit			
	(Refer to Guide)		985-	
	Specified Tax Cre	dits	* *	
	(Refer to Guide)		955-	
Balance			970=	25,721
If payment	due E	nclosed *	990	
If overpayn	nent: Refund (Refer t	o Guide)	975=	
	Apply to		980	
			(Includes	s credit interest)

Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the Minister of Finance and print your Ontario Corporation's Tax Account No. (MOF) on the back of the cheque or money order. (Refer to guide for other payment methods.)

Certification

Name

Thomas Enright

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 corporations 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.

Title		
Chairman		
Full Residence Address		
351 Frances Street		
City		
Strathroy		
Province	Country	Postal Code
ON	CA	N7G 2C7
Signature		Date
		2005/06/30
Note: Section 76 of the Co	rporations Tax Act	provides penaltie

for making false or misleading statements or omissions.

Corporate Minimum Tax - Schedule A: Calculation of CMT Base

CMT Base

CT23 Schedule A
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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.

et income/(loss) (unconsolidated, determined in a	ccordance with GAAP)				2100±	122,580
ubtract (to the extent reflected in net income/le						
Provision for recovery of income taxes / bene			2101 +			
Provision for deferred income taxes (credits)	/ benefit of future income					
Equity income from corporations			2103+			
Share of partnership(s)/joint venture(s) incon			2104+			
Dividends received/receivable deductible un			2105+			
Dividends received/receivable deductible un			2106+			
Dividends received/receivable deductible un			2107 +			
Federal Part VI.1 tax on dividends declared a paid, under fed.s.191.1(1)	x 9/3 =		2108+			
ubtotal	X 9/3 =		2100		▶ 2109-	
					7 2103-	
dd (to extent reflected in net income/loss):			0440 :	20.022		
Provision for current taxes / cost of current in			2110+	39,933		
Provision for deferred income taxes (debits)	cost of future income tax		2111 <u>+ </u> 2112 +			
Equity losses from corporations			2112+ 2113+			
Share of partnership(s)/joint venture(s) losse Dividends that have been deducted to arrive			Z113±			
Financial Statements s.57.4(1.1) (excluding		7// 1)\	2114+			
ubtotal	dividends under lea.s. 131	(4.1))	=	30 033	▶ 2115+	39,933
IDiotal				33,000	7 2113	33,000
** Eod c 95	2116+	or	2117 -			
** Fed.s.85 ** Fed.s.85.1	2118+	_	2119-			
** Fed.s.85.1 ** Fed.s.97		or	2119 <i>-</i> 2121-			
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for	2118+ 2120+	or or	2121-			
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations	2118+	or or				
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88)	2118+ 2120+	or or	2121-			
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4),	2118+ 2120+ 2122+ 2124+	or or	2121			
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/	2118+ 2120+ 2122+	or or or or	2121			
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years	2118+ 2120+ 2122+ 2124+	or or or or	2121 <u>-</u> 2123 <u>-</u> 2125 <u>-</u>			
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4),	2118+ 2120+ 2122+ 2124+	or or or or	2121 <u>-</u> 2123 <u>-</u> 2125 <u>-</u>			
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d)	2118+ 2120+ 2122+ 2124+	or or or or	2121 <u>-</u> 2123 <u>-</u> 2125 <u>-</u>			
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	2118+ 2120+ 2122+ 2124+ 2126+	or or or or	2121 - 2123 - 2125 - 2127 -		2128+	
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income	2118+ 2120+ 2122+ 2124+	or or or or	2121		2128 <u>+</u> > 2129-	
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income ubtotal (Additions)	2118+ 2120+ 2122+ 2124+ 2126+	or or or or	2121 - 2123 - 2125 - 2127 -		2129 -	
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income Ibtotal (Additions) Ibtotal (Subtractions) Other adjustments	2118 + 2120 + 2122 + 2124 + 2126 + =	or or or or	2121		2129- 2130±	
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income Ibtotal (Additions) Ibtotal (Subtractions) Other adjustments	2118 + 2120 + 2122 + 2124 + 2126 + =	or or or or	2121		2129 -	162,513
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income ubtotal (Additions) Ubtotal (Subtractions) Other adjustments	2118+ 2120+ 2122+ 2124+ 2126+	or or or or	2121		2129- 2130±	162,51
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income Subtotal (Additions) Ubtotal (Subtractions) Other adjustments Share of partnership(s)/joint venture(s) adjusted	2118 + 2120 + 2122 + 2124 + 2126 + = 80 net income/loss	or or or or	2121		2129- 2130± 2131= 2132±	
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income Subtotal (Additions) Subtotal (Subtractions) Other adjustments Share of partnership(s)/joint venture(s) adjusted dijusted net income (loss) (if loss, transfer to 220)	2118 + 2120 + 2122 + 2124 + 2126 + = 80 net income/loss	or or or or •	2121		2129- 2130± 2131=	
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income Subtotal (Additions) Subtotal (Subtractions) Other adjustments Share of partnership(s)/joint venture(s) adjusted dijusted net income (loss) (if loss, transfer to 220 educt: CMT losses: pre-1994 Loss *	2118 + 2120 + 2122 + 2124 + 2126 + = 80 net income/loss	or or or From	2121	162 513	2129- 2130± 2131= 2132±	
** Fed.s.85.1 ** Fed.s.97 ** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years ** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years ** Amounts relating to s.57.10 election/ regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income Subtotal (Additions) Subtotal (Subtractions) Other adjustments Share of partnership(s)/joint venture(s) adjusted dijusted net income (loss) (if loss, transfer to 220)	2118 + 2120 + 2122 + 2124 + 2126 + = 80 net income/loss	or or or From	2121	162,513 162,513	2129- 2130± 2131= 2132±	162,513 162,513

2135=

Schedule B: Continuity of CMT Losses Carried Forward



Page 19 of 24

CMT loss continuity by year

Year of origin	Beginning balance	Transfers on amalgamation	Transfers on wind-up	Adjustments	Current year loss	Applied	Ending balance
					_		Expired
					1 F		
2000/09/30					1 [
2001/09/30							
2001/12/31	94,296					94,296	
2002/12/31	268,938					68,217	200,721
2003/12/31	269,196						269,196
2004/12/31			v—				
Totals	632,430					162,513	469,917

Balance	at Beginning of year (1), (2)			2201 +	632,430
Add:	Current year's losses	2202+			
	Losses from predecessor corporations on amalgamation (3)	2203+			
	Losses from predecessor corporations on wind-up (3)	2204+		=- 2)	
	Amalgamation (✓) 2205 Yes Wind-up (✓) 2206 Yes				
Subtota		_ =		<u>▶ 2207 +</u>	
Adjustme	ents (attach schedule)			2208±	
CMT los	ses available 2201 + 2207 ± 2208			2209 =	632,430
Subtrac	t: Pre-1994 loss utilized during the year to reduce adjusted net income	2210+		2	
	Other eligible losses utilized during the year to reduce adjusted			5.6	
	net income (4)	2211 +	162,513	_	
	Losses expired during the year	2212+		_	
Subtota			162,513	2213-	162,513
Balance	s at End of Year (5) 2209 - 2213			2214=	469,917

Notes:

- (1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.
- (2) Where acquisitions of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and s.57.5(7))
- (3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))
- (4) CMT losses must be used to the extent of the lesser of the adjusted net income 2133 and CMT losses available 2209.
- (5) Amount in 2214 must equal sum of 2270 and 2290.

Schedule C: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

Year of Origin (oldest year first)	CMT Losses of Corporation		CMT Losses of Predecessor Corporations
2240	2260		2280
2241	2261		2281
2242	242 2262		2282
2243	2263		2283
2244 2000/09/30	2264		2284
2245 2001/09/30	2265		2285
2246 2001/12/31	2266		2286
2247 2002/12/31	2267	200,721	2287
2248 2003/12/31	2268	269,196	2288
2249 2004/12/31	2269		2289
Totals	2270	469,917	2290

The sum of amounts 2270 + 2290 must equal amount in 2214.

Corporate Minimum Tax (CMT)



Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
			1152				
2001/09/30				1 [
2001/12/31] [
2002/12/31							
2003/12/31							
2004/12/31							
Totals							

Balance	at Beginning of year (1)		2301 +
Add:	Current your count crount (200 or page or it insgement that	om 280+	Table 5 Artists
	CMT Credit Carryovers from predecessor corporations (2)	2302+	
	Amalgamation (✔) 2303 Yes Wind-up (✔) 2304 Yes	-	2305 +
Subtota			F 2303 i
Adjustm	ents (Attach schedule)		2306±
CMT cre	edit carryover available 2301 + 2305 ± 2306		2307=
			Transfer to Page 8
Subtrac	t: CMT credit utilized during the year to reduce income tax (Page 8) Fr	om 310 <u>+</u>	
	CMT credit expired during the year	2308 +	
Subtota		=	2309
Balance	at End of Year (3) 2307 - 2309		2310=

Notes:

- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (3) Amount in 2310 must equal the sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Origin (oldest year first)	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporations
2340	2360	2380
2341	2361	2281
2342	2362	2382
2343	2363	2383
2344	2364	2384
2345 2001/09/30	2365	2385
2346 2001/12/31	2366	2386
2347 2002/12/31	2367	2387
2348 2003/12/31	2368	2388
2349 2004/12/31	2369	2389
Totals	2370	2390

The sum of amounts 2370 and 2390 must equal the amount in 2310.

Ontario Capital Cost Allowance Schedule.8

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

ONTARIO CAPITAL COST ALLOWANCE

Corporat	Corporation's Legal Name	0						0,	Ontario Corporations Tax Account No. (MOF)	Tax Account No. (Taxation Year End
Middle	sex Power Distri	Aiddlesex Power Distribution Corporation	uc.						1800268		2004/12/31	2/31
Is the c	orporation electi	Is the corporation electing under regulation 1101(5q)? 101 1 \underline{Y} es \square	ion 1101(5q)?	101 1 <u>Y</u> es □	2 No X							
-	2	က	4	2	9	7	8	6	10	11	12	13
Class	Ontario	Cost of acquisitions Net adjustments	Net adjustments	Proceeds of	Ontario	50% rule	Reduced	CCA rate	Recapture of	Terminal loss	Ontario capital cost	Ontario
number	undepreciated	during the the year		dispositions during	undepreciated		undepreciated	%	capital cost		allowance	undepreciated
	capital cost at the			the year	capital cost		capital cost		allowance		(col8x9ora	capital cost at the
	beginning of the				(col 2 + 3 or		(col 6 - 7)				lower amount)	end of the year
	year	See note 1 below			col 2 - 4 - 5)	See note 2 below						(col 6 - 12)
-	5,236,734	238,902			5,475,636	119,451	5,356,185	4			214,247	5,261,389
2	3,036,107	22,986			3,059,093	11,493	3,047,600	9			182,856	2,876,237
ω	115,894				115,894		115,894	20			23,179	92,715
9	202,309				202,309		202,309	30			60,693	141,616
Totals	8,591,044	261,888				130,944	8,721,988				480,975	8,371,957

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).

Enter in box 650 on the CT23

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.

Page 1 of 1



Ministry of Finance

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

Ontario Cumulative Eligible Capital Deduction Schedule 10

Corporation's Legal Name	Ontario Corporations Tax Account No.	Taxation Year End
Middlesex Power Distribution Corporation	(MOF) 1800268	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.

Ontario (Cumulative eligible capital - balance at beginning of taxation year (if ne	gative, enter zero)		387,839 A
Add:	Cost of eligible capital property acquired during the taxation year	+	В	
	Amount transferred on amalgamation or wind-up of subsidiary	+	C	
	Other adjustments	+	D	
Total of	B + C + D	=	x 3/4=	Ε
Subtotal	A + E			387,839 F
Deduct:	Ontario proceeds of sales (less outlays and expenses not otherwise			
D G G G G G	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	on		
	as provided for in subsection 80(7) of the Income Tax Act (Canada)	+	H	
	Other adjustments	+	1	
Total of	G + H + I	=	x 3/4=	J
Ontario	cumulative eligible capital balance F - J		=	387,839 K
If K is neg	ative, enter zero at line M and proceed to Part 2			
Current	year deduction 387,839 K x 7%*		=	27,149 L
*The max	mum current year deduction is 7%. However, you can claim any amount up to t	the maximum	Enter amount in	box 651 of the CT23
Ontario	cumulative eligible capital - closing balance K - L (if negative, enter	r zero)		360,690 M
	000, the deduction may not exceed the maximum amount prorated for vided by 365 or 366 days.	the number of days if	n the taxation year	
di			n the taxation year	
Part 2	vided by 365 or 366 days. Amount to be included in income arising from disposed Complete this part only if the amount at line K is negative		n the taxation year	N
di Part 2 · Amount f	vided by 365 or 366 days. Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount		n the taxation year	N
di Part 2 · Amount f	vided by 365 or 366 days. Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount obtained to be capital deductions from income for		n the taxation year	N
di Part 2 · Amount f To ta	vided by 365 or 366 days. Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount		n the taxation year	N
di Part 2 · Amount f To ta To in	Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount of cumulative eligible capital deductions from income for exation years beginning after June 30, 1988 of all amounts which reduced cumulative eligible capital the current or prior years under subsection 80 (7)		1 the taxation year	N
di Part 2 · Amount f To ta To in To	Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount of cumulative eligible capital deductions from income for exation years beginning after June 30, 1988 of all amounts which reduced cumulative eligible capital the current or prior years under subsection 80 (7) of all of cumulative eligible capital deductions claimed for taxation	sition	1	N
Amount f To ta in To	Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount otal of cumulative eligible capital deductions from income for exation years beginning after June 30, 1988 otal of all amounts which reduced cumulative eligible capital the current or prior years under subsection 80 (7) otal of cumulative eligible capital deductions claimed for taxation ears beginning before July 1, 1988		1	N
Amount f To ta in To ye N	Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount of control of cumulative eligible capital deductions from income for exation years beginning after June 30, 1988 of all amounts which reduced cumulative eligible capital the current or prior years under subsection 80 (7) of all of cumulative eligible capital deductions claimed for taxation ears beginning before July 1, 1988 egative balances in the cumulative eligible capital account	sition	1	N
Amount f To ta To in To ye No	Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount of cumulative eligible capital deductions from income for exation years beginning after June 30, 1988 of all amounts which reduced cumulative eligible capital the current or prior years under subsection 80 (7) of tall of cumulative eligible capital deductions claimed for taxation ears beginning before July 1, 1988 of egative balances in the cumulative eligible capital account at were included in income for taxation years beginning	sition	1	N N
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Amount for tax in To ye the best Li	Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount obtail of cumulative eligible capital deductions from income for exation years beginning after June 30, 1988 obtail of all amounts which reduced cumulative eligible capital the current or prior years under subsection 80 (7) obtail of cumulative eligible capital deductions claimed for taxation ears beginning before July 1, 1988 egative balances in the cumulative eligible capital account at were included in income for taxation years beginning efore July 1, 1988 egative 3 deduct line 4	sition	12	N
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Amount for tax tax tax tax tax tax tax tax tax tax	Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount of the included in income for exation years beginning after June 30, 1988 of the current or prior years under subsection 80 (7) of the current or prior years under subsection 80 (7) of the current or prior years under subsection 80 (7) of the current or prior years under subsection so (7) of the current or prior years under subsection so (7) of the current or prior years under subsection so (7) of the current or prior years under subsection so (7) of the current or prior years under subsection so (8) (7) of the current or prior years under subsection so (9) of the current or prior years under subsection so (17) of the current or prior years under subsection so (17) of the current or prior years beginning before July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current or prior years beginning effore July 1, 1988 of the current of the current or prior years beginning effore July 1, 1988 of the current of the current of the current or prior years beginning effore July 1, 1988 of the current of the current of the current of the current of the current of the current	sition	12	O P Q
Amount for tax tax tax tax tax tax tax tax tax tax	Amount to be included in income arising from dispose Complete this part only if the amount at line K is negative from line K above show as a positive amount obtained of cumulative eligible capital deductions from income for exation years beginning after June 30, 1988 obtained of all amounts which reduced cumulative eligible capital the current or prior years under subsection 80 (7) obtained of cumulative eligible capital deductions claimed for taxation ears beginning before July 1, 1988 obtained on the cumulative eligible capital account at were included in income for taxation years beginning offere July 1, 1988 one 3 deduct line 4 obtained to the cumulative eligible capital account at were included in income for taxation years beginning offere July 1, 1988 one 3 deduct line 4 obtained to the cumulative eligible capital account at were included in income for taxation years beginning offere July 1, 1988 one 3 deduct line 4 obtained to the cumulative eligible capital account at were included in income for taxation years beginning offere July 1, 1988 one 3 deduct line 4 obtained to the cumulative eligible capital account at were included in income for taxation years beginning offere July 1, 1988 one 3 deduct line 4 obtained to the cumulative eligible capital account at were included in income for taxation years beginning offere July 1, 1988 one 3 deduct line 4 obtained to the cumulative eligible capital deductions from income for taxation years beginning offere July 1, 1988 one 3 deduct line 4 obtained to the cumulative eligible capital deductions from income for taxation years beginning offered to the cumulative eligible capital deductions from income for taxation years beginning offered to the cumulative eligible capital deductions claimed for taxation years beginning to the cumulative eligible capital deductions claimed for taxation years beginning to the cumulative eligible capital deductions claimed for taxation years beginning to the cumulative eligible capital deductions claimed for taxation years beginning	sition	12	O P Q R



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

Surtax on Canadian-Controlled Private Corporations

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Middlesex Power Distribution Corporation	1800268	2004/12/31

Name of Associated Corporation	Corporations Tax	Taxation Year	Taxable Income
(Canadian and Foreign)	Number	End	(if loss, enter nil)
Middlesex Power Corporation	1800267	2004/12/31	44,123
Middlesex Energy Services Corporation	1800293	2004/12/31	
	•	Total	44,123

Transfer to 85 on the CT23

Client: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2004/12/31 Printed: 2005/06/30 12:58



Ministry of Finance

Taxable Capital of Associated Corporations

Corporations Tax Branch PO Box 620 33 King Street West Oshawa, ON L1H 8E9

(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
Middlesex Power Distribution Corporation	1800268	2004/12/31

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
Middlesex Power Corporation	1800267	2004/12/31	4,753,049
Middlesex Energy Services Corporation	1800293	2004/12/31	244,751
and the second s	A	gregate of taxable capital	4,997,800

Transfer to 540 of the CT23



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

Corporate Minimum Tax - Associated Corporation

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Middlesex Power Distribution Corporation	1800268	2004/12/31

Name of Associated Corporation (Canadian and Foreign)	Corporations Tax Number	Taxation Year End	Total Assets	Total Revenue
Middlesex Power Corporation	1800267	2004/12/31	4,753,049	
Middlesex Energy Services Corporation	1800293	2004/12/31	232,969	78,682
		Totals	4,986,018	78,682

Transfer to 249 of the CT23

Transfer to 250 of the CT23

Agence des douanes and Revenue Agency et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

Schedule 200

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the Income Tax Act. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the corresponding items in the T2 Corporation - Income Tax Guide (T4012).

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide. 055 Do not use this area

r			Identif	fication ———			
Business number (E Corporation's name	(item 12)		35 RC 0001			COP	V
002 Wilddiesex Power	Distribution Corporatio	ภ				<u>///</u>	
the last time we were		03 <u>Y</u> es		If <i>yes</i> , do you h the articles of a	ave a copy of mendment?	004 <u>Y</u> es	<u> </u>
Address of head office Has the address change	ged since the last			To which taxation ye From 060 2004/01	ar does this return ap	ply? (item 17 061 2004/12/	
time we were notified? 011 351 Frances Stre		010	<u>⊠ N</u> o —————	Has there been an accapplies since the prev	quisition of control to which ious taxation year?	nich subsecti 063∐ <u>Y</u> es	ion 249(4) X <u>N</u> o
City 015 Strathroy	Prov 016 ON	vince, territo	ory, or state	If yes, provide date co	ntrol was acquired	065	
Country (other tha	an Canada) Pos 018 N70	tal code/Zip	code	Is the corporation a	professional corporati		
				a partnership? (item	10)	067 <u>Y</u> es	X <u>N</u> o
	ferent from head office ged since the last time v			Is this the first year of Incorporation? (iten Amalgamation? (itel If yes, complete Schee	n 19) em 20)	070	<u>Х</u> <u>N</u> o <u>Х</u> <u>N</u> o
	eı						
023				Has there been a win	เd-up of a subsidiary เ	ınder sectic	n 88 durin
	Prov 026 ON an Canada) Pos	tal code/Zip	code	the current taxation of the season of the se	year?(item 21)	072 <u>∏ Y</u> es	∑ <u>N</u> o
027	028 N70	3 207		Is this the final taxat	ion vear		
Location of books on	d soonale (item 45)			before amalgamation		076∐ <u>Y</u> es	
Location of books an		4 4!					M ==-
notified? 031 <u>351 Frances Stre</u>		30 <u>Y</u> es		Is this the final return dissolution? (item 23		078 <u>Y</u> es	<u> </u>
City 035 Strathroy	036 ON		ory, or state	Is the corporation a of Canada? (item 24)		080	<u> N</u> o
Country (other tha	an Canada) Pos	tal code/Zir	code	If no, give the country	of residence.	081	
037	038 <u>N70</u>	S 2C7	-	Is the non-resident c			
1 X Canadian control	tion at end of taxation led 4 Corpution (CCRC)	year (item oration con oublic corpo	16) trolled by	treaty? (item 24) If yes, complete Scheen		082 <u>∏ Y</u> es	<u>X</u> <u>N</u> o
2 Other private corporation 3 Public corporation	<u>5</u> ☐ Othe	r corporatio ease specif	fy, below)	one of the following 085 1 Exemp	ot under 149(1)(e) or (I)		9, tick
If the type of corporation during the taxation year	on changed			3 Exemp	ot under 149(1)(j) ot under 149(1)(t) ot under other paragrap	ha of costicio	140
the effective date of the				4 L Exemp	n under other paragrap	ns or section	149
			Do not	o thin area			
004	000	1000	DO NOT US	e this area	Loos	Too	
091	092	093		094	095	096	
				•			

	Attachments		·i
	cial statement information: Use GIFI schedules 100, 125, and 141. * We do not prindules - Answer the following questions. For each yes response, attach to the T2 return the schedule that applies		hedules.
Guide		Yes	Schedule
27	Is the corporation related to any other corporations?	150×	9
28	Does the corporation have any non-resident shareholders?	151	19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160 X	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161	49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or	- X-/	
	employees, other than transactions in the ordinary course of business? Exclude non-arm's length		
	transactions with non-residents	162	11
33	If you answered yes to the above question, and the transaction was between corporations not dealing at		
	arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of		
	Canada?	164	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167	T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did		10010
	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)	109	25
72	of the federal Income Tax Regulations?	170	29
13	Has the corporation had any non-arm's length transactions with a non-resident?	-171	
43		171	T106
47	Has the corporation made payments to, or received amounts from a retirement compensation	470	
16	arrangement?	172	
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the	470	
	corporation's common and/or preferred shares?	173⊠	50
55	Is the net income/loss shown on financial statements different from the net income for income tax		
70.01	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
	Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203	3
	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
	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	6
103	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other		
	than dividends), (b) a partnership, (c) a foreign business, or (d) a personal services business; or		
	(ii) is the corporation claiming the refundable portion of Part I tax?	207	7
57	Does the corporation have any property that is eligible for capital cost allowance?	208 X	8
58	Does the corporation have any property that is eligible capital property?	210 X	10
	Does the corporation have any resource-related deductions?	212	12
	Is the corporation claiming reserves of any kind?	213	13
	Is the corporation claiming a patronage dividend deduction?	216	16
	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an		
	additional deduction?	217	17
150	is the corporation an investment corporation or a mutual fund corporation?	218	18
	Was the corporation carrying on business in Canada as a non-resident corporation?	220	20
	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221	21
	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	26 *
	Does the corporation have any Canadian manufacturing and processing profits?	227	27
	Is the corporation claiming an investment tax credit?	231	31
		232	
	Is the corporation claiming any scientific research and experimental development expenditures?		T661/T665
	Is the corporation subject to Part 1.3 tax?	233	33/34/35
	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	36
	Is the corporation claiming a surtax credit?	237	37
	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	38
	Is the corporation claiming a Part I tax credit?	242[]	42
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
	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
	For financial institutions: Is the corporation a member of a related group of financial institutions with one or	- 1000	
	more members subject to gross Part VI tax?	250	39
	s the corporation claiming a Canadian film or video production tax credit refund?	253	T1131
	s the corporation claiming a film or video production services tax credit refund?	254	T1177
	s the corporation subject to Part XIII.1 tax?	255	92 *

	Attachments - Continued fro	m page 2 ———		
Guide item			Y	es Schedule
44 Did the cor	poration have any foreign affiliates that are not controlled foreign a	ffiliates?	256	T1134-A
44 Did the cor	poration have any controlled foreign affiliates?		258	T1134-B
	poration own specified foreign property in the year with a cost amo	unt over \$100,000?	259	- 1
	poration transfer or loan property to a non-resident trust?		260	T1141
44 Did the cor	poration receive a distribution from or was it indebted to a non-residence	dent trust in the year?	261	- 1
	poration entered into an agreement to allocate assistance for SR& poration entered into an agreement to transfer qualified expenditur		262	T1145
of SR&ED		es incurred in respect	263	T1146
	poration entered into an agreement with other associated corporati	ons for salary or		
wages of sp	pecified employees for SR&ED?	AC (MAL) THE COLOR OF THE ACT \$11	264] T1174
	Additional information			
Is the corporation	on inactive? (item 48)	ин	280 1 Yes	2 No 🛛
	usiness activity changed since the last return was filed?			_
	st time filers) (item 49)		281 1 Yes 🗌	2 No 🛚
	poration's major business activity? (item 50) 282			
	if yes was entered at line 281.)			
If the major acti	vity involves the resale of goods, indicate whether it is wholesale o	r retail (item 51) 283 1	Wholesale	2 Retail
	cipal product(s) mined, manufactured, 284 Electricity			000_%
	d, or service provided, giving the 286		287	%
	rcentage of the total revenue that each 288		289	%
	ce represents. (item 52) tion immigrate to Canada during the taxation year? (item 53)		291 1 Yes 🗌	2 No 🛛
	ion emigrate from Canada during the taxation year? (item 54)		292 1 Yes	2 No X
	Taxable income			
Net income or (I	oss) for income tax purposes from Schedule 1, financial statement	ts or GIFI (item 77)	300	149,069 A
Deduct: Charit	able donations from Schedule 2 (item 78)	311		
	o Canada or a province, or a territory from Schedule 2 (item 79)	312		
	al gifts from Schedule 2 (item 80)	313	_	
	gical gifts from Schedule 2 (item 81)	314	_	
	le dividends deductible under section 112 or 113, or subsection	000		
) from Schedule 3 (item 82)	320	=	
	'l.1 tax deduction from Schedule 43 (item 83)** apital losses of preceding taxation years from Schedule 4 (item 84	325) 331	_	
	apital losses of preceding taxation years from Schedule 4 (item 85)		-	
	cted farm losses of prior taxation years from Schedule 4 (item 86)	333	-	
	losses of prior taxation years from Schedule 4 (item 87)	334	-	
	d partnership losses of prior years from Schedule 4 (item 88)	335	_	
	le capital gains or taxable dividends allocated from a central			
	union (item 89)	340	_	
Prosp	ector's and grubstaker's shares (item 90)	350	=	
	Subtot	al	_ • •	В
	Subtotal (amount A minus amo	unt B) (if negative, enter "(O")	149,069 C
Add: Section	n 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (ite	em 91)	355	D
Taxable incom	e (amount C plus amount D) (item 92)		360	149,069
Income exempt	under paragraph 149(1)(t) (item 93)		370	
	e for a corporation with exempt income under paragraph 149(1)(t)			
I UNUDIO IIIOOIII	e for a corporation with exempt income under paragraph 149(1)(t)			
	line 370) (item 94)			z

Small business deduction				_
Canadian-controlled private corporations throughout the taxation year				
Income from active business carried on in Canada from Schedule 7 (item 95)		400	149,069	Α
Taxable income from line 360 on page 3, minus 10/3 the amount at line 632* on page	7, minus 3 times	-		
the amount at line 636** on page 7, and minus any amount that, because of federal la				
Part I tax (item 96)		405	149,069	В
Calculation of the business limit: (item 97)				
for all CCPCs, calculate the amount at line 4 below				
\$225,000 x Number of days in the taxation year in 2003	=	.1		
Number of days in the taxation year 366				
\$250,000 x Number of days in the taxation year in 2004 366	= 250,000	2		
Number of days in the taxation year 366		F.		
\$300,000 x Number of days in the taxation year after 2004	=	3		
Number of days in the taxation year 366	~	£)		
Add amounts at line 1, 2, and 3	250,000	4		
Business limit (see notes 1 and 2 below)		410	200,000	С
Notes: 1. For CCPCs that are not associated, enter the amount from line 4 at line 410.	. However, if the corpor	ation's		
taxation year is less than 51 weeks, prorate the amount from line 4 by the nu				
divided by 365, and enter the result on like 410.	-			
2. For associated CCPCs, use Schedule 23 to calculate the amount to be ente	red at line 410			
Business limit reduction: (item 98)				
Amount C 200,000 X 415 *** D				_
11,250		-		E
Reduced business limit (amount C minus amount E) (if negative, enter "0")		425	200,000	F
Small business deduction - 16% of the least of amounts A, B, C, and F		430	23,851	G
(enter amount G of line 9 on page 7)				
Accelerated tax reduction (ite	m 99) ————			_

Accelerated tax reduction (item 98	,	
Canadian-controlled private corporations throughout the taxation year that claimed the	ne small business de	duction
Reduced business limit (amount from line 425) 200,000 x	300,000 =	240,000 A
	250,000	
Net active business income (amount from line 400)*		149,069_B
Taxable income from line 360 on page 3 minus 3 times the amount at line 636**		-
on page 7, and minus any amount that, because of federal law, is exempt from		
Part I tax (item 96)	149,069 C	
Deduct:		
Aggregate investment income (amount from line 440 of page 6)	D	
Amount C minus amount D (if negative, enter "0")	149,069	149,069 E
Amount A, B, or E above, whichever is less		149,069 F
Amount Z from Part 9 of Schedule 27 x 100 / 7 =	G	
Amount QQ from Part 13 of Schedule 27	Н	
Taxable resource income from line 435 on page 5	j	
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)	J	
Amount on line 400, 405, 410 or 425, whichever is less	149,069 K	
Total of amounts G, H, I, J, and K	149,069	149,069_L
Amount F minus amount L (if negative, enter "0")		M
Accelerated tax reduction - 7% of amount M		N
(Enter amount N on line 637 of page 7)		
1 - /		

^{*} 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.

General tax reduction - total of amounts H and I

	Resource deduction (item 1	00)	
Taxable resource income	Resource deduction (non-	435	i A
Amount A	Number of days in the taxation year in 2003		
, and dank ,	Number of days in the taxation year Number of days in the taxation year	366 x 1% =	В
Amount A	Number of days in the taxation year in 2004	366	
:======================================	Number of days in the taxation year	366 x 2% =	c
Amount A	Number of days in the taxation year in 2005	20/ -	Б
	Number of days in the taxation year	366 × 3% =	D
Amount A	Number of days in the taxation year in 2006	× 5% =	E
	Number of days in the taxation year	300	
Resource deduction - total of a	mounts B, C, D and E	438	F
(enter amount F on line 10 of pa	ge 7)		
General to	ax reduction for Canadian-controlled priva	ate cornorations (item	101) ————
	orporations throughout taxation year	ate oor perations (here	101)
Taxable income from line 360 pa	age 3		149,069 A
Amount Z from Part 9 of Schedu		В	
Amount QQ from Part 13 of Sch		С	
Taxable resource income from li	ne 435 above	D	
Amount used to calculate the cre	edit union deduction (amount E in Part 3 of Schedule 17)	E	
	and 425 on page 4, whichever is less	149,069 F	
Aggregate investment income from		G	
	celerated tax reduction (amount M of page 4)	Н	
Total of amounts B, C, D, E, F, C	G, and H	149,069	149,069 I
Amount A minus amount I (if neg			J
A			
Amount J>	INDITION OF GAYS IN THE TAXABLE TO YEAR IN 2000	× 5% =	K
	Number of days in the taxation year	366 × 5% =	
Amount Jx	Number of days in the taxation year after 2003	366	1
	Number of days in the taxation year	366 x 7% =	
General tax reduction for Cana	adian-controlled private corporations - total of amou	unts K and L	M
(enter amount M on line 638 of p	age 7)	(100 - 100 -	
	Consultar vaduation (item	100	
Cornerations other than a Con	General tax reduction (item 1 adian-controlled private corporation, an investment		investment
	poration, or a non-resident-owned investment cor		mvestment
Taxable income from line 360 or	page 3		Α
Amount Z from Part 9 of Schedu		В	
Amount QQ from Part 13 of Scho	edule 27	С	
Taxable resource income from li	ne 435 above	D	
Amount used to calculate the cre	edit union deduction (amount E in Part 3 of Schedule 17)	Ε	
Total of amounts B, C, D and E			F
Amount A minus amount F (if ne	gative, enter "0")		G
	Number of days in the taxation year in 2003		
	Number of days in the taxation year III 2003	x 5% =	H
Amount G:	Number of days in the taxation year after 2003		ii
- 10-18	Number of days in the taxation year	x 7% =	

(enter amount J on line 639 of page 7)

	ole portion of Part I tax (i	item 103) —		
Canadian-controlled private corporations through				
Aggregate investment income 440	X 26 2/3 % =		3€	A
(Amount P from Part 1 of Schedule 7)				
Foreign non-business income tax credit from line 632	on page 7			
Deduct:				
Foreign investment income 445	X 9 1/3 % =			
(Amount O from Part 1 of Schedule 7)	(if negative, enter "0")			В
Amount A minus amount B (if negative, enter "0")			·-	C
Taxable income from line 360 on page 3		149,069		
Deduct:		110,000		
Amounts on lines 400, 405, 410, and 425 on				
page 4, whichever is less	149,069			
Foreign non-business income tax credit	S			
from line 632 on page 7 x 25/9	=			
Foreign business income tax credit from	*			
line 636 on page 7 x 3 =				
	149,069	149,069		
		X	26 2/3% =	D
Part I tay navable minus investment tay gradit refund				
Part I tax payable minus investment tax credit refund		10 550		
(line 700 minus line 780 on page 8) Deduct corporate surtax from line 600 on page 7		19,558 1,670		
Net amount				47,000 5
		17,888	=	17,888 E
Refundable portion of Part I tax - Amount C, D, or E	, whichever is less		450	0 F
Pofundahi	e dividend tax on hand	(item 104) —		
Refundable dividend tax on hand at the end of the		(Itelli 10+)		
Deduct dividend refund for the previous taxation ye				
beduct dividend retaind for the previous taxation ye				,
	<u> </u>		:=	
Add the total of:				
Refundable portion of Part I tax from line 450 ab				
Total Part IV tax payable from line 360 on page				
Net refundable dividend tax on hand transferred				
corporation on amalgamation, or from a wound-u	in eubeidian/			
	•			
corporation	480			
	•	>		E
corporation	480	amount B	485	E
	480	amount B	485	E
corporation Refundable dividend tax on hand at the end of the	taxation year - Amount A plus		485	E
corporation Refundable dividend tax on hand at the end of the	taxation year - Amount A plus a) —	485	E
corporation Refundable dividend tax on hand at the end of the Drivate and subject corporations at the time taxable	taxation year - Amount A plus a ividend refund (item 105 e dividends were paid in the t) —	485	E
corporation Refundable dividend tax on hand at the end of the Drivate and subject corporations at the time taxable dividends paid in the taxation year from lin	taxation year - Amount A plus a ividend refund (item 105 e dividends were paid in the t) ————————————————————————————————————		E
corporation Refundable dividend tax on hand at the end of the Drivate and subject corporations at the time taxable Taxable dividends paid in the taxation year from lin Schedule 3	taxation year - Amount A plus a ividend refund (item 105 e dividends were paid in the te 460 on page 2 of) ————————————————————————————————————	485	<u> </u>
corporation Refundable dividend tax on hand at the end of the Drivate and subject corporations at the time taxable dividends paid in the taxation year from lin	taxation year - Amount A plus a ividend refund (item 105 e dividends were paid in the te 460 on page 2 of) ————————————————————————————————————		
corporation Refundable dividend tax on hand at the end of the Drivate and subject corporations at the time taxable Taxable dividends paid in the taxation year from lin Schedule 3	taxation year - Amount A plus a ividend refund (item 105 e dividends were paid in the te 460 on page 2 of)x		<u> </u>

Part I tax					_
Base amount of Part I tax -38% of taxable income (line 360 or amount Z, where from page 3 (item 106)	nichever a	ipplies)	550	56,646	Α
Corporate surtax calculation (item 107)					
Base amount from line A above		56,646	1		
Deduct:					
10% of taxable income (line 360 or amount Z, whichever applies) from page	3	14,907	2		
Investment corporation deduction from line 620 below			3		
Federal logging tax credit from line 640 below	= =		4		
Federal qualifying environment trust tax credit from line 648 below			5		
For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b and c below on line 6:					
28% of taxable income from line 360 on page 3	а				
28% of taxed capital gains	= b		6		
Part I tax otherwise payable			•		
(line A plus line C and D minus line F) 17,888	C				
Total of lines 2 to 6	= ~	14,907	7		
Net amount (line 1 minus line 7)		41,739			
	_ =	41,739			
Corporate surtax - 4% of the amount on line 8			600	1,670	В
Recapture of investment tax credit from line PPP in Part 21 on page 8 of Sche	dule 31 (it	em 108)	602		С
Calculation for the refundable tax on Canadian-controlled private corpora (for a CCPC throughout the taxation year) (item 109)	ıtion's inv	vestment income			
Aggregate investment income from line 440 on page 6			i		
Taxable income from line 360 on page 3 149,069					
Deduct:	-				
The least of amounts on lines 400, 405, 410, and					
425 on page 4 149,069	10				
Net amount	<u> </u>		ii		
Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of am	ounts i or	ii	604		D
		ld lines A, B, C, and	I D)	58,316	E
Deduct:	•				
Small business deduction from line 430 on page 4		23,851	۵		
Federal tax abatement (item 110)	608	14,907	9		
Manufacturing and processing profits deduction from amount BB	_000_	14,307			
of Schedule 27 (item 111)	616				
Investment corporation deduction (item 112)	620				
(Taxed capital gains 624)					
Additional deduction - credit unions from Schedule 17 (item 113)	628				
Federal foreign non-business income tax credit from Schedule 21 (item 114)	632				
Federal foreign business income tax credit from Schedule 21 (item 115)	636				
Accelerated tax reduction from amount N of page 4 (item 116)	637				
Resource deduction from line 438 of page 5		- A.V.	10		
General tax reduction for CCPC's from amount M of page 5 (item 117)	638				
General tax reduction from amount J of page 5 (item 117)	639				
Federal logging tax credit from Schedule 21 (item 118)	640				
Federal political contribution tax credit (item 119)	644				
Federal political contributions 646					
Federal qualifying environmental trust tax credit (item 120)	648				
Investment tax credit from Schedule 31 (item 121)	652				
Subto	_	38,758		38,758	F
Part I tax payable - Line E minus line F (enter amount G on line 700 on page	3) (item 12	22)		19,558	

Summary of tax and	credits —
Federal tax	
Part I tax payable from page 7 (item 123)	700 19,558
Part I.3 tax payable from Schedule 33, 34, or 35 (item 124)	704
Part II surtax tax payable from Schedule 46 (item 125)	708
Part IV tax payable from Schedule 3 (item 126)	712
Part IV.1 tax payable from Schedule 43 (item 127)	716
Part VI tax payable from Schedule 38 (item 128)	720
Part VI.1 tax payable from Schedule 43 (item 129)	724
Part XIII.1 tax payable from Schedule 92 (item 130)	727
Part XIV tax payable from Schedule 20 (item 131)	728
	Total federal tax 19,558
Add provincial and territorial tax	
Provincial or territorial jurisdiction (item 132) 750 ON	
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)	
Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 13	
Provincial tax on large corporations (New Brunswick and Nova Scotia) (item	147) 765
	Total tax payable 770 19,558 A
Deduct other credits	
Investment tax credit refund from Schedule 31 (items 148)	780
Dividend refund from Page 6 (items 149)	784
Federal capital gains refund from Schedule 18 (item 150)	788
Federal qualifying environmental trust tax credit refund (item 151)	792
Canadian film or video production tax credit refund from Form T1131 (item 1	
Film or video production services tax credit refund from Form T1177 (item 1	
Tax withheld at source (item 154)	800
Total payments on which tax has been withheld (item 154) 801	
Allowable refund for non-resident-owned investment corporations - Schedule 26 (item	155) 804
Provincial and territorial capital gains refund from Schedule 18 (item 156)	808
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812
Royalties deductible under Syncrude Remission Order 815	
Tax remitted under Syncrude Remission Order (item 158)	816
Tax instalments paid (item 159)	840
Total of	credits 890 B
Refund Code 894 Overpayment	Balance (line A minus line B) 19,558
(item 160) (item 163)	
Direct Deposit Request (item 164)	If the result is negative, you have an overpayment.
To have the corporation's refund deposited directly into the corporation's	If the result is positive, you have a balance unpaid.
bank account at a financial institution in Canada, or to change banking	Enter the amount on whichever line applies.
information you already gave us, complete the information below.	We do not charge or refund a difference of less than \$2.
Start Change information 910	
Branch number	Balance unpaid (item 163)19,558
914 918	Enclosed payment (item 162) 898
Institution number Account number	
If the corporation is a Canadian-controlled private corporation throughout the ta	exation year,
does it qualify for the one-month extension of the date the balance is due? (iter	m 161) 896 1 Yes 🛛 2 No 🗌 NA 🗍
Cartification (item	165)
Certification (item	•
950 Enright 951 Thomas	954 Chairman
Surname First name	Position, office or rank
955 2005/06/30 956 (519) 245-2010	
Date Telephone number	te the information below. 957 1 Yes X 2 No
Is the contact person the same as the authorized signing officer? If no, comple	te the information below. 957 1 Yes X 2 No
958	959 <u>(</u>) -
Name	Telephone number
Language of correspondence - Langue d	e correspondance (item 166)
990 Language of choice/Langue de choix <u>1</u> English / Anglais X	

Prepared without audit based on information provided by the taxpayer.

Canada Customs and Revenue Agency et du revenu du Canada

Agence des douanes

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Schedule 1

The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraordinary items per fina	ancial statements		Α	122,580
Add:				
Provision for income taxes - current	10 ⁻	139,933		
Amortization of tangible assets	104	494,680		
	Total of fields 101 to 199 500	534,613	·	534,613
Deduct:				
Capital cost allowance - Schedule 8	403	3 480,975		
Cumulative eligible capital deduction - Schedule 10	40:	5 27,149		
	Total of fields 401 to 499 510	508,124)	508,124
Net income (loss) for income tax purposes (enter on line	300 of the T2 return)			149,069

5,261,389 2,876,237 92,715

141,616

60,693

30

115,894 202,309 480,975

8,721,988

130,944

261,888

8,591,044

Totals

115,894 202,309 8,371,957

UCC at the end

Terminal loss

of the year

220

215

CAPITAL COST ALLOWANCE

Client: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2004/12/31 Printed: 2005/06/30 12:58

Canada Customs Agence des douanes and Revenue Agency et du revenu du Canada

Recapture of CCA 213 182,856 23,179 CCA for the year 214,247 (col 8 x 9 or a lower amount) 217 Rate % 212 5,356,185 Base amount for SCA ∞ Adjustment for E additions (1/2 x (col 3 - 5)) 11,493 119,451 2 No X dispositions in the year Proceeds of 101 1 <u>Y</u>es □ 207 Net adjustments Is the corporation electing under regulation 1101(5q)? 205 238,902 Cost of additions in the year 203 5,236,734 UCC at start of year 201 Class 200

RELATED AND ASSOCIATED CORPORATIONS

This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name	Country	Business #	Code	Common shares	nares	Preferred shares	shares	Book value of
	(if not Canada)	(if not (Canadian corporation note 1 canada) only)	note 1	# owned	% owned	# owned	% owned	capital stock
100	200	300	400	200	550	009	650	200
Middlesex Power Corporation		88102 2925 RC 0001	_	4,631,198	100.000			4,631,198
Middlesex Energy Services Corporation		86965 3329 RC 0001	3					
Note 1: Enter the code number of the relationship that applies: 1- Parent	اسدا	2 - Subsidiary 3 - Associated	4 - Rela	4 - Related, but not associated	ociated			

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CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Part 1 - Calculation	n of current vea	n deduction an	a carry-iorward			_
Cumulative eligible capital - balance the end of the				00	387,839	Α
Add: Cost of eligible capital property acquired				:		
during the taxation year	.22					
Other adjustments 2	26					
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	28	x 1/2 =	C			
	nount C (if negative,					D
	, -	, enter o)		24		E
Amount transferred on amalgamation or wind-	up of subsidiary	Cubtotal (add am	ounts A, D, and E) 2		387,839	F
		Subibiai (add airi	ounts A, D, and E) Z	.30	307,039	'
Deduct: Proceeds of sale (less outlays and expens	es not otherwise					
deductible) from the disposition of all eligib	ole capital property					
during the taxation year		242	G			
The gross amount of a reduction in respection soligation as provided for in subsection 80		244	ш			
Other adjustments	(7)	244 				
	d amounts G, H, an		x 3/4 = 2	48		
` ·		u i) ======	X 3/4 - Z	40		J
Cumulative eligible capital balance (amount F mir (if amount K is negative, enter "0" at line M and proc					387,839	L/
Cumulative eligible capital for a property no longer o		to carry		ō 	307,039	. 1
on that business	whed alter deading	249				
amount K	387,839					
less amount from line 249						
Current year deduction	387,839 x	7% = 250	27,149			
(line 249 plus line 250) (enter this amo			27,149		27,149	1
, , , , , , , , , , , , , , , , , , , ,	diff at mio 400 of o					
Cumulative eligible capital – Closing balance (ar	nount K minus amou			100		N/I
Cumulative eligible capital - Closing balance (am	nount K minus amou			00	360,690	М
		ınt L) (if negative, e	nter "0") 3			М
Part 2 – Amount to b		ınt L) (if negative, e	nter "0") 3			
Part 2 – Amount to be Amount from line K (show as positive amount)	oe included in i	ınt L) (if negative, e	nter "0") 3			M
Part 2 – Amount to be Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions	oe included in i	nt L) (if negative, e	nter "0") 3			
Part 2 – Amount to be Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988	pe included in it	ncome arising	nter "0") 3			
Part 2 – Amount to be Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre	pe included in it	ncome arising 400	from disposition			
Part 2 – Amount to be Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7)	pe included in it	ncome arising	nter "0") 3			
Part 2 – Amount to k Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years	oe included in in from income for int or prior years und	ncome arising 400	from disposition			
Part 2 – Amount to be Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7)	pe included in it	ncome arising 400 der 401	from disposition			
Part 2 – Amount to k Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988	oe included in in from income for int or prior years und	ncome arising 400 der 401	from disposition			
Part 2 – Amount to be Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988	oe included in in from income for int or prior years und	ncome arising 400 der 401	from disposition			
Part 2 – Amount to k Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the CEC account that were included in income for taxation years beginning	oe included in it from income for nt or prior years und	ncome arising 400 der 401	from disposition			
Part 2 – Amount to be Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988 Line 3 minus line 4 (if negative, enter "0") Total of lines 1, 2, and 5	oe included in it from income for nt or prior years und	ncome arising 400 der 401	from disposition 1 2			
Part 2 – Amount to be Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988 Line 3 minus line 4 (if negative, enter "0") Total of lines 1, 2, and 5 Amounts included in income under paragraph 14(1)(b), as	oe included in it from income for nt or prior years und	ncome arising 400 der 401	from disposition 1 2			
Part 2 – Amount to k Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988 Line 3 minus line 4 (if negative, enter "0") Total of lines 1, 2, and 5 Amounts included in income under paragraph 14(1)(b), as that paragraph applied to taxation years ending after	pe included in its from income for int or prior years und	ncome arising 400 der 401	from disposition 1 2			
Part 2 – Amount to k Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988 Line 3 minus line 4 (if negative, enter "0") Total of lines 1, 2, and 5 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	pe included in its from income for int or prior years und	ncome arising 400 der 401	from disposition 1 2			
Part 2 – Amount to k Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988 Line 3 minus line 4 (if negative, enter "0") Total of lines 1, 2, and 5 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	pe included in its from income for int or prior years und	ncome arising 400 der 401	from disposition 1 2			
Part 2 – Amount to k Amount from line K (show as positive amount) Total of cumulative eligible capital (CEC) deductions taxation years beginning after June 30, 1988 Total of all amounts which reduced CEC in the curre subsection 80 (7) Total of CEC deductions claimed for taxation years beginning before July 1, 1988 Negative balances in the CEC account that were included in income for taxation years beginning before July 1, 1988 Line 3 minus line 4 (if negative, enter "0") Total of lines 1, 2, and 5 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	pe included in its from income for int or prior years und	ncome arising 400 der 401	from disposition 1 2			
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Schedule 23

AGREEMENT AMONG ASSOCIATED CANADIAN-CONTROLLED PRIVATE CORPORATIONS TO ALLOCATE THE BUSINESS LIMIT (2003 and later taxation years)

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one taxation year ending in a calendar year, is required to file an agreement for each taxation year ending in that calendar year.

Δ	location	of the	business	limit
м	IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	WI III	DUSINESS	>

Date filed (for departmental use only)	025			
Enter the calendar year to which the agreement applies	050	2004		
Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?	075	X 2 <u>N</u> o		
1	2	3		
Names of associated corporations	Business Number of	Association		
	associated corporations	code		
100	200	300		
1 Middlesex Power Distribution Corporation	86570 1635 RC 0001	1		
2 Middlesex Power Corporation	88102 2925 RC 0001	1		
3 Middlesex Energy Services Corporation	86965 3329 RC 0001	1		

Allocate	business	limit	usina.	⊠%	□ \$
Allucate	DUSILIESS	1111111	uənıu.	IAI /0	1 1 10

			4	Allocating business limit					
	Taxation year		Business limit for the year (before allocation) \$	5 Percentage of the business limit (%)	6 Business limit allocated \$	7 Gross Part I.3 tax for business limit reduction			
	Start	End		350	400				
1	2004/01/01	2004/12/31	250,000	80.000	200,000				
2	2004/01/01	2004/12/31	250,000						
3	2004/01/01	2004/12/31	250,000	20.000	50,000				
TOTALS				100.000	A 250,000				

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box. \$200,000

Client: Middlesex Power Distribution Corporation CRA Business # 865701635 Year-end: 2004/12/31 Printed: 2005/06/30 12:58

Canada Customs Agence des douanes and Revenue Agency et du revenu du Canada

SHAREHOLDER INFORMATION

Schedule 50

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder 100	Business Number * 200	Social Insurance Number * 300		Percentage preferred shares 500
Middlesex Power Corporation	88102 2925 RC 0001		100.000	
	RC			

^{*} If the shareholder is a trust, enter NR at field 200 or NA at field 300.

Detach and return this REMITTANCE FORM with your payment.



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

> Account No. 1800268

> > 35 PX5003

MIDDLESEX POWER DISTRIBUTION CORPORATION C/O THOMAS ENRIGHT 351 FRANCES ST

STRATHROY N7G 2C7

ON

Remittance Advice - Payment-in-Lieu (PIL)

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

Taxation Year End: (YYYYMMDD)		0	o	4	1	2	3	/	
Payment Amount: \$			1	4	4	6	4	1	
Taxation Year End: (YYYYMMDD)		0	0	4	1	2	3	1	
Payment Amount: \$			1	4	4	6	4	/	
Total Payment \$			1	4	4	6	4	/	



Ministry of Finance Corporations Tax Branch - Hydro PIL PO Box 620 33 King Street West Oshawa ON L1H 8E9 Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 . Corporations Tax Act, R.S.O. 1990 from 2004/01/01 to 2004/12/31

Account No. 1800268

Assessment Date 2005/07/18

Page 4 of 4

MIDDLESEX POWER DISTRIBUTION CORPORATION

ASSESSMENT NO. 14

Tax: Federal and Provincial PIL Assessment Interest **Total Assessment Liability** 45,279.00 46,722.36

SUMMARY OF 2004/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

Sub-Total **TAXATION YEAR BALANCE DUE **** 45,279.00CR

<u>45,279.00</u>CR 1,443.36

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

Interest 3.05 to Suly 29 14460 41

**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%.

- Toronto (416) 730-5585
- FAX (416) 730-5593

Oshawa and Local (905) 433-6708
 Toronto (416) 920-9048 ext. 3036

